

SYNDICAT DES EMPLOYÉ-E-S DE LA SÉCURITÉ ET DE LA JUSTICE



UNION OF SAFETY AND JUSTICE EMPLOYEES

**Written Submission for the Pre-Budget Consultations in
Advance of the Upcoming 2024 Federal Budget**

By: The Union of Safety and Justice Employees

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Recommendation:

The federal Government Employees Compensation Act (GECA) is a piece of legislation that has not fundamentally changed since its establishment 50 years ago.

As it is currently written, it leaves behind thousands of federal public safety personnel who suffer from psychological injuries owing to their efforts to keep Canadians safe from coast to coast to coast.

These federal public safety personnel are regularly exposed to traumatic incidents, materials, victims and criminalized persons. These workers are regularly denied Worker's Compensation by provincial/territorial boards for their injuries **as there is no federal legislative imperative to ensure they are covered by the relevant board in the province or territory where they reside.**

A Private Member's Bill (Bill C-357, An Act to amend the Government Employees Compensation Act) in support of USJE's proposed changes to GECA was introduced this past September by MP Peter Julian. **The key changes proposed to GECA ensure that federal public safety personnel have access to the support and mental health interventions they require, increasing their chances of returning to work in the long run.**

USJE requests that the proposed changes to GECA be made as quickly as possible by the federal government so that the thousands of federal public safety personnel who keep Canadians safe every day are no longer left behind to suffer in silence when they develop an occupational stress injury. In the absence of better coverage, the Government of Canada risks increasing its reliance on its Long-Term Disability Insurance program as the only mechanism available to federal public service employees who are not recognized or treated for their mental health injuries.

Stuart Wilson et al., "On the Economics of Post-Traumatic Stress Disorder among First Responders in Canada," *Journal of Community Safety & Well-Being*, Vol. 1, No. 2, 8 August 2016; Martin Shain, *Stress at Work, Mentally Injured and the Law in Canada: A Discussion Paper for the Mental Health Commission of Canada*, 21 February 2009.

Rationale

The purpose of the proposed changes to the Government Employees Compensation Act (GECA) is multi-faceted. It seeks to **recognize and address** the psychological toll that Canada's federal public safety personnel frequently endure by virtue of their work.

By establishing a presumption under GECA that certain mental health injuries experienced by federal public safety employees are caused by the unique stresses and conditions of their employment, the Government of Canada is recognizing their sacrifice and providing a pathway to compensation and care, **in the name of a quick recovery.**

Facilitating access to presumptive injury coverage for federal public safety personnel is not simply about fairness, it is about fiscal foresight. It will better ensure that **federal public safety personnel benefit from early intervention after being diagnosed with a mental health injury and are more likely to return to work to continue contributing to Canada's crucial public safety net.**

This will reduce the likelihood that public safety personnel will:

- **Suffer in silence** while on the job, potentially comprising their performance;
- **Resort to extended sick leave or long-term disability** as the only options for recovery; and/or
- **Choose to leave the public service altogether** owing to an untreated mental health injury, taking with them the expertise and the experience developed over years/decades as a federal public safety employee.

The immediate benefit of changes to GECA is that federal public safety personnel, no matter where they live in Canada, **will have equal access** to Worker's Compensation Insurance Benefits and the mental health supports they need to increase their chances of returning to work healthy.

In so doing, **by implementing the changes to GECA, it will reduce the excessive turn-over in federal public safety personnel**, and will help to sustain the corporate knowledge, training and individual expertise that has been developed.

USJE's proposed **changes to GECA will inoculate our public safety system against the brain drain** that regularly occurs when seasoned professionals leave, taking with them irreplaceable skills and insights. It is these insights that often make the difference between a good outcome and a great one in public safety scenarios.

Long-Term Financial Benefits

A longstanding criticism of the federal public service is that public servants on sick leave don't get the up-front case management and rehabilitation services they need when initially leaving the worksite. Statistically, the longer that employees spend on sick leave, the more likely they will end up on long-term disability.

Some studies have shown that employees on long-term disability who leave for more than 12 weeks have a 50 percent chance of never returning to work. That probability is 32 percent after a year, with less than five percent of employees returning to work after two years on long-term disability.

Research conducted by the Institute for Research on Public Policy highlights that “the federal public service has conspicuously stood apart for years for having a higher proportion of mental health related long-term disability claims than other employers.” Mental health, led by depression and anxiety, is by far the biggest driver of claims, followed by cancer as a distant second at 11.5 percent of claims.

