

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

Second Quarter Results
April – June 2008



OUR FOUNDATION

Our Vision

Healthy and safe workplaces in New Brunswick.

Our Mission

The Commission will promote a safe and healthy work environment to the workers and employers of New Brunswick, and efficiently provide quality services, just adjudication, and fair administration of the legislation.

Our Mandate

- Promote the creation of a workplace safety culture in which all employees and employers view all occupational diseases and accidents as being preventable.
- Provide timely compensation benefits, medical aid, rehabilitation, and safe return-to-work services to injured workers.
- Provide sustainable insurance and insurance-related services to the employer community.
- Represent stakeholders and provide recommendations and advice to government with respect to legislation and publish such reports, studies, and recommendations.

The Meredith Principles

In 1910, Sir William Meredith was commissioned to produce a report on workers' compensation in Ontario. In his report, Meredith made recommendations that shaped the first workers' compensation act, proclaimed in Ontario in 1915. The principles stemming from these recommendations were adopted nation-wide and continue to provide the foundation for compensation systems across Canada today.

No-fault compensation: Injured workers are compensated for workplace injuries regardless of fault, while workers and employers waive the right to sue.

Collective liability: Employers collectively fund the compensation system and are responsible for the financial liability of the system.

Security of payment: A fund is established to guarantee that compensation will be available now and in the future.

Exclusive jurisdiction: The Commission has final decision-making authority – it is not bound by legal precedent and it must judge each case on its individual merits.

Independent board: The governing board is stakeholder-driven, it is autonomous, non-political, and is financially independent of government or any special interest group.

Our Values

- We dedicate ourselves to the provision of prompt, effective, efficient, and caring services to each of our clients.
- We believe that a team approach ensures that all members of the Commission are working towards a shared Vision, Mission, Values, and Goals.
- We are committed to providing competent and energetic leadership that is focused on a clear direction for the Commission.
- We ensure that our decisions are made with integrity, credibility, and accountability.
- We ensure that our communications are based on trust, mutual respect, openness, and clear and reliable information.
- We manage our human, material, and financial resources effectively in responding to our mandate and established priorities.

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INTRODUCTION

The Board of Directors of the WHSCC is accountable to the stakeholders of New Brunswick to achieve the strategic direction outlined in its annual Strategic Plan and Risk Assessment. The plan was developed to enable long-term goal setting directed towards achieving our Vision, Mission, Mandate, Values and Goals.

This accountability document is Management's report to the Board of Directors, providing an update on the Commission's second quarter progress on the five strategic Goals. Organized in two sections, the first section summarizes the quarterly results by Goal, including:

- A definition for each Goal;
- The measure and target assigned to that Goal;
- A table showing results for the key measures and targets; and
- Outcomes and activities by key initiatives.

The charts in this section demonstrate whether the Commission is achieving its targets by Goal, using a colour-coded system, as follows:



Target has been met.



Target has not been met.

The second section of the document focuses on the Commission's *Response to Sources of Risk*. All risks were grouped into four major areas and reporting in this section includes:

- A definition of each type of risk;
- A table providing a summary of how each risk was addressed by the Board;
- The Board's assessment of the level of risk; and
- Cautionary notes from management.

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.

Target

A decline in all measures when compared to the previous five-year average

- Within the province (<3.55)
- Compared to other worker's compensation jurisdictions (<2.80)
- By payroll (<1.27M)

Table 1 – Safety							
Measure	2003	2004	2005	2006	2007	5-year Avg/Target	2007 Year-end Results
Provincial Accident frequency per 100 FTEs ¹	3.59	3.50	3.67	3.57	3.43	<3.55	
Lost-time accident frequency per 100 FTEs within jurisdictions ²							
New Brunswick	1.47	1.30	1.42	1.33	N/A	-	
National Average	2.72	2.61	2.56	2.39	N/A	<2.80	
Accidents per \$1 Million in payroll (assessable) ³	1.31	1.25	1.30	1.28	1.24	<1.27	

¹ Internal Data – Corporate Services, information as of June 2008

² AWCBC Key Statistical Measures #21, Note that New Brunswick has a 3-day waiting period, therefore, the number of lost-time claims included in this figure may not reflect every lost-time injury

³ Internal data - WorkSafe Services, June 2008.

