

Being Accountable: Working Toward Healthy and Safe Workplaces in New Brunswick

2007 Year End Results



March 13, 2008

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INTRODUCTION

The Board of Directors has developed its Strategic Plan and Risk Assessment within the context of its legislated mandate. The Plan is a results focused document that:

- States the Commission's long-term goals;
- Identifies measures that allow stakeholders to understand if the Commission is achieving its goals; and
- Identifies initiatives to which resources have been allocated.

Each year, the Board of Directors also identifies risks related to:

- The Commission's unique mandate;
- External sources;
- Operational sources; and/or
- The Commission's reputation.

Within the risk assessment process, the Board of Directors determines if these risks are at an acceptable, cautionary, or unacceptable level, and allocates resources accordingly to manage the risk.

This document is administration's 2007 annual accountability report to the Board of Directors with respect to the:

- Results achieved related to the Board's strategic goals and measures;
- Outcomes resulting from initiatives and activities implemented with allocated resources; and
- Actions taken to manage the sources of risks identified in the previous year's planning process.

Ultimately, all goals and initiatives should move the Board closer to achieving its Vision of:

Healthy and Safe Workplaces in New Brunswick

2007 Results – At A Glance

Goal	Measure	Allocating Resources: Key Initiative	Results							Target Achieved?
			Five-year Average (2002-06)	2003	2004	2005	2006	2007		
Safety Our vigorous pursuit of a safe work culture will lead to a decline in the overall frequency of accidents and a significant decline in the overall frequency of accidents in industries and firms where our resources are focused.	A decline in the overall accident frequency rate: <ul style="list-style-type: none"> • Within the province; • Compared to other workers' compensation jurisdictions; • By payroll. 	<ul style="list-style-type: none"> • Ensuring Compliance • Focusing Resources on Health and Safety • Investing in Education • Building a WorkSafe Culture 	Within the province	-	3.59	3.50	3.68	3.57	3.43	
			Compared to other workers' compensation jurisdictions <ul style="list-style-type: none"> • New Brunswick • National Average 	-	1.47	1.30	1.42	1.33	N/A	
			By payroll	-	1.47	1.39	1.43	1.39	1.33	
Service We will provide prompt, effective, efficient, just, fair, and caring services to each of our clients.	We will continue to maintain or exceed the high level of satisfaction, in excess of 80%, that both our injured worker and employer clients have come to expect.	<ul style="list-style-type: none"> • Adjudication: A Centralized & Systematic Approach • Prescription Medication: Efficiency and Control • Monitoring Client Satisfaction • Investing in Innovative Approaches to Client Services • Creating Efficiencies in Employer Services • Providing Legal Advice and Assistance to Clients 	Injured Workers	82%	81%	87%	82%	81%	83%	
			Registered Employers	85%	86%	85%	84%	84%	84%	
Return to Work We will decrease the time by which injured workers return or are ready to return to employment.	The median of paid compensation days for claimants with a return to work goal.	<ul style="list-style-type: none"> • Case Management: A Regional and Multi-disciplinary Approach • Ensuring Medical Effectiveness: Right Care, Right Provider, Right Cost • Providing Vocational Rehabilitation Options • Building Partnerships for Return to Work 	Median paid compensation days for claimants with a RTW Goal	-	21.0	23.0	21.0	23.0	24.0	
			Average paid compensation days for claimants with a RTW Goal	-	63.7	65.0	61.0	67.8	65.5	
Efficiency We will hold the assessment rates to employers at the lowest level possible, consistent with the best possible benefits to clients.	At a minimum, we will maintain a fully funded liability.	<ul style="list-style-type: none"> • Balancing Benefits and Assessments through Policy and Legislation • Ensuring Accountability through Internal Audits • Effective Best Practices in Financial Management and Governance • Protecting the Commission's Mandate through Prevention and Detection of Fraud and/or Abuse 	Funding Ratio	-	92.3%	98.8%	102.3%	111.0%	105.4%	
			Assets ('000s)	-	\$725,887	\$832,256	\$920,221	\$1,035,703	\$1,065,513	
			Liabilities ('000s)	-	\$786,041	\$842,084	\$899,878	\$933,230	\$1,011,037	
Human Resources Our employees will consider the Commission a good place to work.	We will continue to maintain or exceed the high level of satisfaction, in excess of 80%, that our employees have come to expect. In addition, other indicators that will be measured in support of the goal and compared to the most recent five-year average include: <ul style="list-style-type: none"> • Absenteeism; • Internal promotions; • Health and safety; and • Staff turnover. 	<ul style="list-style-type: none"> • Evaluating the Competitiveness of Wages and Benefits • Promoting Health, Safety, and Wellness • Providing Disability Management • Ensuring Succession Planning, Employee Development, and Recognition 	Employee Satisfaction Level	90%	87%	94%	87%	91%	87%	
			Overall Absenteeism (Days absent)	8.21	8.57	7.65	6.52	8.31	8.73	
			Internal Promotions	18.6	15	15	13	23	16	
			Health and Safety <ul style="list-style-type: none"> • Total accepted claims • Incident reports • Hazard reports 	14.6	14	12	15	16	11	
			Staff turnover <ul style="list-style-type: none"> • All • Retirement 	23	30	22	15	27	24	
				10.4	14	9	8	9	7	

Target Achieved Target Not Achieved

1.0 SUMMARY OF RESULTS

1.1 SAFETY

Goal

Our vigorous pursuit of a safe work culture will lead to a decline in the overall frequency of accidents and a significant decline in the overall frequency of accidents in industries and firms where our resources are focused.

Measure

A decline in the overall accident frequency rate:

- Within the province;
- Compared to other workers' compensation jurisdictions; and
- By payroll.

Table 1 – Safety					
Measures	2003	2004	2005	2006	2007
1. Provincial accident frequency per 100 FTEs	3.59	3.50	3.68	3.57	3.43
2. Lost-time accident frequency per 100 FTEs within jurisdictions					
New Brunswick	1.47	1.30	1.42	1.33	N/A
National average	2.72	2.61	2.56	2.39	N/A
3. Accidents per \$1 million in payroll (assessable)	1.47	1.39	1.43	1.39	1.33
<p>^{1.} Source: Internal data - Corporate Services, information as of February 2008.</p> <p>^{2.} Source: AWCBC Key Statistical Measures #21. Please note that New Brunswick has a three-day waiting period, therefore, the number of lost-time claims included in this figure may not reflect every lost-time injury.</p> <p>^{3.} Source: Internal data - WorkSafe Services, February 2008.</p>					

Annual Results For Key Initiatives – Safety Goal

Ensuring Compliance

Outcomes

- 325 stop-work orders were issued primarily for zero-tolerance violations of the *OHS Act* related to trenching, lockout, and fall protection.
- 5,193 compliance orders were issued.
- 10 employers were prosecuted for violations of the *OHS Act* and/or Regulations with fines totalling \$60,000.
- 8 employers were subject to demerits for violations of the *OHS Act* and/or Regulations with amounts totalling \$75,000.
- Recommended changes to the *OHS Act* and Regulations were proclaimed in June 2007. These changes are related to Joint Health and Safety Committee members, structure on project sites, and monthly inspections.

