

## Alain Muise

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**From:** CAO <cao-bounces@municipal-website-venture.com> on behalf of David Atchison <datchison@amans.ca>  
**Sent:** Friday, November 1, 2019 12:54 PM  
**To:** CAO Mailing List  
**Cc:** Juanita Spencer  
**Subject:** [CAO] Bill 204 - Workers' Compensation Act (amended)  
**Attachments:** 12-Month Notice Letter from Chuck Porter Regarding WCB For Volunteer Firefighters.pdf

**TO:** Chief Administrative Officers/Clerk-Treasurers, All Units

**RE:** BILL 204 - WORKERS' COMPENSATION ACT (AMENDED)

The Province of Nova Scotia recently passed Bill 204 - Workers' Compensation Act (amended). This Bill mandates the extension of full WCB coverage to volunteer firefighters and removes the process by which municipalities applied to the Workers' Compensation Board of Nova Scotia (WCB) for admission of firefighters into the workers' compensation system. It is now mandatory to register volunteer firefighters. This change also effectively extends presumptive coverage for PTSD and certain types of cancer to all volunteer firefighters. It is estimated that fifty percent of volunteer firefighters do not currently have coverage with the WCB.

The WCB assessment for volunteer firefighters is based on an imputed payroll per firefighter, with a 2019 premium rate of \$0.47 per \$100 of payroll. For the purpose of calculating the average earnings of the volunteer fire department, the *Workers' Compensation General Regulations* stipulate the minimum gross annual earnings of a member of a volunteer firefighter to be \$10,200. While not required, Municipalities can choose more, up to a maximum of \$60,900. The Department of Labour and Advanced Education estimates that the annual cost of WCB coverage will be \$48 per volunteer firefighter based on the minimum imputed salary. These changes come into effect on October 20, 2020.

NSFM received a 12-month notice letter from Minister Porter, Department of Municipal Affairs and Housing, detailing the specific nature of these changes and the estimated costs to municipalities. This letter has been attached for your information. The Department of Labour and Advanced Education has indicated that all municipalities will also be receiving a letter from the Workers' Compensation Board that explain these changes.

If you have any questions with respect to registering your volunteers (on or before it is required to do so), please contact Kevin Foster, Manager, Strategy, Support and Planning at WCB of Nova Scotia by email at [Kevin.Foster@wcb.ns.ca](mailto:Kevin.Foster@wcb.ns.ca) or by phone at (902) 491-8365.

Kind Regards,

*David*

David Atchison | Policy Analyst / Project Coordinator  
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**Municipal Affairs and Housing  
Office of the Minister**

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October 29, 2019

Councillor Waye Mason  
President, Nova Scotia Federation of Municipalities  
Suite 1304, 1809 Barrington Street  
Halifax, NS B3J 3KB

Dear Councillor Mason:

**Re: Requirement to Notify the Union of Nova Scotia Municipalities (Nova Scotia Federation of Municipalities) - *Municipal Government Act* SNS 1998, c. 18, Section 519**

Please accept this letter as the notice to the Union of Nova Scotia Municipalities (Nova Scotia Federation of Municipalities) required by subsection 519(1) of the *Municipal Government Act* SNS 1998, c. 18, of legislation and regulations that will have the effect of decreasing the revenue received by municipalities in Nova Scotia or increasing the required expenditures of municipalities in Nova Scotia.

The Government of the Province is anticipating passage of An Act to Amend Chapter 10 of the Acts of 1994-95, the *Workers' Compensation Act* in October, 2019 (Bill No. 204). In accordance with clause 5 of Bill No. 204, the legislation will come into force one year after the date on which it receives Royal Assent.

Bill No. 204 mandates workers' compensation insurance coverage (including access to the occupational disease presumption in Section 35A of the *Workers' Compensation Act*, regarding cancers or other diseases), for all volunteer firefighters in the Province. In addition, it enables federal firefighters to have access to the cancer or other disease presumption in Section 35A of the Act, makes regulatory enabling authority changes to permit regulations to establish conditions or restrictions on the availability of the presumption and provides a 1-year retrospective application of the presumption for future prescribed cancers or other diseases.

There are at least 6000 volunteer firefighters in Nova Scotia, nearly half of whom do not have *Workers' Compensation Act* insurance coverage in place. The extension of workers' compensation coverage to the approximately 2800 to 3500 volunteer firefighters who are not currently covered by the Act is anticipated to result in increased expenditures for the municipalities within whose boundaries a fire department that includes volunteer firefighters is located. Increased expenditures will result from an increase in the total number of claims filed. As a result of adding volunteer firefighters to the Act, the *Workers Compensation General Regulations* made under the *Workers' Compensation Act* will also be amended to reflect the addition of volunteer firefighters to the mandatory list of industries whose workers and their employers are covered by the Act.

