

WorkSafeBC Insurance and Elevator or Escalator Manufacture, Installation, Service, or Repair

November 2015

Today's agenda

1. WorkSafeBC's vision and mandate
2. How we classify firms and set insurance rates
3. Insurance rates for the elevator / escalator industry
4. Opportunities / Potential Savings
5. Health and Safety Overview
6. Industry Incident Analysis
7. Influencing Health and Safety

WorkSafeBC

Who we are

We are WorkSafeBC.

We **value** service, integrity, accountability, partnership, and innovation.



Where we're going

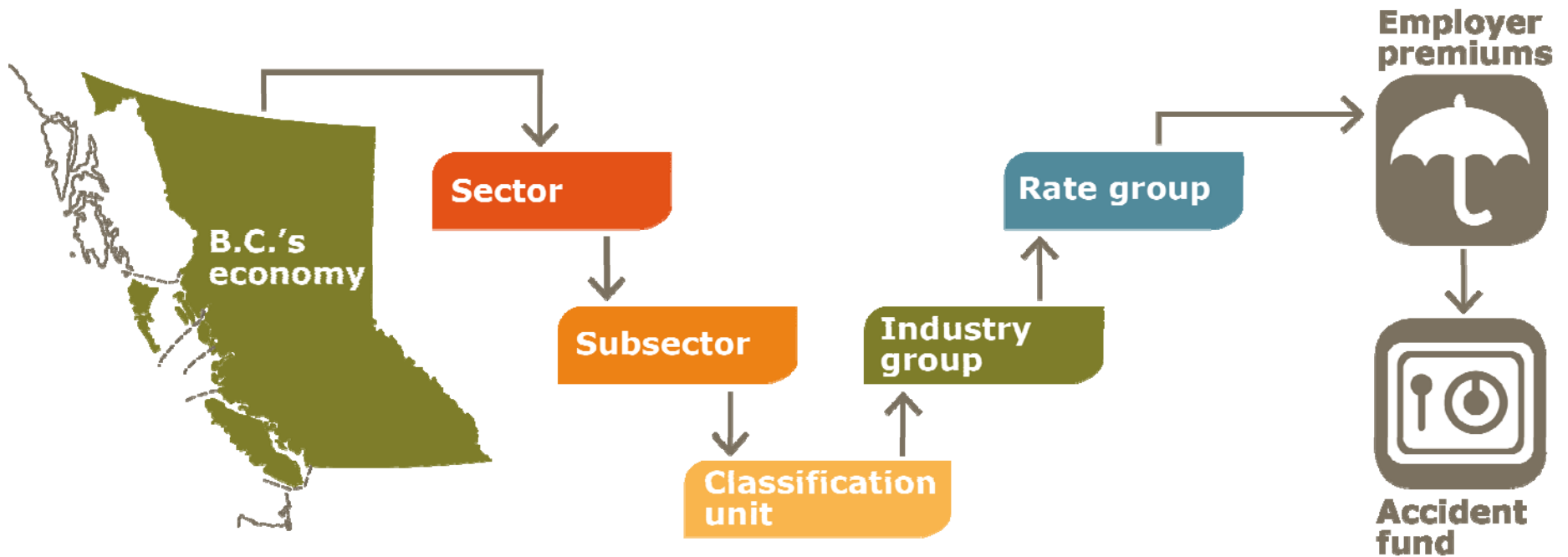
Our **vision** is British Columbians free from workplace injury, disease, and death.

Why we exist

We're dedicated to promoting safe and healthy workplaces across BC.

- We partner with workers and employers to save lives and prevent injury, disease, and disability.
- We provide compensation and support injured workers in their recovery, rehabilitation, and safe return to work.
- We run a sustainable no-fault insurance system.

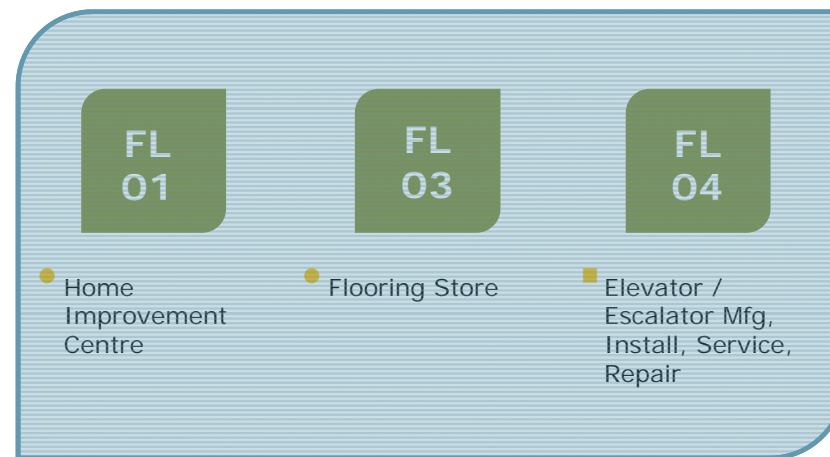
How we set insurance rates



- Similar classification units are placed together into industry groups.
- Industry groups with similar costs are then placed into rate groups.
- When industry groups start having higher or lower costs, they're moved to more appropriate rate groups.

Your rate group

The elevator / escalator industry is currently in rate group FL.
Your rate group includes these industry groups and classification units:



