

The Manitoba Association of School Trustees

**Submission to the Workers Compensation Board
Extension of Coverage Consultation**

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Leadership, advocacy and service for Manitoba's public school boards

Extension of Coverage Consultation

The Manitoba Association of School Trustees (MAST) is a voluntary organization of thirty-eight public school boards. Collectively, the school divisions governed by these boards are major employers, with more than 12,900 full-time equivalent teachers and approximately 15,000 full and part-time workers on staff in the province's public schools.

The provincial government's 2005 amendments to *The Workers Compensation Act* required consultation with excluded employer groups prior to any further extension of coverage. School divisions, as an entity, are currently excluded from mandatory coverage. MAST appreciates the opportunity to make this written submission to the Workers Compensation Board, to emphasize the concerns school boards have relating to the possible extension of WCB coverage to include individuals in their employ.

Current Coverage for School Board Employees

The majority of school boards voluntarily participate in WCB for certain categories of workers such as trades, custodial and maintenance positions. In some school divisions, clerical and educational assistant positions are also covered. With the exception of teachers employed in areas such as industrial and vocational arts (e.g. woodworking and power mechanics), teachers, as a group, are not covered.

Although not all school division employees are covered by workers compensation, all school division employees *do* accumulate sick leave paid for by the employer, with the maximum accumulation averaging 120 days. A number of teachers' contracts also contain a provision whereby teachers who suffer on-the-job injuries and utilize their accumulated sick leave will, upon return to work, have their sick leave bank replenished.

In addition, a number of school division employees participate in long term disability plans. All teachers participate in the Teachers' Disability Benefits Plan, which can be accessed after 80 days or on the expiration of their sick leave whichever occurs later. This plan is self-funded by the teachers. There are no restrictions on the causes of a disability, so disabilities that are not work-related are covered under this plan. We would also like to note that work-related physical injuries are rare for teachers. The

Manitoba Teachers' Society made this point in its June 1, 2004 presentation to the Workers Compensation Review Committee, in which it stated that "teachers are low risk".

Provisions are already in place, therefore, to ensure that school division employees have access to salary replacement plans in one form or another, in the event that they suffer on-the-job injuries. Coverage under *The Workers Compensation Act* would not significantly enhance their existing coverage. To the contrary, if inclusion under workers compensation results in the loss of current, more comprehensive disability coverage, it might actually result in a degradation of coverage for some employees.

Maintain Current Definition of Acceptable Stress

Although there has been no indication that the WCB intends to expand workers compensation to cover job stress, we believe it is important to reiterate our concerns as identified in 2004. We continue to support the position of the Manitoba Employers' Council (MEC), as outlined in its June 23, 2004 submission to the Workers Compensation Review Committee, that the current definition of acceptable stress is not only fair and reasonable, but also consistent with the definition used by the majority of jurisdictions in Canada.

To quote from that submission:

Any amendment to the current definition of acceptable stress would, in our opinion, open the door to claims of stress relating to employer/employee decisions or actions that form part of the daily employment functions. For example, terminations, demotions, transfers, discipline, changes to work hours or conditions and changes to productivity expectations. As well there are those situations where employees are simply unable to cope with the duties of the position that they were hired for. It is also impossible for either the WCB or the employer to be cognizant of all stressors that might have precipitated the onset of stress. For example, job security, family illness, financial problems, domestic issues, gambling and/or substance abuse issues to name a few. It is, in our opinion, easily understood why the majority, if not all, of the other Canadian jurisdictions have limited acceptance of stress to only those situations that are a result of an "acute reaction to a traumatic event" arising out of and in the course of employment.

It is our opinion that broadening of the interpretation of acceptable stress is not only inconsistent with the spirit and intent of *The Workers Compensation Act* but would place an unmanageable and unfair financial burden on the employers of Manitoba.

MAST recommends that there be no change to the definition of stress.

Assessment

MAST is concerned about the significant additional financial burden that will be placed upon school divisions should workers compensation coverage be extended to cover all school division employees.

Divisions voluntarily participating in workers compensation pay a total assessment fee of \$4.56 million. It is our understanding that, should workers compensation coverage be extended to all school division employees, the initial assessment rate would be the same as that paid by school divisions for current employees covered. Current assessment costs range from a low of \$0.68 per \$100 of payroll, to a high of \$3.09. Based upon the above understanding, should coverage be extended to all employees including teachers, there would be an estimated additional assessment fee of \$11.82 million. This would be a significant financial burden on school divisions, and ultimately on ratepayers.

One must recognize that this cost is not one-time, but ongoing. School boards' revenue is derived from funds received from government, and by local taxation. School board budgets are now fixed until June 30, 2009; they have no ability to raise additional funds after their budgets have been set. Should the government extend coverage prior to June 30, 2009, the only alternative would be to cut programs and services, an alternative which we and the communities we represent would find unacceptable.

Conclusion and Recommendations

In 2004, both MEC and MAST emphasized a number of points that we believe bear repeating here.

- Any proposed extension of coverage must be carefully examined, and shown to be in the best interest of the employers and employees involved.
- The workers compensation system must be accountable to employers, as well as other stakeholders.
- There should be no changes in coverage without a thorough and accurate cost analysis.
- Any extension of coverage should be based upon rate factors and injury experience.
- The current definition of stress as provided for in *The Workers Compensation Act* should be retained.