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Katch Kotch, Clerk  
Standing Committee on Social Policy  
Room 1405, Whitney Block  
Queen's Park, Toronto ON M7A 1A2

### **Bill 119, Workplace Safety and Insurance Amendment Act, 2008**

We are writing to offer our comments concerning Bill 119, the Workplace Safety and Insurance Amendment Act, 2008 (Bill 119).

Advocis is the largest and oldest voluntary professional membership association of financial advisors in Canada. Most of our members are licensed to provide life and health insurance. Our members are independent owners and operators of small businesses and sales representatives of medium- and large-size financial services companies, who provide comprehensive financial planning and investment advice, including insurance advice, retirement and estate planning, and employee benefit plans and disability insurance.

Advocis members in Ontario provide benefit packages to small and medium-sized enterprises across Ontario, including businesses in the construction industry, that include disability and related insurance products.

We do not take issue with the Government's objective of ensuring that all workers in the construction industry will be protected if they are injured on the job. We believe that all individuals working in the construction industry should be protected by disability insurance. We also believe that it may be appropriate to require all individuals working on a construction worksite to be able to show proof that they have disability insurance. However, we are very strongly of the view, that it is inappropriate to take away the choice that currently is available to independent operators, sole proprietors, partners and executive officers, to choose between private insurance and WSIB coverage.

Section 12.2 of the Bill will make WSIB coverage mandatory for every independent operator, sole proprietor, partner and executive officer of any enterprise carrying on business in construction. Currently such individuals may opt for such coverage in addition to or instead of private insurance coverage, but they are not required to do so.

Currently all independent operators, sole proprietors, partners and executive officers in the construction industry are able to choose between private insurance coverage and

WSIB coverage for themselves. (They are required under the law as it currently stands, to obtain WSIB coverage for *their* employees.) Bill 119 would take away that choice between private insurance and WSIB coverage, and would make it mandatory for them to purchase WSIB coverage for themselves.

Advocis members, as insurance professionals, arrange for occupational and disability insurance coverage through private insurance providers for many individuals in the construction industry who will be captured by section 12.2.

Many of these individuals in the small business construction sector, who have the option of WSIB coverage, choose private insurance coverage because it typically offers more comprehensive and flexible coverage at less cost. Such coverage will typically provide 24-hour, seven day a week coverage, rather than the workday only coverage the WSIB insurance offers. In many instances, the private coverage will be less expensive than WSIB coverage.

For many individuals and small enterprises in the construction industry, mandatory WSIB coverage will be a significant additional expense. In many cases the WSIB coverage will overlap with more comprehensive private insurance, but will not serve as an adequate substitute for the private insurance. Making the WSIB coverage mandatory will impose a substantial additional financial burden on these individual small businesspersons.

We urge the Committee to recommend to the government, that further study should be undertaken before the Bill is passed into law. In particular, we believe that such a study should examine the choices that are currently available to these individuals, and whether there are the gaps in the private insurance coverage that is available that justify removing choice and making the WSIB coverage mandatory for these individuals.

We also urge the Committee to recommend changes to the legislation so that independent operators, sole proprietors, partners and executive officers in the construction industry will continue to be permitted to choose between private insurance coverage and WSIB coverage for themselves.

We would be pleased to discuss our concerns about the scope of section 12.2, and to bring our insurance expertise to bear is helping to ensure that all workers in the construction industry who risk injury on the job are protected.

Sincerely,



Greg Pollock  
President and CEO



Roger McMillan, BA, CFP, CLU, CH.FC  
Chair, Ontario Provincial Advocacy Committee