



Can you afford the **cost of an injury?**

Most employers are aware of their health and safety costs, such as training and equipment. Some may even wonder about their return on investment of health and safety spending beyond the minimum legal requirements. One of the things many employers don't think about is the cost they incur when an employee gets hurt.

The scenario below shows how even a relatively minor lost-time injury could end up costing thousands of dollars within just a few days.

The injury

A crew of eight workers and Mike, the supervisor, were bracing formwork for an upcoming concrete pour. Some workers had to carry wood from a stockpile to the forming area. The path to the forming area was cluttered with scrap wood and other construction debris.

In the morning, John, one of the more experienced workers, was carrying wood from the stockpile and tripped over some scrap. As he fell, his knee twisted and he hit the ground hard. Because he was carrying wood, he couldn't break his fall. When John tried to get up, he found he couldn't put any weight on his injured leg and his knee started to swell.

Mike, the supervisor, took John to the nearest hospital. By the time they arrived, John found it hard to bend his knee. He had to have an x-ray. The doctor recommended that John stay off his feet until a specialist could also review the x-ray.

Since John couldn't return to work for several days, the employer had to replace him temporarily. When a worker can't report for the next shift due to an injury sustained at work, it's considered a lost-time injury.

The costs

We have estimated some of the immediate, direct costs of this injury based on an hourly rate of \$55 for workers and \$60 for supervisors. It doesn't include any of the medium- or long-term costs associated with an injury, such as a WSIB surcharge, Ministry of Labour fine, production delays, or accommodation of the injured worker when he or she returns to work. Often these other costs are greater than the immediate ones we focus on here.

Estimate how much this type of injury—a relatively minor one—would cost you. Then, imagine if the injury was more serious, such as a worker falling off a roof or ladder, or being run over by a truck.

Day of Injury	Hours	Cost
Worker pay for rest of day	6	\$330
Supervisor pay for taking worker to hospital	6	\$360
Effect of the injury on other workers (productivity at 50% for rest of day; 7 workers @ 6 hours x 50% = 21 hours lost)	21	\$1,155
Days after Injury	Hours	Cost
Getting replacement worker up to speed	8	\$440
Productivity of other workers still lower (7 workers @ 8 hours x 66% = 19 hours lost)	19	\$1,045
Management Costs	Hours	Cost
Area superintendent rearranging workforce to stay on schedule	4	\$240
Supervisor and superintendent completing injury paperwork	4	\$240
Hiring a replacement worker plus orientation and training	8	\$440
TOTAL		\$4,250

Preventing injuries

From a financial perspective, it is simply cheaper to prevent injuries from happening in the first place than to pay for them after they occur. Some simple and very inexpensive things could have prevented John's injury.

- The employer could have scheduled a 10-minute housekeeping period at the end of each day, or as needed according to the supervisor.
- The supervisor could have explained to the workers that cleaning up is everyone's responsibility and he expects all work areas and paths to be clear of scrap.
- Every week or so, the supervisor could have reminded workers about housekeeping during safety talks before starting work for the day.
- The employer could have made housekeeping a part of regular jobsite inspections.

Actions like these can have financial benefits beyond preventing a tripping injury. Most employees will tell you that a clean, organized workplace is a more productive workplace. So if you're looking to cut costs, you can't afford to skimp on safety.