Quarterly Results For Key Initiatives – Safety Goal

Ensuring Compliance

Outcomes

- There were 80 stop work orders issued, 55 of which were for zero tolerance violations of the *OHS Act* related to trenching, lockout and fall protection.
- In the second quarter, the Commission worked with the New Brunswick Government to prosecute employers under the *OHS Act*. As a result, two

cases were concluded against employers, which resulted in total fines of \$9,600.

Activities

- 1,432 inspections were carried out and 1,221 compliance orders were written in the second quarter of 2008.

Focusing Resources on Health and Safety

Outcomes

- Targets to measure the Safety Goal were approved by the Board during the second quarter of 2008 and are reflected in this quarterly report (see previous page).

- Based on projections from the second quarter, an overall 2% decrease in accident frequency within the four targeted, high risk industries is expected.

Activities

- The Accident Review Panel reviewed 16 accidents.

Building a WorkSafe Culture

Activities

- The Commission continued to focus on youth in the second quarter including:
 - Career day events and presentations to Grade 12 students to raise safety awareness in students preparing for summer, part-time, or even future full-time employment;
 - Agriculture safety days, where the Commission promoted industry-specific safety awareness; and
 - The fifteenth annual “Jobfest” on April 17th, in partnership with JD Irving, the NB Department of Post-Secondary Education, Training and Labour, and School Districts 6, 8, & 10, where the Commission highlighted the importance of safety

across various industries and business sectors.

- National Day of Mourning events were held on April 28th, providing an opportunity for workers and employers across the province to reflect upon workplace safety and remember workers who have suffered a workplace injury, illness, or death.
- North American Occupational Safety and Health (NAOSH) week events were held throughout the province through partnerships with the Canadian Society of Safety Engineering (CSSE), and Human Resources Social Development Canada-Labour (HRSDC).

1.2 SERVICE GOAL



We will provide effective programs and services, implemented with care, compassion, efficiency, promptness, and fairness, to benefit both workers and employers.

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.

Target

Greater than 80% satisfaction on our annual Client Satisfaction Survey.

Table 2 – Service							
Measures	2003	2004	2005	2006	2007	Target	2007 Year-end Results
Injured Workers	81%	87%	82%	81%	83%	>80%	
Registered Employers	86%	85%	84%	84%	84%	>80%	

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

Quarterly Results For Key Initiatives – Service Goal

Adjudication: A Centralized & Systematic Approach

Outcomes

- The average time to first cheque was 21.1 days in the second quarter. This is an increase of 1.5 days when compared to the same time last year.

Activities

- 12,841 claims were created during the second quarter, compared to 12,799 claims that were opened during the same time period last year. Of claims created, just under half of the files had no application for benefits or involved no claim costs.

- 6,372 applications for claims were adjudicated, representing a slight increase over the same time last year.
- Of accepted claims in the second quarter, 2,805 involved no lost time, 868 were for medical aid only, and 2,200 were lost time. There were two fatalities.

Measuring the Strategic Goals – Second Quarter 2008 Results

Monitoring Client Satisfaction

Activities

- 92% of injured workers discharged from the work recovery program indicated that they were completely or mostly satisfied with the service provided at the WRC.
- Requests for Proposals (RFPs) for the Annual Client Satisfaction and Stakeholder Satisfaction surveys were issued during the second quarter of 2008.

Investing in Innovative Approaches to Client Services

Outcomes

- During this quarter, the WHSCC distributed a Request for Interest (RFI) to seven vocational rehabilitation job search providers. The purpose of the RFI was to standardize and improve the effectiveness of job search services. As a result of this RFI, the Commission has entered into a one-year contract with those providers selected to participate.

Activities

- Twelve employers are registered for the on-line accident-reporting pilot. It is anticipated that other employers will be participating in the coming months.
- Training is in place for the on-line pilot, with larger employers receiving priority

and providing input on the effectiveness of the online tool.

- Fifty-eight new subscribers signed on to receive our E-news newsletter, bringing the total of subscribers to 2,407.
- A Request for Proposals (RFP) was issued during the second quarter of 2008 with regard to the sale of the WRC to a private health care provider.
- The Commission is investigating a third party software product to enhance the ability of the Department of Fiscal and Economic Planning to monitor emerging results and identify and respond to emerging trends on a more timely basis.

Creating Efficiencies in Employer Services

Outcomes

- 16.5% of assessed employers paid assessments through the Monthly Assessment on Actual Payroll Program (MAAP) in the second quarter of 2008. This is similar to the same period in 2007 in which 16.2% of assessed employers were using this monthly program.

