

WCB Nova Scotia Report to the Community

Q3 2017

ATLANTIC-WIDE INITIATIVE ENCOURAGES HEALTHY RETURNS TO WORK

Working to Well: A collaborative effort to help address increasing claim durations

In 2016, in Nova Scotia, 770,000 work days were lost due to workplace injury.

In 2005, that number was more than 1.2 million – so there has been progress.

But the length of an average claim in Nova Scotia has increased in recent years, and our most recent quarterly results show that it continues to move upward. At 115 days, the average claim duration in Nova Scotia is longer than in many other Canadian provinces.

Losing time from work due to injury takes a significant human toll on workers, their families, and our communities. Beyond that, there is economic and business impact. Long claim durations create challenges for our economy, and our ability to compete nationally and globally. Our province's people are our biggest asset and we need them to be healthy, working, and on the job.

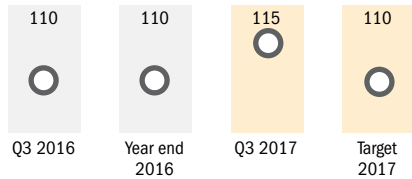
In an effort to further assist workers as they recover from workplace injury, Atlantic Canada's workers' compensation organizations have teamed up to launch a region-wide program to support return-to-work.



Registered Nurse Denise Cann is one of several return-to-work success stories featured in the Working to Well series – supporting workers and employers in achieving safe, timely returns to work across Atlantic Canada. Learn more at wcb.ns.ca/workingtowell

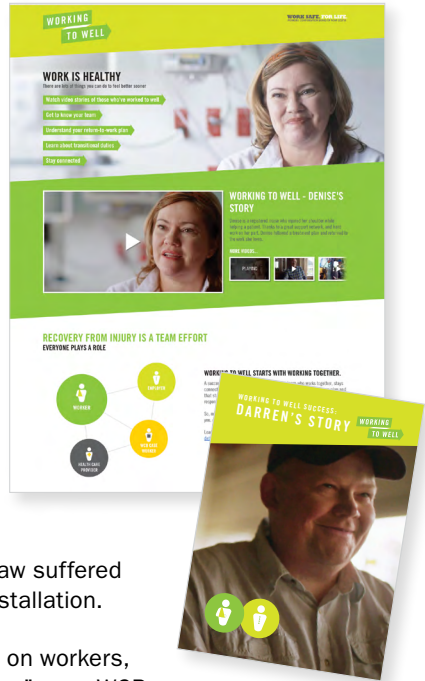
DURATION INDEX

Composite index, in days



Working to Well offers practical tools for workers, employers and health care providers. It is one of several shared initiatives produced over the past decade by WCB Nova Scotia, WorkplaceNL, WorkSafeNB, and the Workers Compensation Board of PEI.

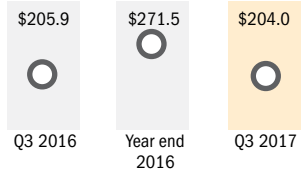
At its core are four powerful stories of Atlantic Canadians who overcame challenging and life-changing workplace injuries to return to the job. Registered Nurse Denise Cann suffered a serious shoulder strain while moving a patient at Cape Breton Regional Hospital; Mechanic Robert Gunn broke all four limbs while working on a tire reassembly service call near Charlottetown; Custodian Jeff Wilcox hurt his back working at the St. John's Citadel; and Fredericton carpenter Darren Shaw suffered serious injuries to his arm during a drywall installation.



“Workplace injuries can take a significant toll on workers, as well as their families and their communities,” says WCB Nova Scotia CEO Stuart MacLean. “When someone is hurt seriously enough to be off work, we are there to provide support and to help them in their journey to get back to the lives they want to live. Working to Well is just one example of how our organization is changing to be more responsive to the needs of those we serve.”

The WCB's operational results underscore the need for return-to-work improvements. Durations and related measures like days paid per 100 covered employees are above target at the end of the third quarter. Other balanced scorecard measures are tracking to plan, although there has also been a slight increase in the calculated injury rate, due mostly to a decrease in the calculated covered workforce. The number of Nova Scotians who will require long-term security from the impact of workplace injury is increasing, although the costs of those benefits remains in line with our forecasts. Worker and employer satisfaction and our financial measures remain on track. **Q3**

CLAIMS PAYMENTS MADE In millions



OPERATIONAL HIGHLIGHTS

PACE Week helps Nova Scotia care workers identify hazards and prevent injuries

There's a lot of opportunity in Nova Scotia to prevent injuries to the people who care for others – especially in long-term care and home care, where injury rates are higher than in other sectors.