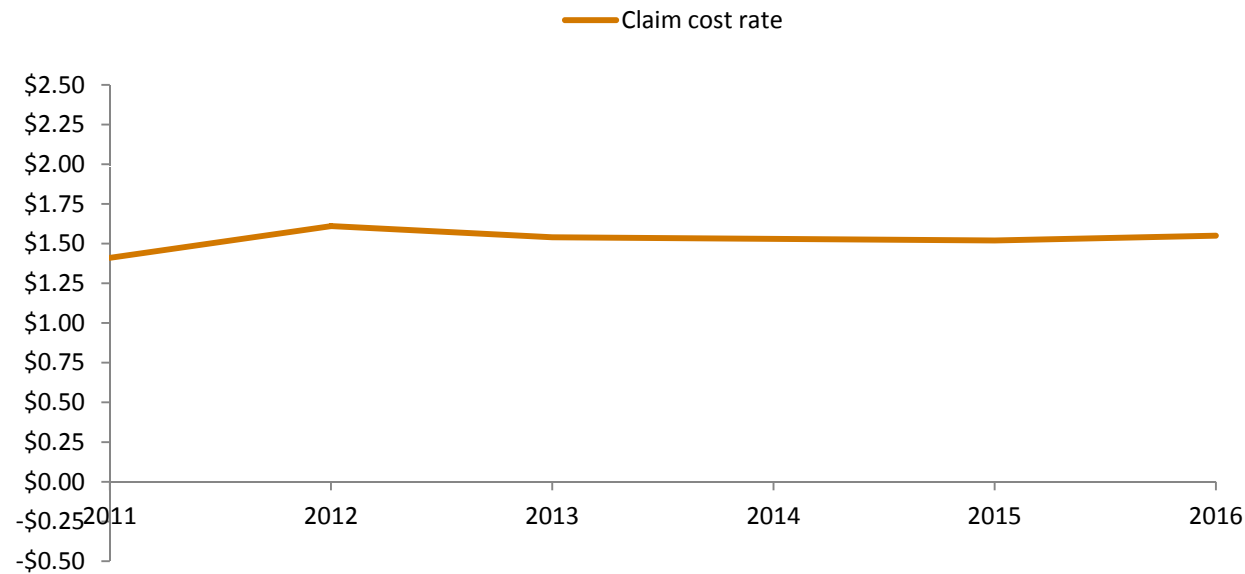
Your industry forms its own industry group and represents less than 15% of the rate group payroll but over 20% of its claim costs.

Industry details

	CU #	# of firms in CU	Payroll (in \$M)	5-yr claim count	Largest firms by payroll	Largest firms claims costs
Elevator	712010	46	98	236	5 = 73%	5 = 71%

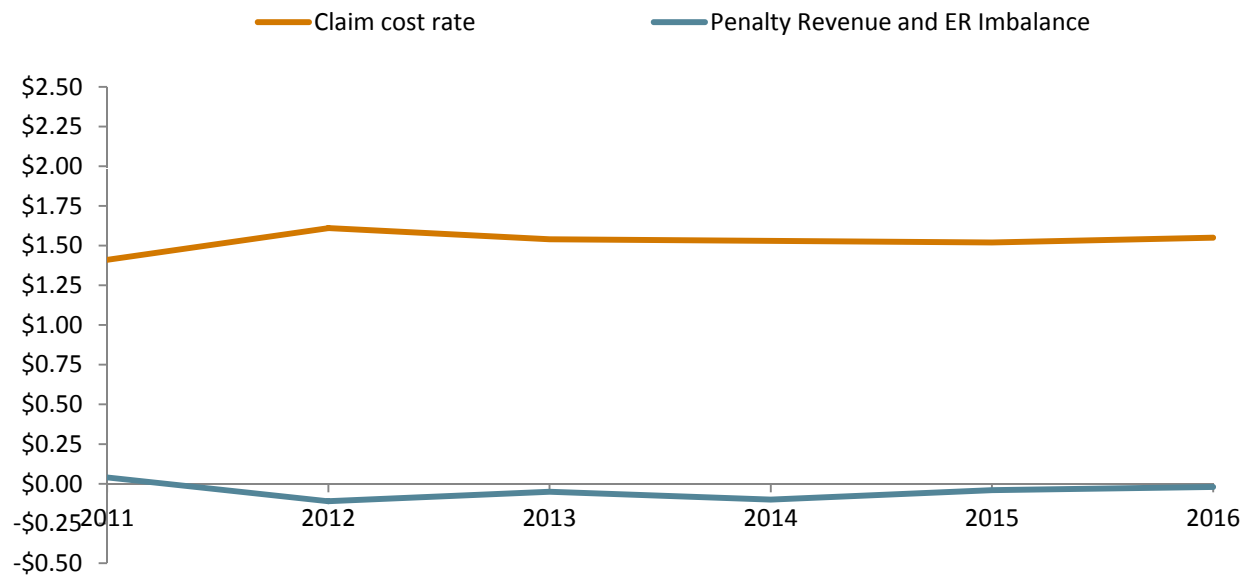
Your industry group's long-term membership claim cost rates are 21% higher than those of your rate group and most recent 5-year cost rates are 64% higher. If these higher costs continue, the industry may be moved to a higher risk rate group in 2018. It appears that large firms have relatively similar claim cost performance to that of the industry as a whole.

Elevator's rate group rate over time



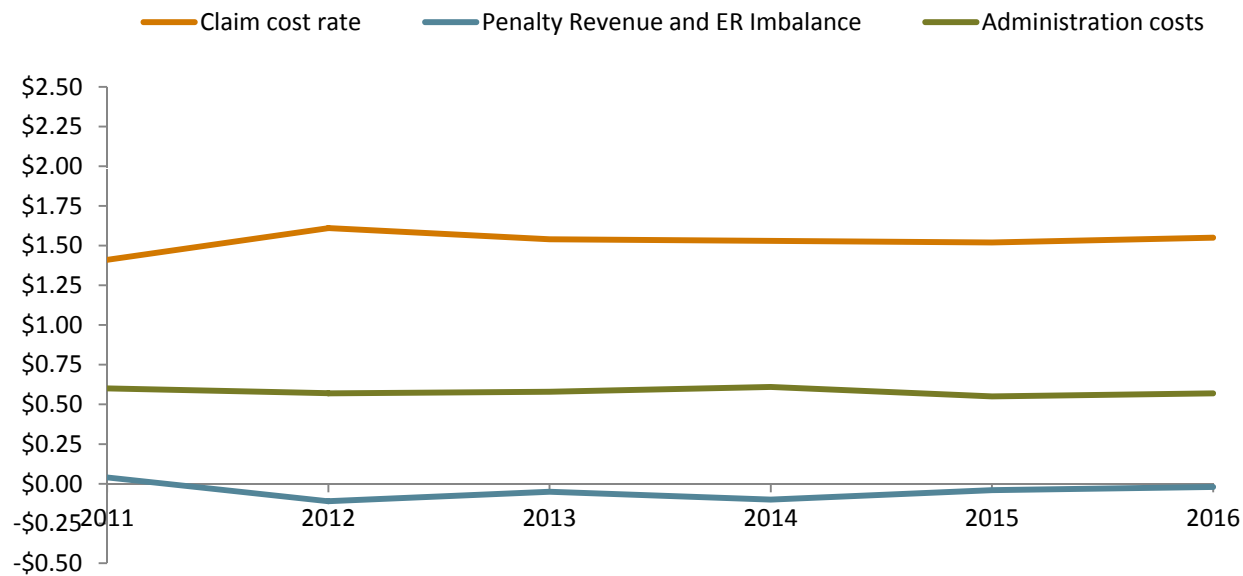
The main component of any industry's insurance rate are the cost of claims represented per \$100 of assessable payroll which has ranged from \$1.41 in 2011, up to \$1.61 in 2012 when it was moved to a higher risk rate group and down to \$1.55 in 2016.

