

Working Together on Prevention

Safety Management: a Systems
Approach

Why Prevention?

Compliance with the law.

- Occupational Health and Safety Act
- Bill C-45

Why Prevention?

Moral obligations

"Safety is the first basic human need. If you don't feel safe in your environment, how can you possibly do a good job?"

Mike Simms, Plant Manager, Wainwright Industries

Why Prevention?

Cost Reduction

- average claim length:
 - 1992 35 days
 - 2004 over 100 days

Why Prevention?

Cost Reduction

- Costs covered by compensation (insured costs) are only one cost.
 - There are hidden (uninsured costs) costs like:
 - Equipment damage
 - Employee retraining
 - Lost production
 - Fines
- The list can be long.

Why Prevention

- The only sure way to minimise the effects of incidents and injuries is to prevent them from happening.
- LTC rate:
 - with safety management systems 3.0
 - without safety management systems 4.9
- This shows progressive companies include safety in their management systems.

What Does it Look Like

- 1. Demonstrate commitment.
- 2. Control hazards.
- 3. Prepare for emergencies.
- 4. Assign responsibilities.
- 5. Inspect your workplace.
- 6. Control chemical and biological substances.
- 7. Train supervisors and workers.
- 8. Investigate incidents.
- 9. Involve your workers.
- 10. Make your health and safety system better.

Conclusion

- High injury rates and compensation claim costs affect production and company bottom line.
- Shifting from reacting to accidents to preventing them will lower injury rates and associated costs.

Conclusion

- Introduce best practices.
- Safety management means planning not to have accidents.

Our Goals

- Affect a cultural change making safety the number one priority in Yukon workplaces.
- For all Yukon Employers to have a safety management system in place by 2008.

Your input is important to us.

Thank You

What is an Incentive Program?

- In Canada there are two types:
 1. Experience Rating
 2. Best Practices

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Incentive Programs in Other Jurisdictions

- Newfoundland and Labrador
- NWT/Nunavut
- Prince Edward Island

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Newfoundland & Labrador – PRIME

Primary Goal

Promote healthier, safer workplaces and
early and safe return-to work practices
by:

- Linking payments to employer practices
- Rewarding good practices
- Addressing poor accident performance

Newfoundland & Labrador – PRIME

- Rewards efforts as well as results
- Increased accountability
- More responsive and easier to use

How PRIME Works

Part 1: Practice Incentive

- Reward for complying with legally required health and safety practices, and implementing return-to-work best practices.
- Employers who meet the Practice Incentive criteria get back 5% of their assessment.
- Calculated annually.

To earn the practice incentive

Prevention

1. Occupational health and safety committee or worker representative in place
2. Occupational health and safety training completed
3. Occupational health and safety program or policy in place

To earn the practice incentive

Return-to-work

4. Injury reporting system in place

5. Early and safe return-to-work program or policy in place

How PRIME Works

Part 2: Experience Incentive

- Only employers who earn a practice incentive under Part 1 are entitled to receive a refund under Part 2.
- Part 2 applies only to employers who have been in operation for two years
- Employers will be given a range against which their claims payments will be compared
 - Claims payments below the range Refund
 - Claims payments above the range Penalty
 - Claims payments in the range No impact

PRIME – Summary

Prime is a two-part program

- Practice incentive of 5% based on workplace practices
- Experience incentive based on claims payment experience

NWT/Nunavut

- Applies only if undiscounted assessments are over \$40,000
- About 100 Employers , or 3% of all employers
- Covers about two-thirds of total assessment
- Incentive is a *Refund* or a *Penalty*

NWT/Nunavut

- Two parts to the evaluation:
 1. Cost Experience
 - range against which claims payments would be compared
 - range depends on the amount of assessment
 2. Management Practice
 - Evaluated on prevention and return-to-work policies & programs

NWT/Nunavut

Impact of Experience Rating

Result	Number of Employers	Average Amount	Average Percent
Refund	47	\$15,000	6%
Penalty	38	18,000	12%
Neither	14		
Total	99		

Illustration based on a 2004 implementation
Assumes all employers meet practice standards

Largest refund and largest penalty about \$200,000

NWT/Nunavut

Summary of Experience Rating

- A focused program aimed at about 100 employers
 - ✓ Represents about two-thirds of assessments
 - ✓ Represents over 80% of assessments for employers with above average costs
- Refunds and penalties for experience that is significantly different from average
 - ✓ Employers must meet acceptable practice standards in order to receive a refund
 - ✓ Failure to meet acceptable practice standards can result in increased penalties

Prince Edward Island

- Experience rating
- Group Average, surcharges or discounts
- Discounts and surcharges are capped

Prince Edward Island

- Cost Ratio lower than group average = discount
- Cost Ratio higher than group average = surcharge

Summary

	NF	PEI	NT/NV
1. Employers involved	Sm < 45K Lg > 45K	\$1000 avg over 3 years	> 40K
2. Number of employers	13,000	1,650	100
3. Experience Rating		✓	
4. Experience Rating/Management Practices	✓		✓



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What kind of Incentive Program do we want?

- We need to develop an incentive program that suits the special needs of the Yukon



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Some Facts About the Yukon

- Small Jurisdiction
- Most of the employers have fewer than 20 workers
- 50% of employers pay less than \$700 in assessment premiums
- Only 5% of employers pay more than \$10,000 in assessment premiums (120 employers out of 2400)
- The top 5% of employers covers about 75% of the total assessment revenue.



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In Conclusion: Some Questions to Think About

1. In order to achieve our goal of safe and healthy workplaces, should we reward workplace results, (lower claim payments) or workplace practices that give those results (audited safety program)?
2. Should it be available to all employers or just large employers?



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Some Questions to Think About

3. Should the program be tailored to the size of employer?
4. Should an incentive program be revenue neutral?

Indoor Air Quality: Environmental Tobacco Smoke (ETS)

WHAT IS ETS?

- A source of indoor air pollution
- Easiest indoor air pollutant to remove
- Gaining increasing attention

WHAT IS YWCH&SB'S INTEREST?

- Committed to creating healthier and safer workplaces



Canadian Trends

- Substantial reduction in tobacco consumption occurring across Canada
- 90% of workplaces now have smoking restrictions

What's Driving These Trends?

- Knowledge and Attitudes
- Health Considerations
- Business Considerations
- Legislation
- Employee Satisfaction
- Liability

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Social Demographics

- Yukon 3rd highest consumption rate in Canada at 27.5%
- BC - lowest at 18.7 %
- Younger workers more likely to be exposed
- Hospitality and service sectors, blue-collar occupations and small firms

Current Measures In Place

CDN Jurisdictions

- Variety of approaches

Yukon

- Government of Yukon
- Municipalities -
City of Whitehorse
and Town of
Dawson City



Options for Employers

- Employer Smoking Ban
- Supports and Safety Systems

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Roles for Health Agencies and Government

- Governments/Municipalities – education, programs or legislation
- YWCHSB
- Education and awareness
- Supports and safety systems
- Regulation & legislation



What Works?

- Public Support
- Comprehensive Efforts

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We Want Your Input!

- Should WCB play a role, and if so what kind of role?

Thank You!



How Can You Provide Input to These Issues?

- Submissions are welcome
- How to make a submission
- How submissions will be used

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