PACE is a training program based on the steps that health care workers need to consider before interacting with a client. Keeping PACE Week, held in early October, shared best practices and celebrating PACE successes to date at long-term care homes across the province.

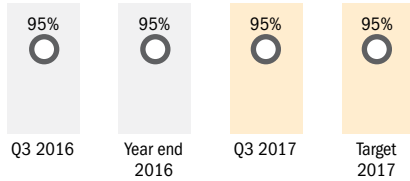
PACE stands for:

- P – the client's Physical abilities,
- A – if the client is exhibiting any Agitation or Aggression,
- C – Communication abilities, and
- E – the workplace Environment.



WCB Nova Scotia's Ian MacDonald leads a demonstration of the "C" in PACE for workers from Lunenburg Home Support. All home-care workers in the organization received the training, which was a first for a home care organization in Nova Scotia. In October, sessions were held across Nova Scotia to raise awareness of safety in long-term care and home care during the first-ever PACE week.

RETURN TO EMPLOYABILITY



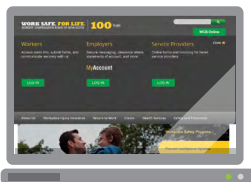
WCB Online offers faster, easier, more secure service options

WCB Online's secure messaging is reducing telephone tag and reducing paper, and more and more workers and employers are signing up. More than 2,400 workers now interact with their caseworkers through secure online messaging. So far, more than 72,000 forms have been received and more than 30,000 secure messages have been sent.

We're also in the process of replacing our aging legacy systems with cloud-based technology powered by the industry-leading insurance suite, Guidewire. This new system will change how we operate and provide service, and will help us be even better at our work to prevent workplace injury, and help workers return to the job when injuries do occur.

Special Protection Coverage change reduces red tape for employers

In 2018, it will be easier for employers to extend WCB coverage to workers who are also family members that live at home. Starting January 1, employers can opt to include these workers under their regular WCB coverage. Previously, employers had to purchase Special Protection Coverage for these workers. That process involved applying to renew their coverage every year, as well as providing separate reporting on payroll, and paying separate coverage fees. The change means less paperwork, fewer in-person visits to our offices, and a more consistent level of coverage for all employees.

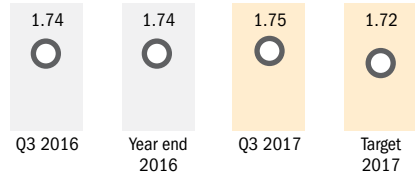


Have you joined the other workers and employers in Nova Scotia who are communicating with us online? It's faster, easier, and fully secure. Sign up today at wcb.ns.ca.

FROM JANUARY 1 TO SEPTEMBER 30, 2017, THERE WERE **2** ACUTE FATALITIES CAUSED BY TRAUMATIC INJURIES AT A WORKPLACE. IN ALL OF 2016, THERE WERE **TWO** ACUTE WORKPLACE FATALITIES.

INJURY FREQUENCY

Time-loss claims per 100 covered workers



WCB Nova Scotia helps workplaces prevent slips, trips and falls this winter

Workplaces across Nova Scotia who had time-loss injuries last year due to slips, trips and falls received a package of information in the fall to help them keep their employees safe this winter. The mailout was one part of the WCB's ongoing social marketing, which research shows is connecting with Nova Scotians in preventing workplace injury. Learn more about our ongoing work to create a workplace safety culture at worksafeforlife.ca



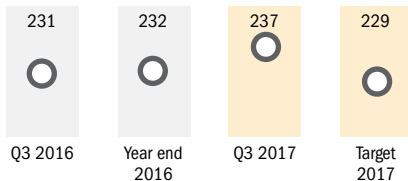
PTSD coverage for front-line and emergency response workers

