

Saskatchewan Workers' Compensation Board preliminary rate information meeting (2024 rates)

Gord Dobrowolsky

Good morning, ladies and gentlemen. Thank you for taking time to join us today. My name is Gord Dobrowolsky and I'm the chair of the Saskatchewan Workers' Compensation Board. On behalf of the WCB and my fellow board members, Larry Flowers, Gary Hamblin, Judy Henley and Jack Brodsky, I am pleased to welcome you to our preliminary rate information meeting. It is indeed my pleasure to address you today.

If you've been to a previous preliminary rate information meeting, you'll already know that we have a lot of information to cover. We have 30 minutes after the presentation for your questions. So please take notes and write down your questions as we proceed through the formal presentation portion of today's agenda. The question period is open to everyone attending. When our CEO has wrapped up his final comments, you can submit your questions through the chat function, which should be on the right side of your screen. Our moderator will read your questions, so please make sure to include your name with your question. We will try to get to all of your questions. If not, we will add responses and post the Q&A to our website. Or you can contact us directly by sending an email to ask WCB at WCB@sask.com.

The preliminary industry rate code specific sheets will be available on the WCB website following this event. Each sheet contains specific rate code statistics and the 2024 preliminary premium rate.

This annual meeting is part of our rate setting process so we can remain accountable to you. The WCB has exclusive jurisdiction in Saskatchewan and we are an independent board fully funded by our employers' premiums and investment income. We value your feedback on the proposed rates. We really appreciate the time you've taken to be here and be a part of this meeting. Thank you for your interest in the WCB.

All the work we do at the WCB is based on our vision, which is to eliminate injuries and restore abilities. We want to prevent all work-related injuries and fatalities. If someone is injured, we want to avoid disability by helping our workers rehabilitate and return to work. We can only achieve this if each one of us around the province works together. As employers, this means providing a safe workplace for your employees and prioritizing effective safety management

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systems. Skipping this step to save time or money could cost someone their life. Even the smallest of actions can result in life altering and tragic consequences.

To illustrate the commitment we hope all business owners share, the familiar phrase “on time and on budget” should expand to say, on time, on budget, with no injuries. We believe that by adding those last three words, we are now covering every measure of success, including the health and safety of the people working on every project. At the WCB, we strive to balance the needs of workers and employers to achieve our vision. Our mission is to protect Saskatchewan workers and employers today and tomorrow through innovative and effective programs and services. This means we are always continuing to work with our customers and partners to make the necessary changes to our practices, to enhance our customer service and improve our outcomes.

We have many self-serve options available through your secure WCB online account to ensure you get the information you need faster. For the past few years and again this year, you can log into your secure WCB online account to view your 2024 premium rate statement, experience rating letter and certificate, if eligible. In December, you'll be able to view your rate advice letters through your WCB online account. Having this information available to you online means you get the information quicker and it helps protect your privacy.

To make our preliminary rate information meeting more valuable for you, our customers, as in previous years, today's information will be available online after the meeting on the WCB website, WCB Sask dot com. This is all part of our efforts to constantly advance our service to you. You can find a recorded copy of many presentations on our YouTube channel. Just search for Saskatchewan Workers' Compensation Board.

As a board, it is our legislative obligation to guarantee the future of our compensation system. That means we need to be good financial stewards. This slide reflects the previous year's average premium rates and historical method of the premium rate calculations. We use our rate model every year to determine the following year's rates. In 2021 and 2022 we adjusted the average premium rate to help relieve pressure on employers because of the COVID 19 pandemic. As you may recall, we have been advising employers since 2020 that they could likely expect to see increases in the Saskatchewan premium rates. While this was the case for

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2023 rates, we are forecasting that increasing claim costs will be offset by rising employer payroll next year. As a result, we are proposing the board level average preliminary premium rate for 2024 should remain unchanged at \$1.28 per \$100 of assessable payroll.

Most workers' compensation boards in Canada have not released their 2024 preliminary average premium rates yet, but are likely to do so in the next few weeks. Saskatchewan's premium rates are likely to continue to remain among the lowest rates in Canada. However, our goal is not to have the lowest rate in Canada. Our goal is to uphold a balance between stable rates and a fully funded compensation system.

