

WORKING TOGETHER TO BUILD A SAFETY CULTURE

WSIS

Workplace Safety
and Insurance System

Year-End Report

2020

Nova Scotia's Workplace Safety and Insurance System

The Workplace Safety and Insurance System (WSIS) includes workers, employers, agencies—Workers' Advisers Program (WAP), Workers' Compensation Appeals Tribunal (WCAT), Occupational Health and Safety (OHS) Division of the Department of Labour, Skills, and Immigration (LSI) and the Workers' Compensation Board of Nova Scotia (WCB)—and others who provide services in the System.

OUR MISSION is to work together to help keep people healthy and safe at work, to insure against loss, and to support workers' recovery and return to work. We strive to be fair, open and responsible in everything we do.

This report presents key outcomes for 2020 related to the WSIS strategic goals, which include:

- Improving outcomes for workers and employers;
- Improving service delivery
- Ensuring effective governance of the System
- Ensuring the financial stability of the System

As this report is posted, more than 18 months have passed since a State of Emergency was first declared in Nova Scotia. During that time, system partners have supported the provincial COVID-19 response effort by helping workers, employers and industry sectors manage the impact and successfully apply evolving public health directives. What we have learned along the way will change how the WSIS serves Nova Scotians in the years to come. The innovative approaches that were urgently needed to enable WSIS partners to serve Nova Scotians through the pandemic will continue to enable efficiency, accessibility and new service options long after the pandemic is over.

The WSIS performance results shared in the pages that follow reflect a remarkable year in workplace safety, spanning a spectrum of outcomes that included challenge and tragedy, as well as improvement and success.

One outcome more than any other drives the need for continued dedication to building a stronger safety culture in our province: Eighteen Nova Scotians lost their lives when they suffered an acute injury at work in 2020. Seven died due to occupational exposures of the past, and another seven Nova Scotians died while at work, of other health conditions. Eliminating workplace fatalities continues to be a primary goal of the WSIS system, and is always at the forefront of our collaborative efforts.

The system reached a key financial milestone in 2020. The historic unfunded liability has been retired, and at the end of 2020, the system was 102.9% funded. This achievement caps almost 30 years of sacrifice by injured workers and employers, and careful fiscal management by the WCB.