The Government of Nova Scotia has introduced legislation to amend the Workers' Compensation Act to make it easier for front-line and emergency response workers diagnosed with PTSD to access benefits. Under the proposed amendments, covered workers will no longer have to prove that their PTSD diagnosis was work related. The amendments will take effect one year from royal assent to allow time for government to work with stakeholders to develop the supporting regulations. WCB will be part of that process. Until then, the current Act and our current practices, still apply. More information about current PTSD coverage is available on wcb.ns.ca



FROM JANUARY 1 TO SEPTEMBER 30, 2017, THERE WERE **10** CHRONIC FATALITIES FROM OCCUPATIONAL DISEASES OR FROM EXISTING HEALTH CONDITIONS. IN ALL OF 2016, THERE WERE **18** CHRONIC WORKPLACE FATALITIES.

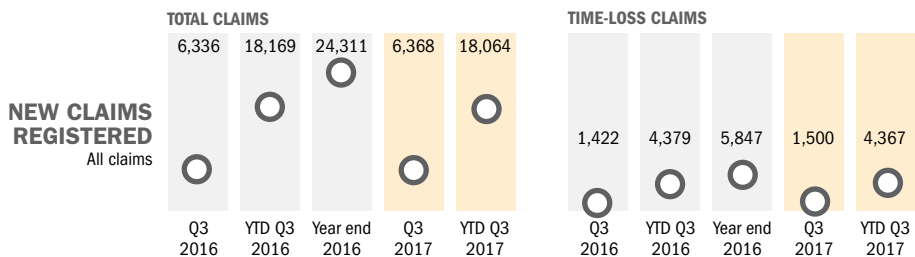
TIME LOSS DAYS PAID PER 100 COVERED WORKERS



WCB Nova Scotia's leadership in reducing red tape was noted in the Annual Report of the Office of Regulatory Affairs and Service Effectiveness, which noted that WCBs across Atlantic Canada are adopting our existing practice of using the federal government's One Business number.



Clayton Developments won the Safety Award, presented by Construction Safety Nova Scotia, at the recent Peak Awards, hosted by Canadian Home Builders' Association (Nova Scotia). In partnership with the Nova Scotia Department of Labour and Advanced Education, WCB Nova Scotia sponsored the event as the Safety Partner. Together with a number of stakeholders, the WCB is working with the residential construction industry in an effort to reduce workplace injuries and strengthen return-to-work programs. Pictured here are Andrew Holley, Past President, Canadian Home Builders Association (Nova Scotia) Christina Baker, Clayton Developments, and Damon Alcock, Construction Safety Nova Scotia.



STATEMENT OF FINANCIAL POSITION

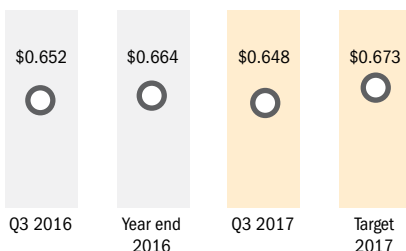
as at

| | September 30 2017 (Unaudited) (\$000s) | September 30 2016 (Unaudited) (\$000s) | December 31 2016 (audited) (\$000s) |
|---|---|---|--|
| ASSETS | | | |
| Cash & cash equivalents | \$ 17,183 | \$ 259 | \$ - |
| Receivables | 23,623 | 22,718 | 29,890 |
| Investments | 1,716,907 | 1,636,742 | 1,645,712 |
| Property and equipment | 4,317 | 3,910 | 4,072 |
| Intangible assets | 4,011 | 1,039 | 4,726 |
| | \$ 1,766,041 | \$ 1,664,668 | \$ 1,684,400 |
| LIABILITIES AND UNFUNDED LIABILITY | | | |
| Bank indebtedness | \$ - | \$ - | \$ 8,865 |
| Payables, accruals & lease liabilities | 40,048 | 36,048 | 39,982 |
| Post employment benefits | 29,992 | 28,112 | 28,792 |
| Benefits liabilities | 1,955,711 | 1,933,944 | 1,924,386 |
| | 2,025,751 | 1,998,104 | 2,002,025 |
| Deferred revenue | 6,495 | 6,100 | - |
| Unfunded liability | (266,205) | (339,536) | (317,625) |
| | \$ 1,766,041 | \$ 1,664,668 | \$ 1,684,400 |

Q3 EMPLOYER SATISFACTION INDEX
TARGET 70%



COST PER \$100 PAYROLL
Claims payments made for injuries
in the past 3 years.