Employers can influence their industry and individual premium rate through effective injury prevention and return-to-work programs. The degree to which employers in an industry work to eliminate workplace injury also affects industry premium rates. After all, the least expensive injury is the one that does not happen. Individually, employers who commit to eliminate injuries in their workplace benefit from lower premium rates through the experience rating program. In 2022, 90 per cent of employers achieved zero injuries and zero fatalities in the workplace. This means that Saskatchewan workers and employers are making safety part of their workplace culture to create safer workplaces in the province.

Sincerely, thank you for all your health and safety efforts. However, we know there is still more work to be done to eliminate fatalities, injuries and suffering. We must all remain vigilant to keep every workplace safe.

The premiums you pay as an employer cover several benefits for workers and employers. The workers' compensation system in Canada, as we know it, was established through support from unions and employer associations and is based on the Meredith principles. These principles were adopted more than 100 years ago and we believe they are still as valid and important today as they ever were. Reflecting something known as the historic compromise, the Meredith principles provide for an employer funded compensation system, in exchange for which workers gave up their right to sue. The principles stipulate that the WCB will provide no-fault mandatory insurance coverage to protect workers from workplace injuries by providing benefits such as earnings loss and medical. Through this no-fault system, employers are protected from legal action arising from a workplace injury and collectively fund the compensation system. We

remain committed to the Meredith principles that protect families, employers and entire communities. All of us here representing the Saskatchewan WCB are extraordinarily proud to be able to help injured workers, their families and employers when they are negatively affected by a workplace injury.

I'd now like to turn it over to Philip Germain, our CEO, to discuss the evolving economic conditions and future funding costs. Thank you for being here this morning.

Phillip Germain

Thanks, Gord, and good morning everyone, and thank you for joining us for our preliminary rate information meeting for our 2024 preliminary rates. I'm the WCB CEO, Philip Germain. And today I'd like to start off by thanking you again for your time and wishing you, your families and your co-workers well.

This slide shows the key contributing factors to the 2024 average preliminary premium rate. As Gord mentioned, this year, our average proposed premium rate is consistent with last year's rate. A number of factors contributed to the stabilized rate. In 2024, we are projecting a 3.1 per cent increase in payroll from 2023 actual payroll figures. This is mostly driven by strong economic growth, supported by growing workforce. Increases in payroll can be a mixed blessing.

When payroll increases faster than claims costs, it can put downward pressure on premium rates. However, increases in payroll can also mean increases in wage rates, which puts upward pressure on premium rates. Regarding higher long-term claim costs, the costs for long-term benefits to injured workers and their dependents are increasing because of a combination of demographic and economic factors. Currently, long-term claims are staying with us longer and becoming more complex. So we need to set aside more of the premiums to meet those future obligations. This is one of the trends we are attempting to tackle through our Business Transformation Program.

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Our timeliness of adjudication project looks to improve processes to lead to quicker initial claims decisions. This includes our focus on preventing unnecessary work disability. When it comes to inflation, the impact has been felt by all industries. And for us, this has resulted in increased costs for medical services, increases in compensation rates and increases in administration costs. The key drivers of claims costs are medical costs and compensation costs. As most of you know, the WCB has a legal obligation to be fully funded, so that we can meet all of our current and future obligations to employers and injured workers.

The number of claims and the costs per claim are combining to put upward pressure on costs. Fortunately, the claim cost increases are offset by payroll growth expected for next year. Premiums collected from employers are invested to pay future costs on claims that occur in that rate year. Higher investment returns tend to reduce the premium rate we need to collect from employers. The WCB also relies on investment returns to cover certain costs within the system, such as cost relief and the disaster reserve. Large capital investments like the Business Transformation Program are also funded through investment returns and reserves. After two years of adjusting the premium rate to help support employers through the pandemic, followed by a rate increase in 2022 and 2023, the WCB is proposing a stable average premium rate for 2024.

