

Workplace Safety and Insurance System Strategic Plan 2004 - 2008: Updated for 2008

March 2008

TABLE OF CONTENTS

INTRODUCTION	1
WHERE WE ARE GOING: SYSTEM STRATEGIC DIRECTION	3
WHERE WE ARE TODAY: THE STATE OF WORKPLACE SAFETY AND INSURANCE IN NOVA SCOTIA	6
GETTING FROM HERE TO THERE: STRATEGY AND PLANNING	10

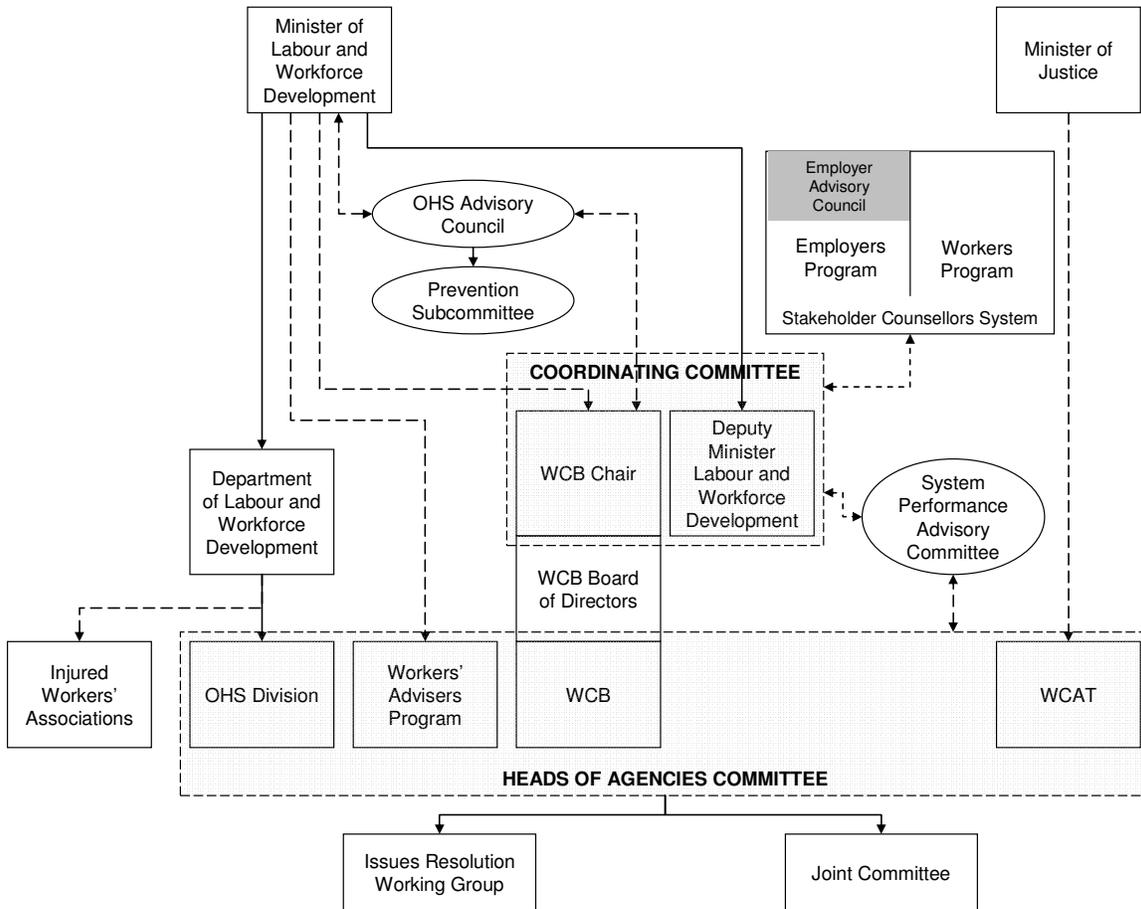
LIST OF APPENDICES

APPENDIX A: WSIS RELATIONSHIPS AND COLLABORATION	14
APPENDIX B: WSIS PLANNING CYCLE	19

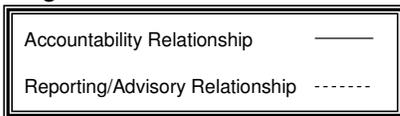
INTRODUCTION

Nova Scotia's Workplace Safety and Insurance System (WSIS) is a collaboration of government, agencies, advisory councils, working groups and those that the System serves - workers and employers. Figure 1 describes the entities that comprise the System, and their relationships with one another. A description of these entities and their relationships is provided in greater detail in Appendix A.