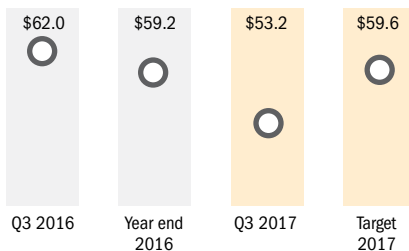
STATEMENT OF OPERATIONS

For the nine months ended September 30 (unaudited)

| | Third Quarter 2017 (\$000s) | Third Quarter 2016 (\$000s) | YTD September 30 2017 (\$000s) | YTD September 30 2016 (\$000s) |
|--|--------------------------------------|--------------------------------------|---|---|
| REVENUE | | | | |
| Assessments | \$ 87,031 | \$ 85,261 | \$ 245,219 | \$ 237,866 |
| Investment income | 7,244 | 60,455 | 91,527 | 91,006 |
| | 94,275 | 145,716 | 336,746 | 328,872 |
| EXPENSES | | | | |
| Claims costs incurred | | | | |
| Short-term disability | 10,238 | 10,636 | 31,804 | 31,294 |
| Long-term disability | 25,620 | 25,839 | 79,887 | 77,090 |
| Survivor benefits | 1,318 | 1,142 | 3,810 | 3,255 |
| Health care | 13,354 | 15,046 | 42,806 | 45,434 |
| Rehabilitation | 206 | 211 | 599 | 646 |
| | 50,736 | 52,874 | 158,906 | 157,719 |
| Growth in present value of benefits liabilities and actuarial adjustments and adjustment for latent occupational disease | 33,291 | 25,026 | 68,402 | 75,076 |
| Administration costs | 17,351 | 14,274 | 45,362 | 41,349 |
| System support | 221 | 222 | 674 | 706 |
| Legislated obligations | 3,959 | 3,810 | 11,982 | 11,692 |
| | 105,558 | 96,206 | 285,326 | 286,542 |
| Excess of (expenses over revenues) revenues over expenses applied to (increase) reduce the unfunded liability | \$ (11,283) | \$ 49,510 | \$ 51,420 | \$ 42,330 |

COST OF NEW EXTENDED EARNINGS REPLACEMENT BENEFITS

In millions



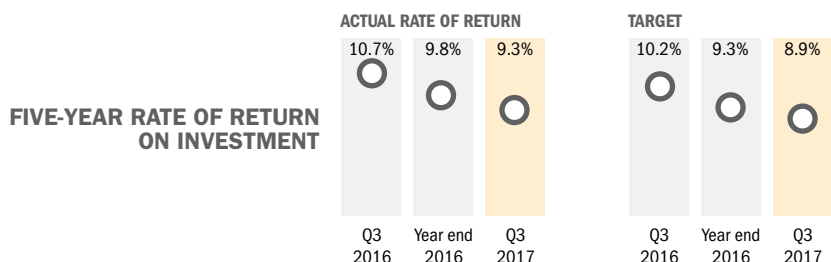
STATEMENT OF CHANGES IN UNFUNDED LIABILITY

For the nine months ended September 30 (unaudited)

| | Third Quarter 2017 (\$000s) | Third Quarter 2016 (\$000s) | YTD September 30 2017 (\$000s) | YTD September 30 2016 (\$000s) |
|--|--------------------------------------|--------------------------------------|---|---|
| Unfunded liability excluding accumulated other comprehensive income | | | | |
| Balance, beginning of period | \$ (254,922) | \$ (389,046) | \$ (310,909) | \$ (376,017) |
| Excess of (expenses over revenues) revenues over expenses | (11,283) | 49,510 | 51,420 | 42,330 |
| | (266,205) | (339,536) | (259,489) | (333,687) |
| Accumulated other comprehensive income | | | | |
| Balance, beginning of Year | - | - | (6,716) | (5,849) |
| No change in balance during period | - | - | (6,716) | (5,849) |
| Unfunded liability end of period | \$ (266,205) | \$ (339,536) | \$ (266,205) | \$ (339,536) |

Q3 WORKER SATISFACTION INDEX
TARGET 70%





STATEMENT OF CASH FLOWS

For the nine months ended September 30 (unaudited)