The safety associations provide valuable programs and training to support employers and workers in those rate codes to help reduce injuries and fatalities. Our average premium rate includes \$0.05 for safety associations. These costs are only charged to 18 rate codes seen on the slide here. They're not spread across all 50 rate codes. Within those rate codes that pay for the safety associations, the costs range from \$0.07 to \$0.23, depending on which safety association you are a part of, which adds to the members' premium rates.

This slide shows the 18 rate codes that we partner with and invest to improve safety and prevention programming. The safety associations, with the support of a board of directors that is represented by workers and employers from those rate codes, submit an annual funding request to the WCB. They also submit a strategic and operational plan to confirm how the funding that we provide will be utilized to help employers and workers in those rate codes reduce injuries and fatalities. To learn more about the safety associations, please go to the

WorkSafe website under the tab “resources” and you will see a link to all the safety associations where you can access their websites and contact information. I'll now turn it over to Thomas Webb to discuss the rate setting process.

Thomas Webb

Thank you, Phillip. Good morning, everyone. My name is Thomas Webb and I'm the director of actuarial services for the WCB. The actuarial services department extracts data and analyzes it to create financial models and forecasts which are used to determine the premium rate. I'd like to provide some insight into the process we used to determine the rates for the 2024 rate year. It's hard to explain the rate setting process and model in a simple way without giving some context on why it matters. The most important concept is that rate setting is a balance between rate stability and sufficiency. Sufficiency means that premiums collected in the future must, over the long term, be enough to cover expected costs and expenses.

This means that the WCB needs to be adequately funded to fully cover the expected cost of claims and our operating expenses. At the same time, the model must be fair and equitable for all employers. The target is not to over or under charge employers; target the just right zone that ensures costs will be covered. The WCB has a legislative requirement to remain fully funded. We've engaged in a comprehensive review of our funding policy as a result of some changes to the way we need to report our financial statements. Without some adjustment, these changes had the potential to add a lot more volatility to employer premium rates. Rather than just address this issue in isolation, we took the opportunity to make some other changes to the calculation to smooth out short term swings caused by movements in investment markets and keep premium rates more stable.

The result is a new policy with a new target range and name. The funding policy will be replaced by the sufficiency policy. The name change reflects that it's really focused on ensuring the WCB assets are sufficient to meet our long-term obligations to injured workers and employers. As an employer, you will not notice much of a change under the new policy, since the new target range has been calibrated to produce a similar range of outcomes as the previous policy.

If we think about maintaining full funding as driving down the highway and trying to stay out of the ditch and the oncoming lane, the sufficiency policy is a set of guard rails that helps keep us aligned. The change to accounting standards is something like a change in driving conditions due to rain or snow. Just like you would adjust your driving style to stay safe when the conditions change, the WCB is making some adjustments to the way we measure and monitor funding sufficiency. More information on the change, including some frequently asked questions, will be available on the WCB website later this fall.

The premium rate setting process should appropriately balance the rate model principles. The rate model should provide for the security of benefits, be robust and sustainable, and satisfy the needs, goals and expectations of employers, while still being relatively simple and easy to understand, communicate and administer. Fairness needs to be balanced with collective liability. Premiums paid by current employers should cover the costs of their injured workers during the premium period. This principle covers intergenerational equity. In other words, current employers should not be paying for claims costs generated by past employers, just like they should not be subsidizing the claim costs of future employers. This principle also covers intra generational equity, meaning that employer rate codes that incur injuries should be responsible for the costs of those injuries.

A fair rate setting model encourages workplace safety and effective return-to-work policies by financially incentivizing employers' positive behaviors. Regarding collective liability, employers as a group and those within the same industry are jointly responsible for all workers' compensation costs. Employers should not be excessively punished for unusually costly claims, so a portion of those claims are shared amongst all employers.

Another balancing rate model principle is stability. Employers should rely on a level of predictability and stability in rates to help them plan and budget effectively. At the same time, industry should expect quicker recognition of successful prevention initiatives and claims management practices. Industries with poor safety performance should also be recognized quickly. By keeping our interests aligned around prevention and return to work, costs can be kept down while providing the best possible support for injured workers.

