

New York-Alberta: Surcharge for safety

For 10 years, New York has trained workers in a variety of fields -- from construction to cosmetology -- through a small surcharge on workers' comp premiums paid by employers.

The state spends \$6.5 million a year to train through unions, trade associations, community colleges and other non-profit groups and institutions that apply for grants. Courses can be offered in foreign languages or on trade-specific hazards, such as lead-based paints.

The comp surcharge is small, as little as 1/100th of a percent, said Dr. James Melius, director of occupational health and environmental epidemiology for the New York State Department of Health. "The sense has been that we've gotten the information out to people and helped a lot of small employers, especially on the non-manufacturing side, like the construction industry."

Statistics bear this out. Industrywide in 1992, New York's work-related injury and illness rate was six cases per 100 full-time workers, compared to a national rate of almost nine per 100.

In the 1980s New York had an average rate of 19.3 deaths per 100,000 workers in the construction industry. Texas, by comparison, had a rate of 33.7.

For the past seven years New York's comp surcharge also has helped underwrite, at an annual cost of \$5 million, a network of occupational health clinics.

Melius said there is "always a little bit of grouching" by employers about the comp surcharge. But he's usually able to silence critics with a staggering figure: By one conservative estimate, occupational illnesses cost his state \$600 million a year.

The Canadian province of Alberta has a comp-funded training program specifically for the construction industry.

The 6-year-old Alberta Construction Safety Association makes maximum use of its \$1.7 million annual budget and 15-member staff:

It trained about 15,000 construction workers last year and demand for the training remains high, said Don Toth, the group's executive director.

Contractors with good safety records pay lower comp premiums and are eligible for annual refunds that can reach hundreds of thousands of dollars. Those with bad records pay substantially higher premiums.

During its first five years, the ACSA has cost Alberta's 16,000 contractors about \$6 million, by way of a 1.2 percent comp surcharge. But Toth estimates that the savings realized in lower premiums and medical expenses and fewer lost workdays exceed \$50 million.

By all appearances, the ACSA has gotten results. Alberta, which has 90,000 construction workers and a population of 3 million, saw its construction injury rate fall 46 percent in from 1989 to 1992.