OPERATING ACTIVITIES

Cash received from:

Employers, for assessments
Investment income

Cash paid to:

Claimants or third parties on their behalf
Suppliers, for administrative and other goods and services

Net cash provided by (used by) operating activities

INVESTING ACTIVITIES

Increase in investments

Cash paid for:

Purchase of equipment

Net cash (used in) provided by investing activities

Net increase (decrease) in cash and cash equivalents

Bank indebtedness, cash and cash equivalents,
beginning of year

Cash and cash equivalents end of period

| September 30 2017 (\$'000's) | September 30 2016 (\$'000's) |
|------------------------------------|------------------------------------|
| | |
| \$ 255,247 | \$ 246,221 |
| 23,222 | (12,850) |
| 278,469 | 233,371 |
| (191,184) | (193,006) |
| (57,543) | (54,655) |
| (248,727) | (247,661) |
| 29,742 | (14,290) |
| (2,911) | 13,155 |
| (783) | (411) |
| (3,694) | 12,744 |
| 26,048 | (1,546) |
| (8,865) | 1,805 |
| \$ 17,183 | \$ 259 |

WORKER FELL OFF TRUCK • MOTOR VEHICLE ACCIDENT • SAW SLIPPED AND CUT LEG • WORKER FELL OFF PLATFORM • WORKER FELL GETTING INTO LARGE TRUCK • WORKER'S FOOT SLIPPED ON STEEL DECK • SLIPPED AND FELL OFF CRANE BASKET • HAND WAS PULLED INTO PROCESSING EQUIPMENT • SLIPPED OFF RAMP AND TWISTED ANKLE • CARRYING HEAVY EQUIPMENT OVER UNEVEN GROUND • FELL WHILE MOVING LARGE OBJECT • SLIPPED ON WET FLOOR • PIPE FELL OFF ROOF AND HIT WORKER. • WORKER HURT WHILE LIFTING CLIENT • TRAUMATIC EVENT AT WORK • DEVELOPED SHOULDER PAIN WHILE USING LARGE CUTTERS • STEPPED OFF PLATFORM • SITTING OVER LONG PERIODS • PAIN IN BACK WHEN STANDING UP • RESIDENT GRABBED WRIST AND THUMB • WORKER STRUCK HEAD ON FRONT END LOADER • WORKER REACHED SIDEWAYS TO KEEP PATIENT FROM FALLING • FELL ON HIP AND PULLED RIGHT SHOULDER • HELPING TO PULL CLIENT UP IN BED • RESPONDING TO TRAUMATIC EVENT • ALTERCATION DURING A THREATENING SITUATION • FELL FROM HEIGHT WHILE PUTTING UP SIGN • EXPERIENCED TRAUMATIC EVENT AT WORK • REPEATED LIFTING OF FURNITURE • MOVING FURNITURE • TWISTED BACK WHEN WORKING IN KITCHEN • SLIPPED AND FELL DOWN BANK • GOING UPSTAIRS, HIT HEAD AND FELL DOWNSTAIRS • LAYING OUT FLOORING • ROLL OVER OF TRUCK INTO DITCH • FELL FROM LADDER • LIFTING HEAVY GARBAGE BAGS • CARRYING BOX AND TRIPPED OVER DOORWAY • TWISTED KNEE STEPPING OFF LARGE DOLLY • PATIENT PULLED WORKER DOWNWARDS • WORKER WAS GRABBED BY RESIDENT AT BEDSIDE • PICKING UP BOX • LIFTING PATIENT FROM STAIR CHAIR • RESIDENT FELL BACKWARDS INTO WORKER • CUT HAND • OBJECT WENT IN EYE • CONSTANT BOUNCING AND POTHOLES • MOVING FURNITURE INTO PLACE • TWISTED BACK • CUT WRIST • LIFTING SHOWCASE • FELL WHILE CARRYING BOX • PULLED A LARGE ITEM OVER SIDE OF BUILDING • FELT PAIN IN LOWER BACK • FELT POP IN KNEE • TWISTED KNEE WHILE