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Finally, the principles include transparency. This means employers should be able to understand the factors that went into setting their premiums and the WCB should be able to clearly communicate this information to employers, which is why we're here today. More detail on the WCB's rate setting approach can be found on the website WCB Sask dot com and in the rate setting model policy

The premiums employers pay and investment income from those premiums fund the workers' compensation system. There are two key components that factor into the calculation of premium rates, payroll and claim costs. The first component that drives the premium rate is employer payroll. Payroll is reported for all workers and industries, subject to coverage under the *Workers Compensation Act* in Saskatchewan. The costs associated with workplace injuries that have occurred in the past help us project what future claim costs will be. Premium rates are then set based on the ratio of expected claim cost to expected payroll. Assessable payroll for the 2024 rate year is projected to reach \$26.6 billion. This is an increase of 3.1 per cent over the current 2023 estimate of \$25.8 billion.

Our forecasts coming out of the pandemic were cautious. However, 2021 payrolls recovered much better than expected and economic growth in 2022 remains strong. The population of Saskatchewan and average wage have grown since the pandemic, while unemployment remains low.

The maximum assessable wage for 2024 is indexed to the change in the provincial average weekly wage. Based on our most current estimates, we expect this amount to increase by at least three per cent from the 2023 level of \$96,945. Once the calculations have been completed and approved by the WCB, the final amount will be announced, posted on the WCB's website and reflected in updated policies.

The determination of industry premium rates is not the only factor that contributes to the rates an individual employer pays. There are really three key steps: Industry classification, establishing industry premium rates, and then experience rating, which considers an individual employer's claims experience. I'll explain a bit more about each one.

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Workers' compensation is a no-fault insurance system based on collective liability, where all employers share liability for workplace injuries. The total cost of the compensation system is shared by all covered employers. The first step in the rate setting process is classification, which is the process where similar employers are grouped together to form an industry rate code.

Our classification system currently has 50 industry rate codes. Premium rates are set for each rate code based on the collective claims experience of employers within the rate code. All employers start with the same industry premium rate.

You've already heard me talk about the second step. The WCB is funded 100 per cent by the premiums our employer customers pay and the investment income earned on those premiums. Premiums that we collect in a year are intended to cover all costs of claims that happen in the year. This means we need to forecast all the disability, medical and rehabilitation costs that will ultimately result from each injury. To do this, we study historical trends, develop assumptions and project possible scenarios. Some variation is expected, since injuries don't always behave predictably. This is why we take an actuarial approach that attempts to forecast the most likely, or what we call best estimate, level of costs. To determine the rate, we then take the total of expected costs for the rate year, including our administration expenses and divide by employer payrolls.

The last step in the rate setting process applies individual employer experience to the industry premium rate. Employers will receive a discount for positive claims experience and pay a surcharge if they have poor claims experience. The experience rating program adjusts your premium rate based on the individual claims experience and provides an incentive to influence injury prevention. If your claims experience is better than your industry, you're likely in a discount position. If it's worse, a surcharge position.

Therefore, reducing the number and the cost of claims through injury prevention and workplace safety will improve your experience rating and reduce the WCB premiums you pay. There are two programs under the experience rating program. The standard program is for smaller employers and the advanced program is for larger ones. The standard program applies to employers with less than \$21,000 in premiums over a three-year period, is based on the frequency of time loss injuries and has a maximum discount of 25 per cent and a maximum

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surcharge of 75 per cent. The standard program applies to approximately 88 per cent of Saskatchewan employers.

The advanced program applies to employers with premiums of more than \$21,000 over a three-year period. It's a cost-based program where individual employers are compared to others in their industry. If they perform better, they'll receive a discount up to a maximum of 30 per cent. If they perform worse, they'll receive a surcharge up to 200 per cent.

At the highest level, this slide breaks down the 2024 preliminary premium rate of \$1.28. Claim costs make up the bulk of the premium rate component at 68 per cent. Admin costs account for another 23 per cent. Legislative obligations account for five per cent and include funding provided to the Office of the Worker's Advocate and the Ministry of Labour Relations and Workplace Safety.

