



System-level approaches to prevent and manage psychological injuries: findings from Canada and Australia

Smith PM, Lay M, Vesely L, Bakhtari H. [System-level approaches to prevent and manage psychological injuries in Canada and Australia](#). Project report. Toronto: Institute for Work & Health; 2026. Findings also shared at a IWH Speaker Series webinar, available [here](#).

The Study

This study was commissioned and led by the Institute for Work and Health (IWH) Canada and compares strategies across 22 jurisdictions in Canada and Australia to:

- *prevent* psychosocial hazards, define and compensate psychological injuries and
- *manage /support* workers through recovery and RTW.

Research problem: Work-related psychological injuries are increasing across Canada and Australia. This creates challenges for OHS and workers' compensation systems and there is growing interest in different approaches to prevent and manage psychological injuries. There have been few formal comparative overviews of approaches taken to prevent and/or manage these types of injuries across different jurisdictions.

Research aims: To examine:

- how jurisdictions in both countries prevent workplace psychosocial hazards
- define and compensate psychological injuries
- support workers' recovery and return to work.

Methodology

The project used two main methods:

1. Interviews with 32 experts from 16 jurisdictions, including regulators, compensation boards, and prevention agencies (key informant interviews)
2. A review of public documents across 22 jurisdictions (environmental scan). The jurisdictions were:
 - 13 Canadian provinces/territories and the federal system, and
 - 9 Australian states/territories and the Commonwealth system

Jurisdictions were found to differ in how they organise prevention and compensation functions, with some having a single agency responsible for both and others separate them.



Findings

Changes in the prevention of psychosocial conditions:

- Interviewees emphasised that guidance alone is not enough, and there is a need to support organisational readiness. There was said to be more advisory services, training, and sector-specific interventions for workplaces to apply guidance material.
- A shift to address broader organisational factors (i.e job design, leadership, and workplace culture) and away from individual-level strategies such as resilience training.

Interesting find: The study found a persistent tension for agencies that both regulate and advise. People talked about the challenge of doing two things: communicating what workplaces *must* do under legislation and giving best-practice guidance.

Changes in the claims management process:

- Greater awareness that faster time to connect psych injured workers to mental health supports is important. Importantly, many jurisdictions now provide early supports at no cost to the worker “even if the claim is ultimately denied,” recognising the importance of timely care. Other adaptations include specialised claims teams with mental health expertise and trauma-informed approaches to claims handling; expanded roles for counsellors and occupational therapists.
- Greater awareness that the claims adjudication and management process needs different skills and approaches than for psychological injuries
- The need for increased communication and collaboration between parties in the return-to-work and recovery space, with an emphasis on healthcare providers and workplaces working together on reasonable and effective accommodations. However, it was said that collaboration for coordinated remain difficult as reasons for this include: workplaces lacking awareness or confidence in managing psychological injury claims; employers underestimating their RTW role, and clinicians being unclear about work-related distinctions or accommodation processes.
- Measuring impact remains a major challenge as most jurisdictions rely on outcome only indicators (such as claims and cost) that don’t show real prevention impact, and few use direct measures of organisational or worker change. Limited public reporting and inconsistent evaluation frameworks restrict shared learning and make comparisons or scaling difficult.

Differences between Canada and Australia

General finding: Canada and Australia have different ways of legislating, preventing, managing, and coordinating system-level responses. The rules and approaches to psychological injury were seen to



be more consistent in Australia because states and territories follow national guidance from Safe Work Australia and shared codes of practice. Canada lacks a comparable national mechanism.

Thematic findings

| Theme | Australia | Canada |
|----------------------------------|---|--|
| Systems / Governance | More unified, harmonised WHS system with national coordination through Safe Work Australia and clearer, integrated approaches to psychosocial hazards | Decentralised and more fragmented, with no national coordinating body and wide variation across 13 provincial/territorial systems. |
| Psychological Injury Legislation | Consistent and broad coverage, including chronic stress, and explicitly regulates psychosocial hazards. | Uneven coverage. All jurisdictions cover acute trauma, but chronic stress rules vary and often require DSM diagnoses and proof that work is the predominant cause. |
| Presumptive Legislation | Presumptive legislation used sparingly because chronic stress is already broadly compensable. | Relies on presumptive legislation, especially for first responders with PTSD, with scope differing by province. |
| Guidance and Employer Support | Is comprehensive, practical, and aligned with national codes. | Varies widely (from narrow harassment/violence materials to broader frameworks) with inconsistencies between regulatory and best-practice advice. |
| Prevention Approaches | Embeds psychosocial risk management in WHS regulations and emphasises organisational-level prevention. | Similar intent to Australia but uneven progress; uptake of the National Standard (2013) has been limited due to complexity and weak implementation support. |



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| Claims Management | Psychological injury claim processes are more mature, with strong early-intervention models. | Longer adjudication delays and inconsistent chronic stress criteria. |
| Collaboration | Benefits from stronger cross-agency collaboration enabled by national coordination. | Collaboration varies by province, with limited alignment across jurisdictions. |
| Evaluation and Measurement | Relies heavily on retrospective indicators. Australia is beginning to measure organisational change | Also relies on retrospective indicators. Uses few direct measures and public reporting is inconsistent. |

Implications of findings

Even though Australia has a more coherent and mature system for preventing and managing work-related psychological injuries than Canada, the study found that both countries recognise the need for:

- *Strengthening organisational-level prevention:* With a focus on work design, leadership, culture and building employer capability.
- *Improving access to early and appropriate care:* Expand timely mental health supports and broaden provider networks.
- *Enhancing claims management:* Invest in teams with special skills, trauma-informed practices, and supports for workers and families.
- *Increasing system coordination:* Align priorities across prevention, compensation, healthcare, and workplaces.
- *Investing in evaluation:* Develop proactive indicators (i.e. to measure organisational change, stigma reduction, and prevention impact etc.), partner with researchers, and publicly report outcomes.
- *Addressing inter-jurisdictional inconsistency:* Explore harmonisation opportunities, especially in Canada, and share promising practices.



Conclusion

Psychological injuries at work are a growing and complex challenge. The study finds quite a lot of difference between Canada and Australia in terms of system structures, prevention strategies, claims management practices, and evaluation approaches for preventing and managing such injuries. Overall, both countries are moving toward organisational-level prevention, but Australia is further ahead and their claims management for psychological injuries is more advanced and consistent. The study identifies several priorities for strengthening prevention and compensation systems in both countries, including improved coordination between stakeholders and evidence-based improvement, which includes better evaluation.