Elevator's rate group rate over time



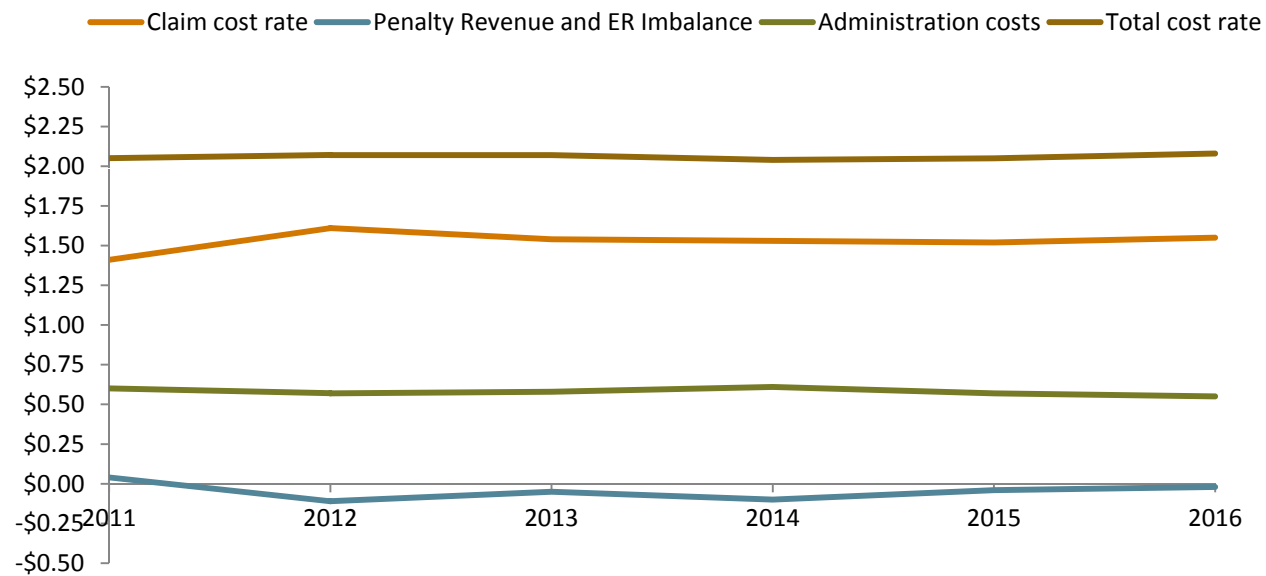
Any Prevention penalty revenue and experience rating imbalances are applied to each rate group.

Elevator's rate group rate over time



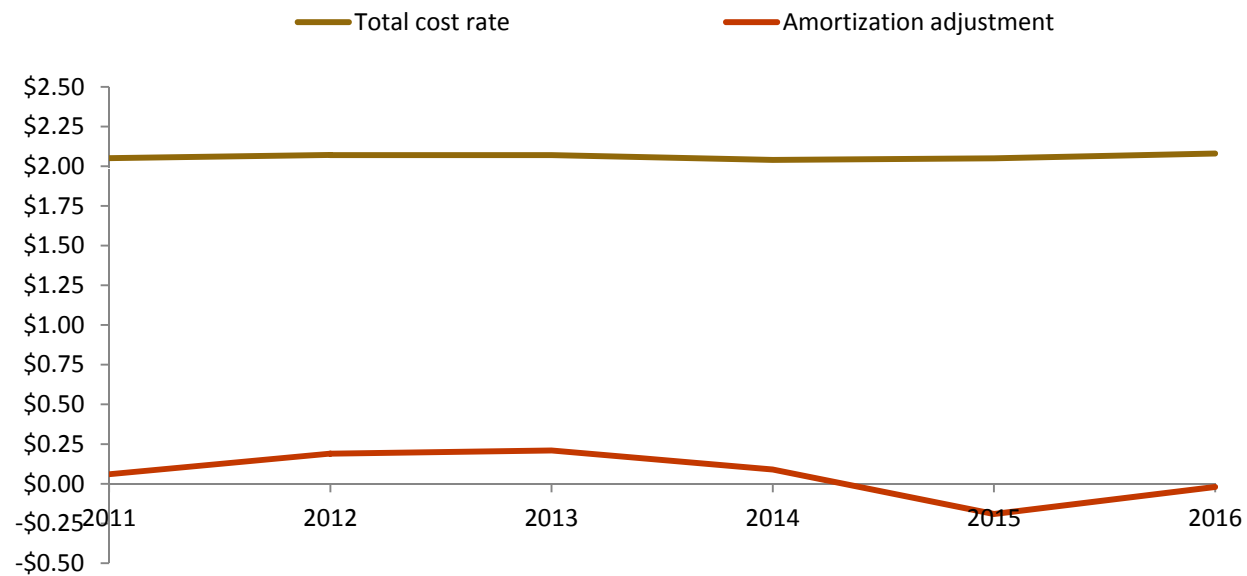
WorkSafeBC's administration costs are also added to the claim cost rate, and have remained very stable over time.