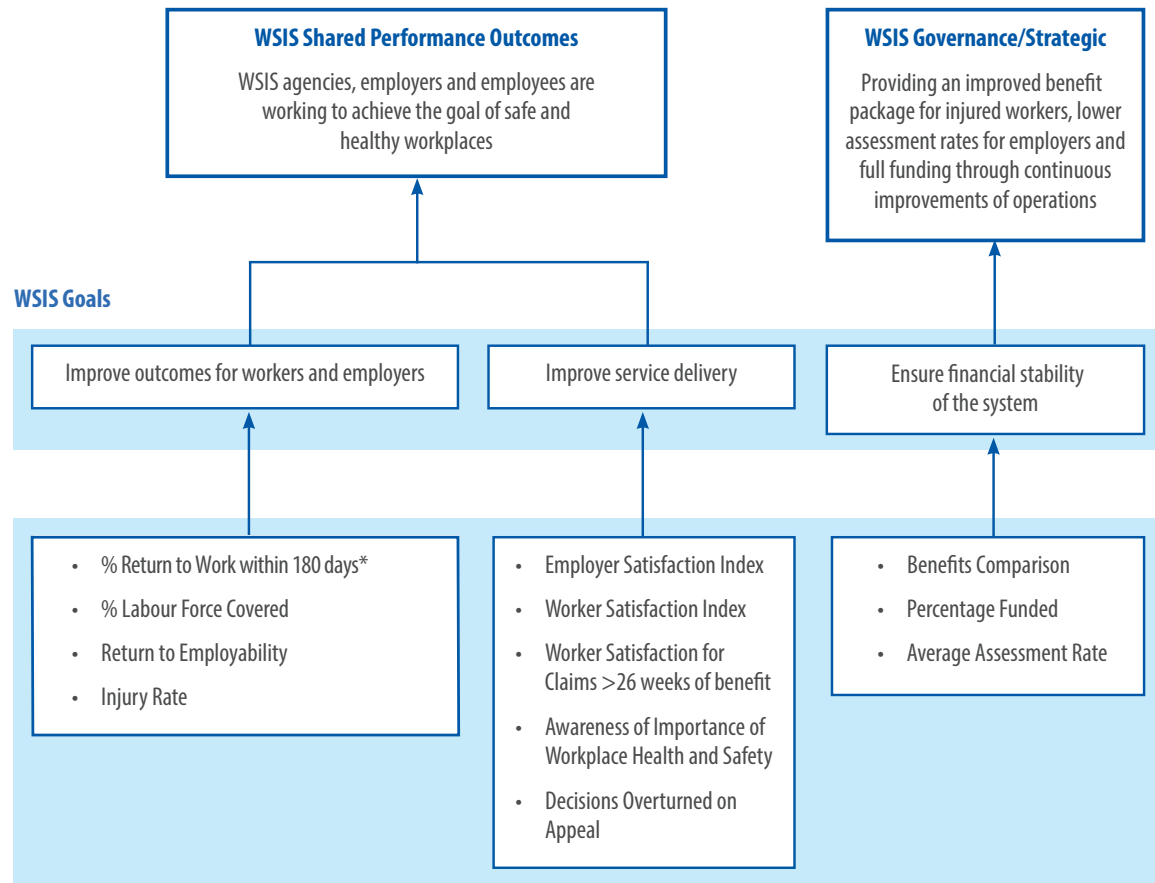
As workers, employers and all Nova Scotians strive for a return to more familiar routines in the months to come, this report also highlights the good things ahead for WSIS partners and stakeholders: improved outcomes for workers and employers, improved service delivery, financial sustainability, and new approaches to help Nova Scotians make a safe and more timely return to the workplace after a workplace injury.

As Nova Scotia emerges from the pandemic, WSIS partners will also seek to maintain and build upon the current focus on prevention in the workplace, which has helped to keep both COVID-19 infections and our provincial injury rate low.

WSIS Performance Measures

When agency partners and stakeholders came together in 2005 to officially form the WSIS, they established a set of performance measures to track outcomes that correspond to the System's goals. The chart below depicts the alignment of key performance measures that were adopted.

WSIS Performance Measures



*In 2020, WCB changed how it measures injury durations. % Return to Work within 180 days gives the percentage of short term disability claims that are no longer receiving earnings replacement benefits, 180 days after the date of an injury. It is intended that this measure will replace the Composite Durations Index over time.

System Performance

The performance results are used by WSIS partners, aligned agencies and stakeholders to gauge the health of the System, and to assess progress on System goals. The table below presents the *System Scorecard*, and the results for each key performance measure for both 2020 and 2019.

TABLE 1 – 2020 WORKPLACE SAFETY AND INSURANCE SYSTEM SCORECARD

Measures	2019	2020
Outcomes for Workers and Employers		
% Return to Work within 180 days – all industries	n/a	77.97%
% Labour Force Covered	74%	74%
% Return To Employability	95%	93%
Injury Rate	1.67	1.53
Service Delivery		
Injured Worker Satisfaction Index for WCB	73%	72%
Employer Satisfaction Index for WCB	81%	81%
Workers' Advisers Program Client Satisfaction	97%	96%
Injured Worker Satisfaction, claims > 26 weeks	68%	69%
Awareness of Importance of Workplace Health& Safety	93%	96%
Decisions allowed or allowed in part (WCAT)	45%	40%
Financial Sustainability		
% Funded	96.6%	102.9%
Average Assessment Rate (Actual)	\$2.66	\$2.68

