

## Questions and Answers

### **What are average assessment rates?**

The average assessment rate is the average rate employers pay for workplace injury insurance. WCB's Board of Directors sets that target average rate every year - a decision that needs to ensure the system generates the revenue it needs to be sustainable, and to pay for the costs of all injuries in that year. From there, each employer's rate is calculated based on the claims costs of their industry, their own experience in prevention and return to work, and for some, other factors like surcharges or industry safety levies.

### **Why have employer rates in Nova Scotia been high for such a long time?**

Two reasons: A legacy and impact of workplace injury, and decades of lax financial oversight. Rates were artificially low in the 1970s and '80s – far lower than they needed to be to generate what the system needed. When the true extent of the unfunded liability was discovered in the '90s, rates began to climb. Slowly, over the long term, and with gains in prevention and return to work, the financial state of the system improved. Today, through careful financial stewardship and progress in injury prevention and return to work, WCB is now in a place where employer rates can finally be reduced, and worker benefits can be improved.

### **Nova Scotia still has one of the highest average rates in Canada. Why didn't WCB make a bigger rate cut?**

The average rate needs to reflect the cost of workplace injury and what it can sustain. It's also critical that there is room for worker benefits to further improve. Going too far, too fast is how WCB's unfunded liability developed years earlier. The way to get to a more competitive average rate is to keep doing what's working: fewer injuries, faster return to work, and careful financial stewardship.

### **How does WCB's Approved Rate Range work?**

It guides when changes to rates or benefits can be considered based on funding levels. Because WCB is in a strong funded position, it's in the range where a rate reduction can take place. The [framework](#) helps ensure that any changes to rates are made from a place of financial sustainability.

### **What does this rate cut mean in dollar terms for employers?**

This will save employers about \$75 million compared to a rate of \$2.65. What it means for an individual employer depends on their payroll and their claims experience. Those rates are communicated to employers by September 1 of each year.

### **What is WCB's current funded position?**

The WCB is 117 per cent funded as of the end of 2025.