



# ***POLICY UPDATE***

News and views from the Metropolitan Halifax Chamber of Commerce January 15, 1999

## **Province Moving Too Fast With WCB Changes; Let's Look at the Impacts First, Chamber Says**

### **ISSUE**

Member feedback from the December 4th Policy Update on Workers' Compensation reform (Bill 90) was the catalyst for a January 13th letter from Chamber President Jim Mills to the Hon. Robert Harrison, Chair of the provinces's Law Amendments Committee. The letter expressed concern with the haste in which fundamental changes to Nova Scotia's Workers' Compensation Board (WCB) system have been introduced in the Legislature and pushed forward for committee consideration.

A comprehensive review of the provincial WCB system was scheduled to take place in early 1999. Instead, the changes proposed in Bill 90 are being considered now, while the review has been postponed until 2005. It is imperative that Bill 90 not move forward for approval by the Legislature until a full assessment of the impact of the changes on businesses and employees is complete.

### **BACKGROUND**

In response to the December Policy Update, Chamber members demonstrated a high degree of support for a move to periodic payment of premiums. There were, however, key areas of concern around the impact of

expanded chronic pain benefits and universal assessment (the extension of WCB coverage to ALL employers in Nova Scotia, even those exempted by the current Act).

Specifically, our members are concerned that sufficient consideration has not been given to funding the changes proposed in Bill 90, nor to the fairness of using premiums from newly covered companies, and their employees, to fund past system costs.

Members also expressed a belief that expanding WCB coverage as proposed by Bill 90 will have a serious negative impact on their ability to support existing private insurance coverage for their employees. The general impression is that, in most cases, the private insurance our members have in place for their employees is superior to, and more cost effective than, that available under the WCB system.

In effect, the risk is that, under Bill 90, employers and employees would be facing higher costs to purchase less protection.

It is clear that the changes proposed in Bill 90 raise serious questions about their impact on workers, employers, and the provincial economy. These questions must be addressed before the government moves

forward with confidence to amend the WCB system. If the government is determined to change the current system, then it must take the time to undertake the appropriate level of analysis and find solutions that will work over the long term and in the best interests of all concerned.

### **ACTION**

The Chamber captured the concerns raised by our members in the letter to Minister Harrison, and emphasized that it is imperative that Bill 90 not be approved until a full assessment of the impact of the changes proposed in this legislation on employers and employees is completed. The Chamber looks forward to working with the government to complete this critical assessment and ensure that any change is in the long term best interests of employees, employers and the province as a whole.

*Editor's Note: The Chamber thanks all members who provided feedback in the December Policy Update and those who have volunteered to serve on the Chamber's new Task Force that is taking an in-depth look at the WCB system. Members will be regularly updated on Task Force initiatives in Business Voice.*

---

**METROPOLITAN HALIFAX CHAMBER OF COMMERCE**

**P.O. Box 8990, Halifax, NS B3K 5M6 Tel. 468-7111 Fax. 468-7333**

***This Update is also available on our website ~ [www.halifaxchamber.com](http://www.halifaxchamber.com)***