



2019

3rd Quarter

July-September

OUR VISION

Keeping people safe and healthy at work

OUR MISSION

Collaborate with all stakeholders to design, build and manage an effective continuum of safety and care.

CORE VALUE

The client is the priority.

Accountability

Adhere to evidence-based disciplines, sharing all results, and communicate honestly and transparently.





Operational Highlights

Legislative amendments introduced in late 2018 continued to exert a stabilizing effect on WorkSafeNB's operating environment in the third quarter. Cost stabilization and strong market returns have aided our steady climb back to full funding, which had reached **99.3%** by Sept. 30 (up from 94.7% at the end of Q2).

We reviewed the ongoing impacts of these amendments, along with potential impacts to 2020 assessment rates, with more than 100 stakeholders who joined us at our Annual General Meeting in July.

Here we also unveiled our [2019-2021 Strategic Plan](#) which will help to propel WorkSafeNB forward on our ongoing path of transformation – a transformation designed to create public value through four strategic pillars:

- 1. Drive a Safety-First Culture**
- 2. Achieve Effective Recovery**
- 3. Protect System Sustainability**
- 4. Build a Workplace That is Committed to Superior Service**

The AGM was also an occasion to share where opportunities for improvement continue to exist such as working with workers and employers to implement return-to-work best practices.

In Q3, aligning with our pillar to Drive a Safety-First Culture, WorkSafeNB's Prevention Division rolled out a new organizational structure focused on improving our service offerings and ensuring our teams are providing maximum value for New Brunswick workplaces.

For example, under this new structure, in 2020, JHSC workshops will be delivered by WorkSafeNB-approved service providers. This flexibility in program delivery is a result of the amendments enacted to the *Occupational Health and Safety (OHS) Act* through Bill 2. This will free up valuable time for our education consultants who can better focus on those employers and JHSCs who are struggling and need more concentrated support.

Also in Q3, we launched a consultation with the fishing industry, examining changes to the *OHS Act* which would include fishing vessels as a place of employment. Commercial fishing is a hazardous industry and New Brunswick is only one of two jurisdictions without occupational health and safety authority over the industry.

We know that by being in the right workplaces, at the right time, offering the right services, and talking to the right people, we will get that much closer to achieving our ultimate goal of keeping New Brunswickers healthy and safe at work.

With our new organizational structure, government support and our partners' involvement, we are confident it will give us every opportunity to succeed.

KEY STRATEGIC MEASURES – September 30, 2019				
DRIVE A SAFETY FIRST CULTURE	2017	2018	2019 YTD	2019-2021 Target
LOST-TIME INJURY FREQUENCY				
• Assessed	1.36	1.42	1.25	↓
• Self-insured	3.25	3.68	3.08	↓
• All employers	1.69	1.71	1.50	↓
HEALTH & SAFETY INDEX	N/A	N/A	N/A	
WORKPLACE FATALITIES	16	22	13	0
ACHIEVE EFFECTIVE RECOVERY				
CLAIM DURATION				
• Average days for open claims	283.8	292.2	322.8	↓
• Average days for closed claims	106.7	118.5	138.8	↓
% OF WORKERS RETURNED TO WORK WITHIN:				
• 26 weeks	N/A	72.5	N/A	↑
• 2 years	93.0	91.6	N/A	↑
CLAIM REGISTRATION TO FIRST PAYMENT	39.1	40.7	47.6	↓
WORKPLACE INJURY TO CLAIM REGISTRATION	10.9	12.2	11.0	↓
PROTECT SYSTEM INTEGRITY				
FUNDING POSITION (2019 are unaudited)	102%	88%	99.3%¹	100-120%
RETURN ON INVESTMENT (2019 are unaudited)	10.3%	-1.3%	9.39%	6.1%
AVERAGE ASSESSMENT RATE	\$1.48	\$1.70	\$2.65	↓
BUILD AN INNOVATIVE WORKPLACE TO DELIVER SUPERIOR SERVICE				
CLIENT SATISFACTION INDEX				
• Injured workers	68.5% (2014 data)	71.5%	N/A	↑
• Employers	78.2% (2014 data)	74.2%	N/A	↑
EMPLOYEE ENGAGEMENT SCORE (March to February)	54%	48%	49%	↑

¹ Preliminary estimate as at Oct. 10, 2019.

Statement of Operations – September 30, 2019 (in thousands)

	Q3 2015	Q3 2016	Q3 2017	Q3 2018	Q3 2019
Income					
Assessed employer income	\$72,786	\$74,577	\$103,909	\$123,233	\$206,970
Investment fund income	\$19,517	\$70,024	\$77,883	\$32,916	\$116,581
Self-insured employers	\$40,046	\$49,354	\$71,016	\$90,187	\$59,347
TOTAL	\$132,349	\$193,955	\$252,808	\$246,336	\$382,898
Expenses					
Claim costs incurred					
Assessed employers	\$112,425	\$137,758	\$184,923	\$264,894	\$69,996
Self-insured employers	\$34,386	\$42,503	\$63,659	\$82,291	\$51,633
Administration and legislative obligations	\$34,378	\$37,808	\$40,626	\$39,621	\$39,677
TOTAL	\$181,189	\$218,069	\$289,208	\$386,806	\$161,306
Excess of income over (expenses) for the year	(\$48,840)	(\$24,114)	(\$36,400)	(\$140,470)	\$221,592

Financials

Excess of income over expenses at \$221.5 million is the highest over the past last five years. Declining claims costs, down \$195 million YTD for assessed employers, strong investment returns +\$83.7 million and increased income from assessed employers, +\$83.7 million YTD are the primary drivers of the improved performance.

Balance Sheet (in millions)	2015	2016	2017	2018	Q3 2019
Assets	\$1,520	\$1,594	\$1,709	\$1,709	\$1,884
Liabilities	\$1,234	\$1,422	\$1,672	\$1,943	\$1,912
Funding Position	\$286	\$172	\$37	(\$234)	(\$13)
Funding Level	123%	112%	102%	88%	99%

Our outlook for 2019 shows a reversal from the trend of increasing claims costs and lower funding levels in recent years. This is due to decline in liabilities and strong year-to-date investment returns. Any material change in investment returns over the balance of 2019 may impact our financial results.

During the balance of 2019, we will be working with stakeholders and the government on new legislation to further improve both occupational health and safety and workers' compensation. As WorkSafeNB's cost structure continues to improve, we are also exploring improvements to benefits for injured workers to be considered by the Board once we regain solid financial footing.