Activities

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

1.3 RETURN TO WORK GOAL


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

Measure

When compared to the previous five-year average, a decline in the average paid compensation days for claimants with a Return to Work Goal.

Target

A decline in the average paid compensation days when compared to the previous five-year average. (<63 days)

Table 3 – Return to Work								
Measures	2003	2004	2005	2006	2007	2008 YTD	5-year Avg/ Target	2007 Year-end Results
Median paid compensation days for claimants with a RTW Goal	21	23	21	23	23.0	-	<22.0	N/A
Average paid compensation days for claimants with a RTW Goal	63.7	64.7	60.8	66.7	63.4	72.6	<63.0	
¹ Source: WorkSafe Services: Information as of March 31, 2008								

Quarterly Results For Key Initiatives – Return to Work Goal

Case Management: A Regional and Multi-disciplinary Approach

Outcomes

- With the addition of a Case Manager trainer, the division has begun Standardized Training for case managers.
- In total, there have been 139 new Long Term Disability (LTD) claims year to date in 2008, a reduction from the same period, year to date for 2007, which saw 148 new LTD claims filed.

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

Activities

- The One-year Pain and Activity Questionnaire and Recovery Pilot is ongoing, with a focus on regular communication and evaluation with the designated case managers administering the program. This program is piloting a predictive tool of delayed recovery, to be completed by all injured workers with soft tissue injuries. If an injured worker scores over 147 on the questionnaire, the worker is assigned to a case manager and will receive best practice case management and rehabilitation.
- A complete evaluation is scheduled upon completion of the pilot in 2009.

Providing Vocational Rehabilitation Options

Activities

- Worker's Rehabilitation Centre (WRC) admissions and on-site appointments totalled 369 with offsite appointments by WRC staff totalling 85.
- The average number of injured workers admitted to the WRC per day was 78 in the second quarter.
- 394 injured workers were discharged from the Work Recovery Program during the second quarter of 2008.
- On June 7th, over 60 health care professionals and employers joined the WHSCC as it hosted the 7th annual Open House at the WRC facility as part of National Disability Awareness Week.

The day included facility tours, offered interactive workshops and an open panel discussion. Randy Dickinson, the Executive Director of the Premier's Council on the Status of Disabled Persons, WHSCC President and CEO, Doug Stanley, and the Chairperson of the Commission's Board of Directors, Roberta Dugas, extended a warm welcome to all attendees.

Building Partnerships for Return to Work

Activities

- The WHSCC continued to offer employers training focused on implementing workplace

accommodation and return-to-work programs intended to improve early and safe return to work by an injured worker.

1.4 EFFICIENCY GOAL


We will provide the best possible benefits to injured workers while maintaining the lowest possible assessment rates for employers.

Measure

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

Target

100% funded liability

Measure ¹	2003	2004	2005	2006	2007	Target	2007 Year-end Results
Liabilities ('000s)	\$786,041	\$842,084	\$899,878	\$933,230	\$1,011,037	-	-
Assets ('000s)	\$725,887	\$832,256	\$920,221	\$1,035,703	\$1,065,513	-	-
Funding Ratio	92.3%	98.8%	102.3%	111.0%	\$105.4%	100%	

¹Source: Internal Data – Finance / Annual Report

Quarterly Results For Key Initiatives – Efficiency Goal

Ensuring Accountability through Internal Audits

Outcomes

- An examination of a sample of benefits paid to injured workers during the first quarter was completed. As a result, it was determined that workers were paid in accordance with the Commission's corporate policy.

during the second quarter and were found to be in accordance with the Commission's policy.

Activities

- System accesses and payment authorization levels were monitored

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

Outcomes

- The Commission identified 62 claims for investigations in the second quarter. This is an increase of 10 claims over the same period last year, which saw 52 claims referred for investigation.
- To date, 116 claims have been referred for investigations:

- Nine from Adjudication;
- Fifty-eight from Case Management;
- Six from General Counsel;
- Ten from Pensions and LTD Unit; and
- Thirty-three from other WCBs.