Figure 1: Workplace Safety and Insurance System Structure



Legend



Note: Effective April 1, 2008, the new Department of Labour and Workforce Development was created, and the Occupational Health and Safety Division transferred to the new Department.

Our **mission**:

Working together to help keep people healthy and safe at work, to insure against loss and to support workers' rehabilitation; we strive to be fair, open and responsible in everything we do.

In 2003 stakeholders, working together, defined a strategic direction for the System, including setting a vision and establishing goals and objectives. Each year progress toward achieving the vision and goals is evaluated, taking into consideration the accomplishments and performance results of the previous year and stakeholder input. This evaluation informs system and agency planning for 2008.

This document identifies our System vision and goals (*Where We Are Going*), the state of workplace safety and insurance in Nova Scotia (*Where We Are Today*) and our strategy to get from where we are to where we want to be (*Getting There*).

WHERE WE ARE GOING: SYSTEM STRATEGIC DIRECTION

In 2003, when our strategic direction was originally established, Nova Scotia's workplaces were experiencing one of the highest injury rates and one of the longest durations in the country. Injuries were happening far too frequently and it was taking far too long to get those injured back to healthy, safe work. The toll of workplace injury on the lives of workers, their families, and on society was too high. It still is.

Stakeholders also expressed a need for greater accountability in the System and better service delivery.

Driven to improve that state, agencies and stakeholders jointly set a **vision** of safe, healthy workplaces for Nova Scotians, and sustainable safety and insurance services. The vision is informed by four **goals**:

1. Improve outcomes for workers and employers;
2. Improve service delivery;
3. Ensure effective governance of the System; and
4. Ensure financial sustainability of the System.

As outlined in Table 1, each goal is further refined by a set of objectives.

Year-by-year, we are seeing measurable improvement. Upon reflection, outcomes and stakeholder feedback tell us we are moving in the right direction, but that we have not yet fully achieved the goals set in 2003. With continued focus in these four areas, service delivery and governance will continue to improve. Perhaps most importantly, we will continue to witness significant improvement in outcomes as a result of healthier and safer workplaces: the elimination of workplace fatality, minimal workplace injury, and successful, healthy and safe return to work for those who are injured.

We will maintain our course for 2008, and continue to focus on the vision, goals and objectives previously established.

Table 1 – WSIS Goals and Objectives

Improve outcomes for workers and employers

Reduce Workplace Injury

1. Increase worker and employer awareness and knowledge of rights, responsibilities, risks and best practice related to illness and injury prevention
 2. Encourage positive health and safety attitudes and behaviours
 3. Increase compliance with legislative standards and the adoption of best practice
 4. Improve health and safety outcomes
-

Return to Work

1. Ensure safe and timely return to work
 2. Improve the satisfaction of injured workers and employers with their return to work experience
 3. Increase awareness of the benefits of safe and timely return to work
-

Improve service delivery

Accessibility of Information and Information Sharing

1. Increase awareness and understanding of the System
 2. Increase accessibility of service
 3. Increase accessibility of information
-

Issue Resolution

1. Issue the correct decision the first time
 2. Increase the understandability of letters and decisions
 3. Increase the efficiency of issue resolution
 4. Increase worker and employer involvement in decision-making
 5. Increase the fairness of the System
-

Table 1 (continued) – WSIS Goals and Objectives

Ensure effective governance of the System

Formal Accountability Structure

1. Establish an ongoing agency committee to oversee the day-to-day implementation of the System plan
 2. Produce agency quarterly reports and a semi-annual update on the System plan
-

Stakeholder Consultation

1. Increase stakeholders' understanding of how they can influence policy/corporate/government decisions
 2. Improve stakeholders' level of satisfaction with the meaningful opportunities they have to provide input into the policy development process, including inter-agency consultation
 3. Adhere to agreed-to consultation process for policy development
 4. Improve stakeholders' level of satisfaction with the meaningful opportunities they have to provide input into corporate decisions for the Workplace Safety and Insurance System
-

Ensure financial sustainability of the System

1. Full funding as outlined in the Funding Strategy
 2. When long-term financial results are better than target, discuss gains sharing opportunities to increase benefits for injured workers, reduce employer assessment rates and/or expedite retirement of the unfunded liability
-

WHERE WE ARE TODAY: THE STATE OF WORKPLACE SAFETY AND INSURANCE IN NOVA SCOTIA

Whether we are progressing toward our vision is informed by two sources: 1) what our system performance measures tell us about outcomes, and 2) what our stakeholders tell us about their perspectives and experiences.

