

Report to the Community

second quarter 2015

Industry-led approach nets success for launch of *Fishing Safety Now*

*Need for similar success in other industries highlighted in
challenges with days lost to injury*



A crowd of supporters was on hand June 4th in Fisherman's Cove, Eastern Passage, to celebrate the launch of Fishing Safety Now, a plan by and for Nova Scotia's fishing industry to make commercial fishing safer.

Nova Scotia's commercial fishery will be safer – that's the goal of *Fishing Safety Now*, a plan by and for Nova Scotia's fishing industry, launched June 4 in Eastern Passage.

Developed by the Safe at Sea Alliance – a group of fishermen, family members, industry, safety organizations, community leaders, and provincial and federal government representatives – the plan demonstrates the progress and success possible when an industry is actively engaged, the right players are involved, and everyone works together toward a common goal.

Fishing Safety Now outlines 33 recommendations to improve fishing

safety, including better awareness of practices and regulations, more safety training and education, and reviews of policies and processes for such things as weather forecasting and fisheries management, and is the result of close to two years of work.

Two industry-based groups – the Nova Scotia Fisheries Sector Council and the Nova Scotia Fisheries Safety Association – are leading the implementation of *Fishing Safety Now*. The implementation kick off is planned for this October.

As the plan was being developed over the past two years, a province-wide conversation about fishing safety also

See **Industry-led** continued on page 2

Industry-led *continued from page 1*

grew, and the province's fishing safety story slowly started to change. Supply shops began selling out of PFDs, lobster fishing seasons were delayed for safety reasons due to the weather, and, perhaps most notably, in 2014, the number of days lost due to injury dropped 34 per cent – more than any other industry in Nova Scotia.

The recommendations included in the plan are intended to help ensure these improvements continue, with fewer people getting injured and fewer lives lost in this industry.

Healthcare challenges contribute to mixed performance results

In 2016, the WCB will turn our focus to two sectors of another high-risk industry identified within Nova Scotia's Workplace Safety Strategy – the longterm care and homecare sectors of the healthcare industry.

These sectors are proving to be the most challenging in terms of improving health and safety and return-to-work. In 2014, longterm care and homecare represented 30% of the payroll in the healthcare industry, but had 60% of the time-loss claims and costs.

By applying principles learned through the fishing initiative and engaging the right stakeholders, the goal will be to begin developing a customized industry approach to safety to ensure fewer people get injured going to work every day in longterm care facilities and the residences of homecare clients.

The need for a focus on these two healthcare sectors is evident in our Q2 performance results. At the mid-point in the year, while our financial results and our employer and worker satisfaction

measures are very strong, progress in other measures is slowing. We are encountering realities different than we had anticipated, and some of our key measures are not showing the pace of improvement we had hoped.

There are more time-loss injuries in the system, and as a result, more time-loss days paid in the system. These are putting upward pressure on the injury rate, and on our measures related to days lost from work. As of the end of Q2, our results indicate that our forecasted target for Time Loss Days Paid per 100 covered workers and Composite Duration will not achieve their year-end targets.

There is significant progress in some sectors, but the impact of this progress on the whole picture is eroded by declines in other sectors. Overall, our variances from target are due, in large part, to increases in time-loss injury within the longterm care and homecare sectors. There are other factors as well, including an increase in days lost due to slips, trips and falls following the harsh winter of last year, and greater than anticipated increase in the number of time-loss days that came "back" retroactively into the system as the result of an appeal. And, while the cost of new extended earnings replacement benefits is tracking to target, there has also been a slight increase in the number of extended earnings replacement benefits above what was anticipated, which is an important trend we will continue to monitor.

Finally, as we continue to undergo significant changes within our organization, it is possible that there is some impact on our work, and the way we do it. Change means making necessary investment of time and resources, and this can have an impact on our work. ■

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Operational Highlights

Working safely to enjoy life outside of work



Signs reading “This moment brought to you by workplace safety” sprung up in various locations across the province this summer where people made the emotional connection between working safely and doing the things they enjoy in their off-work hours.