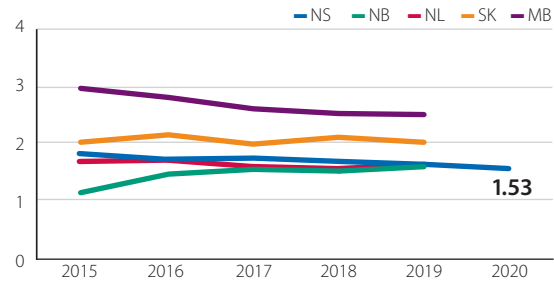
*The proportion of workers with a lost-time injury who received short-term disability benefits for longer than 26 weeks

Comparison of Nova Scotia's results relative to other similar jurisdictions in terms of size and industrial mix helps to clarify our performance. The following charts show WSIS performance measures comparing Nova Scotia with New Brunswick, Newfoundland, Manitoba and Saskatchewan:

Injury Rate

The Injury Rate is a measure of the number of time-loss claims per 100 WCB-covered workers. The injury rate continued its long-term downward trend in 2020, dropping to 1.53 from 1.67 in 2019. Although the pandemic's effect on employment in several sectors was a factor in this year's outcomes, fewer Nova Scotians are getting injured at work than ever before. The rate has reached another historic low and is now at its lowest point since measurement of the injury rate in this manner began in the early 1990s.

INJURY RATE

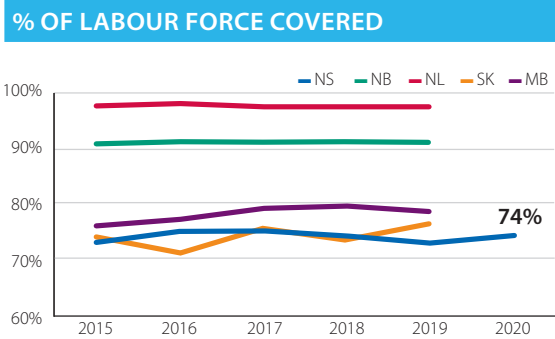


Note: 2020 data unavailable for other jurisdictions.

Percent of Labour Force Covered

Compared to other jurisdictions, the WCB coverage rate is lower, meaning more Nova Scotians are without workplace injury coverage. Workers compensation coverage for workplaces with fewer than three workers, and in sectors that employ many vulnerable workers, is voluntary. This lower rate of coverage has an impact on the injury rate, and on the WCB's financial results.

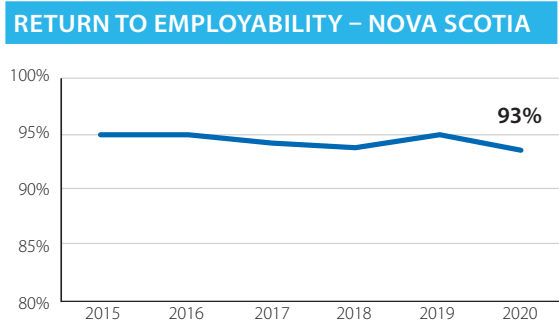
This lower rate of coverage has an impact on people, their families and communities. While some uncovered workplaces provide private insurance, there are still approximately 50,000 workers in Nova Scotia who have no injury insurance coverage. As the unfunded liability is eliminated, system partners will restart conversations that were paused due to the pandemic in early 2020, to better understand what is important to those who do not currently have coverage. In 2020, the percent of the labour force covered stayed the same at 74 percent.



Note: 2020 data unavailable for other jurisdictions.

Return to Employability

The percentage of injured workers who returned to work at their pre-injury income levels declined slightly to 93 percent in 2020.



Note: Other jurisdictions do not track this performance measure.

SYSTEM GOAL – Improve Outcomes for Workers and Employers

In 2020, System partners supported many industry sectors as they focused on improving injury prevention outcomes for workers and employers, often in new and different ways as a result of the pandemic. The provincial injury rate, a primary indicator of progress toward this goal, dropped to 1.53 time loss injuries per 100 covered workers, the lowest level on record.

Each of the WSIS partners pivoted to providing service and influencing this goal differently in 2020. As the LSI Occupational Health and Safety Division played a leading role in helping sectors re-open safely, the WCB continued to support injured workers and offer injury prevention coaching and support for employers remotely. The partners also developed a COVID-19 prevention campaign that offers complimentary resources to help workplaces reinforce public safety messages. Work on Joint Workplace Initiatives continued to leverage the strengths of both partners to help build sustainable workplace safety cultures.