WORKING UNDER CAR • REPOSITIONING A CLIENT • LEG PINNED UNDER A TREE • WORKER TRIPPED ON STAIRWELL AND FELL DOWN • SLIPPED AND FELL DOWN STAIRS • SLIPPED FROM LADDER • REPETITIVE USE OF ARM • ROLLING A CLIENT IN BED • LIFTING TRAPS TO LOAD TRUCK • LIFTING HEAVY BOXES • REACHING OVERHEAD AND LARGE OBJECT FELL ONTO WORKER'S HEAD • FELL DOWN STAIRS WHILE CARRYING LARGE ITEMS • MOTOR VEHICLE ACCIDENT • TRIPPED GOING DOWN STAIRS • TWISTED BODY WHILE CARRYING LADDER • BEAM HIT WORKER ON THE HEAD • MOVING SUPPLY BOXES • ASSISTING CLIENT TO STAND • FELL OFF LADDER, HITTING HEAD AND BACK • LIFTED PATIENT AND FELT PAIN IN LOWER BACK • FELL DOWN STEPS • SLIPPED ON ITEM THAT WAS ON FLOOR • WORKER FELT PAIN IN BACK WHILE LOADING FREIGHT • FELL FROM DECK OF TRUCK • KNEELING ON FLOOR TO CLEAN • ASSISTING CLIENT TO ROLL • LIFTING TIRES • MOVING APPLIANCE • HIT BACK OF HEAD • PHYSICAL ASSAULT IN THE WORKPLACE • SLIPPED ON WET STAIRS • MOVING HEAVY ROCK • STEPPED IN A HOLE AND TWISTED BACK • REPETITIVE STRAIN AT WORK • LIFTING & TWISTING WHILE WORKING WITH FLOORING • PROVIDING CLIENT CARE • STUMBLED ON UNEVEN TERRAIN. FELL ON KNEE AND ROLLED ANKLE • COLLAPSED AND FELL TO FLOOR • TWISTED KNEE ON CART WHEN LEG GOT CAUGHT • WORKER WAS REAR-ENDED BY A TRUCK • FELL BACKWARD, TWISTED RIGHT FOOT • BITE FROM TICK LED TO LYME DISEASE • WHEELCHAIR WAS BACKED OVER WORKER'S FOOT • SHOE GOT STUCK, CAUSING WORKER TO WRENCH HIP • CABINET FELL ONTO WORKER • MOTOR VEHICLE ACCIDENT • LOST BALANCE AND FELL • LIFTING HEAVY ITEM • ASSISTING PATIENT IN BATHING • LIFTING APPLIANCE IN A TENANT'S UNIT • LOST BALANCE • WORKER WAS TRYING TO LIFT HEAVY BAG AND DISLOCATING SHOULDER • WORKER FELL OUT OF TRUCK • TRIPPED OVER TRACK • STEPPING DOWN AND FELT SOMETHING PULL IN SHOULDER • PUSHING HEAVY MATERIAL ONTO TRUCK • WORKER TRIED TO STEADY CLIENT, CAUSING DAMAGE TO KNEE • SLIPPED ON LADDER, AND HIT HEAD • FELL OFF RAMP • TRANSFERRING A PATIENT INTO SITTING POSITION • REPETITIVE USE • LIFTING AND CARRYING PATIENTS • TWISTED BACK WHILE ADJUSTING MACHINERY • DISCOMFORT DUE TO REPETITIVE MOVEMENTS • BLADE SLICED FINGER • SLIPPED AND FELL, LANDING ON RIBS • REACHED OVER CLIENT IN A BED • WALKED ON WET FLOOR AND FELL ON CONCRETE • CAUGHT HAND IN MACHINE • BENDING AND TWISTING TO PICK UP A CASE • FELT PAIN WITH SUDDEN MOTION • HAND SLIPPED WHILE ADJUSTING BOARD • PUNCHED BY A CLIENT • PINKY FINGER CRUSHED • RESIDENT PULLED ON WORKERS SHOULDER • TRYING TO DO A TWO PERSON TRANSFER • WORKER STEPPED ON RAIL TRACK • FELL THROUGH FLOOR AND LANDED ON HEAD •

SOME OF THE **1,500** TIME-LOSS CLAIMS REPORTED IN THE THIRD QUARTER

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Workplace Safety Tools and Resources

worksafeforlife.ca

Twitter

[@worksafeforlife](https://twitter.com/worksafeforlife)