Performance Outcomes

Year-end System performance results demonstrate outcomes, for the most part, moving in a positive direction. They include: a continued decrease in the province's work-related injury rate, the result of fewer time-loss claims; a further decrease in average claim duration indicating that injured workers are getting back to work in a safer, more timely fashion; and a continued trend of high stakeholder satisfaction.

The Workers' Compensation Board's 2007 year-end financials show a total comprehensive loss, driven by two primary factors. First, net investment income was less than required to cover liability requirements. We believe this is the result of the inherent volatility in the investment market. Second, claims costs were higher than anticipated. Hence, as of year-end 2007, the Workers' Compensation Board's percent funded position decreased from 81% to 75% as of December 31st, 2007.

It is important to remember that the funding strategy is a best estimate of what will happen given a stated set of assumptions. Actual results will differ from the projections, and in some instances these differences may be material. Financial results in the first 12 years of the funding strategy (1995 – 2006) were better than expected. We are confident that 2007 results reflect a temporary setback and that negative experience in claims costs and investment returns will be recovered in subsequent years.

A more comprehensive description of System performance is provided in the Workplace Safety and Insurance System 2007 Year-End Report.

Projections for the future are positive. With continued focus on the funding strategy, the Workers' Compensation Board is still on track to full funding in approximately 2016. 2008 will see a continued focus by both the Occupational Health and Safety Division and the Workers' Compensation Board on raising awareness of the importance of workplace health and safety and ramping up efforts to affect behaviours.

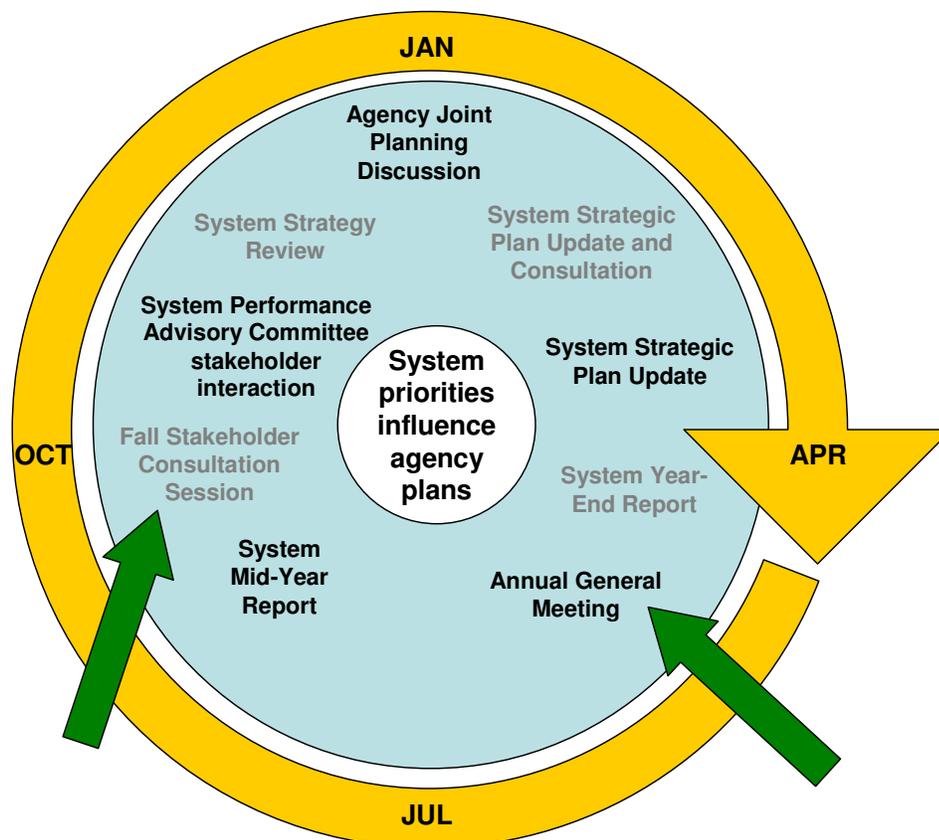
Stakeholder Input

There are several avenues through which stakeholders have the opportunity to provide input – input that influences our direction and the shaping of strategies and plans. In preparation for this year's update, the following stakeholder input sources were taken into consideration:

- Stakeholder consultation session (November 28th, 2007),
- Advice of the Occupational Health and Safety Advisory Council,
- Ongoing advice of the System Performance Advisory Committee, and
- Needs as reflected by agency employees, based on their everyday interaction with stakeholders.

Figure 2 depicts the System planning cycle, and identifies, among other things, points in that cycle at which stakeholders have a formal opportunity to contribute. Appendix B provides further information on the planning cycle.

Figure 2: Workplace Safety and Insurance System Planning Cycle



Discussions held at the Stakeholder Consultation Session on November 28th, 2007 resulted in the identification of suggestions and opportunities in four specific categories, and one 'other'. Highlights are captured in Table 2, November 2007

Stakeholder Input. The items identified in the table represent points of discussion raised on November 28th, and are not indicative of points of consensus.

Table 2 – November 2007 Stakeholder Input

<p>Education programs</p> <ul style="list-style-type: none"> ▪ Safety should be taught in different ways in the school curriculum (elementary and high school) ▪ Deputy Minister, responsible for Occupational Health and Safety, should continue to liaise with Deputy Minister, Education on the subject of prevention ▪ Education for police/fire service/physicians ▪ All elements of the System (i.e. OHS, safety associations, WCB, etc.) need to be considered in implementing a better way to enhance prevention ▪ Ensure there is no duplication of what is being taught by various sources (i.e. schools, workplaces) ▪ Accreditation for health and safety courses
<p>OHS Division – WCB merger</p> <ul style="list-style-type: none"> ▪ Consider opportunity for OHS Division to merge with WCB with move to split NSEL on April 1, 2008 ▪ Prevention mandate should be shared by the OHS Division and WCB, allowing for true coordination of System resources
<p>Workers Health and Safety Centres</p> <ul style="list-style-type: none"> ▪ Stakeholder-recognized need for this ▪ WCB should conduct research/business case study ▪ Some agree in principle, but acknowledge that the timing may not be right
<p>Service delivery</p> <ul style="list-style-type: none"> ▪ Streamline the System ▪ Make the right decision, early ▪ Have the right people at the table ▪ Long-term claims need consistent decisions ▪ Case workers need to look at medical in more detail ▪ Poor performers need to be dealt with up front (i.e. return-to work safety) ▪ Barriers need to be addressed – access to quality healthcare, lengthy decision-making process ▪ Evidence-based decisions – decrease System costs, right treatment, right program, avoid costly appeals
<p>Other</p> <ul style="list-style-type: none"> ▪ Make the Certificate of Recognition program mandatory ▪ Canada Health Act does not apply to employers ▪ Priority Employer Program is a good program ▪ Need better knowledge of all new Nova Scotia workers ▪ Employers need to take a better lead (do not stop educating/training) ▪ Target those not in the workforce ▪ Behavioural change needs to take place ▪ Be careful not to fall back into old ways (i.e. pre-WSIS)

Several stakeholders' suggestions will be addressed in 2008 as part of the implementation of the agencies' respective business plans. The Occupational Health and Safety Division and the Workers' Compensation Board will continue to develop relationships with the Department of Education toward increasing the delivery of workplace health and safety education through school curriculum. The Issues Resolution Working Group will continue to explore opportunities for improvement in the claims and appeal processes, with a particular focus on reducing the reliance on the appeal system as a means to resolving disputes.

Those suggestions not directly addressed by 2008 business plans will be incorporated as opportunities for consideration in the 2009 – 2012 System planning process.

In a memo to the Minister of the Department of Environment and Labour, the Occupational Health and Safety Advisory Council identified four prevention priorities: 1) Education, 2) Training, 3) Regulation, and 4) Research. The Prevention Subcommittee of the Occupational Health and Safety Advisory Committee has been tasked to prepare recommendations for items 1, 2 and 4. The Regulations Subcommittee will prepare recommendations for item 3. As recommendations become available they will be incorporated into System planning activity.