Ensuring Best Practices in Financial Management and Governance

Outcomes

- In the second quarter of 2008, the Board of Directors approved its 2008-2013 Strategic Plan and Risk Assessment. During the annual planning sessions:
 - The Vision, Mission and Values were reaffirmed;
 - The Mandate was updated;
 - The Service, Efficiency, and Staff Satisfaction Goals were revised;
 - Twenty-six sources of risk to the Commission were identified;
 - Policy and legislative priorities were determined; and
 - Key initiatives were brought forward for resourcing by the Commission.
- The Board also reviewed and included recommendations from an Independent Review Panel in its 2008-2013 Strategic Plan and Risk Assessment, accepting all 64 recommendations brought forward by the Panel.
- As of June 30, 2008, all asset classes were within their target ranges in accordance with policy.
- As of June 30, 2008, the market value of the Commission’s investment fund was \$865.8 million.
- The Commission’s investment portfolio underperformed its performance objective of CPI + 3.8% for the four-year period ended June 30, 2008. The Commission’s portfolio produced an annualized return of 5.4% for this period, relative to 6.2% for the CPI + 3.8% objective.

- The portfolio was also behind the CPI + 3.8% target for the quarter, returning 0.1% compared with the objective return of 3.4%.
- The Commission’s portfolio underperformed the benchmark objective for this quarter, producing a quarterly return of 0.1% compared to 0.5% for the benchmark.

WHSCC Asset Mix		
As of June 30, 2008	Allocation	
	Actual	Target (policy)
Universe Bonds	30%	27%
Long Bonds	5%	4%
Real Return Bonds	4%	4%
Canadian Equity	21%	20%
U.S. Equity	19%	23%
International (EAFE) Equity	15%	18%
Emerging Markets Equity	4%	4%
Cash	2%	0%

- Total expenses for the six months ending June 30, 2007 were less than budgeted by \$1,524,000. Claims costs were greater than budgeted by \$166,000. Administration, appeals tribunal costs, and Legislative obligations were lower than budgeted by \$1,690,000. The above results yielded an excess of expenses over income for the period of (\$60,378,000) compared to a budgeted excess of income over expenses of \$8,515,000.

Statements of Operations and Cash Flows⁴

The *Statement of Operations* details the Commission's income and expenses for the first six months of 2008 compared to the budgeted figures, and to the corresponding period for the previous year.

The *Statement of Cash Flows* details cash received and paid for the first six months of 2008 compared to the corresponding period for the previous year.

Unaudited Statement of Operations For the Six Months Ending June 30, 2008				Unaudited Statement of Cash Flows For the Six Months Ending June 30, 2008			
	Budget YTD	Actual YTD	Previous YTD		Actual YTD	Previous YTD	
	(000's)	(000's)	(000's)		(000's)	(000's)	
Income				Cash flow from operating activities:			
Assessments including self-insured	\$ 94,950	\$ 94,605	\$ 91,798	Cash received from:			
Investments	32,836	(37,083)	10,616	Assessed employers	\$ 98,134	\$ 95,670	
Province of NB	450	297	450	Self-insured employers	12,047	10,878	
	\$128,236	\$ 57,819	\$102,864	Interest and dividends	16,260	14,153	
				Province of New Brunswick	442	900	
Expenses					126,883	121,601	
Claims costs incurred	100,129	100,295	101,544	Cash paid to:			
Administration	18,203	16,642	15,539	Injured workers or third parties on their behalf	63,719	62,624	
Appeals Tribunal	799	690	629	Suppliers and employees, for administration and other services	19,026	18,002	
Legislative obligations	590	570	590		82,745	80,626	
	\$119,721	\$ 118,197	\$ 118,302	Net cash provided by operating activities	44,138	40,975	
Excess of income over (expenses) for the period	\$ 8,515	(\$60,378)	(\$15,438)	Cash flow from investing activities:			
				Cash received from:			
				Sale of investments	138,039	116,148	
				Cash paid for:			
				Purchase of investments	153,988	135,736	
				Purchase of capital assets	797	709	
					154,785	136,445	
				Net cash (used in) investing activities	(16,746)	(20,297)	
				Increase in cash during the year	27,392	20,678	
				Cash and short-term investments, beginning of period	29,112	24,282	
				Cash and short-term investments, end of period	\$ 56,504	\$ 44,960	

⁴ The Unaudited Statements of Operations and Cash Flows have been prepared in accordance with the accounting policies and practices outlined in the notes to the financial statements contained in the Commission's 2007 Annual Report.