Workplace injuries peak in the summer months, making it a good time to remind people that the most important reasons for working safely are not at work at all. Social marketing efforts continued over the summer on TV, radio, in the community, and online.

Signs were placed near playgrounds, sports fields, and trails helping people make the emotional connection between

working safely and participating in the activities they enjoy. TV monitors within Tim Hortons carried messages about what matters most across the province.

Watch for the *What Matters Most* campaign to evolve this fall to include targeted messages to leaders, given their influence over creating a culture of safety in workplaces. ■

WCB announces 2016 assessment rates

The week of September 1st, the WCB notified the approximately 18,700 employers it covers of their 2016 assessment rates. For the 12th year in a row, the average assessment rate remains stable at \$2.65 per \$100 of assessable payroll. In 2016, 108 employers will receive a surcharge compared to 107 in 2015.

WCB rates are responsive to an employer’s safety and return to work performance, and the model includes incentives for good performance, and disincentives for poor performance. As a result, the best way for employers

to reduce workers’ compensation premiums is to prevent injuries in the workplace, and, if an injury does occur, support a timely and safe return to work.

Safety associations in the province are also influential in creating a positive impact on the reduction of injuries for their member organizations. This year, the construction industry increased their levy to ensure resources for prevention programming and continued success in reducing their industry’s injury rate.

For full details on this year’s rate announcement visit wcb.ns.ca/rates. ■

Retail, Food and Beverage Industry Symposium

In early June, 75 senior leaders and safety champions from the Retail, Food and Beverage sector attended a one-day symposium hosted by WCB Nova Scotia. Delegates heard from employers, regulators and others with a role to play in making Nova Scotia the safest place to work in Canada. Employers were challenged to include workplace safety as a business priority. When injury prevention and return-to-work become part of a workplace's core business principles, it reduces the impact of injury on employees, employers, industries and entire communities. ■



Participants at the Retail, Food and Beverage Industry Symposium spent a day learning how to elevate workplace safety as a business priority.

Safety First in Cape Breton Symposium

More than 200 delegates from small, medium and large businesses, representing a variety of industries and sectors all over Cape Breton, attended the third annual Safety First in Cape Breton Symposium in May.

The symposium provides an opportunity for businesses to connect and share best practices and ultimately create a stronger safety culture in the region. Industry leaders come together to learn from each other, build relationships with their WCB teams and provincial occupational health and safety officials, and explore future programming and partnerships.

The Safety First in Cape Breton Symposium is hosted by The Cape Breton Partnership in collaboration with WCB Nova Scotia and Labour and Advanced Education. ■

Leadership Matters update

After two successful leadership events in 2013 and 2014, planning for the 2015 event is in full swing. On November 9th, 2015, WCB Nova Scotia and the Department of Labour and Advanced Education will bring together leaders

representing business, academia, labour, and the public sector for a dynamic panel discussion on how organizations can embrace safety as a business priority. Facilitated by Danny Graham, Chief Engagement Officer with Engage Nova Scotia, panelists will address how we can foster a stronger culture of workplace safety. The event will close with a keynote address from Ray Ivany, Chair of One Nova Scotia. ■

Mainstay Awards: Call for submissions

The call for submissions for the 2016 Mainstay Awards began in September. Presented by WCB Nova Scotia and the Department of Labour and Advanced Education, the Mainstay Awards honour safety excellence of organizations and individuals across eight categories, including Nova Scotia's highest workplace safety honour, the Safety Award of Excellence. Submissions will be accepted through to January 31st, 2016 with judging and site visits taking place between February and April. The awards will be handed out at a gala luncheon during NAOSH Week in May 2016. For more information about how you can submit an entry for consideration, visit www.mainstayawards.ca. ■

Dr. Paul Eagan joins WCB Nova Scotia as Chief Medical Officer

WCB Nova Scotia is pleased to announce the appointment of our new Chief Medical Officer, Dr. Paul Eagan. Dr. Eagan comes from the Canadian Armed Forces where he has served as a medical officer and occupational medicine specialist for over 14 years.