GETTING FROM HERE TO THERE: STRATEGY AND PLANNING

Strategy

Feedback relating to 2007 performance and stakeholder input into 2008 strategy and planning leads us to the conclusion to continue to invest in the strategy taken in 2007, as described below.

Improve Outcomes for Workers and Employers – Reduce Workplace Injury

Workplace injury prevention is the joint responsibility of workers, employers, the Occupational Health and Safety Division and the Workers' Compensation Board. The Occupational Health and Safety Division and the Workers' Compensation Board have worked closely over the past several years to develop and implement prevention programs, and by working with Nova Scotia's workers and employers we have seen a notable decrease in the provincial injury rate. This has been in part accomplished by targeting "high potential" employers with compliance guidance, providing online tools and information to employers, prevention consultation and educational programs, enforcement efforts, and aggressive social marketing.

Additionally, to target the workforce of tomorrow, a significant amount of focus has been placed on the secondary school system to incorporate workplace health and safety into their curriculums.

As injury prevention moves forward, we will maintain those programs and services already established, as well as:

- Continuously seek opportunities to improve the quality, coherence and effectiveness of regulation (Better Regulation Initiative);
- Strive to improve compliance with existing laws;
- Strive to increase awareness of the Internal Responsibility System;
- Increase focus on ergonomics toward the reduction of musculoskeletal injuries;
- Coordinate research into the feasibility of a Nova Scotia Workers' Health and Safety Centre;
- Focus on regulation and reduction of workplace violence; and
- Work to reduce injury and cost in the health sector.

Improve Outcomes for Workers and Employers – Return-to-Work

Our current focus with respect to return-to-work is 'safe' and 'timely' (i.e. how long it takes to do so; duration). Socio-economic factors beyond the control of the System agencies influence this outcome, but there are steps that System agencies have been able to take toward improvement. They include: work to strengthen existing and establish new healthcare partnerships; work with

employers to help them understand the value of safe and timely return-to-work and to establish organizational return-to-work programs; and improvements to the Workers' Compensation Board's return-to-work methodology.

Nova Scotia has one of the highest duration rates in the country. While significant strides have been made, targets for coming years are aggressive. To achieve those targets, we will maintain the foundation built over the past few years, and expand our focus to develop new tools, such as an electronic drug e-formulary, to more efficiently and effectively manage the relationships with those who manage injured worker healthcare.

Improve Service Delivery – Accessibility of Information and Information Sharing

A number of steps have been taken over the past few years to improve stakeholder access to information: establishment of the WSIS website; the release of MyAccount; more rigorous policy consultation; development of a planning process that actively engages stakeholders; joint agency road shows; bi-annual stakeholder consultation sessions; establishment of the System Performance Advisory Committee; and development of the System Stakeholder Counsellor Program.

Moving forward, we will maintain those achievements as well as:

- Implement the System Stakeholder Counsellor System; and
- Implement improvements to the System's service delivery model.

Improve Service Delivery – Issue Resolution

The Issues Resolution Working Group has, for the past several years, worked to identify opportunities for process improvement and to resolve specific issues brought forward by one of the three agencies: the Workers' Advisers Program, Workers' Compensation Appeals Tribunal and the Workers' Compensation Board. Activity resulting from this working group includes the establishment of joint training, joint appeals scheduling, and establishment of an appeals issues discussion group.

Moving forward, System partners will explore opportunities to make the System less litigious.

Ensure Effective Governance of the System – Formal Accountability Structure

Significant efforts toward achievement of this goal were made as a result of the implementation in 2005 of a new governance structure, and as part of that, establishment of the stakeholder-represented System Goals Advisory Committee (a.k.a. System Performance Advisory Committee). Stakeholders and the four

System agencies continue to progress in their understanding of how best to operate within the new model toward what is best for workers and employers.

Ensure Effective Governance of the System – Stakeholder Consultation

As part of the original System strategic planning initiative, stakeholders asked for more comprehensive consultation in three specific areas:

1. Workers' compensation policy development;
2. Changes that could have significant financial implications for either workers or employers; and
3. System strategic planning.

Since then, both policy consultation and System strategic planning processes that engage stakeholders at crucial points have been established. Moving forward, progress made toward achievement of this objective will be maintained. During 2008 the Workers' Compensation Board will explore opportunities to improve the policy consultation process. Also during 2008, System agencies will continue to evolve toward a more integrated, collaborative planning approach.