Elevator's rate group rate over time



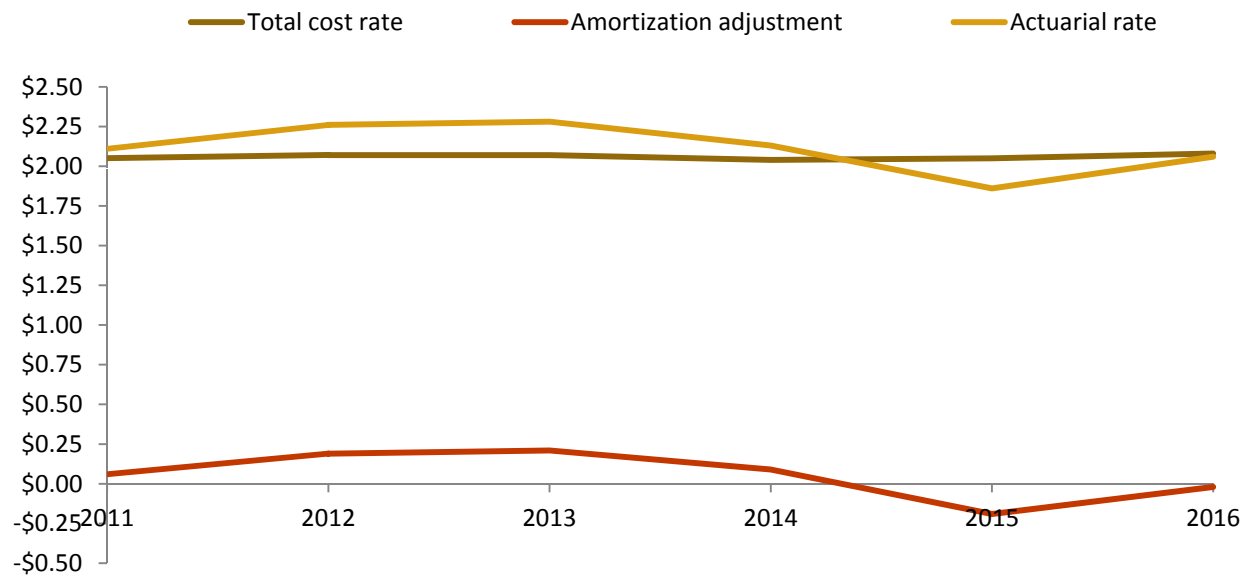
Together, the claims costs, penalty revenue, experience rating imbalance and administration costs are the total cost rate for the rate group.

Elevator's rate group rate over time



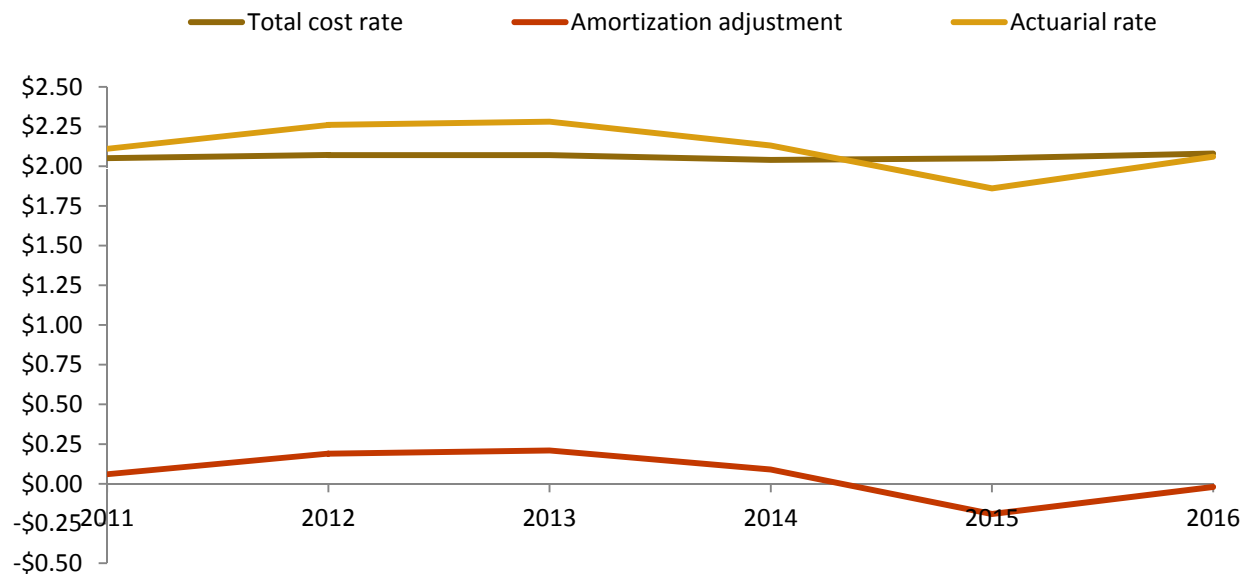
Any surpluses or deficits are then applied to the rate group...

Elevator's rate group rate over time



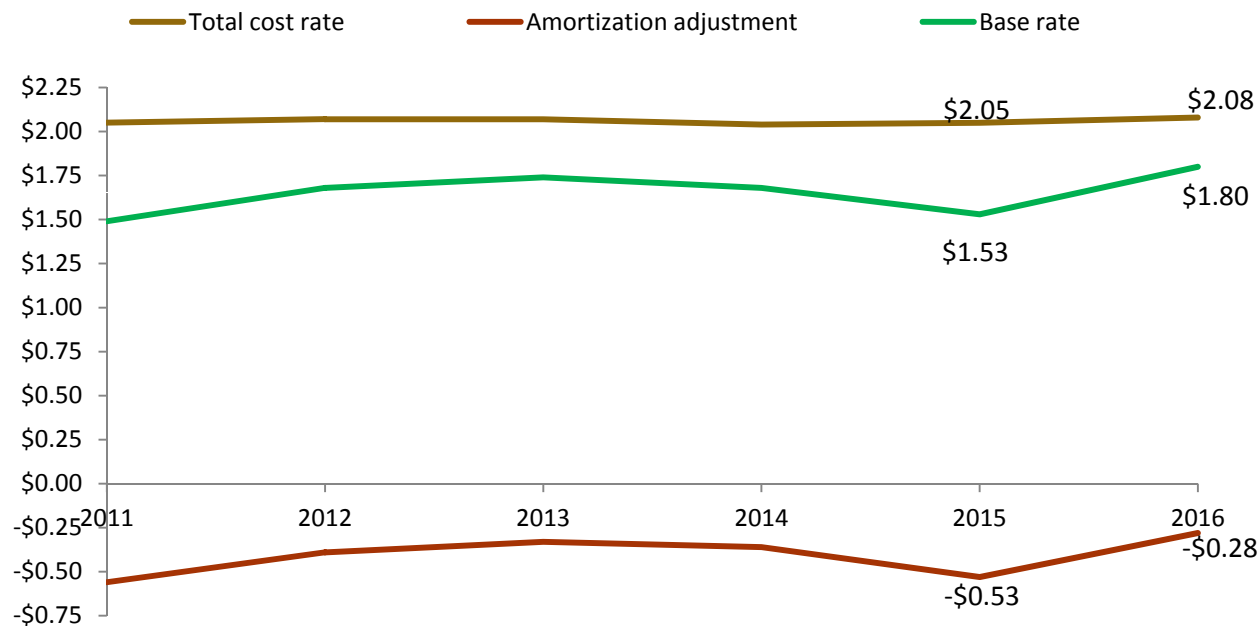
... to arrive at the rate group's actuarial rate which is the average rate for all industries within the rate group.