Measuring the Strategic Goals – 2007 Results

Activities

- The Commission conducted inspections at 1,937 firms.
- There were 174 accidents reviewed by the Commission.
- The Commission continued to develop a compliance strategy for the healthcare sector.
- Through compliance activities, the Commission had contact with 3,047 firms.

Focusing Resources on Health and Safety

Outcomes

- In the four, targeted, high-risk industries, the number of accidents has decreased from 1,690 to 1,443 (a 17% change) through in-depth assistance with health and safety programs, including the 5*22 model. The accident frequency has also improved by 18% from 6.76 to 5.72 accidents per 100 workers.

Industry	2006	2007
Sawmills	15.16	12.43
Nursing homes	7.39	6.22
Fish processing	5.15	4.15
Supermarkets	4.33	4.33

Activities

- Through consulting services to the four targeted high-risk industries, the Commission assisted employers who had higher than average accident experience, to develop and implement comprehensive health and safety programs.
- The process for allocating resources to focus firms was adjusted to better align activities to the size and capacity of the workplaces.
- Health and safety programs provided by the Commission were reviewed to determine their effectiveness. A final report with recommendations is expected in 2008.
- Interventions were targeted to mid-size firms with high accident frequencies to positively influence accident experience.
- 85 active companies received in-depth assistance with health and safety programs, including the implementation of the 5*22 health and safety model.
- The Commission implemented a musculoskeletal injury prevention program.
- The Commission continued with the zero-tolerance emphasis on three high-risk injury sources – trenching, lockout and tag, and fall protection.
- A review of accidents in the home construction industry was completed.
- The Commission continued the development of a safety strategy for the LNG industry.
- Stakeholder consultation on legislation improvements related to forestry safety and general employer responsibilities was conducted.
- A Board of Directors subcommittee completed a review of opportunities related to health and safety.

Investing in Education

Outcomes

- Policy No. 24-100 Safety Association Funding was approved by the Board of Directors, providing the framework for industries to form safety associations with the goal of increasing health and safety educational activities to their members.
- The annual Client Satisfaction Survey indicated that educational initiatives promoted by the Commission may be influencing injured workers' and employers' awareness of health and safety and their responsibilities under the *OHS Act*.
 - In 2007, 85% of injured workers and 92% of registered employers

Measuring the Strategic Goals – 2007 Results

completely or mostly agreed that the programs and services of the WHSCC promote the prevention of workplace accidents.

- In 2007, 57% of injured workers and 88% of registered employers were aware that the WHSCC provides accident prevention services, compared to 54% of injured workers and 88% of registered employers in 2006.
- In 2007, 74% of injured workers (71% in 2006) reported that their workplace provides workers with training on how to safely perform their job.
- When employers were asked if they provided this training, 85% of registered employers (82% in 2006) said that they did.
- In 2007, 63% of injured workers (66% in 2006) and 87% (84% in 2006) of registered employers were aware that the WHSCC conducted OHS inspections.

Activities

- Prevention staff carried out 14,701 activities with workplace parties related to ergonomics, hygiene, general consulting, and officer intervention.
- The Commission conducted 568 health and safety workshops around the province on topics related to due diligence, roles and responsibilities, accident investigations, developing

health and safety policies, trenching, and fall protection.

- 643 people attended the WHSCC's 27th Annual Health and Safety Conference and Trade Show. The keynote address focused on the benefits and importance of creating a safety culture in workplaces.
- Approximately 900 people attended the three-day Joint Health and Safety Committee training program that provides JHSC members with essential training on health and safety legislation.
- 1,350 people participated in education programs such as the 5*22 program, accident inspections and investigations, and effective JHSC presence in the workplace.
- The Commission implemented an information campaign regarding pandemic planning.
- New products/publications that were released to create awareness and provide education included:
 - 2006 WHSCC Annual Report
 - Injuries Are No Accident poster
 - No Mercy posters
 - Working in the Woods – general guidelines pamphlet
 - Workplace Accommodation poster
 - E-news
 - Spring WHSCC Newsletter
- The Commission made presentations to 34 organizations on topics related to health, safety, and compensation.

Building a WorkSafe Culture

Outcomes

- The Commission established a baseline from which to evaluate changes in health and safety attitudes through a survey completed by Corporate Research Associates.
- In the 2006/2007 school year, 9,711 students applied for the Passport to Safety online program, compared to 3,927 in the last school year.
- In 2007, the accident frequency for young workers was 25% lower than it was between 1998 and 2001.

Activities¹

- 77,770 students received a form of health and safety orientation.
- 21,770 youth accessed WHSCC health and safety information through the 18 Service Canada Centres in New Brunswick.
- 226 students participated in workshops provided by the Commission.

¹ Youth statistics are based on the school year and not the calendar year.

Measuring the Strategic Goals – 2007 Results

- More than 10,000 students attended the internationally acclaimed SMARTRISK Heroes “Be Smart. Be safe.” tour that was presented in conjunction with the Commission’s No Mercy campaign.
 - 4,000 students participated in the Safety Start program.
 - 2,102 students were exposed to occupational health and safety components through the SAFET-E Card since August 29, 2006.
 - Over 325 students and 30 businesses attended customized safety awareness sessions as part of the first Progressive Agriculture Day in Atlantic Canada provided in partnership with Potatoes New Brunswick.
 - 1,797 students were exposed to an array of occupational health and safety resources, information, and links through the WHSCC’s Youthsafe website.
 - 26,000 students were exposed to health and safety messages through the school curricula.
 - The Commission partnered with the CFIB on a campaign to improve safety in small businesses.
 - The WHSCC entered into discussions with community colleges with respect to improving safety training offered through those institutions.
 - The Commission continued a social marketing campaign designed to shift New Brunswickers’ attitudes about accidents from “unavoidable” to “unacceptable”. Television spots were updated to highlight safety in three of the Commission’s focus industries: grocery stores, sawmills, and nursing homes.
 - Books and publications on Joint Health and Safety Committees, Guidelines to Potato Growing Safety, Practical Guide to Health and Safety and 5 Fundamentals, and 22 Health and Safety Topics were updated and distributed.
 - WorkSafe culture was promoted by conducting workshops on health and safety best practices and responsibilities related to topics such as the *OHS Act*, Workplace Hazardous Materials Information System program (WHMIS), and on employer, worker, and contractor responsibilities in workplace health and safety.
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Measuring the Strategic Goals – 2007 Results

1.2 SERVICE

Goal

We will provide prompt, effective, efficient, just, fair, and caring services to each of our clients.