Even though safety associations account for four per cent, this component only applies to 18 of the 50 industry rate codes. The cost of funding safety associations varies for each, and ranges between \$0.07 and \$0.23.

This pie chart shows the breakdown of the change to the preliminary 2024 rates from the 2023 rates. Overall, 35 per cent of employers in 20 rate codes will see a higher 2024 preliminary industry premium rate, as depicted by the gold slice. All of these rate increases are less than 10.5 per cent.

More than half of employers will see a decrease in their industry preliminary premium rate as represented by the blue slice. This is a total of 61 per cent of employers from 28 rate codes. The tan slice indicates that four per cent of employers and two rate codes will see no change to their 2024 preliminary industry premium rate.

I'll now hand things over to Jennifer Noleen-Beitel, to discuss more about the claim costs impacting the 2024 rate decision.

Jennifer Norleen-Beitel

Thank you, Thomas. Good morning, everyone. I'm Jennifer Norleen-Beitel, vice-president of operations for the Saskatchewan Workers' Compensation Board.

Overall, we are seeing an increase in claims-related costs within the 2024 rate model. The increase in total claims costs in 2024 can mostly be attributed to growth in the number of workers active in the Saskatchewan workforce, and the impact of increased wages and price inflation on all goods and services over the past two years.

Best practices in preventing long-term work and medical disability confirm that early services are an investment to improve recovery and return to work outcomes, ultimately reducing costs. The longer an injured worker is off work, the more challenging it can be to get them back to work. The sooner we can help injured workers rehabilitate and return to work, the lower the claims costs will be. But this needs to be done in the right way, which I will touch on a bit in the next slide.

This slide shows the overall cost increases from 2018 to 2022, the years that were used in the 2024 rate setting model. Costs for long-term or pension claims are increasing recently to a mix of demographic and economic factors. The main driver is increasing average monthly benefit amounts. These grew rapidly over the last several years.

Changes to the legislation were intended to bring the maximum assessable wage to 165 per cent of the provincial average wage. This resulted in increases each year. The maximum assessable wage from 2005 to 2013 was \$55,000. Starting in 2013, the maximum wage base was changed to be linked to the provincial average wage. The maximum assessable wage has grown at the same rate as the provincial average wage.

Another factor is the age of injured workers and surviving dependents who qualify for long term earnings replacement. This group has been getting slightly younger, meaning benefits are paid for longer. The proportion of long-term earnings replacement recipients under the age of 40 has increased to roughly six per cent in 2022 from around three per cent in 2018. I'd like to go over some of the reasons for these increases and how we're working to address them.

Between 2018 and 2022, the main drivers of increases in medical aid included tertiary treatment programs and costs related to psychological injuries. Tertiary treatment provides multiple

services by an interdisciplinary team of health-care providers experienced in the management of injury with permanent impairments and/or significant psychosocial and pain management issues.

But evidence tells us that some claims become complex, or serious injuries as we define them, due to preventable work disability or time away from work. This development of long-term work disability is often unrelated to the significance of the injury itself. When we look at compensation cost increases, serious injuries continue to be a concern and a significant contributor to these increases.

The Saskatchewan WCB's definition of a serious injury includes the following criteria: If a claim is a fatality, if a claim has more than 50 days of compensation paid, if a claim has a Ministry of Labour Relations and Workplace Safety referral flag. That includes things like amputations, fractures, head injuries, neck injuries, serious eye injuries, third degree burns and more, if a claim is a primary psychological mental health claim, if a claim includes a permanent functional impairment greater than or equal to 10%.

On an annual basis, serious injuries account for roughly 10 to 13 per cent of our total claims. However, these claims account for more than 80 per cent of costs in the system. We anticipate that serious injury claims will continue to place cost pressure on the system, which is why we are taking a two-pronged approach to prevent unnecessary work disability.