Throughout his career, Dr. Eagan has focused on workplace injury management. This is a role he will continue to dedicate himself to at the WCB, while further strengthening ties to the medical community, as we work together with employers to help injured workers make a safe and timely return to work.

Dr. Eagan brings a wealth of experience, including Masters Degrees in Public Health and in Business Administration. Prior to his extensive career with the military, Dr. Eagan was in private medical practice. He is a graduate of the University of New Brunswick and the University of Calgary, and is a Fellow of the Royal College of Physicians and Surgeons of Canada. ■



Dr. Paul Eagan, Chief Medical Officer, WCB Nova Scotia

WCB Nova Scotia hosts physician webinar



(L to R) Dr. Linda Gagnon, Medical Advisor, WCB; Dennita Fitzpatrick, Director, Health and Extended Benefits, WCB; Tim Winchester, web support, Colour Halifax; and Barb Johnson, Senior Communications Advisor, Doctors Nova Scotia, participate in a webinar for physicians on the new health services contract.

In late June the WCB welcomed more than 100 physicians and medical office administrators to a webinar to learn more about the commitments and provisions contained in the new health services contract. A primary goal of the contract is to help injured Nova Scotians return to work in a safe and timely manner whenever possible. The longer a worker is off work after an injury or illness, the less likely it is they will ever return to work. In fact, it takes longer for injured workers in Nova Scotia to get back to work than in almost any other province in Canada.

Work is healthy and plays a key role in our physical and emotional wellbeing, not to mention our economic wellbeing. Improving our return-to-work performance is important for injured workers, their families, their communities and our province. Our new contract recognizes that Nova Scotia's physicians play a key role, and articulates how the WCB and physicians will work together to improve return-to-work outcomes. ■

*See **Updates** continued on page 12*

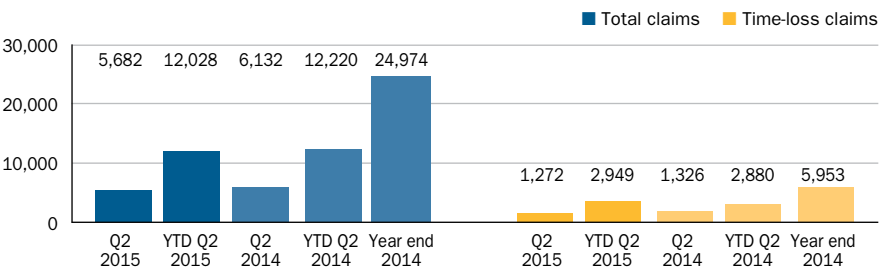
Statement of Financial Position

as at:

	June 30 2015 (Unaudited) (\$'000s)	June 30 2014 (Unaudited) (\$'000s)	December 31 2014 (Audited) (\$'000s)
Assets			
Cash & cash equivalents	\$ -	\$ 1,502	\$ 3,804
Receivables	26,685	28,900	25,378
Investments	1,553,135	1,440,763	1,476,748
Property and equipment	4,190	4,352	4,402
Intangible assets	830	544	917
	\$ 1,584,840	\$ 1,476,061	\$ 1,511,249
Liabilities and Unfunded Liability			
Bank Indebtedness	\$ 5,025	\$ -	\$ -
Payables and accruals	27,081	25,693	33,801
Lease liabilities	128	205	171
Post-employment benefits	29,292	23,371	28,158
Benefits liabilities	1,924,256	1,895,095	1,903,556
	1,985,782	1,944,364	1,965,686
Deferred revenue	9,053	14,135	
Unfunded liability	(409,995)	(482,438)	(454,437)
	\$ 1,584,840	\$ 1,476,061	\$ 1,511,249

