

NOVA SCOTIA'S INJURY RATE DROPS TO AN ALL-TIME LOW

Return-to-work measures gain momentum

Workplace injury continues to take less of a toll in Nova Scotia, with both the number of injuries and the time lost to them continuing to decline in the first half of 2023.

The rate of workplace injury reached a new all-time low, dropping to 1.36 per 100 covered workers, down from 1.41 in the first quarter of the year and 1.62 one year ago.

The injury rate is now less than half what it was when the WCB first became responsible for injury prevention in 2003, when the rate was 3.0 per 100 covered workers.

And while it takes longer in Nova Scotia to achieve healthy and safe return to work, there is progress in this key measure as well, owing to a number of initiatives focused on better service, and the value of safe, healthy work as part of recovery. Examples include a new pilot program with the construction industry, and refreshers in best practices for WCB case workers and our Tier 1 Service Providers, which are providing a grounding in common understanding on key principles that result in improved service to workers.

Our dedicated program to support workers impacted by traumatic psychological injury continued to show progress, assisting workers in recovering from these often challenging, complex injuries.

The number of days paid for worker benefits declined by almost 20,000 days compared to the end of the previous quarter, and more than 78,500 days compared to the end of the second quarter 2022.

WCB continues to play an important lead role in a broad partnership focused on long-term care, home care, and disability support sectors. Years of investment in this sector is showing results, in both injury prevention and return to work. There were notable reductions in time-loss claims in the Construction and Manufacturing industries as well.

In the markets, WCB's investments increased by \$63.9 million over December 31, 2022. Year to date, revenues exceeded expenses for comprehensive income of \$20.6 million, increasing the funded ratio to 92.4 per cent compared to the restated IFRS 17 basis of 91.5 per cent at December 31, 2022. **Q2**

Quarterly injury rates for a sector may fluctuate when year-end calculations are finalized.

WCB NOVA SCOTIA WELCOMES NEW CEO

Karen Adams is WCB Nova Scotia's new Chief Executive Officer, as of August 14, 2023. Saeed El-Darahali, Chair of the WCB's Board of Directors, says the Board looks forward to Karen's leadership and the opportunities it will bring, in an era of newfound financial sustainability. Karen was selected following an exhaustive national search process that resulted in an exceptional field of candidates.



WCB partners with Construction Safety Nova Scotia in return-to-work pilot

WCB Nova Scotia has piloted a service with Construction Safety Nova Scotia that matches workers who have been injured on the job with meaningful and productive transitional work with other employers in the construction industry. Workers and employers can call a Return-to-Work Hotline at 902-223-4499, to answer any questions they may have about the process. For more information, visit [constructionsafetyns.ca/return-to-work-pilot-project](https://www.constructionsafetyns.ca/return-to-work-pilot-project).

OPERATIONAL HIGHLIGHTS

WCB supports long-term care sector with RTW program

More than 350 leaders from nearly 250 workplaces have a common understanding of the importance of the incredibly important role work can play in recovery from workplace injury, after a busy summer of education and information from the WCB and our partners.

Working in partnership with government, WCB developed and delivered content to more than 350 participants from almost 250 workplaces in these sectors throughout June and July – a total of 44 sessions across the province, focused on a collective response to reduce the impact of workplace injury in this key sector.

The health and safety of Nova Scotia's health care workforce has never been more important – and it is, by the numbers, the work most likely to lead to injury in our province. And when those injuries happen, the best outcome for everyone is a timely, safe return to work.

Safety Certified audit incorporates return to work

A strong safety culture includes leadership, safety policies and practices that focus on workplace safety and injury prevention. It also includes policies, plans and practices to support workers if an injury occurs in the workplace, to help them return to work in as safe and timely a manner as possible. That's why WCB Nova Scotia is building on its safety certification program to include a return-to-work element that formalizes the role of return to work as an integral part of a strong safety culture. The updated audit requirements take effect January 1, 2024. Visit wcb.ns.ca/wcb-safety-certified for more information.



Reminder.

Starting on **January 1, 2024**, the WCB Safety Certified Program will include a return-to-work element.

Get ahead by planning now.

WORKERS' COMPENSATION BOARD OF NOVA SCOTIA

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WCB co-sponsors Tema Foundation Education Day

With a growing emphasis on psychologically healthy and safe workplaces, WCB Nova Scotia is working to raise awareness and outreach about this type of workplace injury, which continues to impact more Nova Scotians every day.

The WCB was pleased to co-sponsor the 2023 Tema Foundation Education Day at Pier 21 in Halifax on May 17. More than 400 first responders, employers, union representatives, government personnel and first responder students attended. A roster of speakers underscored the importance of developing psychological health and safety resources in the workplace.

The Tema Foundation provides education, resources and support to those who, despite the risk to their health and safety, do the difficult jobs of helping Nova Scotians when we need them most.



(L to R) Marlene Grace, Relationship Manager, Homecare and Acute Care Integrated Service Team, Sarah Lefurgey, Relationship Manager, Government and Self-Insured Integrated Service Team, and Habiba Onuorah, Communications Advisor, greet event participants at WCB Nova Scotia's information table.

New Approved Rate Range introduced with announcement of 2024 employer assessment rates

WCB Nova Scotia is holding the average employer assessment rate stable for 2024, at \$2.65 per \$100 of assessable payroll. The announcement included a new rate framework to provide transparency for covered employers. Based upon the overall funded percentage – and finally possible in a new, more sustainable environment, it provides a clear picture for when rate changes might be needed, and, for when benefit changes might be recommended to Government. To learn more, visit wcb.ns.ca/approvedraterange.

Visit annualreport.wcb.ns.ca for more on our corporate performance measures and operations in Q2.