Elevator's rate group rate over time



Excess investment returns have permitted WorkSafeBC to offset the insurance rate from 2011 through 2016. The \$0.22 increase to the actuarial rate in 2016 is the result of higher claims costs, less surplus and reserve monies to offset the rates.

Elevator's base rate over time



Each industry's base rate starts with the rate groups total cost rate. Elevators have a greater surplus and receive a greater credit against the base rate. Elevators' share of a \$117 million withdrawal from the Capital Adequacy Reserve (CAR) lowered the 2015 rate by \$0.18. A reduced surplus and a lower withdrawal from the CAR were the main factors behind the increase to the base rate in 2016.

Health and Safety Overview

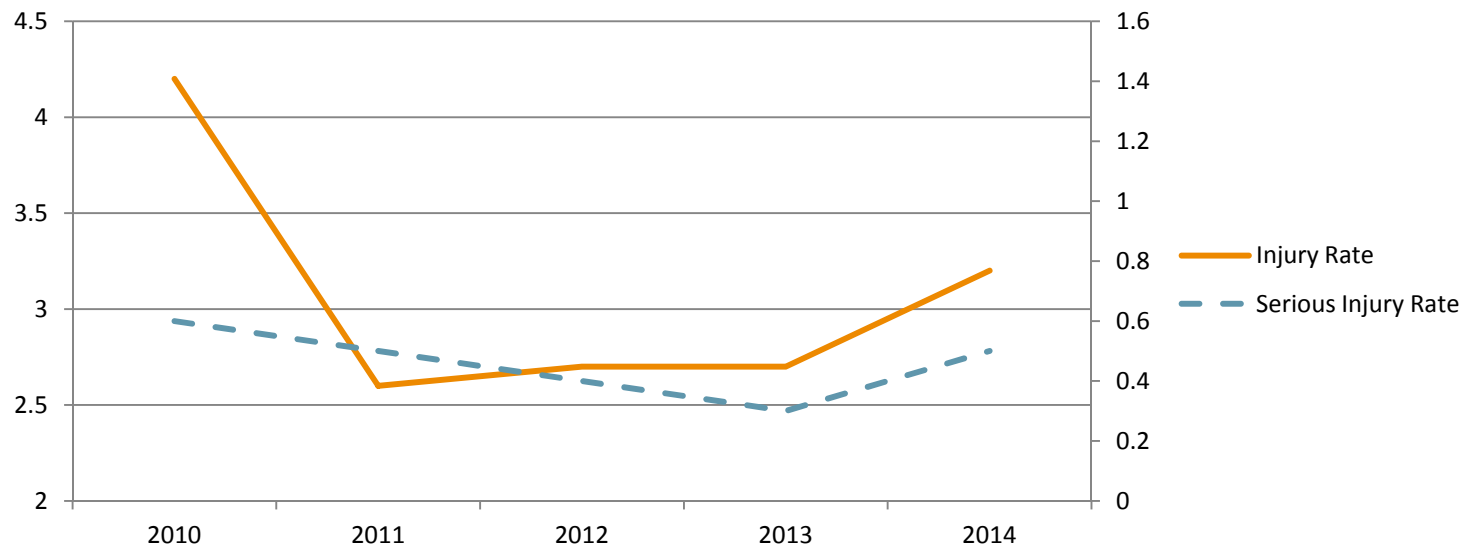
Snapshot of your industry

- Elevator or Escalator Manufacture, Installation, Service, or Repair
 - Firms that manufacture, install, service, or repair construction site elevators, escalator devices, home elevators, moving sidewalks, elevating devices, highrise elevators, and home lifts
- In 2014 there 38 employers, 27% increase over past five years
 - Employed approximately 1,700 full time workers in 2014
- Recent trends:
 - Work days lost and claims cost paid more than doubled between 2013 and 2014
 - Duration increased 28 days between 2013 (50) and 2014 (78)
 - Injury rate steadily increasing since 2011

Injury rate and serious injury rate trend

From 2010-2014:

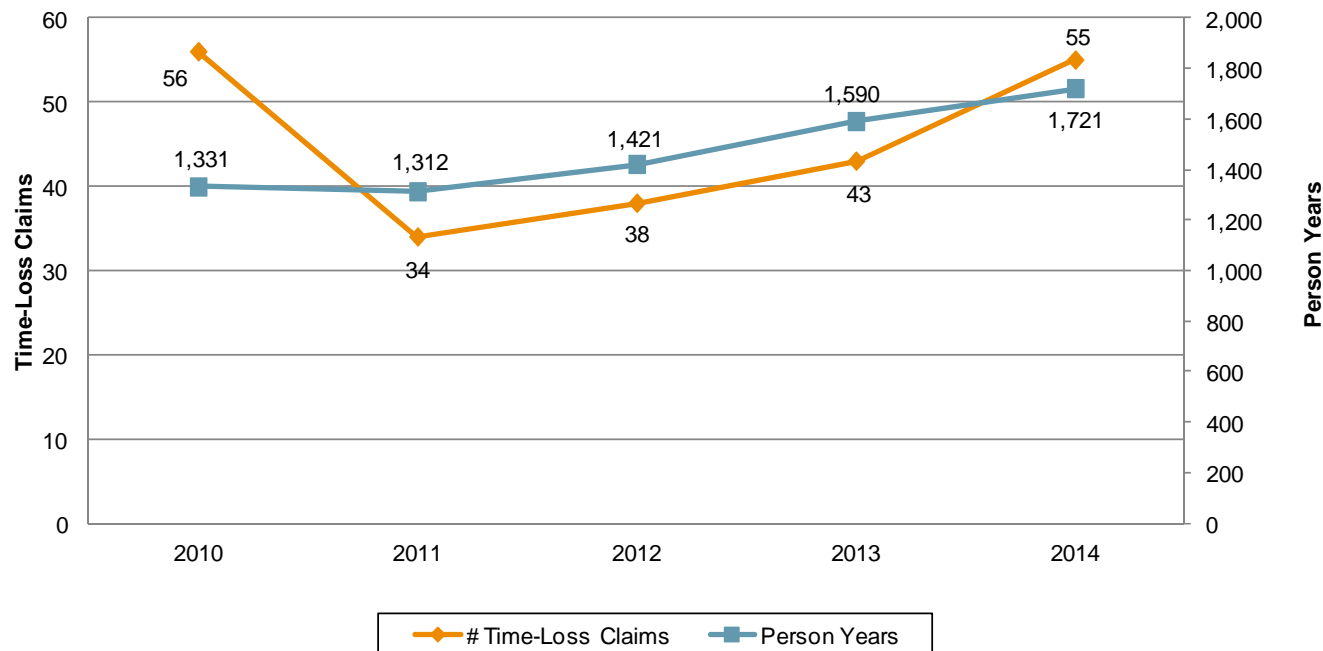
- Injury Rate has steadily increased since 2011 from 2.6 to 3.2
- Serious Injury Rate increased 67% between 2013 and 2014 from 0.3 to 0.5 (15% of all injuries)



Claims and Employment Trends

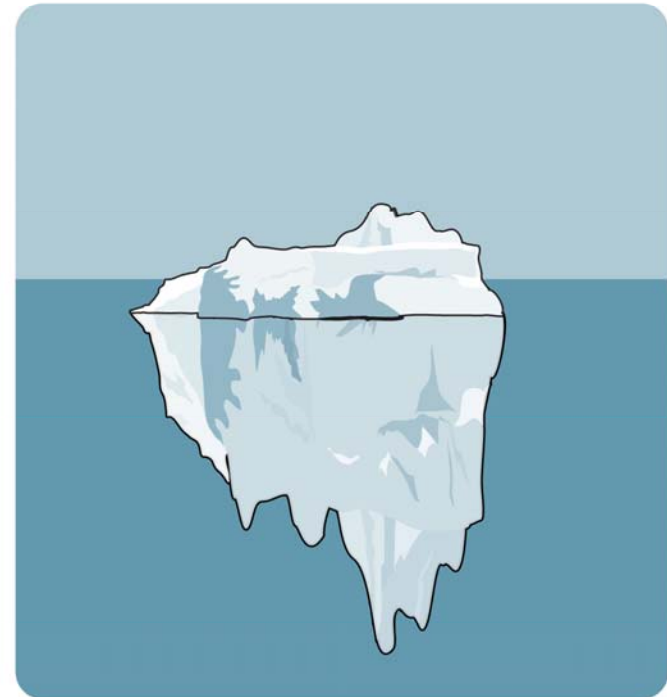
From 2010-2014:

- The estimated number of workers (Person Years) saw a 8.2% increase in 2014
- Whereas the number of time-loss claims increased by 28%



Direct & indirect costs of injuries

- Direct costs:
 - Insurance premiums
 - Your internal safety program: systems, staff, initiatives, etc.
- The true cost of workplace injuries includes:
 - Loss of skilled staff and productivity
 - Replacement wages and training
 - Additional administration costs
 - Damage to property and equipment
 - Compliance costs
 - Public relations issues
 - Effect on corporate reputation
 - Impact on staff morale and retention
 - Return-to-work costs



Incident analysis

Who's getting injured?

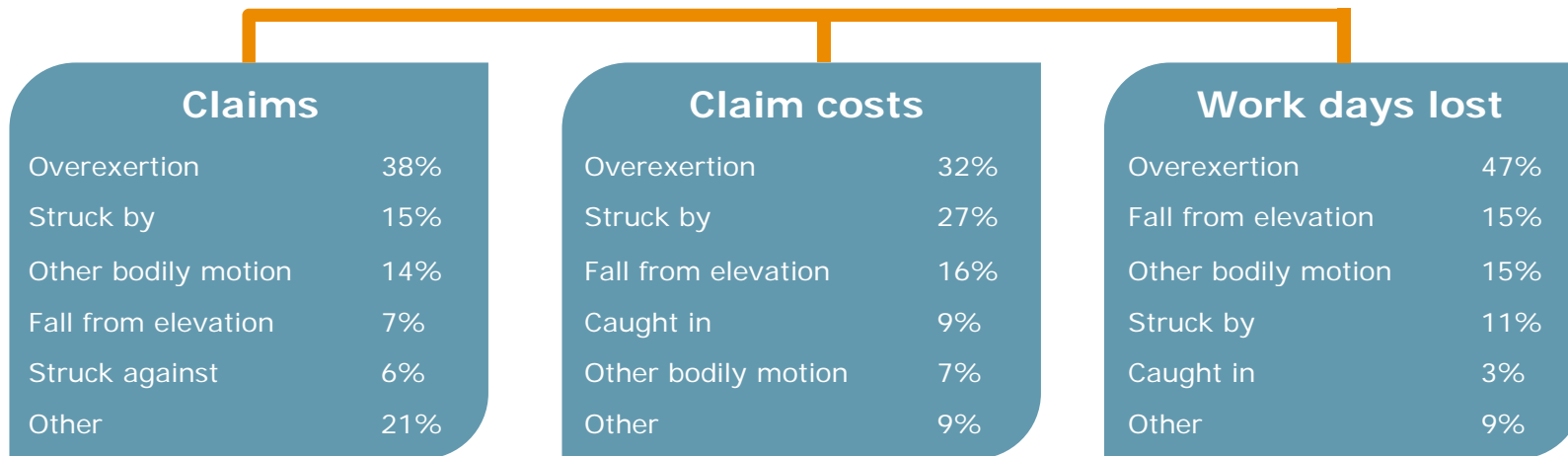
Occupation	# of claims	% of claims
Elevator constructors and mechanics	155	66%
Welders and related machine operators	20	8%
Construction trades, helpers, and labourers	16	7%
Other trades helpers and labourers	9	4%
Mechanical assemblers and inspectors	8	3%
Shippers and receivers	5	2%
Other	23	10%
Total	1200	100%

% STD/LTD/Fatal claims, 2010-2014 profile

Incident analysis

How are workers getting injured?