The first is preventing serious injuries and fatalities in the first place. Kevin will touch on this more in a few minutes. The second is an initiative to prevent and mitigate work disability when an injury has occurred. In most cases, workers return to work quickly. The small percentage of cases with the greatest costs require a different approach, engaging both workers and their employers.

Workers can and do recover while working and work should be part of the recovery process. Sometimes this is through a job modification, such as a piece of assistive technology. It can also take the form of changes to some of the tasks that the worker does or even the number of hours they work. Collaboration between the worker, employer, health-care provider and the WCB is the best way to ensure a safe and suitable return-to-work plan. To this end, the WCB is focusing

on improving processes to enable faster initial claim decisions because delays can lead to longer durations.

We are also focusing on collaboration and partnership in all of our processes. We are training staff to better support collaborative return to work planning, including relationship building, communication skills and motivational interviewing techniques. These skills will help identify barriers to a worker's motivation to return to work. This could include difficult relationships with an employer or fear of reinjury.

By identifying and addressing these barriers sooner, the injured worker can be supported to return to work earlier. We are updating return to work resources for employers, which will be available on the WorkSafe Saskatchewan website. And in collaboration with employers, we will be building, testing and rolling out a practical toolkit for employers at the small business level. I will now turn it over to Kevin Mooney to share some details on preliminary rates and the injury breakdown.

Kevin Mooney

Hello, everyone. I'm Kevin Mooney, vice-president of prevention and employer services at the WCB. Over the next several slides, I'll talk about prevention highlights and what unions, employer associations and individual employers can do to improve safety and positively influence premium rates., As well, I'll speak to what WCB is doing to influence the system on a broader scale.

There are ways to influence or reduce your premium rates. You can do so by making sure that you have a culture that values worker safety and effective safety management systems, and by supporting sound disability prevention practices. A safety management system prevents injuries and a return-to-work program assists with the injured worker's recovery.

Preventing injuries is the best way to control the premiums that you pay to the WCB. WorkSafe Saskatchewan has a number of free online training programs available. In addition, the prevention department has resources to help you with your safety needs and some of the

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services include training for occupational health and safety committee members and supervisors, safety management system assessments and information on how to develop elements of your safety management system and return-to-work programs.

We're also involved in coaching on the review of serious injuries, which account for more than 80 per cent of the costs in the WCB. Working one-on-one with employers on effective investigation processes and hazard assessments and facilitating collaborative learning groups provide the best way to share knowledge and best practices and trial safety solutions to prevent serious injuries and fatalities. There's also seven funded safety associations that work closely with our members of different industry rate codes to prevent workplace injuries.

As it relates to return to work, be prepared to support injured workers as early as possible and make sure employees know this before the incident occurs. In the future we will help our customers develop approaches to prevent needless work disability, or time off work due to injury or disease. Factors such as the work environment, supervisor and coworker relationships and personal circumstances may contribute to preventable work disability and prolonged absence absences from work.

Understanding how to work through these challenges will be important to achieving better outcomes for everyone. Now, despite a consistent reduction of Saskatchewan's provincial Total injury rate over the last ten years, there are signs that our reductions in workplace injuries are starting to plateau overall.

Research completed by organizations including the Campbell Institute highlighted the opportunity to focus efforts on the reduction of serious injuries as a strategy to further reduce workplace injuries and address the plateau that we're experiencing in the province.

The graph on this slide indicates the total number of serious injuries in Saskatchewan workplaces on an annual basis. And as you can see, there's approximately 2400 serious injuries each year. And these numbers have remained relatively constant, despite the reduction of time loss and no time loss injury claims during the same time frame.

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Annually, serious injuries account for roughly 10 to 13 per cent of all of our claims. However, these claims also account for about 80 per cent of the costs in the whole system. As a result, there's good reason to focus on these serious injuries.

This slide is a reminder as to why we're shifting our focus. In every year, fatalities continue to take place in Saskatchewan workplaces, having a profound impact on workers, employers, families and communities. As of September 18th, 2023 we've had 19 workplace fatalities in the province. Five were motor vehicle collisions, four were asbestos exposures, four were heart attacks, four were in the "other" category and two were firefighter cancers.