New Claims Registered

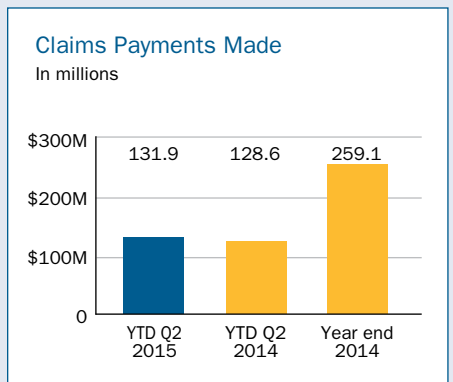
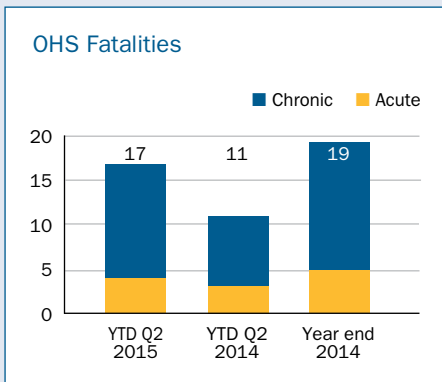
All claims



Statement of Operations

for the six months ended June 30 (unaudited)

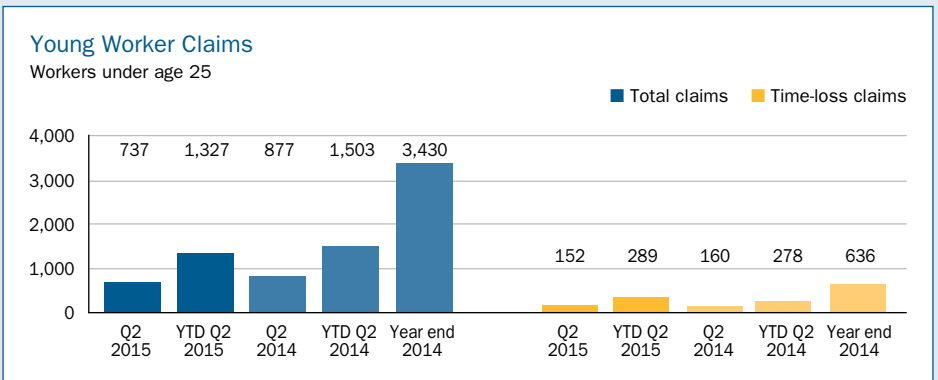
	Second Quarter 2015 (\$000s)	Second Quarter 2014 (\$000s)	YTD June 30 2015 (\$000s)	YTD June 30 2014 (\$000s)
Revenue				
Assessments	\$ 74,959	\$ 72,998	\$ 147,133	\$ 144,407
Investment income	(13,214)	43,323	76,519	99,099
	61,745	116,321	223,652	243,506
Expenses				
Claims costs incurred				
Short-term disability	10,377	9,634	20,614	19,383
Long-term disability	25,745	26,150	51,229	51,454
Survivor benefits	834	556	2,172	2,290
Health care	14,562	14,008	28,336	27,764
Rehabilitation	171	102	489	467
	51,689	50,450	102,840	101,358
Growth in present value of benefits liabilities and actuarial adjustments	29,752	19,892	44,597	41,456
Administration costs	12,064	11,473	23,853	22,829
System support	217	242	447	481
Legislated obligations	3,796	3,727	7,473	7,591
	97,518	85,784	179,210	173,715
Excess of (expenses over revenues) revenues over expenses applied to (increase) reduce the unfunded liability	\$ (35,773)	\$ 30,537	\$ 44,442	\$ 69,791



Statement of Changes in Unfunded Liability

for the six months ended June 30 (unaudited)

	Second Quarter 2015 (\$000s)	Second Quarter 2014 (\$000s)	YTD June 30 2015 (\$000s)	YTD June 30 2014 (\$000s)
Unfunded liability excluding accumulated other comprehensive income				
Balance, beginning of period	\$ (374,222)	\$ (512,975)	\$ (444,927)	\$ (546,488)
Excess of (expenses over revenues) revenues over expenses	(35,773)	30,537	44,442	69,791
	(409,995)	(482,438)	(400,485)	(476,697)
Accumulated other comprehensive income				
No change in balance during the period	-	-	(9,510)	(5,741)
Unfunded liability end of period	\$ (409,995)	\$ (482,438)	\$ (409,995)	\$ (482,438)