In the Elevator or Escalator classification unit



Overexertion and struck by are the most common injuries and account for highest percentage of claims costs.

Overexertion and fall from elevation account for the most days lost.

Incident analysis

How much do injuries costs?

Most costly	% of costs	Cost per claim
Overexertion	28%	\$21,000
Struck by	24%	\$45,000
Fall from elevation	14%	\$60,000
Caught in	8%	\$38,500
Other bodily motion	6%	\$12,500
*Exposure to toxic sub.	3%	\$41,000
*Fractures	19%	\$78,000

**Exposure to toxic substances, only 5 claims, 3 cancer related (all fatal) - \$440,000*

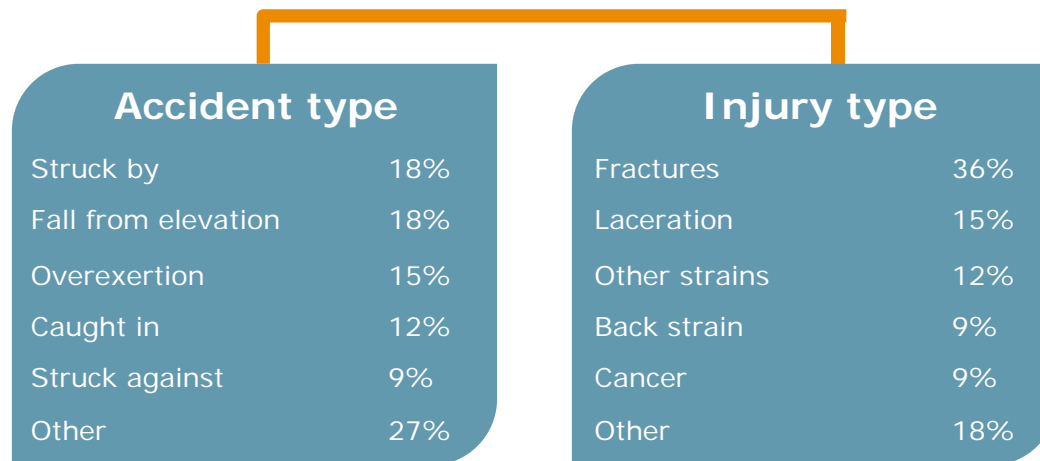
**Fractures (injury type), 16 claims; 5 over \$100k, 2 over \$230k; 1 over \$480k*

Incident analysis

Serious injury claims

33 serious injury claims between 2010 and 2014

15% of all claims and 61% of claims costs



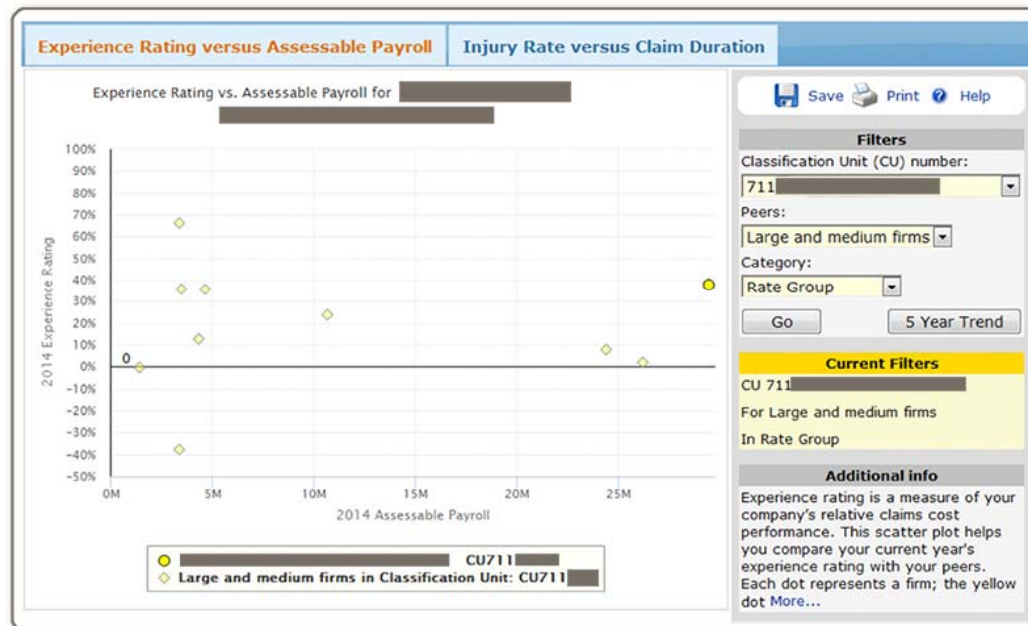
3 Fatalities between 2010 and 2014 – all asbestos related

What can you do?

Understand your company's claims

Common risk factors, particular tasks,
equipment, areas

Employer Safety Planning Toolkit



worksafebc.com

What you can do?

- Prevent injuries
 - Review lockout procedures and ensure workers are trained on lockout
 - Regularly inspect equipment (including machines, conveyors, power tools etc) to ensure proper guarding is in place.
 - Review tasks that require pushing, pulling or carrying that may be aided by mechanical or new devices
- Reduce claim duration
 - Expand return to work options and programs, perhaps focusing on those for wrist/finger/hand and back injuries
 - Do you have a disability management system or program?
 - Do you have procedures to proactively manage claims?
 - Do you offer modified or transitional duties (a job jar) to injured workers?

Who can help?

