



Workers' compensation issues in today's construction industry



Establishing strong workers' compensation programs to protect employees against the personal trauma and costs of injuries and disabilities is a key responsibility of all construction firms. That is especially true at a time when infrastructure builds, data centers and other megaprojects are heating up the competition for skilled workers across the U.S. And at a time when construction risks are rapidly evolving, driven by changing economic and social pressures.

Construction risks in focus

While technology advances have helped make jobsites much safer, construction remains inherently riskier than other business segments. The potential for serious injuries and lost-time claims associated with heavy equipment, falls and other accidents remains higher than other workplaces. Claims data from Zurich's RiskIntelligence platform confirms the three primary causes of jobsite injuries – strains, slips, trips and falls, and “struck by” – account for 60% of total workers' compensation claims and 75% of incurred losses, with very little change year-on-year.¹

In addition to the inherent risks of construction, concerns regarding the mental health and well-being of workers are trending upward within the industry. There is some evidence that construction workers' compensation claims for mental stress are on the rise, suggesting that awareness is gaining traction. While the number of construction industry mental stress claims reported by Zurich is dwarfed by the typical causes of workplace injuries and disabilities, claims for mental stress have increased approximately 32% year-on-year.

Statistically, construction workers are known to have higher suicide rates than workers in other fields. By one estimate, about 5,000 construction workers die by suicide annually.² Additionally, the construction industry continues to see high rates of drug use, contributing to the highest overdose deaths by occupation, according to the Centers for Disease Control and Prevention (CDC). Nearly half of construction workers report symptoms of anxiety and depression, but fewer than 5% seek professional help, compared to 22% of the general U.S. population.³

The combination of high-hazard work environments, long hours, family separations due to often far-flung jobsites, and the job insecurity that often goes with the territory for construction workers makes them particularly vulnerable. According to the Associated General Contractors of America (AGC), breaking the stigma about seeking help for mental health issues, encouraging workers dealing with stress and trauma to seek help, and training supervisors to more effectively recognize when intervention may be needed should all be part of normalizing conversations about mental health in the construction industry.⁴



Prioritizing worker safety and welfare

Comprehensive workplace policies are essential in addressing one of the key indicators of stress, trauma and pain management issues among construction workers – the aforementioned crisis of opioid abuse. Drug-free workplace protocols, employee assistance programs, and peer support networks can be vital in prevention and recovery. Education for both employees and employers on the risks of opioids as well as alternative pain management approaches can help to address any problems that may exist in a given workplace and help mitigate impacts on workers' compensation programs.⁵

One construction industry trend showing no signs of slowing is the goal of reducing workplace injuries and illnesses through increasing investments in innovative worker safety technologies by employers. While some of the following are already in wide use, or should be, innovations in the technology development pipeline will continue to help reduce the risks of the modern construction jobsite:⁶

- **Wearables** – Smart helmets, vests and glasses equipped with sensors and communication devices help monitor the vital signs of workers and detect hazardous conditions, providing real-time information to wearers and supervisors.
- **Drones** – Drones enhance safety in a variety of roles, such as providing aerial surveys, monitoring work progress and assessing a site from a bird's eye view. Drones can also inspect hard-to-reach areas that might otherwise place a worker at risk.
- **Internet of Things (IoT)** – Connectivity through the IoT can allow individual pieces of equipment to function as parts of a collaborative whole. IoT-enabled sensors can also monitor the condition of machinery, the structural integrity of the project at various stages, and even track environmental conditions.
- **Building Information Modeling (BIM)** – BIM technology enables the creation of realistic, digital 3D models of a project, providing comprehensive views of the entire construction process, allowing better planning to reduce dangerous situations.
- **Autonomous & remote-controlled machinery** – Similar to benefits of drones, autonomous and remote-controlled construction machinery can handle tasks in high-risk situations.
- **Augmented reality & virtual reality** – AR and VR technologies can provide training and simulate dangerous scenarios, providing workers with virtual safety training before stepping into the project



Helping businesses understand and respond to workers' comp trends

As a leading, U.S. workers' compensation underwriter, Zurich knows the challenges facing employers in a changing risk environment. Our professionals work hard to ensure that customers continue to experience the stability and strength achieved in the workers' comp line of business over the past decade, with tools and innovations designed to help reduce overall cost of risk.

For more information about Zurich workers' compensation products and services, visit our [online workers' comp resource](#) or consult your broker.

References:

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