1.5 STAFF SATISFACTION GOAL

Our employees will feel their work is valuable and makes a difference, motivated by the understanding of how their role and individual contribution is critical to achieving our Vision, Mission, Mandate, Values, and Goals.

Measure

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




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

- Absenteeism;
- Health & safety; and
- Staff turnover.

Target

Greater than 80% satisfaction as measured by our employee satisfaction survey, including an engagement score of > 80%

- Absenteeism <7.96
- Health and Safety >88%
- Turnover <5.3%

Table 1 – Human Resources Goal									
Measure ¹		2003	2004	2005	2006	2007	YTD	5-year Avg/ Target	2007 Year-end Results
Staff Satisfaction and Engagement	Staff Satisfaction ²	87%	94%	87%	91%	87%	-	>80%	
	Staff Engagement ³	-	-	-	-	-	-	>80%	-
Absenteeism	Absenteeism (Days absent) ⁴	8.57	7.65	6.52	8.31	8.73	4.53	<7.96	
Health and Safety	Health and Safety Index ⁵	N/A	N/A	N/A	89%	87%	-	>88%	-
Turnover ⁶	All Turnover	6.0%	5.2%	3.6%	6.2%	5.5%	4.07	<5.3%	
1. Source: Internal data – Human Resources – information as of June 30, 2008 2. Percentage of staff indicating WHSCC is a “good place to work”- maintaining in excess of 80% 3. Index created in 2008 called “staff engagement” within the Staff Survey. 4. Absenteeism = Total days absent / (actual yearly budgeted - vacant positions). 5. Health and Safety Index – Created from Environment Section of Survey. Only 3-year Average. 6. Turnovers include 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.									

Quarterly Results For Key Initiatives – Staff Satisfaction Goal

Compensation and Benefits

Activities

- The President and CEO and the Director of Human Resources met with the regions to discuss the Human Resources Goal and outline current and future activities to be undertaken by the Commission to meet the Goal.
- A review of four positions resulted in re-banding two of them.

- A tentative agreement was reached with CUPE 1866. Negotiations continue with CUPE 946.
- Twenty-two job descriptions were reviewed and revised during this quarter.

Attendance, Return to Work, and Disability Management Programs

Outcomes

- In the second quarter, the average number of days absent per employee was 4.53. This is a decrease from the second quarter 2007, in which average days absent was 4.51. Data also shows that bargaining employees have a

higher sick days average than non-bargaining employees.

- Two employees were able to return to work full-time after completing the disability management program.

Wellness, Health and Safety Programs

Outcomes

- In the second quarter of 2008, 34 incidents were reported, investigated and processed. Four claims were accepted and none resulted in any lost time, this brings the total accepted claims in 2008 to eight. Seventeen incidents were reported, and eight claims were accepted during the same period in 2007. While the number of incidents reported increased, the number of claims accepted is the same.

Activities

- The second quarter Health and Safety Plan was completed and the third quarter Health and Safety Plan was approved and circulated to staff.
- An audit began on the hazards and controls established for each position to ensure employee knowledge and accuracy of controls.
- The Security Officer is meeting with all Joint Health and Safety Committees

(JHSCs) to review accident investigation procedures.

- The Commission continued to provide wellness education and training. Second quarter monthly themes included:
 - April - Earth Month & Allergies;
 - May - Fitness month; and
 - June - Mental Health month.
- Wellness Committee Activities during the quarter included:
 - Earth month quiz;
 - Fitness Challenges;
 - Luncheon Session - Marsh Creek Restoration Initiative;
 - Disability Walk & Roll Challenge;
 - Comfort Zone newsletter;
 - Living Well With Stress Lunch & Learn session;
 - Body bulletin newsletters; and
 - Aquacize classes.

Measuring the Strategic Goals – Second Quarter 2008 Results

Employee Opportunities, Development, and Succession Planning

Outcomes

- Nineteen competitions were opened for a total of 51 openings year-to-date in 2008.

Activities

- Annual evaluation of the Growing Leaders program commenced.
- A review and update on the Executive Development Program began during the second quarter.
- Twelve new employees participated in employee orientation.
- The Stepping into Supervision workshop was provided to five participants.
- Cognitive Motivational Case Management training was offered to 35 employees in the second quarter.
- Thirty-three employees received Dealing with Violence in the Workplace training.
- Fifteen employees participated in a Complex Issues - Clear Solutions Workshop.
- Thirty-seven Employees attended workshops on Having Difficult

Conversations & Using Coaching to Enhance Leadership.