Measure

We will continue to maintain or exceed the high level of satisfaction, in excess of 80%, that both our injured worker and employer clients have come to expect.

Table 2 – Service							
Measures	2002	2003	2004	2005	2006	2007	5 year Average 2002-06
Injured Workers	81%	81%	87%	82%	81%	83%	82%
Registered Employers	85%	86%	85%	84%	84%	84%	85%

¹. *Source: WHSCC Client Satisfaction Study and the Annual Report, information as of February 2008.*

Annual Results For Key Initiatives – Service Goal

Adjudication: A Centralized & Systematic Approach

Outcomes

- Policy No. 21-210 Calculation of Benefits was approved by the Board of Directors providing a streamlined approach to determining the initial payment of benefits and conducting subsequent reviews of benefits throughout the claim.
- The Board of Directors approved the allocation of additional resources to the WorkSafe Services Division to create a training position within the Adjudication and Benefit Services department. This position is responsible for developing and implementing a comprehensive adjudication-training program to further ensure systematic adjudication of all claims.
- Resources were allocated to staffing by adding an additional LTD Coordinator position to improve service delivery to LTD clients.
- The Client Satisfaction Survey indicates that 83% of injured workers were

satisfied with the time required to receive their first payment of benefits, a 3.5% increase from 2006.

- The Client Satisfaction Survey indicated that when workers were asked what they would do if they were working and an accident happened – 89% would immediately report the accident to their supervisor, manager, or employer.
- In 2006, a single 1-800 telephone system was implemented with a service benchmark of 80% of calls to be answered within 20 seconds. In 2007, the Commission received over 170,000 calls, 87% of which were answered within 20 seconds.

Activities

- 25,899 claim files were created - approximately one-half of these files had no application for benefits or involved no claim costs.
- 12,987 applications for claims were adjudicated.

Measuring the Strategic Goals – 2007 Results

- Of accepted claims, 6,135 involved lost time of at least one day and 5,674 were no lost-time claims (medical costs only).
- There were eight work-related fatalities.
- Guidelines were implemented for no lost time clients, who returned to work on modified duties, to track whether or not

they had transitioned back to their regular duties. If they had not, files were reviewed to determine if case management services were required.

Prescription Medication: Efficiency and Control

Outcomes

- The Board of Directors approved Policy No. 25-012 Medical Aid – Opioids, providing a framework for ensuring controls and standards are applied with respect to prescribing and approving opioid medications.
- An agreement was established with the New Brunswick Medical Society and the New Brunswick Pharmacists' Association to establish best practices related to opioid prescriptions through the development of an opioid review process. This process, which ensures opioids are effective and safe for the care of an injured worker, was completed and implemented in 2007.
- 3,312 injured workers had 31,814 prescriptions paid through the electronic prescription payment system, rather than being required to pay at the pharmacy and then reimbursed by the Commission.
- In 2007, there were 1,939 injured workers who were prescribed opioids as part of their treatment, compared to 2,049 in 2006.

Activities

- The Commission continued its use of an electronic prescription adjudication and payment system.
- Through research of best practices, the WHSCC developed controls for issuing opioid prescriptions, including providing information to pharmacy workers and increased physician responsibility for appropriate opioid prescribing. The controls included appropriateness of the opioid prescription to the injury, time limits and quantity limits, limitations on multiple physician prescribers and dispensing pharmacies, and controls on additives to reduce the street value of the drugs prescribed.
- The Commission implemented a new electronic process for notifying injured workers about opioid prescribing limits.
- To educate pharmacists and physicians on this new process, the Commission held 11 educational sessions.

Monitoring Client Satisfaction

Outcomes

- In 2007, an independent research firm conducted a survey of 800 injured workers and 267 registered employers to record their opinions with respect to health, safety, and compensation and their perceptions of the service they received from the Commission. Some of the results included:
 - My case manager cares about my needs: 80% in 2007, a 7% increase from 2006.

- My case manager keeps me up-to-date: 76% in 2007, an 8% increase from 2006.
- My case manager treats me with respect: 89% in 2007, a 5% increase from 2006.
- The Commission also communicated the results of the Client Satisfaction Survey to employees, the Board of Directors, and the public, maintaining its transparency with stakeholders.
- As a result of injured workers' dissatisfaction with services and the increase of 108 long-term disability

Measuring the Strategic Goals – 2007 Results

claims per year since 1998, the Board of Directors allocated additional resources to the WorkSafe Services Division to provide 6 new employees to increase services to its clients.

- Analysis showed that the strongest driver of overall satisfaction with case managers was “My case manager treats me with respect”: 91% of injured workers surveyed felt that their case manager met this benchmark, compared to 88% of injured workers surveyed in 2006.

Activities

- The Commission's vocational evaluation and work recovery programs received a three-year accreditation by the Commission on Accreditation of Rehabilitation Facilities (CARF Canada).

The WHSCC became the first organization in New Brunswick to hold this accreditation, which recognizes its excellence in service delivery. This accreditation acknowledges the Commission's continuous commitment to quality improvement, efficiency, and service delivery; client-focused approach to service delivery; use of management techniques that are efficient, cost-effective, and based on outcomes and client satisfaction; and commitment to maintaining excellence in human resources practices including recruitment, retention, and development of highly qualified staff.

Investing in Innovative Approaches to Client Services

Outcomes

- In 2007, 12,239 individuals or employers accessed clearance certificates using the Internet, a significant increase compared to 5,564 in 2006.

Activities

- A pilot project was implemented with three New Brunswick employers to determine the effectiveness of a new electronic accident reporting system (Form 67).
- The Commission continued to update the pharmaceutical e-pay system.
- The Commission continued to examine the feasibility of online reporting by physicians when using the *Form 8 Physician's Initial Report*.

- The Commission implemented an online events and workshop registration system.
- Design strategies continue to be implemented to increase the accessibility and efficiency of the WHSCC's website, which was accessed by 67,886 visitors in 2007.
- There were 2,300 subscribers to the Commission's e-news publication.
- Publications and information continued to be provided to New Brunswickers in both official languages.
- The Commission upgraded its online events and workshop registration system in 2007.

Creating Efficiencies in Employer Services

Outcomes

- 16.6% of assessed employers paid assessments through MAAP, an increase of 4.4% since 2006.

Activities

- The Commission provided employers with the option to pay assessments at any WHSCC office, online with Service New Brunswick, through MAAP, or by mail.

- Anticipated in January 2008, employers will be able to file their *Employer Payroll Report* (Form 100) and update their corporate information (e.g., address, trade names, etc.) via the Internet.
- The WHSCC and the Prince Edward Island Workers' Compensation Board have joined efforts to upgrade the infrastructure behind *The Employer Assessment Management System* (TEAMS) software application. The

Measuring the Strategic Goals – 2007 Results

upgrades will increase maintenance and testing efficiencies.