Fatalities happened in many different industries. For example, fatalities happened in 41 of the 50 industry rate codes from 2017 to 2022. And during the same timeframe, 48 per cent of fatalities were occupational disease related and 17 per cent were traumatic.

Over the past few years, WorkSafe Saskatchewan has challenged its traditional approach to preventing injuries and fatalities and has pivoted to a greater focus on preventing serious injuries and fatalities in the province.

Last year we built on the successful outcomes of the WorkSafe Saskatchewan 2019 to 2021 Fatalities and Serious Injuries Strategy. While the first strategy resulted in improvements in some of its targeted areas, there's still work to be done to achieve zero injuries and fatalities in Saskatchewan workplaces.

The WCB, through WorkSafe Saskatchewan, met with more than 300 stakeholders to develop the next iteration of the strategy, and this included employers, industry associations, organized labour, safety associations, indigenous community members, foreign worker community members, health and safety leadership, and seriously injured workers and students.

Launched in March 2023, the new strategy from 2023 to 2028 will focus on eliminating and preventing occupational injuries through five pillars of awareness, education, targeting, consulting, partnerships and enforcement. The updated strategy is a multi-year plan that utilizes customer feedback and engagement as well as claims and injury data to target specific

industries and injury types to further decrease serious injuries and fatalities in the province. The strategy will work to address the most devastating injuries and the highest cost claims.

Based on statistical analysis, WorkSafe Saskatchewan identified three sectors and seven common issues as the main focus for the updated strategy and more information on the 2023 to 2028 Fatalities and Serious Injuries Strategy can be found on WorkSafe Saskatchewan's website.

In addition to our provincial Fatalities and Serious Injuries Strategy, we also continue to work to the next generation of prevention. This includes efforts to refresh and revitalize our provincial campaigns, including Mission Zero, WorkSafe Saskatchewan and the Saskatchewan Health and Safety Leadership Charter.

We also recognize the need to support industry with advancing proactive health and safety metrics. This includes steps towards predictive analytics to help system partners focus health and safety efforts and resources. We also continue to invest in building the capacity of the WCB's prevention team to move to a consulting role from a training role, and through that role we will be offering collaborative consulting to help our customers investigate and learn from past events, use risk assessments to plan safe work and proactively develop serious injury prevention plans.

As we continue to collaborate with employers, there are opportunities to further develop external partnerships to help address the root causes of these fatalities and serious injuries. We also recognize the need to integrate psychological health and safety into our future approaches. And the 2023 to 2028 psychological health and safety program will help stakeholders build capacity for psychological health and safety assessment, as well as action planning through the prevention and learning stream in our strategy.

In addition, we continue to support the Psychological Resource Center, which was launched in 2020 on the WorkSafe Saskatchewan website. The center includes materials to help you and business owners in creating or enhancing your own mental health programs in your workplaces. These resources will help you protect the mental health and safety of your employees, and the resource centre is available at [WWW dot WorkSafe Sask dot CA](http://WWW.dot.WorkSafe.Sask.ca).

And I'll turn the reins over to Philip to walk us through the long-term outlook.

Phillip Germain

Thanks, Kevin. We will now take a look at the future of where we're going with WCB and some of the investments we're making to improve our programs and services.

Large capital investments like the Business Transformation Program are funded through investment returns and reserves. And as I've said in the past, every challenge creates an opportunity to do something good and meaningful. As we look forward, we remain focused on the opportunities and the risks that could prevent us from achieving our strategic and operational plans.

Staff are the key to the success at WCB, and there is a risk that WCB is unable to recruit and retain the people that we need to serve you well. Additionally, there is a risk that the current operating systems and enabling technologies within the WCB do not enable the organization to respond to the needs and the expectations of customers today and provide limited ability for ongoing improvements and innovations to service delivery.

Finally, we have to consider the risk that the WCB will be victim to an internal or external malicious attack that disrupts its business operations by affecting system availability, system performance or data integrity. And our sufficiency policy has been updated to reflect the recommendations arising from the sustainability study and the implementation of new required accounting standards. And as you've heard, we are investing in our Business Transformation Program and I will elaborate on that more in a few seconds.