For municipalities that do not currently have workers' compensation coverage in place for their volunteer firefighters, it is estimated that the collective cost to those municipalities is likely to be between \$144,000 and \$168,000 to provide coverage to their volunteer firefighters who are not currently covered.

WCB assessment rate-setting for volunteer firefighters is accomplished by the application of the WCB assessment rate to an imputed salary chosen by each municipality (subject to a minimum of \$10,200, annually, per firefighter). Given the 2019 premium rate of \$0.47 per \$100 of payroll, for volunteer firefighters admitted to coverage under the *Workers' Compensation Act*, it would cost municipalities \$48 per volunteer firefighter to provide workers' compensation coverage to their volunteers. Each municipality would be impacted differently depending on the number of volunteer firefighters who are located within their boundaries and serve the municipality.

While 2019 costs would be \$48 per volunteer firefighter, experience rating could cause assessment rates to increase or decrease for individual municipalities. The maximum possible increase would be 60%, based on WCB Policy 9.4.2R4 Experience Rating – Maximum Merit or Demerit Surcharge. Based on the current rate this would mean a rate of \$0.75/\$100 of payroll, or \$76 per volunteer at an imputed salary of \$10,200. In practice, however, the highest rate paid in 2018 was \$0.61. The WCB provides employers one year's notice for rate changes every fall when it publishes the assessment rates for the following year.

Only municipalities that experience higher than average claims costs would be subject to an experience rating increase. Employers that are new to the Act do not fully participate in experience rating until they have developed sufficient claims cost experience, which occurs over a three-year period. Moreover, small employers participate in experience rating to a lesser extent than large employers.

WCB Policy 9.3.5R excludes diseases such as cancers from consideration in rate-setting, generally. On this basis, volunteer firefighter cancer claims would not directly result in increased expenditures for municipalities due to the one-year retrospective application. However, government intends to consult on expanding the list of cancers available for the presumption through amendments to the *Firefighters' Compensation Regulations* made under the *Workers' Compensation Act*. The proposed regulatory amendments that would add cancers to the list available for the presumption would come into effect at the same time Bill No. 204 takes effect, in 2020. It is foreseeable that based on consultation Government could expand the cancer list to accord with the most comprehensive coverage currently provided in any jurisdiction in Canada.

I trust that this is sufficient to provide you with notice of the legislation and associated regulations and ask that you please bring this letter to the attention of the Board of Directors of the Nova Scotia Federation of Municipalities at your earliest opportunity.

Sincerely,



Chuck Porter  
Minister

cc. Honourable Labi Kousoulis, Minister of Labour and Advanced Education

Colleagues,

I wish to inform you that Bill 204 – An Act to Amend Chapter 10 of the Acts of 1994-95, the Workers' Compensation Act - was unanimously passed by the Nova Scotia legislature on October 30, 2019.

The amendments to the Workers' Compensation Act ensure all volunteer firefighters have access to the Workers' Compensation Board workplace injury insurance, including the cancer and PTSD presumptions.

Additionally, the amendment enables our federal firefighters at the Department of National Defence to have access to the cancer-related presumption.

Thank you for sharing your comments and feedback with us during the last few months. Your input has helped shape the amendments to the legislation.

Our next piece of work will be to develop regulations to expand the list of cancers, and in the coming weeks we will be reaching out to you again to start that conversation. If you have any information you would like to share with us ahead of time, such as studies or reports that provide more context and information on cancers which are prevalent with firefighters, please send this information to Sophia Foley ([Sophia.foley@novascotia.ca](mailto:Sophia.foley@novascotia.ca)).

The legislation will take effect on October 30, 2020. This will allow time for government and the WCB to work with municipalities to register the new volunteers previously excluded from WCB coverage. This will not affect any diagnoses made on, or after, October 30, 2019 when the list of cancers is expanded.

We will be in touch with you in the coming weeks to set up meetings with respect to regulatory changes. If you have any questions or concerns with respect to our next steps, please contact Sophia Foley via the email above or by phone at 902.424.0225. If you have any questions with respect to registering your volunteers, please contact Kevin Foster at the WCB through his email at [Kevin.Foster@wcb.ns.ca](mailto:Kevin.Foster@wcb.ns.ca) or by phone at 902.491.8365

Regards,

Christine Penney  
Senior Executive Director  
Safety Branch  
Nova Scotia Department of Labour and Advanced Education