Providing Legal Advice and Assistance to Clients

Outcomes

- Third party action recoveries provided cost relief to employers in the amount of approximately \$2.7 million, with injured workers receiving \$527,698 in addition to compensation benefits. The cost relief provided is equivalent to the revenue generated by \$0.035 on the average assessment rate.

Activities

- The Commission continued to manage more than 60 third-party claim files.
 - The Commission provided:
 - Presentations and information to individuals and organizations with respect to the *WHSCC Act*, the *OHS Act*, and the *WC Act*.
 - Legal advice to injured workers and employers with respect to third party claims.
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Measuring the Strategic Goals – 2007 Results

1.3 RETURN TO WORK

Goal

We will decrease the time by which injured workers return or are ready to return to employment.

Measure

The median of paid compensation days for claimants with a return to work goal.

Table 3 – Return to Work					
Measures	2003	2004	2005	2006	2007
Median paid compensation days for claimants with a RTW Goal	21	23	21	23	24.0
Average paid compensation days for claimants with a RTW Goal	63.7	65.0	61.0	67.8	65.5
¹ Source: WorkSafe Services: Information as of February 21, 2008					

Annual Results For Key Initiatives – Return to Work Goal

Case Management: A Regional and Multi-disciplinary Approach

Outcomes

- 96% of injured workers who lost time from work, and were capable of employment, returned to work following the injury.
- There were 273 new LTD claims in 2007, compared to 301 in 2006.
- The 2007 Client Satisfaction Survey indicated that Injured workers' overall satisfaction with case managers was 84%, an increase of 4% from 2006.
- The Commission reduced the total days paid on a claim by 1.5% for injured workers with a return to work goal.
- In 2007, 2% of injuries resulted in a full LTD, remaining the same as 2006.
- In 2007, 196 workers did not obtain employment immediately following claim closure, compared to 191 in 2006. Most of these workers, however, did return to their seasonal pattern of employment.
- A subcommittee of the Board of Directors examined case management practices and provided an in-depth review of claims. Recommendations included establishing strategies to identify signs of delayed recovery and implement best practices for medical management and case management.
- The Commission conducted an in-depth review of claims of varying duration and identified several risk factors that are associated with longer claim duration. These factors included client recovery expectations, presence of psychosocial factors, increased number of diagnostic tests, and prolonged medical wait-times. The Commission has established case management strategies to identify signs of delayed recovery and implemented best practices for medical and case management.
- Through a research study, the Commission found that patient scores on a brief biopsychosocial questionnaire could predict injured workers' clinical discharge status after a standardized six-week physiotherapy-based, work-conditioning program. The results were published in the *Journal of Occupational and Environmental Medicine* and the Commission has implemented best

Measuring the Strategic Goals – 2007 Results

practices for the management of these claims.

Activities

- Case Managers provided services for 4,584 clients.
- On-going services were provided for 1,237 injured workers receiving pre-1982 benefits, 2,509 injured workers receiving long-term disability benefits, and 527 spouses and dependants receiving survivors benefits.
- The Continuum of Care approach continued to be applied as a case

management model for all injuries. Injury-specific progress milestones alert case managers when a claim requires additional interventions.

- The Commission began a quality review of case management practices.
- The Commission also completed a review of gradual return to work services.

Ensuring Medical Effectiveness: Right Care, Right Provider, Right Cost

Outcomes

- The Commission completed a review of mental health services provided to injured workers by NB health care providers and identified areas for improvement including treatment approaches, reporting requirements, and the Commission's management of these services. Best practices were identified that focus on these areas.
- A review of clients receiving primary physiotherapy services in the approved private network was completed. The results will form a benchmark for further reviews and will be used in discussions with physiotherapy clinics to identify opportunities to improve outcomes.
- The WHSCC signed contracts with a network of five private clinics, in addition to the Workers' Rehabilitation Centre, to provide Work Capacity Evaluation (WCE) to alleviate wait times for service and to provide local services.
- As a result of a review of pain management through injection-based services, the Commission implemented best practices, which included multidisciplinary treatment and active functional restoration with cognitive-behavioural therapy and has communicated these changes to physicians.

of improvement, and recommendations in the following areas:

- Work conditioning and functional improvement;
- Shoulder injuries;
- Mental health services;
- Primary physiotherapy service in the approved private physiotherapy network;
- Pain management through injection-based services;
- Authorized medical service providers and quality of services provided; and
- Work hardening.
- The Commission completed a study of occupational diseases.
- In partnership with the New Brunswick Chiropractors' Association, a two-day education session was held on chiropractic management of injured workers to provide the industry an opportunity to discuss issues such as barriers to recovery, evaluating functional capacity, and therapeutic benefits of chiropractic services.
- The Commission established a network of six family physicians throughout the province, who provide continuity of care for clients without family physicians, and to help other family physicians and the Commission develop care plans.
- The WHSCC's orthopaedic consultant provided continuing education sessions to nurse practitioners and physicians throughout the province.

Activities

- The Commission completed reviews to identify best practices, outcomes, areas

Measuring the Strategic Goals – 2007 Results

- The Commission, in co-operation with the New Brunswick Medical Society's Community Hospital Program, provided 11 education sessions to physicians. Additional courses were also added to the growing list of web-based courses for healthcare practitioners on the WHSCC sponsored "Occupational Health Information" section of the River Valley Health Authority's website (www.grandroundsnow.com), including a new course entitled SUCCESSFUL Return To Work.
- The Chief Medical Officer developed information binders for chiropractors, nurse practitioners, and family physicians. Distribution to chiropractors and nurse practitioners was completed in 2007 and distribution to family physicians will take place in 2008.
- The WRC continued its collaborative research project with Dalhousie University and the University of New Brunswick titled Work Related Musculoskeletal Pain: Factors Influencing Treatment and Compensation Decisions.
- The Commission hosted the sixth annual WRC Open House during Disability Awareness Week (May 27 – June 2) in New Brunswick. Representatives from 35 employers and 15 physicians received a tour of the WRC and attended information sessions about the services offered by the Commission.
- The Commission began an examination of surgery and consultation wait times.

Providing Vocational Rehabilitation Options

Outcomes

- 206 injured workers participated in vocational rehabilitation, compared to 227 in 2006.
- Earlier this year, a review of all clients referred to vocational rehabilitation over a 12-month period was completed. The Commission continued to implement the following recommendations that stemmed from the review:
 - Monitor the new vocational rehabilitation continuum to ensure a formal process is followed in a timely manner;
 - Examine employer accommodation activities and the Commission's administration of the accommodation process; and

- Develop standards for external vocational rehabilitation service providers.

