

EXAM 6 – CANADA, SPRING 2014

14. (2 points)

a. (0.50 point)

Describe the historical reason for the inception of workers' compensation programs in Canada.

b. (0.25 point)

Briefly explain how workers' compensation programs are funded in Canada.

c. (1.25 points)

Fully explain the concept of individual liability in workers' compensation, including a description of its operation, its funding, and the entities for which it is used.

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SAMPLE ANSWERS AND EXAMINER'S REPORT

QUESTION 14	
TOTAL POINT VALUE: 2	LEARNING OBJECTIVE: B1, B2
SAMPLE ANSWERS	
Part a: 0.5 point(s)	
<i>Historical reason was to reduce the burden on courts and congestion in courts and provide immediate assistance to injured worker</i>	
Part b: 0.25 point(s)	
<i>Funded by employer contributions (assessments)</i>	
Part c: 1.25 point(s)	
<ul style="list-style-type: none">• Used for public agencies, large corporations in transportation industry• Funded by employers• Employers are assessed amount based on actual claims and expenses for their company• “pay-as-you-go” model• Self-insured since employer pays own costs• Benefits still administered through workers compensation boards	

SAMPLE ANSWERS AND EXAMINER'S REPORT

EXAMINER'S REPORT
Part a
<p>Most candidates only receive partial credit for this part. Candidates commonly described how workers' compensation operates (similar to what is being asked for in part c) as the reason for its inception. Very few candidates were able to recall that the legal system was no longer able to efficiently handle the amount of cases.</p> <p>A few candidates mentioned that increased accidents and industrialization were part of the reason for inception.</p>
Part b
<p>A lot of candidates received full credit for this part.</p>
Part c
<p>Most candidates scored well on this part. Many components of the individual liability mechanism were given credit since the question left it somewhat open and did not specify how many items/components were needed for full credit.</p>