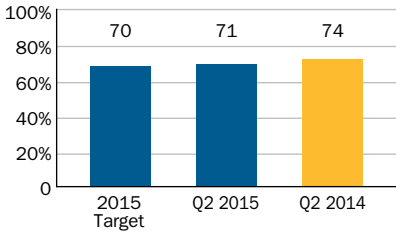
Statement of Cash Flows

for the six months ended June 30 (unaudited)

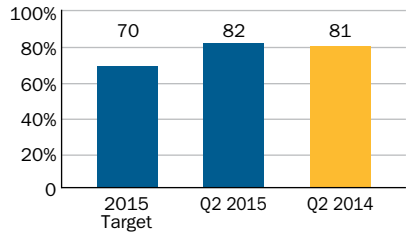
	June 30 2015 (\$000s)	June 30 2014 (\$000s)
Operating Activities		
Cash received from:		
Employers, for assessments	\$ 153,726	\$ 152,990
Investment income	245,301	19,266
	399,027	172,256
Cash paid to:		
Claimants or third parties on their behalf	(123,810)	(120,923)
Suppliers, for administrative and other goods and services	(38,581)	(36,282)
	(162,391)	(157,205)
Net cash provided by operating activities	236,636	15,051
Investing Activities		
Increase in investments	(245,161)	(19,602)
Cash paid for:		
Purchase of equipment	(304)	(306)
Net cash used in investing activities	(245,465)	(19,908)
Financing Activities		
Change in bank indebtedness	5,025	-
Net cash provided by financing activities	5,025	-
Net (decrease) in cash and cash equivalents	(3,804)	(4,857)
Cash and cash equivalents, beginning of year	3,804	6,359
Cash and cash equivalents, end of period	\$ -	\$ 1,502

Service

Worker Satisfaction Index¹



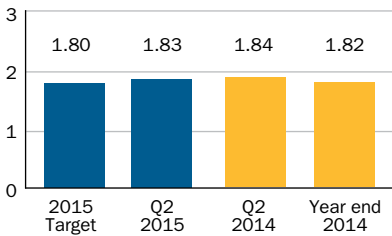
Employer Satisfaction Index



Prevention

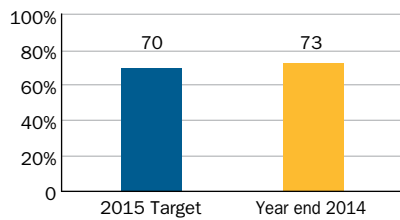
Injury Frequency

Time-loss claims per 100 covered workers



Employee

Employee Satisfaction Index²



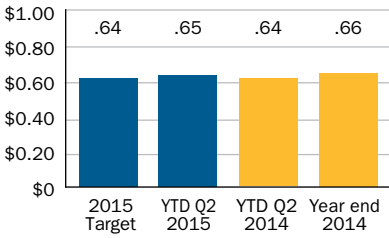
¹ The Worker Satisfaction Index does not include workers on long-term benefits or those for claims with little or no time loss.

² Annual Index

Financial

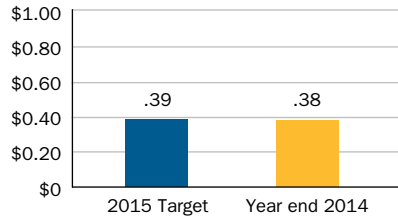
Cost Per \$100 Payroll

Claims payments made for injuries in the past 3 years



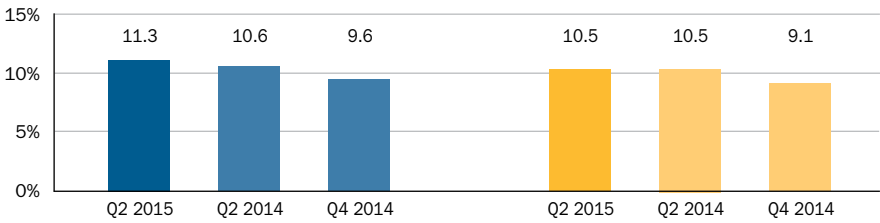
Administrative costs per \$100 of payroll