The best opportunity to manage potential negative outcomes associated with workplace injuries is by working together to prevent them from happening in the first place, and by focusing on the prevention of serious injuries that significantly impact people's lives. The WCB is also focused on preventing unnecessary work disability, which is an industry best practice. It includes active employer and worker contact and collaborative plans with employers, workers and health-care providers to help injured workers rehabilitate and return to work as quickly and safely as

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possible. The intent is to create better outcomes for workers and employers. This is a shift to preventing work disability from a claims management design. Preventing work disability is intended to enhance customer experiences and outcomes.

The work in the sustainable study conducted last year indicated we expect long term upward pressure on premium rates. However, there is a strategic plan that is meant to minimize the impact of the factors pushing premium rates upward by reducing serious injuries and fatalities and improving rehabilitation and return to work.

As Kevin mentioned, earlier this year, WorkSafe Saskatchewan launched the 2023 to 2028 Fatalities and Serious Injuries Strategy. Building on the success of the initial strategy launched in 2019, the updated strategy utilized extensive customer feedback and engagement, as well as claims and injury data to target industries with the highest injury rates and recurring injury types. Assuming our plan is successful, we could see the pressure on premium rates reverse over the next few years.

This plan will require partnerships and support from employers, workers, employer associations, safety associations and labour organizations. Working together, we can and we will make the changes necessary to improve the system for workers, employers, care providers and our staff.

At the WCB, we believe that by working together with all of our stakeholders, we can eliminate fatalities and decrease serious injuries that occur in the workplace, getting us closer to Mission Zero. This is a great reason to try and reduce system costs by investing in work, disability prevention and the Business Transformation Program.

As a result of the risks that we are facing as an organization, we launched the Business Transformation Program in April of 2021. This program has been engaging customers, partners and WCB staff in a multi-year journey that will see us implement the changes that are necessary to meet our customers' needs and expectations now and long into the future. Our program involves improving, updating and replacing and introducing new technologies and improving our processes and new approaches to service delivery.

In alignment with WCB overarching strategic direction, the program's transformation objectives are to improve the customer experience, improve key indicators and outcomes, and support the

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long-term health of the Saskatchewan workers' compensation system. The vision of the WCB customer service delivery model is proactive service focused on the customer's needs from the first interaction through to the final interaction.

Many areas, including our support areas, have developed integrated target operating models that will guide this co-created journey toward better service and better outcomes. As mentioned, as part of this transformation the WCB is looking to modernize its core technology systems. In particular, we will transform the technologies that enable key processes related to claims and employer accounts, as well as the finance functions that are embedded within these areas like payments and premiums.

We are also modernizing our supporting systems and introducing more self-service offerings. This will include mobile apps, enhancing current offerings like web portals and utilizing data and analytics for decision-making. As I've mentioned, the WCB transformation program will continue to work with our customers and staff to ensure we achieve the objectives of the Business Transformation Program. If you'd like to learn more about the Business Transformation Program, please visit the WCB web site at WCB Sask dot com.

As we're doing today, each year in October, we share the preliminary premium rate information with employers. Our practice is to provide employers with 30 days to provide feedback regarding premium rates. And we welcome your feedback within this time. Please email ask WCB at WCB dot com with any feedback you'd have.

In November we gather all the feedback and the board members will consider this feedback before they approve final premium rates. In December, employer's 2024 premium rate notices will be available online through WCB Sask dot com and through your secured WCB online account. Ensure your business has a WCB online account for early access to your premium rate notice.

Industry rate sheets will be available on our website and this information includes some rate code statistics as well as premium rate information. WCB resources are available if you have any questions. If you'd like more industry discussion, our account managers from the prevention department are available to arrange this with you.



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As a reminder, information presented today will also be available on our website at [www dot WCB Sask dot com](http://www.wcb.sask.ca) and on our YouTube channel. Just search for Sask Workers' Compensation Board. This brings our formal presentation to a close. I'll now pass it over to Gord to lead our question-and-answer period. Thank you.