These efforts are reflected within 2020 workplace injury outcomes. Five of the largest industry sectors in Nova Scotia (based on assessable payroll) showed improvements in injury frequency compared to 2019. Improvements in Health and Social Services, Retail Trade, Manufacturing, Construction and Wholesale Trade reflect collective efforts to prevent injuries, support safe and timely return to work, and build a stronger safety culture.

Despite continued progress, 2020 was a tragic year, too. Thirty-two Nova Scotians died at work: 18 fatalities were caused by traumatic injuries at a workplace, 7 were caused by past workplace exposures, and 7 were caused by other health issues not necessarily connected to the workplace, such as heart attacks. Regardless of the cause, system partners and stakeholders must continue to focus on ensuring every Nova Scotian is safe at work.

Nova Scotia's workplaces continue to face challenges with claim durations – the time it takes for workers to return to work after a workplace injury. The number of days lost to workplace injury increased across most sectors and the average duration of a short-term disability claim increased to 178 days in 2020, up from 147 days in 2019.

The percentage of claims that require more than 26 weeks of benefits remained relatively stable in 2020, when 69 percent of claims received short-term benefits extending beyond 26 weeks. The pandemic caused a temporary increase in the number of claims in receipt of long-term benefits, leading to a 26 percent increase in long-term disability claims costs.

Initiatives

System partners are working together on a number of initiatives to positively impact workplace health and safety outcomes.

SUPPORTING NOVA SCOTIA WORKPLACES DURING THE PANDEMIC

WCB and LSI continue to work together to ensure Nova Scotia's workplaces have the supports they need to operate safely during the pandemic. A jointly produced, comprehensive COVID-19 social marketing campaign that offers customized, downloadable tools and resources for workplaces is complementing ongoing operational activities that include direct outreach, education, and remote health service delivery.

CONTINUED SUPPORT FOR IMPROVED HEALTH AND SAFETY OUTCOMES IN HEALTH CARE

WCB and LSI continue to work with AWARE-NS to implement many of the foundational elements of *Charting the Course: A plan for Workplace Safety in Nova Scotia's Home Care, Long Term Care, and Disability Service Sectors*. Work in 2020 included activities related to violence prevention in the workplace, and the establishment of a new Violence Prevention Working Group. With the foundational elements in place, the next phase of implementation will advance several initiatives aimed at improving injury prevention and return to work programming in the long-term care, home care and disability support sectors.

SOCIAL MARKETING

WCB and LSI continue to develop innovative, award-winning social marketing programs to encourage safer behaviours, especially in sectors where injury rates are higher. In addition to the COVID-19 prevention campaign, the partners developed specific safety messages, tools and resources to support better outcomes in fishing, health care, construction, manufacturing and retail in 2020.

SUPPORTING FIRST RESPONDERS

WCB worked with the First Responder community in 2020 to develop and launch www.FirstRespondersMentalHealthNS.ca – a website that offers mental health tools and resources for first responders, their employers, co-workers and family members. The website is linked with the Province of Nova Scotia's eMentalHealth.ca online platform. The First Responders Steering Committee is currently planning a second initiative – a mental health conference, which is scheduled for spring 2022.

CONVERSATIONS WITH STAKEHOLDERS ABOUT THE FUTURE OF WCB COVERAGE

As the WCB moved closer to eliminating the unfunded liability, meetings with sector leaders, employers and front line workers held in early 2020 marked the start of a broader conversation still to come, about the future of WCB coverage in our province. That conversation will help to identify vulnerable workers, highlight gaps, and inform an approach for improving our system that ensures the decisions we make today will be financially sustainable for future generations.