- The annual staff meeting was held in April, honouring 18 retirees and 77 employees with 5-35 years of continuous service.
- The annual review of projected employee retirement concluded. Data from this review includes average age and projection of potential retirements by positions. This information was analyzed, and recommendations were brought forward for review with Executive.
- A meeting was held with the Regional Directors to discuss qualifications for four regional positions.
- Executive job shadowing continues.

2.0 RESPONSE TO SOURCES OF RISK

The risks identified in 2008 were grouped into four major areas: unique mandate risk, external risk, operational risk and risk to reputation. In the tables below, the risk and the goal impacted by the risk are identified. The following tables include the level of risk; the Goal impacted by the risk; and finally, management’s cautionary notes, identifying if a risk needs to be flagged by the Commission.

Level of Residual Risk is indicated as follows:



Green indicates an acceptable risk (7 are identified below)



Yellow indicates a cautionary risk (15 are identified below)





Red indicates an unacceptable risk (3 are identified below)

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.








Summary of sources of risk	Goal impacted by risk	Residual level of risk determined by Board of Directors	Management’s cautionary notes for the 2nd quarter 2008
1. Funding levels	Efficiency		No new cautionary notes to report.
2. Assessment rates that do not promote self-sufficiency	Efficiency		No new cautionary notes to report.
3. Varying expectations of the Commission’s role in health and safety	Safety		No new cautionary notes to report.
4. Gaps and delays enacting legislative amendments to legislation and regulations	Safety		No new cautionary notes to report.
5. Level and comprehensiveness of benefits	Efficiency		No new cautionary notes to report.
6. Occupational diseases	Efficiency		No new cautionary notes to report.
7. Varying expectations of the Commission’s role in Return to Work	Return to Work		No new cautionary notes to report.
8. Varying interpretations of sections within the Workers’ Compensation Act	Efficiency		No new cautionary notes to report.
9. Gaps in the WHSCC Act regarding the applicability of Board policy in Appeals Tribunal decisions.	Efficiency		No new cautionary notes to report

Measuring the Strategic Goals – Second Quarter 2008 Results

Summary of sources of risk	Goal impacted by risk	Residual level of risk determined by Board of Directors	Management's cautionary notes for the 2nd quarter 2008
10. Financial impact of employer incentives proposed by the Independent Review Panel	Efficiency		No new cautionary notes to report
11. Effect of actuarial assumptions on annual financial results	Efficiency		No new cautionary notes to report




2.2 EXTERNAL RISKS

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

Summary of sources of risk	Goal impacted by risk	Residual level of risk determined by Board of Directors	Management's cautionary notes for the 2nd quarter 2008
12 Changes to other provincial or federal legislation and regulations	Efficiency		No new cautionary notes to report
13. Poor health status of New Brunswickers	Efficiency		No new cautionary notes to report.
14. Availability and cost of health care	Return to Work Efficiency		No new cautionary notes to report.
15. Increased accidents associated with skills and labour shortages	Safety		No new cautionary notes to report.
16. Impacts of low levels of literacy and education on safety and return to work	Safety		No new cautionary notes to report.
17. Impacts of language and cultural barriers on safety and return to work	Return to Work		No new cautionary notes to report.
18. Level of knowledge and resources to address emerging high risk industries	Safety		No new cautionary notes to report.





2.3 OPERATIONAL RISKS

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

Summary of sources of risk	Goal impacted by risk	Residual level of risk determined by Board of Directors	Management's cautionary notes for the 2nd quarter 2008
19. Impacts of catastrophic events on business continuity	Service		No new cautionary notes to report.
20. Inflated WHSCC employee retirement levels	Staff Satisfaction		No new cautionary notes to report.
21. WHSCC employee retention in specialized fields	Staff satisfaction		No new cautionary notes to report.

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.

Summary of sources of risk	Goal impacted by risk	Residual level of risk determined by Board of Directors	Management's cautionary notes for the 2nd quarter 2008
22. Expectations associated with legislative and policy changes in other jurisdictions	Efficiency		No new cautionary notes to report.
23. Fraud and abuse	Efficiency		No new cautionary notes to report.
24. Government decisions independent of Commission advice	Efficiency		No new cautionary notes to report.
25. Changes to the international financial reporting standards	Efficiency		No new cautionary notes to report.