SUMMARY OF FINANCIAL RESULTS

STATEMENT OF FINANCIAL POSITION

as at

| | June 30 2023 (Unaudited) (\$000s) | June 30 2022 (Unaudited) (restated) (\$000s) | December 31 2022 (Unaudited) (restated) (\$000s) |
|--|--|--|--|
| ASSETS | | | |
| Cash and cash equivalents | \$ 21,018 | \$ 15,401 | \$ 31,330 |
| Other receivables | 14,373 | 11,678 | 8,796 |
| Investments | 2,303,559 | 2,132,643 | 2,239,651 |
| Property and equipment | 3,555 | 4,241 | 3,946 |
| Intangible assets | 24,962 | 24,969 | 25,271 |
| | \$ 2,367,467 | \$ 2,188,932 | \$ 2,308,994 |
| LIABILITIES AND UNFUNDED POSITION | | | |
| Other payables and accrued liabilities | \$ 29,492 | \$ 109,825 | \$ 51,660 |
| Post employment benefits | 20,323 | 27,348 | 19,727 |
| Insurance contract liabilities | 2,511,143 | 2,501,376 | 2,451,685 |
| | 2,560,958 | 2,638,549 | 2,523,072 |
| Unfunded position | (193,491) | (449,617) | (214,078) |
| | \$ 2,367,467 | \$ 2,188,932 | \$ 2,308,994 |

STATEMENT OF OPERATIONS

For the six months ended June 30 (unaudited)

| | Second quarter 2023 (\$000s) | Second quarter 2022 (restated) (\$000s) | YTD June 30 2023 (\$000s) | YTD June 30 2022 (restated) (\$000s) |
|---|---------------------------------------|---|------------------------------------|--|
| Insurance revenue | \$ 113,393 | \$ 99,692 | \$ 204,856 | \$ 178,846 |
| Insurance service expenses | | | | |
| Claims costs incurred | (57,074) | (71,662) | (121,414) | (141,621) |
| Assumptions change and actuarial experience adjustment | 780 | (76,161) | (10,616) | (85,410) |
| Onerous loss expense and reversals | - | 668 | - | (1,337) |
| Administration expense | (12,196) | (11,652) | (24,543) | (23,358) |
| Total insurance service expenses | (68,490) | (158,807) | (156,573) | (251,726) |
| Net insurance service result income (loss) | 44,903 | (59,115) | 48,283 | (72,880) |
| Investment income (loss) | 4,443 | (157,990) | 64,939 | (283,446) |
| Insurance finance (expense) income | (32,360) | 123,182 | (78,770) | 154,003 |
| Net financing result (loss) | (27,917) | (34,808) | (13,831) | (129,443) |
| Other revenue and expenses | | | | |
| Self-insured revenue | 2,126 | 1,921 | 4,088 | 3,877 |
| Other administration expense | (3,851) | (3,680) | (7,750) | (7,376) |
| System support | (290) | (257) | (569) | (514) |
| Legislated obligations | (4,799) | (4,730) | (9,634) | (9,625) |
| Total other expenses greater than other revenues | (6,814) | (6,746) | (13,865) | (13,638) |
| Excess of revenues over expenses (expenses over revenues) applied to increase (decrease) the funded position | \$ 10,172 | (100,669) | 20,587 | \$ (215,961) |

STATEMENT OF CHANGES IN THE FUNDED POSITION

For the six months ended June 30 (unaudited)

| | Second quarter 2023 | Second quarter 2022 (restated) | YTD June 30 2023 | YTD June 30 2022 (restated) |
|--|---------------------|--------------------------------|---------------------|-----------------------------|
| | (\$000s) | (\$000s) | (\$000s) | (\$000s) |
| Unfunded position excluding accumulated other comprehensive income | | | | |
| Balance, beginning of period | \$ (203,663) | \$ (348,948) | \$ (222,410) | \$ (233,653) |
| Excess of revenues over expenses (expenses over revenues) applied to increase (decrease) the funded position | 10,172 | (100,669) | 20,587 | (215,961) |
| | (193,491) | (449,617) | (201,823) | (449,614) |
| Accumulated other comprehensive income | | | | |
| Balance, beginning of year | - | - | 8,332 | (3) |
| | - | - | 8,332 | (3) |
| Unfunded position, end of period | \$ (193,491) | \$ (449,617) | \$ (193,491) | \$ (449,617) |

STATEMENT OF CASH FLOWS

For the six months ended June 30 (unaudited)

| | June 30 2023 | June 30 2022 |
|---|------------------|------------------|
| | (\$000s) | (\$000s) |
| OPERATING ACTIVITIES | | |
| Cash received from: | | |
| Employers, for assessments and self-insured administration fees | \$ 205,460 | \$ 187,534 |
| Other contribution - Province of Nova Scotia | 2,186 | - |
| Investment (loss) income | (14,729) | 7,165 |
| | 192,917 | 194,699 |
| Cash paid to: | | |
| Claimants or third parties on their behalf | (151,280) | (138,900) |
| Suppliers, for administrative and other goods and services | (65,458) | 32,216 |
| | (216,738) | (106,684) |
| Net cash (used in) provided by operating activities | (23,821) | 88,015 |
| INVESTING ACTIVITIES | | |
| Decrease (increase) in investments | 15,224 | (74,120) |
| Cash paid for: Purchase of equipment and intangible assets | (1,715) | (2,059) |
| Net cash provided by (used in) investing activities | 13,509 | (76,179) |
| Net (decrease) increase in cash and cash equivalents | (10,312) | 11,836 |
| Cash and cash equivalents, beginning of year | 31,330 | 3,565 |
| Cash and cash equivalents, end of period | \$ 21,018 | \$ 15,401 |

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