OHS ADVISORY COUNCIL UPDATE

The Occupational Health and Safety Advisory Council was created to advise the Minister of Labour, Skills, and Immigration on administration of the Act and regulations; occupational health and safety, including providing recommendations, giving advice and monitoring and reporting on OHS throughout the province; and other OHS-related matters. In 2018, the Council reviewed priority areas recommended by the Minister that would benefit from a strategic lens to help guide future policy recommendations and selected three areas of focus: psychological health, occupational health, and OHS training.

The Council submitted its report and recommendation on psychological health to the Minister in 2019. The recommendation was accepted and psychological health is now a policy focus within the Safety Branch to understand what is needed and how to better support Nova Scotians in the workplace.

The Council continued its work on the remaining priority areas, Occupational Health and OHS Training but suspended its meetings in early 2020 due to the pandemic. Work resumed in Fall 2020 to complete the report on occupational health.

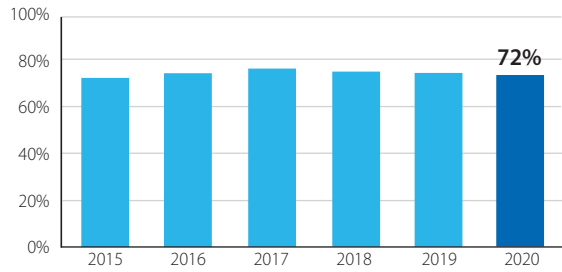
THE UNFUNDED LIABILITY HAS FINALLY BEEN ELIMINATED.

MEETINGS WITH SECTOR LEADERS,
EMPLOYERS AND FRONT LINE
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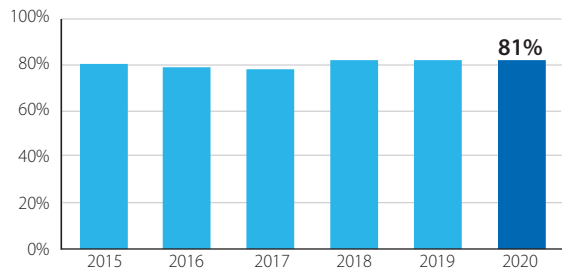
SYSTEM GOAL – Improve Service Delivery

The Stakeholder Satisfaction Indices, established through quarterly worker and employer satisfaction surveys, provide an overall rating of satisfaction with services provided by the WCB.

WORKER SATISFACTION INDEX FOR WCB

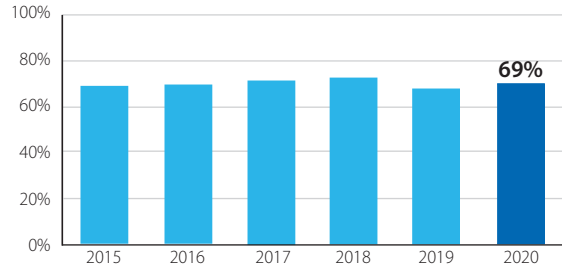


EMPLOYER SATISFACTION INDEX FOR WCB



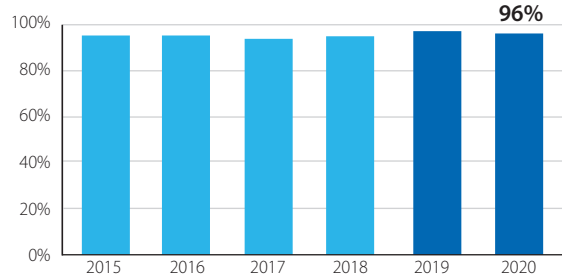
Both injured worker and employer satisfaction with WCB service remains above established targets for these measures. The 2020 target for both worker and employer satisfaction was 70 percent.

SATISFACTION INDEX FOR INJURED WORKERS WHERE STD BENEFITS EXCEED 26 WEEKS



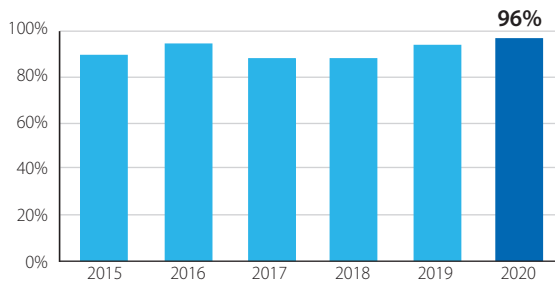
Satisfaction with services provided by the Workers' Advisers Program (WAP) is also stable, with 96 percent of clients indicating they are satisfied with the WAP's services.