- WorkSafeBC (Safety Officers)
- Industry health and safety associations
- Employers' advisers
- Safety websites
- Safety consultants

Resources

worksafebc.com

- Safety at Work
- Insurance – rate, classification
- Rehab and return to work
- OHS Regulation
- Online services

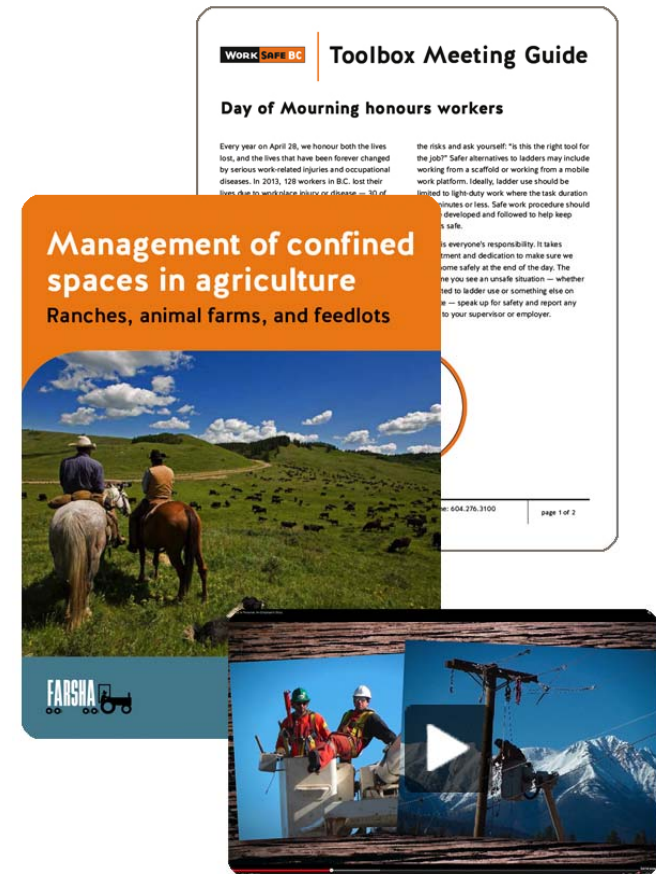


www.worksafebc.com

Resources

worksafebc.com

- Industry specific prevention resources
- Safety meeting resources
- Industry specific reference links
- Detailed analysis tools specific to your industry
- On line safety videos – industry and job specific
- Lifting calculators
- Training videos
- Interactive e-books
- Safety calculator
- Claim statistics
- Access to file claims on line
- Experience rating calculator



Resources

Health & Safety Associations



www.fmiosa.com/

Recognizing health and safety

Certificate of Recognition

- What is it?
- Why should I consider COR for my organization?
 - Receive help in ensuring a sustainable working health and safety program
 - It pays to be certified

Resources

Employer's Advisers

The screenshot shows the British Columbia Government website. The header includes the British Columbia logo and navigation links for 'All B.C. Government' and 'Employers' Advisers Office'. A search bar is present. The main content area features a blue banner for the 'Ministry of Jobs, Tourism and Skills Training' and the 'Employers' Advisers Office'. A sidebar on the left lists various services like 'On-Line Seminar Registration', 'Assessments', 'Claims Management', 'OHS Due Diligence Checklist', 'Occupational Health & Safety (Prevention)', 'Newsletter', and 'Contact Us/Locations'. The main content area also includes sections for 'What's New' (Spring 2014 Newsletter) and 'About Employers' Advisers' (download in pdf format). A right sidebar promotes 'Online Seminar Registration' and 'Newsletter Mailing List'.

BRITISH COLUMBIA

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Ministry of Jobs, Tourism and Skills Training

Employers' Advisers Office

What's New: [Spring 2014 Newsletter](#)

About Employers' Advisers - [download in pdf format](#)

Employers' Advisers provide independent advice, assistance, representation and education to employers, potential employers and employer associations concerning workers' compensation issues under section 94 of the *Workers Compensation Act*. In fulfilling this mandate, Employers' Advisers:

On-Line Seminar Registration
[Employers' Advisers offer free educational seminars](#) on the workers' compensation system.

Newsletter Mailing List
[Receive newsletters about Employers' Advisers](#) and available seminars.

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www.labour.gov.bc.ca/eao/

Resources

Employers Advisers – Free seminars

B.C. Home	Employers' Advisers Seminar Registration System	
Employers' Advisers Home	Filter and Sort Select seminar(s) and regions below. You may choose to display descriptions, schedule or both for printing.	
Seminar Registration	* Seminars: Select which seminar(s) you would like to view.	
View and Print Seminars		
<input type="checkbox"/> Filter and sort seminars	<input type="checkbox"/> *NEW – Bill 14 - Mental Disorder Claims	<input type="checkbox"/> Due Diligence for Employers
<input type="checkbox"/> View and print	<input type="checkbox"/> Accident Investigation	<input type="checkbox"/> Emergency Preparedness
Tailored Seminars	<input type="checkbox"/> Focus on Assessments	<input type="checkbox"/> Intro WorkSafeBC & Employment Standards
Newsletter Mailing List	<input type="checkbox"/> Claims Management Module 1	<input type="checkbox"/> Intro to WorkSafeBC
Return to Start	<input type="checkbox"/> Claims Management Module 2	<input type="checkbox"/> Joint OHS Committee
	<input type="checkbox"/> Claims Management Module 3	<input type="checkbox"/> OHS Program Requirements
	<input type="checkbox"/> Claims Management Module 4	<input type="checkbox"/> Risk Assessment
	<input type="checkbox"/> Customized Seminar	<input type="checkbox"/> Small Business and WorkSafeBC
		<input type="checkbox"/> Young/New Worker Orientation
RELATED LINKS	Check All Clear All	
→Employers' Advisers Contact		

Creating a sustainable program

- How do you ensure your health & safety changes remain and things don't revert back to the way they were?
- Two core elements are required:
 - Executive support, engagement, and accountability
 - A safety management system (not program), including:
 - Systematic approach: plan, do, check, act
 - Continual improvement with audits
 - OHSAS 18001, ISO 45001, CSA Z1000, ANSI Z10 compliance

Thank you

For additional information, please contact:

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