Activities

- The Commission developed:
 - A vocational rehabilitation claim management continuum;
 - Standards for external agencies providing vocational services;
 - A bank of employers who will provide training-on-the-job; and
 - Standards for Work Capacity Evaluations to determine work restrictions.
- The Commission also reviewed work accommodation practices.

Building Partnerships for Return to Work

Outcomes

- 81 injured workers who had a residual disability resulting from their injury returned to work in a modified job or with an alternate employer in 2007, compared to 98 in 2006.
- 255 injured workers returned to work with an alternate employer rather than their accident employer in 2007, compared to 267 in 2006.

- The Client Satisfaction Survey indicated that 86% of registered employers felt that the programs and services offered by the Commission helped them to meet their legislative obligations, a slight increase from 85% in 2006.

Activities

- The Commission held workshops across the province to educate workplace parties on the roles and responsibilities

Measuring the Strategic Goals – 2007 Results

of employers, injured workers, unions, physicians, and other health care providers in the return to work process.

- 30 employers participated in workplace accommodation training.
 - A pamphlet related to chronic pain, *Employer Guidelines to Symptom Management Strategies*, was developed to facilitate effective return to work.
 - The WHSCC continued to offer employers training and help to implement workplace accommodation and return-to-work programs, which is intended to improve the potential of early return to work by an injured worker.
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Measuring the Strategic Goals – 2007 Results

1.4 EFFICIENCY

Goal

We will hold the assessment rates to employers at the lowest level possible, consistent with the best possible benefits to clients.

Measure

At a minimum, we will maintain a fully funded liability.

Table 4 – Efficiency						
Measure ¹	2002	2003	2004	2005	2006	2007
Liabilities ('000s)	\$735,789	\$786,041	\$842,084	\$899,878	\$933,230	\$1,011,037
Assets ('000s)	\$694,123	\$725,887	\$832,256	\$920,221	\$1,035,703	\$1,065,513
Funding Ratio	94.3%	92.3%	98.8%	102.3%	111.0%	\$105.4%

¹ *Source: Internal Data – Finance / Annual Report*

Annual Results For Key Initiatives – Efficiency Goal

Balancing Benefits and Assessments through Policy and Legislation

Outcomes

- The Board of Directors made the following policy-decisions in 2007 to address risks and to further the goals of the Commission:
 - Right to Refuse During Pandemics;
 - Medical Aid – Opioids;
 - Medical Aid Decisions;
 - Advances and Payouts;
 - Calculation of Benefits (combined with 21-200 Determination of Loss of Earning);
 - Safety Association Funding;
 - Quality of Life Grant;
 - Care Allowance;
 - Clothing and Footwear;
 - Prescription Eyeglasses;
 - Allowances for Self-employment;
 - Definition of Worker;
 - Governance Statement - WHSCC Board of Directors;
 - Claim-related Travel Expenses;
 - Human Resources;
 - Funding Annuity Benefits;
- Accident Reporting and Application for Benefits;
- Rescind Medical Aid - Evidence of Medical Effectiveness; and
- Rescinded - Determination of Loss of Earnings.
- The Board of Directors approved the Commission's 2008 assessment rates. Registered employers' provisional average assessment rate will be \$2.05 per \$100 payroll for 2008, a reduction of 2.4% from the 2007 rate of \$2.10 per \$100 payroll.
- In addition, the Commission reduced its minimum assessment rate from \$0.42 per \$100 payroll to \$0.40 per \$100 payroll.
- The Government of New Brunswick conducted a three-party panel independent review of the WHSCC to assess how well the current system compares to other compensation systems in Canada, and to provide recommendations and key

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considerations for the future of the Commission in a report to the Minister.

Activities

- The Commission's Corporate Secretary and General Counsel provided oversight

to ensure that policies adopted by the Commission were in compliance with the Commission's governing legislation, the federal Charter of Rights and Freedoms and the provincial *Human Rights Act*.

Ensuring Accountability through Internal Audits

Outcomes

- In 2008, recommendations from internal audits will be tracked and reported to the Board of Directors.

Activities

- The following audits were completed or were in progress in 2007:
 - Information Technology Threat and Risk Assessment;
 - Harmonized Sales Tax;
 - Income Tax Changes;

- VISA expenditures;
- Business Continuity Plan;
- Assessment Rates;
- Assessment Revenue;
- General Ledger Balancing;
- Network Logon Accounts;
- Screensaver Passwords;
- T5007 – Statement of Benefits Paid;
- Benefit Payments;
- Telephone Consultations; and
- Case conferences.

Ensuring Best Practices in Financial Management and Governance

Outcomes

- The Board of Directors evaluated the strategic plan and risk assessment and determined whether risks were at an acceptable, cautionary, or unacceptable level.
- The Board of Directors approved the *2007-2012 Strategic Plan and Risk Assessment*.
- The Board of Directors made improvements to their governance structure by implementing recommendations from the governance review commissioned by the Board and completed by Daryl Wilson, FCA, in 2007. These improvements included:
 - Formalizing the Board's oversight role by including position guidelines for the Chair and members of the Board of Directors in the governance statement;²
 - Approving a process with respect to succession planning for the President/CEO position;
 - Signing a Memorandum of Understanding with the Department

of Post-Secondary Education, Training and Labour (PETI) that addressed appointments (Board members, Appeals Tribunal Chairperson and Vice-Chairpersons and Occupational Health and Safety Officers); legislative proposals and/or recommendations; governance; claims resolution and appeals process; and administrative responsibilities; and

- Revising the governance statement to include emphasis on board member orientation and training, and performance evaluation for the Board, board members, the Chairperson, President/CEO, and the Chairperson of the Appeals Tribunal.
- The Client Satisfaction Survey indicated that 70% of registered employers and 72% of injured workers agreed that the WHSCC is effectively run; this is a slight increase from 2006 when 68% of registered employers and 70% of injured workers agreed.
- The Commission's investment portfolio produced a loss of -0.44% for the year ended December 31, 2007. This return

² Policy No. 41-002 Governance Statement – WHSCC Board of Directors

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was below the long-term assumption of 7.12% that is used to discount the Commission's liabilities. This underperformance contributed to the decline in the Commission's funded ratio, as it declined from 111.0% at December 31, 2006 to 105.4% at December 31, 2007.

- The Board's decision to hedge 50% of the investment portfolio's developed market foreign currency exposure was implemented in 2007. This decision was the result of a recommendation from the asset liability study that was completed in 2006. It is a long-term policy decision designed to reduce short-term volatility in the Commission's investment returns due to currency fluctuations.
- During the year, an additional 1% of the total investment fund was allocated to real return bonds, and an additional 2% was allocated to long bonds. Both of these allocations were funded by selling universe bonds. This change is part of the plan to migrate the asset mix of the investment portfolio to the target asset mix approved by the Board as a result of the 2006 asset liability study. It is

designed to improve the risk/return profile of the investment portfolio.