(excluding prevention costs)



Five-Year Rate of Return on Investment

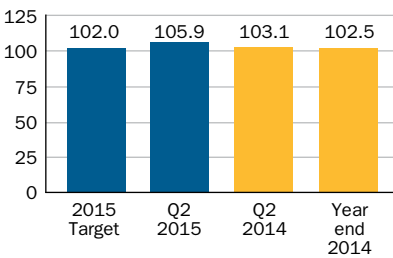
■ Five-Year Actual Rate of Return ■ Five-Year Target



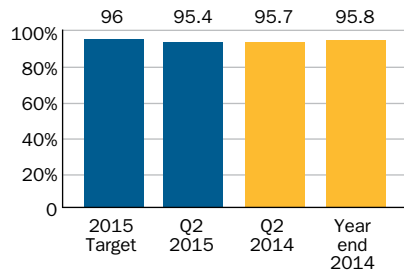
Return to Work

Duration Index

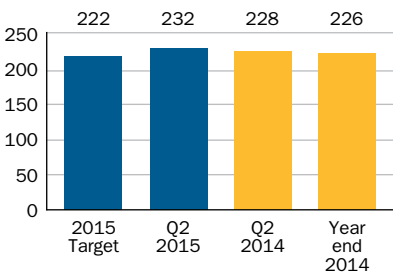
Composite, in days



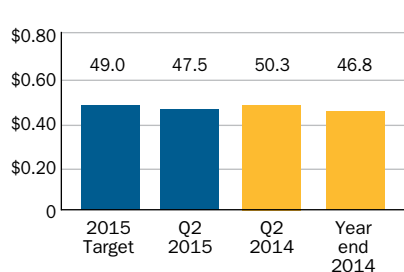
Return to Employability



Time Loss Days Paid per 100 Covered Employees



Cost of New Extended Earnings Replacement Benefits (EERBs)



Updates continued from page 5

WCB Nova Scotia hosts AWCBC Learning Symposium

Every year, WCB colleagues from across the country gather to share information, build relationships, and consult with the purpose of advancing our collective mission to reduce the impact of workplace injury in Canada. WCB Nova Scotia had the pleasure of hosting the 2015 Symposium. The three-day program was held September 28th – 30th, and attracted workers' compensation employees from across Canada. ■



Service evolution update: Improving our phone systems, direct deposit

As part of our 2016-2020 Strategic Plan, stakeholders told us we need to evolve the way we work.

That business reality is why WCB Nova Scotia has completed a long-term plan for business transformation. We are changing to provide better service, and to support our goals of reducing the impact of workplace injury.

In 2015, we're expanding our direct deposit program. Right now, only some injured workers can receive their benefit and expense payments by Direct Deposit. Starting in December, most payments to injured workers will be electronic. It means workers will receive their benefits quickly, securely, and with fewer delays. By the end of the year, also, we will introduce a new phone system that will allow employers, workers and healthcare providers to access some information through some self-serve options.



Watch for more news to come, as our modernization continues. ■

Nova Scotia Health and Safety Leadership Charter to be introduced

Executives of organizations and businesses across Nova Scotia will soon have an opportunity to publicly demonstrate their commitment to workplace safety by signing a health and safety leadership charter.

The charter is an initiative of the leadership pillar of the Workplace Safety Strategy, and will be led by an external steering committee. After researching various models of leadership charters, the WCB and Labour and Advanced Education engaged the Nova Scotia Employer's Roundtable, a group of senior leaders representing organizations across the province, which has taken the lead in establishing the Nova Scotia Health and Safety Charter. The model for the charter is based on the BC Safety Charter, championed by FIOSA MIOSA, an industry safety association.

The Nova Scotia charter represents a commitment from leaders in the province to the continuous growth of a positive workplace safety culture.

At an inaugural event to be held at Nova Scotia Power on October 8 to introduce the charter and seek feedback for its continued success and sustainability, a small group of CEOs will sign the document and volunteers will be sought for a steering committee to develop a three year action plan. ■