



RESCON®
RESIDENTIAL CONSTRUCTION
COUNCIL OF ONTARIO

November 26, 2008

Please find attached a copy of a letter sent to the Minister of Labour regarding the recent amendments to Bill 119 regarding an executive officer exemption from compulsory coverage provided the prescribed conditions of the regulation are satisfied. As you are aware, our concern was not with the executive officer exemption, but with its ability to be manipulated as a new "loophole" to escape coverage under the revised scheme of mandatory coverage.

In our opinion, the recent amendments to Bill 119:

- preserves the integrity of the exemption;
- is in keeping with the spirit of the legislation;
- and provides the WSIB with the necessary regulatory rules to ensure that only legitimate executive officers who are not exposed to the risks typically associated with construction work are eligible to be exempt from compulsory coverage.

The Bill is currently undergoing third reading. We will keep you informed of any other developments.

Regards,

Jason Ottey



November 25th 2008

Hon. Peter Fonseca
Minister of Labour
14th Floor
400 University Ave
Toronto, ON
M7A 1T7

Dear Minister Fonseca

Re: Bill 119 Amendments

On behalf of the members of RESCON, I would like to take this opportunity to express our support for the recent set of amendments to Bill 119, principally with regard to the ability of executive officers to be exempt from coverage, provided that the prescribed conditions are satisfied.

As you are aware, our submission recognized the difficulty of maintaining an exemption for executive officers under the new regime of mandatory coverage. Our concern was not with the exemption for executive officers, but with its ability to be manipulated as a new “loophole” and applied to a class of individuals not originally contemplated. In our opinion, the recent amendments to Bill 119: preserves the integrity of the exemption; is in keeping with the spirit of the legislation; and provides the WSIB with the necessary regulatory tools to ensure that only legitimate executive officers who are not exposed to the risks typically associated with construction work are eligible to be exempt from compulsory coverage.

With respect to the “home renovation” exemption, our submission had requested that a series of amendments be added that would further restrict the ability of that exemption to be used as a vehicle to escape coverage. While we are disappointed that an amendment was not tabled which would have further marginalized its ability to be abused, we believe that additional enforcement from the Ministry of Labour and the WSIB in the renovation sector of the construction of the industry is absolutely vital to maintaining a level playing field between the sectors.

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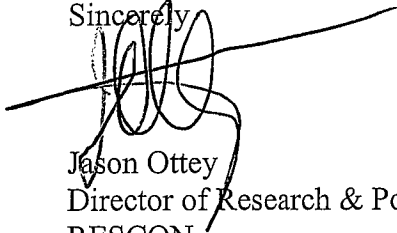
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In addition, Bill 119 provides the legislative and regulatory tools necessary to devise a system of verifying coverage for the construction industry, which if properly utilized, will further enhance a mandatory coverage regime. On this point, we believe a collaborative approach is necessary with all the industry stakeholders, and look forward to working with the Ministry and the WSIB on this issue.

Sincerely



Jason Ottey
Director of Research & Policy
RESCON

c.c.

Hon. Dalton McGuinty, Premier of Ontario

Hon. George Smitherman, Ministry of Energy and Infrastructure

Hon. Michael Bryant, Minister of Economic Development

Vic Dhillon, MPP, Parliamentary Assistant to the Minister of Labour

Hon. Steve Mahoney, Chair, Workplace Safety & Insurance Board

Vince Versace – Daily Commercial News

Bill 119

An Act to amend the Workplace Safety and Insurance Act, 1997

Motion to be moved in Committee

(On peut obtenir la version française de cette motion auprès du greffier.)

M _____

Section 4 (Section 12.2 of the *Workplace Safety and Insurance Act, 1997*)

I move that section 12.2 of the *Workplace Safety and Insurance Act, 1997*, as set out in section 4 of the Bill, be amended by adding the following subsections:

Regulations, partners and executive officers

(4.1) The Lieutenant Governor in Council may make regulations,

- (a) exempting a partner or executive officer from the application of subsections (1) to (4);
- (b) prescribing the conditions that must be satisfied by the partner, partnership, executive officer or corporation, as the case may be, for the exemption to apply.

Same

(4.2) A regulation made under subsection (4.1) may prescribe conditions relating to, but not limited to,

- (a) the minimum number of executive officers of the corporation;
- (b) the nature of the work performed by a partner or executive officer;
- (c) the size of the partnership or corporation and the manner of determining the size of each;
- (d) the number or the manner of determining the number of partners of a partnership or executive officers of a corporation that are exempt.

Same

(4.3) A regulation made under subsection (4.1) may,

- (a) prescribe different conditions relating to partners and executive officers and to partnerships and corporations;
- (b) prescribe such requirements as may be necessary to enable the Board to administer the regulation and to determine if, at any particular time, a partner or executive officer is exempt from the application of subsections (1) to (4).