Reducing Costs and Risks for Businesses [A. Killoch_ISPPD] [Placement to be confirmed by Mo]

Since 2016, the WSIB has been taking measures to reduce its costs and manage premiums. In addition, the government asked the WSIB to negotiate changes to its pension plan to improve its sustainability and affordability. In response, the WSIB and the Ontario Compensation Employees Union (OCEU) have agreed to convert the pension plan to a jointly sponsored pension plan (JSPP). This change would mean equal sharing of costs and risks between the employer and employees, and joint governance, including decision-making on benefit changes, while protecting those benefits already earned. Through this change, the WSIB could potentially save an estimated $360 million over 25 years, starting in 2019.

The conversion of the pension plan to a JSPP will require the consent of all members entitled to benefits under the plan, and the approval of the Superintendent of Financial Services. If the conversion takes place and a request is made by the newly established plan, the government intends to name it in a regulation as exempt from solvency funding requirements, consistent with other broader public-sector solvency-exempt JSPPs.