WCB’s first rate cut in a generation

Rates: **A closer look**

An employer’s rate is the premium they pay for WCB insurance. Like other insurance, an employer’s rate is based on claims costs – determined by their industry overall, safety record, and return to work experience in their workplace. The rate varies, from $0.30 in low-risk office-based industries to more than $15 in higher risk industries.

Today, Nova Scotia’s employers pay, on average, $2.65 per $100 of assessable payroll.

Starting in 2027, they’ll pay $2.25. It’s a 15 per cent drop and the first rate cut in more than 40 years. And it’s happening in balance with improvements to worker benefits – benefits that will be indexed to the full cost of living starting in 2027.

Rates have been high for two main reasons: A legacy of costly workplace injury, and a vastly underfunded system.

In the early 1990s, an “unfunded liability” was discovered. The system had only 27 per cent of the funds it needed to pay for claims already on the books. Today, WCB’s funded ratio has improved to **117 per cent**– a transformation achieved by preventing injuries, helping people get back to work faster, and careful financial stewardship.

In 2027, that change will result in lower premiums for employers and better benefits for workers – both of whom have been waiting too long for this moment.

Protect More Strategic Plan

In 2024, the WCB Board of Directors created the WCB’s Protect More Strategic Plan, an ambitious seven-year roadmap to create safer workplaces by doing things differently. The plan challenges both WCB and the workers’ compensation system to raise the bar. Through clear, measurable targets, it focuses on tighter collaboration, higher service standards, and a business model that keeps the people we serve at the heart of every decision.

Accountability got us here. Accountability will take us further.

The rate reduction is a big step, but there’s still a long way to go. By continuing our service improvements, reducing the costs of workplace injury, and continuing strong financial management of the system, we can continue building a stronger, more sustainable system, with more rate and benefit improvements to come.