

Presentation on Bill 148 to the Standing Committee on Finance and Economic Affairs

Good afternoon. I'm Willy Noiles, president of the Ontario Network of Injured Workers Groups and a St. Catharines resident.

ONIWG includes 22 local support groups in communities from Ottawa to Windsor and Niagara to Thunder Bay. We're the organization representing injured workers in Ontario for the last 26 years. Our local groups provide support and education to injured workers in their communities while the ONIWG board is the political and advocacy arm. The board is elected by delegates from these local groups.

Unfortunately, to my knowledge, I'm the only injured worker who was invited to present. Most, if not all, of our local groups requested a chance to speak in their local communities, but did not receive standing. This is very disappointing as I am quite sure the Niagara Chamber of Commerce, for instance, wasn't the only chamber of commerce granted a chance to speak.

As an organization, ONIWG has discussed a minimum wage increase numerous times. We support a \$15-an-hour minimum wage 100% as it's only fair that low-wage earners working full time make above the poverty line. We are concerned however that it doesn't reach \$15-an-hour until after the next election. Dependent upon what Ontarians decide next June, we worry that low-wage earners may not see an increase beyond January 2018's \$14-an-hour minimum wage.

But our chief concern is that unless changes are made at the Workplace Safety and Insurance Board, thousands of permanently disabled injured workers will see their benefits cut on Jan. 1, 2018 and 2019, provided \$15 becomes a reality. How can one set of workers lose while the rest gain? Because of an insidious mechanism introduced in early 1990 that allows WSIB to "deem" how much a permanently disabled injured worker can receive in loss of earnings benefits.

Instead of basing LOE benefits on what someone is actually earning, the Board “deems” or pretends injured workers have been able to return to some type of full-time employment after “recovering” from their injury. WSIB dreams up a phantom job it claims this worker is qualified for, takes away the wages it claims this worker is earning, leaving them with little or no compensation benefits, regardless of whether they’re employed or not.

By way of example, Delores was a factory worker earning \$20-an-hour, but because of a workplace accident, she’s unable to return to her old job. WSIB sees few options for retraining given her age and education. They think, however, she could work as a customer service rep at minimum wage without much retraining. Delores’ LOE benefits are based on the difference between the \$20 she’d been earning and the current minimum wage of \$11.40. Delores’ LOE benefits would thus be \$218 weekly in this example. This wouldn’t be so bad if Delores was actually working and earning \$11.40-an-hour. But for a number of reasons, Delores and many other injured workers are not employed. And even though we know a good 49% of disabled individuals are unemployed, that doesn’t matter to the WSIB because they think Delores is making \$11.40-an-hour working full time at some fictitious job. In reality, though, Delores does not have a job and is trying to survive on \$218 a week. Because of this minimal income, she earns too much to be eligible for Ontario Works. When the minimum wage increases to \$15-an-hour, Delores’ WSIB cheque will be reduced to \$127 a week, forcing her onto social assistance. Hopefully, you can now appreciate the impact of a minimum wage increase for Delores and others.

Last year, about 54,000 workers were “deemed” to be working some full-time job at rates usually around minimum wage. And while some of those 54,000 are working, most aren’t. The result being that unless the “deeming” provision is tackled, the celebration of increasing the minimum wage to a more livable wage will see more injured workers forced onto social assistance, where far too many have already had to go.

Aside from the fact that workers' compensation was designed to prevent injured workers from becoming a drain on the public purse, the long and short of it is that while you'll be rightfully cheering over a \$14 or \$15 minimum wage, thousands of injured workers will see a decrease in earnings. Don't let this become a black eye on the government's face. In fact, the only winners if changes aren't made to "deeming" is the WSIB who won't have to pay out as much in benefits. Like low-wage earners, injured workers just want some fairness.

Thank you.

[also available in Committee Hansard transcript, July 19, 2017 -

http://www.ontla.on.ca/committee-proceedings/transcripts/files_pdf/19-JUL-2017_F029.pdf]