As per the federal Disability Insurance Plan Board of Management Annual report in 2022, the total benefits paid out by the federal government for its Long-Term Disability Insurance Plan during the 2022 year amounted to **\$421.8 million, compared to \$380.8 million in 2021.**

As cited in the 2022 Annual Report, as of the end of 2022, the Disability Insurance Plan had 12,512 members utilizing benefits (claims in payment at year-end 2022) and had \$3.298 billion in claims reserves. The average number of Plan members during 2022 was 290,000 (up from 272,000 members in 2021).

The disability incidence rate was higher than the previous year at 11.0% in 2022 compared to 10.4% approved claims per thousand Plan members in 2021. The rate of termination of active claims (approved claims in payment) increased from 2.28 terminated claims per 10 claims in payment in 2021 to 2.32 terminated claims in 2022.

Public servants, like all Canadians, filed fewer long-term disability (LTD) claims during the first year of the pandemic in 2019. Both physical and mental health claims declined about 15 per cent from the previous year, **but the proportion of approved claims related to mental health spiked to a historic high of 55.1 per cent.**

Stuart Wilson et al., “On the Economics of Post-Traumatic Stress Disorder among First Responders in Canada,” Journal of Community Safety & Well-Being, Vol. 1, No. 2, 8 August 2016; Martin Shain, Stress at Work, Mentally Injured and the Law in Canada: A Discussion Paper for the Mental Health Commission of Canada, 21 February 2009.

In an effort to stabilize the federal government's Long-Term Disability Insurance Program, \$313 million was injected into the fund in 2019 by the Treasury Board to put it on "sounder financial footing".

The 50-year-old Federal Disability Insurance Plan, managed by Sun Life Financial, is the biggest in Canada and provides coverage for approximately 255,000 public servants. The Treasury Board of Canada has said the plan had to be refinanced to meet the 40 percent of premiums threshold required for the reserve, which sets aside funds to cover future benefit payments.

Investing in Worker's Compensation

Investing in more comprehensive mental health coverage through Worker's Compensation makes strong fiscal sense and would enable more federal public safety personnel to return to the workplace if they are able to receive timely, trauma informed mental health supports.

The Federal Workers' Compensation Service (FWCS) is responsible for administering the Government Employees Compensation Act, the statute which provides for compensation for federal workers whose injuries or illnesses arise out of and in the course of employment.

FWCS is responsible for overseeing the Program, including reporting injuries as established in the Treasury Board Guideline on Workers' Compensation. Federal employees' work-related injury claims are adjudicated by provincial Boards. The Program recovers most of the costs from employers (federal departments, agencies and Crown Corporations).

They report that, annually, Workers' Compensation costs for federal employees that qualify are approximately \$94 million, less than 25 percent of the annual costs of the federal government's Long-Term Disability Insurance Program.

Of the 94.2 million in expenditures, benefit costs, including medical costs, rehabilitation costs, pension costs, compensation costs for loss of income, lump sum costs and other costs are included. The amount of individual benefit costs varies and depends on the types of injuries and on different Workers' Compensation Boards' policies.

While FCWS costs would be expected to increase somewhat if more federal public safety personnel are covered by provincial/territorial Worker's Compensation boards, it is extremely unlikely that coverage offered through Workers' Compensation plans would ever rival the high and growing costs of the federal government's long-term disability program for public servants.

Some of USJE's preliminary investigations have estimated that the inclusion of more comprehensive Presumptive Injury coverage for federal public safety employees could potentially increase the total benefit payments to eligible employees from anywhere **between 11 and 14% in the initial stages, with a levelling off of closer to 10 percent in subsequent years.** These estimates are in part extrapolated from the expenditures that some provinces and territories have incurred subsequent to their introduction of presumptive injury clauses. Of

course, each province varies in the degree of inclusiveness for presumptive injury in regards to its employees, so data has been aggregated across provinces to identify overall trends.

In contrast, a 2009 study undertaken by the Mental Health Commission of Canada highlighted that for overall work stress-related disabilities in Canada, it is estimated that anywhere between \$11 to \$42.3 billion per year is incurred in lost production, pension and sickness benefits for the Canadian economy.

In conclusion, ensuring more comprehensive WSIB coverage for federal public safety personnel, represents a strategic long-term investment that is:

- 1. Significantly less costly;**
- 2. Reduces the high risk of losing too many seasoned federal public safety personnel and**
- 3. Improves the mental and physical well-being of federal employees who devote their working lives to keeping Canadians safe from coast to coast to coast.**

This is a clear, cost-effective opportunity for the government to help lower the number of mental health injuries incurred by federal public safety personnel. Announcing this proposed change in legislation and cost saving measures in the 2024 federal budget will not only signal the government's support for federal public safety employees, but to all Canadians by supporting those in charge of keeping their communities safe.

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