- Total expenses for the twelve months ending December 31, 2007 were greater than budgeted by \$8,616,000. Claims costs were greater than budgeted by \$10,667,000. Administration and Appeals Tribunal costs were lower than budgeted by \$2,071,000, while legislative obligations were on target. The above results yielded an excess of expenses over income of (\$47,997,000) for the period, compared to a budgeted excess of income over expenses of \$14,284,000.

Activities

- An Annual Report was submitted to government.
- A Stakeholders' Report was completed and distributed.
- Three accountability reports were presented to the Board of Directors and made available to stakeholders and the public.

Protecting the Commission's Mandate through Prevention and Detection of Fraud and/or Abuse

Outcomes

- The Commission conducted 241 investigations, advancing the principles of detecting, preventing, and deterring fraud and abuse. These investigations resulted in present and future claim cost savings in excess of \$1.25 million.

Activities

- Educational forums related to the detection of fraud and abuse were presented to external investigators employed by the Commission.

- The Commission continued to develop an information session on investigation and surveillance to create a training tool to help in the detection of cases of fraud and/or abuse.
- The Commission continued to partner with other jurisdictions, governments, law enforcement agencies, and the business community to establish contacts, discuss trends, and share best practices on fraud and abuse detection.

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1.5 STAFF SATISFACTION

Goal

Our employees will consider the Commission a good place to work.

Measure

We will continue to maintain or exceed the high level of satisfaction, in excess of 80%, that our employees have come to expect.

In addition, other indicators that will be measured in support of the objective and compared to the most recent five-year average include:

1. Absenteeism;
2. Internal promotions;
3. Health and safety; and
4. Staff turnover.

Table 5 – Staff Satisfaction							
Measures ¹							5 Year Average
	2002	2003	2004	2005	2006	2007	2002-06
Staff Satisfaction ²	92%	87%	94%	87%	91%	87%	90%
1. Absenteeism (Days absent) ³	10.00	8.57	7.65	6.52	8.31	8.73	8.21
Bargaining	13.45	11.47	10.08	8.45	10.00	12.66	10.69
Non-bargaining	8.40	7.28	6.90	5.09	5.70	6.67	6.67
Perfect attendance	18.0%	16.9%	15.5%	12.0%	14.0%	14.2%	15.3%
2. Internal Promotions	28	15	15	13	23	16	18.6
Bargaining ⁴	13	8	9	7	13	8	10.0
Non-bargaining ⁴	15	7	6	6	9	8	8.6
3. Health and safety							
Total of accepted claims for Commission staff	18	14	12	15	16	11	14.6
4. Staff turnover (by budgeted positions) ⁵							
All turnovers ⁶	N=	21	30	22	15	27	24
	%	4.7%	6.0%	5.2%	3.6%	6.2%	5.5%
Retirees	N=	12	14	9	8	9	7
	%	57.1%	46.7%	40.9%	53.3%	33.3%	29.2%
<p>^{1.} Source: Internal data – Human Resources – information as of December 31, 2007.</p> <p>^{2.} Percentage of staff indicating WHSCC is a “good place to work”</p> <p>^{3.} Absenteeism = Total days absent / (actual yearly budgeted - vacant positions)</p> <p>^{4.} Numbers reflect promotions due to salary increases into or between bargaining and non-bargaining positions.</p> <p>^{5.} Staff turnover is a measure of the number of active positions divided by total active positions and terminated positions in a year.</p> <p>^{6.} All turnovers are those who are no longer employed with the WHSCC; this may be because of retirement, seeking employment elsewhere, unable to perform the duties of the job, resigned for personal reasons, etc.</p>							

Annual Results For Key Initiatives – Staff Satisfaction Goal

Evaluating the Competitiveness of Wages and Benefits

Outcomes

- According to the Staff Satisfaction Survey, 61% of employees reported that they were satisfied with wages and benefits as compared to other positions, a decrease from the 72% of employees who reported being satisfied in 2006.
- The Commission was awarded the Gold Star Agency Award from the International Personnel Management Association, Canada (IMPAC) for its significant contribution to the practice of human resources management. The Commission has also been nominated by the IMPAC for the United Nations Public Administration Public Service Award. The winner of this award will be selected in June 2008.

Activities

- The Board of Directors approved a 3% economic adjustment to salary rates for permanent, non-bargaining employees effective July 1, 2007.
- Meetings were held with the Health Benefits Consultation Committee for all non-bargaining employees to review and research possible recommendations for health benefit enhancements and to make a recommendation on overpayment of issued benefits.
- Labour/Management meetings continued to develop labour /management relations and to facilitate resolution of issues as required.
- Meetings were held with managers and supervisors to prepare for upcoming contract negotiations for both union locals.

Promoting Health, Safety, and Wellness

Outcomes

- There were 11 accepted claims from Commission employees in 2007, compared to 14 in 2006.
- In 2006, there were 14 reported incidents of violence against employees and 11 in 2007. To resolve this safety issue, the WHSCC developed and delivered a workshop called *Dealing With Violence in The Workplace* to 204 employees throughout the province.
- The objective to reduce Repetitive Strain Injury (RSI) severity was researched and the following recommendations were implemented:
 - Discomfort Charts to be completed at a minimum of every six months for employees in risk groups;
 - During peak periods, when overtime work is required, a work plan can be created to minimize risk of RSI injury;

- If needed, assistance to set up a work rotation can be requested from an Occupational Therapist;
- Identify potential risk factors in all jobs that can cause RSI; and
- Educate employees working in the jobs with basic RSI risk factors.

Activities

- Through the WHSCC's ongoing Wellness Program, employees were offered a variety of activities related to the following four global objectives: physical, nutritional, psychological and basic health.
- 150 employees completed the @LIVE health risk assessment program. This assessment established a benchmark for employees so that they may annually evaluate their health improvements.
- 23.4% of employees accessed the employee and family assistance program.

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- Other activities promoting employee wellness included: aquacise classes; fitness challenges, wellness picnic, weight loss challenge, earth month challenge, cholesterol and blood sugar testing, flu vaccination, distribution of newsletters and wellness calendars, and a variety of lunch and learn presentations.
- The Commission continued to promote its incident and hazard reporting procedure. Two hazards and five incidents were identified and corrected in 2007.
- The following objectives were addressed and action taken by the Commission as part of its internal 5*22 Health and Safety Program:
 - Implementation of recommendations based on the personal protective equipment audit – code of practice for respirator use was approved and implemented;
 - Implementation of recommendations resulting from the Emergency Response Plan audit – all plans reviewed and revised;
 - To audit the WHMIS program – recommendations being evaluated; and
 - To educate staff in the areas of violence in the workplace, safety, and collision avoidance.