Ensure Effective Governance of the System – System Performance Measurement

Significant effort has been undertaken toward achievement of this objective. In 2004 a System Performance Measures Advisory Committee (SPMAC) was established with the mandate to recommend System Performance Measures. The committee delivered its recommendation in July 2005. That recommendation was adopted and modified by the System Goals Advisory Committee (a.k.a. System Performance Advisory Committee). During 2007 the Committee refined its recommendation, and ultimately it was accepted by the Heads of Agencies Committee and put into immediate operation. Most of the recommended measures have been adopted. Others that are new to the System are under development and are anticipated to be ready during 2008.

Ensure Financial Sustainability of the System

The Accident Fund, administered by the Workers' Compensation Board's Board of Directors, funds the Workplace Safety and Insurance System. Therefore, achieving full funding is critical to the longevity and fiscal sustainability of the System.

The current Funding Strategy sees full funding by approximately 2016. In the mean time, should we experience gains relative to the funding strategy, discussions may be conducted to identify whether to increase injured worker benefits, reduce employer assessment rates, and/or accelerate the plan to retire the unfunded liability.

Plans for 2008

Selection of a given set of activities as opposed to others is driven by our strategy, and aimed toward achievement of our goals. Further information on plans can be obtained by contacting the respective agencies directly or by accessing their websites.

Whether the activities defined by these plans are moving us in the right direction will be informed by regular monitoring of performance outcomes and stakeholder feedback.

APPENDIX A:
THE WORKPLACE SAFETY AND INSURANCE
SYSTEM – RELATIONSHIPS AND
COLLABORATION

Relationships and Collaboration

Nova Scotia's Workplace Safety and Insurance System is a collaboration of government, agencies, advisory councils, working groups and those that the System serves (workers and employers) – all working together toward a common vision.

GOVERNMENT

There are two areas of government that play a role in the Workplace Safety and Insurance System. The Minister of Labour and Workforce Development is responsible for Parts I and III of the *Workers' Compensation Act* and for the *Occupational Health and Safety Act* (NOTE: This responsibility was transferred from the Department of Environment and Labour to the new Department of Labour and Workforce Development on April 1, 2008). As per the *Workers' Compensation Act*, the Minister is responsible for the appointment of the Chair and Directors of the Board of Directors for the Workers' Compensation Board and for appointment of the Chief Adviser of the Workers' Advisers Program. As per the *Occupational Health and Safety Act* the Minister is directly responsible for the Occupational Health and Safety Division.

The Minister of Justice is responsible for Part II of the *Workers' Compensation Act* and for the selection of the Chief Appeal Commissioner of the Workers' Compensation Appeals Tribunal.

AGENCIES

Occupational Health and Safety Division of the Nova Scotia Department of Labour and Workforce Development

The mission of the Occupational Health and Safety Division is to establish, promote and enforce clear standards to reduce occupational injury and illness. The Division's objectives are to, with its partners, work to reduce the incidence of injury and illness of employees, improve the understanding of occupational health and safety standards by all workplace parties, and improve health and safety conditions in the workplace by means of research, compliance promotion, inspection, investigation and enforcement of legislation.

Workers' Advisers Program

The Workers' Advisers Program is responsible for the development, implementation and maintenance of a program to advise, assist and represent eligible injured workers who have been denied benefits under the *Workers' Compensation Act*.

Workers' Compensation Appeals Tribunal

The Workers' Compensation Appeals Tribunal is the first level of appeal external

and independent of the Workers' Compensation Board. It hears and decides appeals filed by workers or employers and may involve claims-related issues or employer assessment matters. The Workers' Compensation Appeals Tribunal also has exclusive jurisdiction to determine whether the *Workers' Compensation Act* bars a right of action against employers.

Workers' Compensation Board

The Workers' Compensation Board is a workplace injury insurance agency responsible for administering the *Workers' Compensation Act*, providing prevention education and promoting a culture of safety in the workplace.

STAKEHOLDER COUNSELLORS SYSTEM

The Stakeholder Counsellors System is comprised of two programs – one representing workers and the other representing employers. The two programs will run initially as pilots, each providing navigation support to their respective stakeholders. The employer program will be administered through the Canadian Manufacturers and Exporters and governed by an Employers Advisory Council comprised of representatives of key employer groups. The worker program will be run through the Federation of Labour.