SATISFACTION WITH SERVICES PROVIDED BY THE WORKERS' ADVISERS PROGRAM



In 2020, 96 percent of survey respondents indicated that health and safety is critically important or important, an increase over the past four years. This increase is driven in part by heightened safety awareness related to COVID-19 prevention efforts.

AWARENESS OF IMPORTANCE OF HEALTH AND SAFETY



IN 2020,

96%

OF SURVEY
RESPONDENTS

INDICATED THAT **HEALTH AND SAFETY IS CRITICALLY IMPORTANT OR IMPORTANT.**

Initiatives

The Nova Scotia Department of Labour, Skills, and Immigration's Safety Branch

promotes compliance and builds safety culture through collaboration, engagement and where necessary, enforcement. This approach helps build awareness and understanding to ensure safety is valued and prioritized in Nova Scotia. In 2020, key initiatives were advanced to enhance service delivery within the System, including:

COMPLIANCE AND INSPECTION

COVID-19 resulted in a substantial shift in compliance inspection activity. Workplace inspection activities roughly doubled in number since the beginning of Nova Scotia's COVID-19 outbreak in mid-March 2020. Subject to prior risk assessment, on-site inspections have been conducted based on priority public needs and response to the most serious safety issues, with a particular focus on measures related to COVID-19 risks. Additionally, the department worked with industry groups and the Department of Health and Wellness to support development of industry-specific workplace safety response plans for addressing COVID-19 risks.

WORKING WITH HIGH-RISK SECTORS

LSI continued to engage with high risk sectors on their own industry-specific occupational health and safety initiatives, including the construction, fishing, farming, and health care sectors.

SUPPORTING THE WORK OF THE CMO

The Department worked with industry groups and the Department of Health and Wellness to support the development of over 40 business sector re-opening guidance documents and continues to support the development of responsive industry-specific COVID-19 safety plans. A new *COVID in the workplace* guideline to better support business on reducing the spread has been developed. This information will be shared with stakeholders and made available online.

SUPPORT FOR VICTIMS AND VICTIMS' FAMILIES

The Department has signed a Shared Services Agreement to make available to the families of workplace fatalities supports from the Victim Services Division of the Department of Justice (DOJ). The suite of services that will be available as needed includes:

- Counseling for the family impacted by the incident
- Assistance in providing a victim impact statement
- Help in navigating and understanding the court process for OHS offences.

The Department is committed to improving the level of information it can share on fatalities for the families and general public in the effort to help address questions on what happened and help prevent similar occurrences in the future.

1-800-9LABOUR AWARENESS CAMPAIGN

LSI launched the 1-800-9LABOUR Awareness campaign aimed at informing Nova Scotians if they have questions or concerns about workplace or public safety issues. The campaign included print and digital display advertising as well as social media.

FIRST AID REQUIREMENTS

LSI continued to engage on assessing and revising the regulatory requirements for First Aid Requirements to align them with other jurisdictions throughout Canada.

WCB Nova Scotia continued to move forward with initiatives aimed at improving service and timeliness for workers, employers and service providers across the province. Key initiatives in 2020 included:

PANDEMIC RESPONSE

As WCB employees shifted to working remotely in March 2020, benefit payment and return to work management continued. While in-person services were largely curtailed, case workers continued to support workers and employers remotely leveraging online services. Claim registration and assessments also continued, and employers were able to defer payments for several months in both 2020 and again in 2021. In partnership with LSI, general and industry-specific COVID resources were developed and made available for download at worksafeforlife.ca. As the impacts of the pandemic continue to affect working Nova Scotians, the WCB continues to adapt and explore new opportunities to support injury prevention and return to work efforts, including working with health care providers to provide virtual services.