Providing Disability Management

Outcomes

- The Disability Management Program helped 12 employees - 10 returned to work through the Gradual Return to Work program, one employee remained on the job through workplace accommodations; and one employee returned to work in an alternate position.
- 14.2% of the Commission's employees were recognized for perfect attendance in 2007, a slight increase from 14% in 2006.

Activities

- The Commission facilitated its annual launch of the WHSCC Health and Safety Program.
- The Commission continued to educate and assist managers and directors with attendance and disability management.

Ensuring Succession Planning, Employee Development, and Recognition

Outcomes

- 24 employees left the organization, including 7 retirements. This indicates a staff turnover rate of 5.5% and is consistent with the five-year average of 5.1%.
- 99% of Commission employees received performance reviews in 2007.

Activities

- The Commission managed 104 competitions.
- The Commission reviewed 72 job descriptions containing responsibilities and qualifications, identified job hazards, and controls for each hazard.
- 431 employees attended various workshops, training, or information

sessions including: French language programs, Insights Discovery; MS Office Products; Preparing for Your Retirement; Long Term Financial Planning for Retirement; Collision Avoidance; Performance Management; Dealing With Violence in the Workplace; Safety Start; Growing Leadership Program; and Employee Orientation.

- 33 employees participated in the Growing Leaders Program.
- One complaint was received under the Official Languages Act in 2007. The Commission resolved this issue to the satisfaction of the Office of Official Languages.
- The Human Resources Department continued to audit compliance with

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human resources directives and procedures, with a high level of positive results.

- 20 human resources directives and procedures were developed, reviewed, or revised.

- The annual staff meeting and Service and Retirement Awards Banquet honoured 11 retirees and 82 employees for milestones of 5 to 35 years of public service.
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2.0 RESPONSE TO SOURCES OF RISK

The risks identified in 2007 were grouped into the following four major areas: unique mandate risk, external risk, operational risk and risk to reputation. The tables below provide a summary of how each risk was managed by the Board. The risk and the goal impacted by the risk are identified. Further, the tables include the results of the Board’s assessment that identifies if additional policy decisions are required, if sufficient resources are allocated and if adequate oversight structures are in place. Finally the tables also include what the level of residual risk was after the Board’s assessment. The discussion that follows each table of major areas of risk expresses the progress that was undertaken to address those areas of risk that the Board identified in 2007 having a cautionary or unacceptable level of residual risk.

2.1 UNIQUE MANDATE RISKS

Unique mandate risk is the area of risk to the WHSCC that exists only because of the legislated mandate of the Commission.

Unique Mandate Sources of Risk					
Summary of Sources of Risk	Goal Impacted by Risk	Residual Level of Risk	Board Decisions to Guide the Management of the Risk		
			Additional Policy Decisions Needed	Sufficient Resources Allocated	Adequate Oversight Structures
1. Funding Levels High volatility in the investment market may jeopardize the Commission’s ability to fulfill its legislated responsibilities.	Efficiency	Acceptable	No	Yes	Yes
2. Appropriate Assessment Rate The Commission attempt’s to create equity among employers by ensuring that accident costs are borne by the employers in business at the time the accident occurred, and by reducing the extent to which employers with good claims experience subsidize the industry’s poor performers.	Service	Acceptable	No	Yes	Yes
3. Occupational Health and Safety Mandate The Commission must clearly define its role in health and safety in New Brunswick to ensure that resources are allocated effectively to fulfill its legislated mandate.	Safety	Cautionary	Yes	Yes	Yes
4. Gap in Occupational Health and Safety Act and Regulations The timely implementation of recommendations with respect to legislation is necessary to protect the health and safety of New Brunswick workers.	Safety	Acceptable	No	Yes	Yes
5. Level and Comprehensiveness of Benefits The Board of Directors must find a balance between the overall scope of benefits provided to injured workers,	Efficiency	Cautionary	No	Yes	Yes

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Unique Mandate Sources of Risk					
Summary of Sources of Risk	Goal Impacted by Risk	Residual Level of Risk	Board Decisions to Guide the Management of the Risk		
			Additional Policy Decisions Needed	Sufficient Resources Allocated	Adequate Oversight Structures
while maintaining low assessment rates for employers.					
6. Occupational Diseases As new occupational diseases emerge, there is a need for credible, scientific information to fully understand the causative association between work and the disease.	Efficiency	Cautionary	Yes	Yes	Yes
7. Commission's Role in Return to Work The Commission must balance the expectations of clients and stakeholders with the intent of the legislation, to determine the services that it will offer injured workers to facilitate their return to work or readiness to return to work.	Return to Work	Cautionary	No	Yes	Yes
8. Gap in Workers' Compensation Act and Regulations The WC Act can be broad and may be subject to differing interpretations, potentially resulting in an increase in appeals.	Efficiency	Unacceptable	No	Yes	Yes

Throughout 2007, the Commission's efforts to reduce its unique mandate risk were as follows:

- In early 2007 the government announced an independent review of the Commission to determine whether the Workplace Health, Safety and Compensation system is functioning appropriately and to its fullest potential within the New Brunswick context. To support the review panel in fulfilling its mandate, the Commission gathered data, provided information, responded to inquiries, and met with members of the review panel. The Board expects that the final report of the review panel may address some areas associated with the Commission's unique mandate risks such as legislative gaps.
- The Commission has a responsibility for occupational health and safety in New Brunswick and to support this the Board:
 - Established a subcommittee that will examine the mandate of occupational health and safety; and
 - In its rate setting exercise, allocated money in the assessment rate for the education on, and the promotion of, occupational health and safety.
- The Board approved Policy No. 24-015 Right to Refuse during Pandemics. This policy contains principles that outline responsibilities and direction for how the Commission will assist New Brunswick workplaces prepare for a pandemic and it outlines how the Commission will prioritize and allocate resources for its own activities during a pandemic.
- The Board continued to clarify its mandate around its responsibilities for return to work. Consistent with the development of an effective governance structure, the Board modified its

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measure to support its return to work goal. This measure is the median of paid compensation days for claimants with a return to work goal.

- Occupational diseases continue to be a source of risk for the Board. Many occupational disease claims are submitted long after the exposure that may have caused the disease. The challenge for the Commission is to account for the future costs of occupational diseases in the present day. In 2007, the Board approved the development of a policy framework to address occupational diseases. The policy framework outlines that the policy will be based on the adjudication of occupational disease claims through standardized criteria and medical evidence.
- The Commission continues to identify areas in the *Occupational Health and Safety Act* and Regulations that require modifications that would assist in the reduction of accidents in New Brunswick. The Commission submitted requests for legislative changes to government in the areas of mining and fall protection. In 2007 these requested changes were still before government.
- To address risk the Board has the responsibility to identify legislative gaps. In policy decision making the Board follows a system to identify, prioritize and manage the risks around identified legislative gaps. In using this system and through the approval of policy the Board articulates its interpretation of legislation.