ADVISORY COUNCILS AND WORKING GROUPS

A collaborative approach is key to the success of the Workplace Safety and Insurance System. Through consultation, the System's administrators strive to involve stakeholders on an ongoing basis in order to understand their needs, priorities and perspectives. Several standing advisory councils and working groups have been established to serve that objective. They include:

The Occupational Health and Safety Advisory Council is a stakeholder advisory group whose purpose is to advise the Minister of Labour and Workforce Development on Occupational Health and Safety matters. The Prevention Subcommittee, a sub-group of the Advisory Council, advises council members specifically on prevention needs and priorities.

The System Performance Advisory Committee is comprised of representatives of the worker and employer communities, each of the four System partner agencies (Occupational Health and Safety Division, Workers' Advisers Program, Workers' Compensation Appeals Tribunal, and Workers' Compensation Board), members of the Occupational Health and Safety Advisory Council and members of the Workers' Compensation Board's Board of Directors. The role of the Committee is to advise the Heads of Agencies on System performance, and on measurement of that performance. It is also the Committee's role to provide advice on how to improve System transparency and increase accountability to stakeholders.

Working groups are internal, operational groups established as needed in line with identified System priorities. The Issues Resolution Working Group, for example, has been established to advise the agencies as to how to improve the effectiveness and efficiency of issue resolution within the System.

INJURED WORKERS ASSOCIATIONS

Injured Workers Associations are organizations that advocate on behalf of injured workers, providing a service beyond that provided by the Workers' Advisers Program. There are three associations, located in Cape Breton, Pictou and Halifax. These associations report to the Department of Labour and Workforce Development.

WORKERS AND EMPLOYERS

The System exists to serve workers and employers, and in turn, their input and advice ensures that the System sufficiently balances their present and future needs.

A number of mechanisms exist to solicit the input and advice of workers and employers, including regular stakeholder satisfaction surveys. Also, the Annual General Meeting (spring) and stakeholder consultation session (fall) provide forums for workers and employers to ask questions of the System agencies and to publicly share their views.

Workers and employers also serve on standing advisory councils and working groups, such as the Occupational Health and Safety Advisory Council and System Performance Advisory Committee.

System Governance

The System Coordinating Committee is comprised of the Chair of the Board of Directors of the Workers' Compensation Board and the Deputy Minister of the Department of Labour and Workforce Development. Together, these two individuals are responsible for coordinating recommendations for legislative change, aligning the planning process with shared goals and objectives, and ensuring consultation and linkages between the Heads of Agencies Committee and the System Performance Advisory Committee.

The Heads of Agencies Committee is comprised of the heads of the four System agencies, namely:

- Director of the Occupational Health and Safety Division;
- Chief Workers' Adviser of the Workers' Advisers Program;

- Chief Appeal Commissioner of the Workers' Compensation Appeals Tribunal; and
- CEO of the Workers' Compensation Board.

Members of the Heads of Agencies Committee are responsible for the ongoing delivery of service to workers and employers in the System, and for measurement and reporting of outcomes and progress in alignment with System goals. They are also responsible for coordinating strategic plan implementation.

APPENDIX B: WORKPLACE SAFETY AND INSURANCE SYSTEM – PLANNING CYCLE

Table B.1 Description of the WSIS Planning Cycle

Fall Stakeholder Consultation Session

Agency-hosted event to obtain key stakeholder input concerning System priorities.

System Performance Advisory Committee Peer Consultation

System Performance Advisory Committee members consult respective represented groups concerning System priorities.

System Strategy Review

Agency Heads review existing strategy and update if necessary.

Agency Joint Planning Discussion

Agency Heads and staff assess System priorities and strategy, and identify initiative needs and opportunities.

System Strategic Plan Update and Consultation

Agency Heads review System Strategic Plan (and proposed revisions if applicable) with System Goals Advisory Committee members.

System Strategic Plan Update

Updated System Strategic Plan provided to Coordinating Committee and made available to stakeholders.

System Year-End Report

System Year-End Report provided to Coordinating Committee and made available to stakeholders.

Annual General Meeting

System Annual General Meeting, hosted by the Coordinating Committee.