WCB MODERNIZATION

2020 marked the fifth and final year of the WCB's five year modernization. As case workers continued to build knowledge and skill leveraging the new systems, work also continued on workforce advancement, and the launch of an updated MyAccount online platform for employers that has enabled new digital services, including an online clearance letter management system that enables users to immediately demonstrate proof of coverage and good standing.

TIERED SERVICES AUDIT

Making sure Nova Scotia's injured workers are able to access effective health services and supports in a timely way is a key goal of the WCB's Tiered Services Program. An audit conducted in the fall of 2020 helped to highlight opportunities to improve the program and ensure that new and effective health service approaches are available if and when they are needed.

TRAUMATIC PSYCHOLOGICAL INJURY PROGRAM

With psychological injury claims increasing, the WCB started work in 2020 on a new Traumatic Psychological Injury Program that will bring together best practice health services and approaches to meet the unique needs of workers who suffer a psychological injury as a result of their work, and the needs of the employers who support them. Research and a jurisdictional scan were among the first steps. Work to develop the program continued in 2021 and the program launched in June.

AUDITOR GENERAL'S REPORT

Implementation of the recommendations from phase two of the Auditor General's report has progressed and will be completed in 2021. All of the phase one recommendations were implemented and accepted by the Auditor General.

APPEALS

The quality of service provided by System partners is also measured by the number of decisions overturned through appeals.

The COVID-19 pandemic had a significant impact on new appeal volumes through the first three quarters of 2020. The number of appeals received by WCB Internal Appeals decreased by 26 percent from 2015 to 2020. There was also a decrease in the number of decisions rendered, which led to a decrease in the number of appeals received at the Workers' Compensation Appeals Tribunal (WCAT).

There were 67 appeals to the Nova Scotia Court of Appeal from 2015 to 2020, with 6 new appeals opened in both 2019 and 2020.

TABLE 2 – SYSTEM APPEALS, 2015 TO 2020

Year	WCB – Claims		WCB – Internal Appeals			WCAT			NS Court of Appeal
	Received	Time Loss	Received	Decisions	Allowed/ Allowed in part	Received	Decisions	Allowed/ Allowed in part	
2020	19,944	4,977	970	959	207 (22%)	495	418	169 (40%)	6
2019	25,183	5,663	1,134	1,184	286 (24%)	593	461	207 (44.9%)	6
2018	24,584	5,819	1,354	968	191 (20%)	553	528	209 (40%)	15
2017	23,952	5,906	1,418	1,139	198 (14%)	744	526	253 (48%)	12
2016	24,311	5,847	1,450	1,080	182 (17%)	639	519	267 (51%)	14
2015	23,933	6,014	1,313	1,119	259 (23%)	720	587	250 (43%)	14

*Note for 2020: WCB Internal Appeals resolved another 120 appeals **without** the need for a formal decision. Resolving appeals at this stage is important: it helps reduce appeal wait times for workers and employers, and makes the system less litigious.*

SYSTEM GOAL – Ensure Financial Sustainability of the System

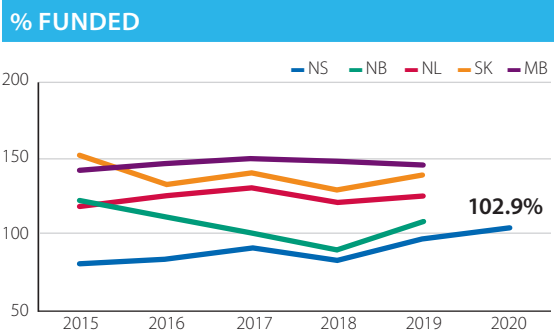
Financial stability of the System is linked to a number of factors – the number of people who get hurt on the job, how long they are off the job and in receipt of benefits, investment returns and the health of the Nova Scotia economy. The System partners have more direct influence on some of these stability factors than they do on others.

In 2020, strong market performance has improved the funded position to 102.9% as of December 2020, eliminating the unfunded liability. After years of working from a place of financial imbalance, the System is now approaching financial strength. This creates an opportunity to take a long-term view and ensure the system remains fully funded and sustainable for future generations.