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2.2 EXTERNAL RISKS

External risks are trends and behaviours that exist in society that could impact the goals of the WHSCC.

External Sources of Risk					
Summary of Sources of Risk	Goal Impacted by Risk	Residual Level of Risk	Board Decisions to Guide the Management of the Risk		
			Additional Policy Decisions Needed	Sufficient Resources Allocated	Adequate Oversight Structures
9. Literacy, Language, and Education Injured workers with low literacy, language, and education levels may experience additional challenges in securing employment during the return to work process.	Service Return to Work	Acceptable	No	Yes	Yes
10. Regulatory Environment External legislative or regulatory changes may impact WHSCC benefits and potentially result in an increase in benefit costs. Court decisions related to the three <i>Acts</i> administered by the Commission may also impact the way the Commission conducts its business and the level of resources required to implement the decision.	Efficiency	Acceptable	No	Yes	Yes
11. Availability and Costs of Health Care The rising cost of health care and prescription drugs, increase in wait times, and growing reliance on diagnostic tests, impact the Commission's ability to access timely and affordable services, potentially increasing recovery times.	Return to Work/ Efficiency	Cautionary	Yes	Yes	Yes
12. General Health Status A decline in the general health status of New Brunswickers may result in longer recovery times after a work-related injury.	Efficiency	Cautionary	Yes	Yes	Yes
13. Skill Shortages Potential labour shortages may result in fewer qualified workers, creating pressure for existing workers to perform faster and for longer periods, which may impact health and safety in workplaces.	Safety	Cautionary	No	Yes	Yes

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Throughout 2007, the Commission's efforts to address external sources of risk were as follows:

- General health status, and availability and costs of health care are both risks that may impact on the business of the Commission. In its provision of service, the Commission makes efforts to ensure that the right care is received from the right provider at the right cost. In its efforts to manage the Commission's interactions on health care issues the Board approved:
 - Policy No. 25-012 Medical Aid – Opioids, which establishes a framework for authorizing and paying for opioids in relation to a compensable injury or disease; and
 - Policy No. 25-014 Medical Aid Decisions, which provides a framework for making medical aid decisions and outlines how the Commission evaluates the effectiveness of different treatment options.
- The Board monitors emerging issues around skills shortages in the New Brunswick labour market. Skills shortages can lead to potential opportunities as it relates to vocational rehabilitation options. There is also concern about skills shortages as it relates to the safety of workers. Individuals may take advantage of employment opportunities in the labour market which could be above their skills or abilities, thus increasing the chance of injury.

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2.3 OPERATIONAL RISKS

Operational risks refer to a failure of people or systems that may impact on the ability of the WHSCC to fulfill its legislative responsibilities.

Operational Sources of Risk					
Summary of Sources of Risk	Goal Impacted by Risk	Residual Level of Risk	Board Decisions to Guide the Management of the Risk		
			Additional Policy Decisions Needed	Sufficient Resources Allocated	Adequate Oversight Structures
14. Human Resources and Service Delivery Projected high levels of retirement may have an impact on service delivery and staff satisfaction.	Staff Satisfaction	Cautionary	No	Yes	Yes
15. Catastrophic Events and Business Continuity The Commission must ensure that in the event of an unexpected serious service interruption or pandemic, steps are put in place to maintain critical business processes.	Service	Unacceptable	Direction needed on business continuity planning	Yes	Yes

In 2007 the Commission focused on reducing operational risks as follows:

- As a comprehensive approach to managing business continuity risk the Board identified the need to implement policies in the areas of pandemics and business continuity management. These policies will provide direction and a framework for the Commission to follow in the case of a serious business interruption or threat to providing service and fulfilling the legislative responsibilities of the Commission.
- The Commission, like other organizations, has an aging workforce that is approaching retirement age. Retirements cause fluctuations in staff size, and the loss of corporate memory. This can impact both the satisfaction of remaining staff, and the ability to provide timely and effective service. In response to this risk, the Board has allocated resources to the growing leaders program, professional development, and succession planning for key positions in the Commission.

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2.4 RISKS TO REPUTATION

Risks to reputation are the risks that could impact the stakeholders, clients, and the public's perceptions and attitudes towards the WHSCC.

Sources of Risk to Reputation					
Summary of Sources of Risk	Goal Impacted by Risk	Residual Level of Risk	Board Decisions to Guide the Management of the Risk		
			Additional Policy Decisions Needed	Sufficient Resources Allocated	Adequate Oversight Structures
16. Pressures Related to Changes in Other Jurisdictions Changes to legislation and policy in other jurisdictions can place increased pressure on the Commission or the Provincial Government to make similar changes in New Brunswick.	Efficiency	Acceptable	No	Yes	Yes
17. Fraud and Abuse The occurrence of fraud and abuse increases the costs of services and threatens the reputation of the Commission.	Efficiency	Cautionary	No	Yes	Yes
18. Government Decisions The recommendations provided by the Independent Review Panel with respect to the WHSCC may impact the Commission's ability to fulfill its legislated responsibilities.	All goals	Acceptable	N/A	N/A	N/A

In 2007, key developments and decisions related to risk to reputation were as follows:

- The Board has directed resources to fraud and abuse investigations that resulted in 241 investigations that had the outcome of claim cost savings in excess of \$1.25 million.
- Changes in other jurisdictions places pressure on the Commission to undertake similar changes. While knowledge about activities in other jurisdictions is beneficial for the Board, to be aware of it is not the primary driver of Board decisions. The Board utilizes its knowledge of the unique circumstances of New Brunswick, to approve appropriate policy for New Brunswick that takes into consideration its goals and the total benefits package delivered to clients. In 2007, all policy decisions made by the Board of Directors included a review of the associated policy and legislation in other jurisdictions to ensure informed decisions in support of good governance.
- The Board of Directors is entrusted with the stewardship of the WHSCC. It has the overall responsibility for ensuring that the organization fulfills the purposes for which it was created as identified in the legislation. The Board of Directors has the authority to recommend legislative change, and has complete and final responsibility for policy decisions. Consistent with best practices in governance, the board only recommends changes to legislation that align with the Commission's strategic direction, financial resources, and assessment of stakeholder needs. There is a risk, however, that the Government may use its authority to enact legislation, or make decisions independent of Commission governance. Should the Government make decisions outside this framework the Commission may be forced to

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adjust its goals and objectives. There were two major government decisions in 2007 that were independent of Commission governance that impact the achievement of the Commission's goals:

- In December 2007, the government passed *Bill 12 - An Act to Amend the Workers' Compensation Act* relating to the fire fighters presumptive clause. The financial impact of this government decision impacts on the Commission's efficiency goal; and
- The Independent Review Panel for the Workplace Health, Safety and Compensation Commission of New Brunswick will make recommendations that will have to be considered by the Board relative to its strategic direction.