

Sent by Fax

March 29, 2007

Honourable Steve Peters  
Minister of Labour  
Minister's Office  
14<sup>th</sup> Floor  
400 University Avenue  
Toronto, Ontario  
M7A 1T7

Fax # (416) 326-1449

Dear Minister Peters:

Re: Minimum Wage Impact on Injured Workers

As you are aware, the recent Ontario Budget announced increases to Ontario's minimum wage in coming months and years. The Budget document stated that these increases "are an important part of helping those with low incomes".

The Budget also announced "a number of important improvements in benefits for injured workers". We assume that these improvements were announced in part because injured workers are among the most economically vulnerable of those with low incomes in the province.

However, we are calling upon you to ensure that injured workers are not penalized by the increases in the minimum wage. Workers' compensation benefits are based upon the difference between pre-injury earnings and actual or deemed post-injury earnings. Many injured workers receive benefits based upon the assumption that they are capable of working at a minimum wage job, when in fact they are not working. If the minimum wage is increased, and the worker's benefits are reviewed, then the benefits are decreased because of the higher deemed post-injury earnings.

This reduction of benefits comes as a shock to injured workers whose circumstances have not changed. They continue to have no earnings, and see their worker's compensation benefits decrease.

If the above injustice is not addressed, then the government will be improving benefits to injured workers with one hand, and worsening benefits to injured workers with the other.

-2-

Permanently impaired injured workers who are unable to return to work, and are subsequently deemed to be earning by the Workplace Safety and Insurance Board, are certainly of low income, and deserve to have their benefits improved, not worsened.

We look forward to hearing from you to discuss this important issue as soon as possible. Thank you.

Yours sincerely,

Injured Workers' Consultants  
Peter Bird, Chair

cc Gerry Martiniuk  
PC Labour Critic

Andrea Horwath  
NDP Workers' Compensation Critic

Steve Mahoney  
WSIB Chair

Jill Hutcheon  
WSIB President

John Slinger  
WSIB Chief Operating Officer