Nova Scotia has one of the lowest WCB coverage rates in Canada, and this puts upward pressure on the average assessment rate. More than a quarter of workers in our province have no WCB coverage, with approximately 50,000 having no workplace injury insurance at all.

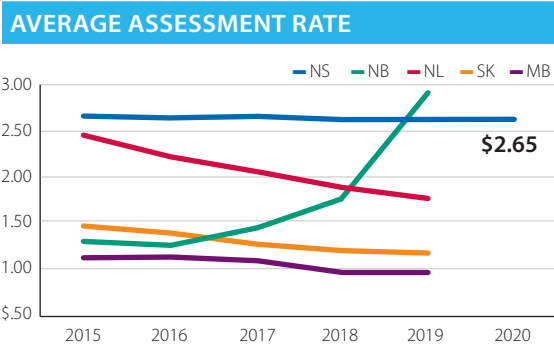
These topics will be part of upcoming conversations about a responsible and sustainable approach to evolving and funding the workers' compensation system in the years to come.

At \$2.65 per \$100 of assessable payroll, Nova Scotia's average rate is currently among the highest in Canada.



Note: 2020 data unavailable for other jurisdictions.

The funded percentage refers to the degree to which all benefit commitments made into the future are covered by the WCB's current assets.



The average actual assessment rate is the average rate required to fund the System.

THE ASSESSMENT REVENUE COLLECTED FROM EMPLOYERS BY THE WCB, AND REVENUE FROM INVESTMENTS, **FUNDS THE ENTIRE WORKERS' COMPENSATION SYSTEM**, INCLUDING THE WORKERS' ADVISERS PROGRAM, WORKERS' COMPENSATION APPEALS TRIBUNAL, THE OHS DIVISION AND ALIGNED ORGANIZATIONS.

Upcoming conversations about the future of WCB coverage are important, because when compared to other jurisdictions, Nova Scotia's benefits regime is lower, as shown in the table below.

TABLE 3 – COMPARISON OF COMPENSATION BENEFITS, SELECTED CANADIAN JURISDICTIONS

Index Area	NS	NB	NL	MB	SK
Percentage of the Workforce Covered (2019)	73%	91%	97%	79%	76%
Waiting period	2/5ths of work week	No	No	No	No
CPP offset for earnings loss benefit	Yes, 50% is offset	Yes, 50% is offset	Yes, 75% of net CPP benefits is offset	Yes, 100% offset	Yes, after 12 months of loss of earnings capacity, 50%
Percentage of earnings covered: Long-term	75% of net for first 26 weeks; 85% of net after 26 weeks	85% loss of earnings	80% of net	90% of net	90% of net
Fatality benefits other than pensions – immediate lump sum	\$15,000 at date of death	An amount equal to 50% of the New Brunswick Industrial Aggregate Earnings 2015: \$20,307.50	\$15,000 or 26 times the worker's average weekly net earnings at time of injury, whichever is greater	\$76,530	None
Maximum Earnings Covered (2020)	\$62,000	\$66,200	\$66,980	\$127,000	\$88,906
Average New Impairment Award (2019)	8.15%	7.96%	14.80%	N/A	7.79%
Annuity	Yes, 5% of extended earnings replacement benefit is set aside for annuity	Yes, 10% of 'long term earning loss' benefit is set aside for annuity	Worker paid a pension replacement benefit at age 65 if loss of a pension benefit due to compensable injury can be proven.	Yes, up to 7% of 'long term earning loss' benefit is set aside for annuity	Yes, 10% of 'long term earning loss' benefit is set aside for annuity
CPI Indexing or AIW indexing	Yes, 50% of CPI	Yes, 100% of CPI	Yes, 100% of CPI	Yes, AIW	Yes, 100% of CPI
Supplementary Benefits	Yes, for claims prior to 1990	No	No	No	No

For more information about WCB Nova Scotia benefits, visit www.wcb.ns.ca.

For more information about benefits in other Canadian jurisdictions, visit www.awcbc.org.

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