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SIEF Relief Ends: What Ontario Employers Need to Know

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As of **July 16, 2026**, the Workplace Safety and Insurance Board ("WSIB") has begun phasing out the Second Injury and Enhancement Fund ("SIEF").[1] The WSIB will no longer grant, vary, or consider any new request under the SIEF.

The original mandate of SIEF was to provide an employer with cost relief for hiring a worker with a pre-existing condition or disability. The decision to discontinue SIEF came following a Value for Money Audit in which it was concluded SIEF was neither providing meaningful cost relief to employers nor effectively reducing employment barriers for workers with a pre-existing condition or disability.

As of the date of this briefing note, the WSIB has not indicated it intends to replace SIEF with any other program. However, cost relief provided under SIEF as of June 16, 2026, or as a result of a request received before June 16, 2026, will be applied and taken into consideration when determining an employer's premium rates.

What was SIEF?

SIEF was designed to (1) encourage an employer to hire a worker with a pre-existing condition or disability, and (2) provide an employer with cost relief. Under SIEF, a Schedule 1 employer could be relieved of 25% to 100% of the cost associated with a WSIB claim if a worker's pre-existing condition:

- Caused or contributed to the workplace accident; and/or
- Prolonged the compensable period which resulted from the workplace accident.

An employer in receipt of SIEF cost relief had lower recorded claim costs, which typically meant lower WSIB premiums.

[1] Operational Policy Manual, OPM 14-05-03.

What can an employer do, now?

Our team of WSIB lawyers can help you evaluate your options. This includes:

1. **Review or challenge the extent of causation of an injury or illness.** With the end of cost relief under SIEF, it is more important than ever that every employer proactively evaluate and, if appropriate, challenge the extent of causation of an injury or illness, especially if there is evidence of a pre-existing condition or pre-accident impairment. Relevant WSIB policies include: Pre-existing Conditions, Aggravation Basis, Recurrences and Determining Permanent Impairment.

2. **Review active claims**. If you submitted a request for relief or appealed a SIEF rejection before June 16, you may still receive cost relief.

3. **Consider other ways to reduce costs.** Other cost-reduction programs offered by the WSIB remain available, including **Transfer of Costs** and the **Health and Safety Excellence Program**. Each year, these programs provide eligible employers with average premium savings and rebates of between $9,000 and $40,000. Under Transfer of Costs, if the WSIB finds that an accident or disease of a Schedule 1 worker was caused by the negligence of another Schedule 1 worker or employer, the WSIB may charge all or part of the claim costs to the negligent employer's cost record. Under the Health and Safety Excellence Program, a WSIB-approved safety expert will help your organization reduce workplace injuries and illness, resulting in rebates on WSIB premiums.

To learn more and for assistance contact the workplace safety and insurance team at Sherrard Kuzz LLP or info@sherrardkuzz.com.

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