



Accountability Report

Second Quarter

April to June 2014

Being Accountable

WorkSafeNB is committed to ensuring the highest standards in governance and administration. As such, management is pleased to present to the Board of Directors, WorkSafeNB's quarterly results. This document provides a summary of WorkSafeNB's progress towards achieving its strategic goals, targets, and strategies as established during the Board of Directors' annual strategic planning and risk assessment process. In addition, this document contains risks that the Board continues to monitor, legislative and policy priorities, and Statements of Operations and Cash Flows. The current strategic plan and risk assessment is available at www.worksafenb.ca.

Contents

Strategic Goals – Annual Results & Targets	2
Quality Governance	5
Safety	6
Balance	7
Service	9
Return to Work	10
Staff Satisfaction & Engagement	11
Risk Assessment	12
Board Priorities	13
Statements of Operations & Cash Flows	16
Notes & Contact	18

Vision

Healthy and Safe Workplaces in New Brunswick

Mission

WorkSafeNB 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.

Mandate

Promote the creation of a workplace safety culture in which all employees and employers view all occupational diseases and accidents as being preventable.

Promote an understanding, acceptance, and compliance with all legislation for which WorkSafeNB is responsible, including the enforcement of the *OHS Act* and regulations.

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 WorkSafeNB considers advisable.

Values

We are dedicated to providing fair, prompt, effective, efficient, and caring services to each of our clients.

We believe that a team approach ensures that all members of WorkSafeNB are working towards a shared Vision, Mission, Values, and Goals.

We provide competent and energetic leadership that is focused on a clear direction for WorkSafeNB.

We consult our stakeholders and ensure that our decisions are made with integrity, credibility, accountability, and within a culture of discipline.

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.

Strategic Goals

Annual Results & Targets

- Target Achieved
- Target Not Achieved
- ▲ New Measurement Tool

Quality Governance

We will demonstrate transparency, accountability, and commitment to our stakeholders through our disciplined governance practices, as we serve the best interests of WorkSafeNB.

Annual Target

- ▲ The Board of Directors' index will be higher than the previous five-year average.

The Governance Index establishing whether the Quality Governance goal is being achieved is based on:

- Evaluation: Board self-evaluation, discussion of results and actions taken on own recommendations (30%);
- Engagement: attendance at regularly scheduled and key meetings, and professional development opportunities (30%); and
- Decision-making: establishing and taking action on priorities, conducting strategic planning and disciplined processes (40%).

Safety

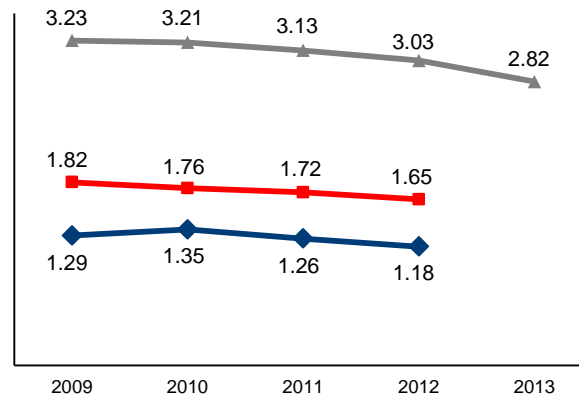
Our vigorous pursuit of a safe work culture will lead to a decline in workplace injuries.

Annual Targets

- The workplace injury frequency rate per 100 full-time employees (FTE) will be lower than the previous five-year average.
- The lost-time workplace injury frequency rate per 100 FTE in New Brunswick will be lower than the Canadian average.
- ▲ The percentage of workers and employers who believe their workplace has a safe work culture will be higher than the previous five-year average.

Note: Target to be established in 2017 once five years of data is available.

Accident Frequency Rates
(Accidents/100FTE)



- ▲ All Accidents per 100 FTE ¹⁰ (2014 Target <3.08) (2013 Target <3.19)
- Canada Lost Time¹²
- ◆ NB Lost Time (Target <Canada)¹²

Belief in a Safe Work Culture¹
2013



Strategic Goals

Annual Results & Targets

■ Target Achieved ● Target Not Achieved
▲ New Measurement Tool

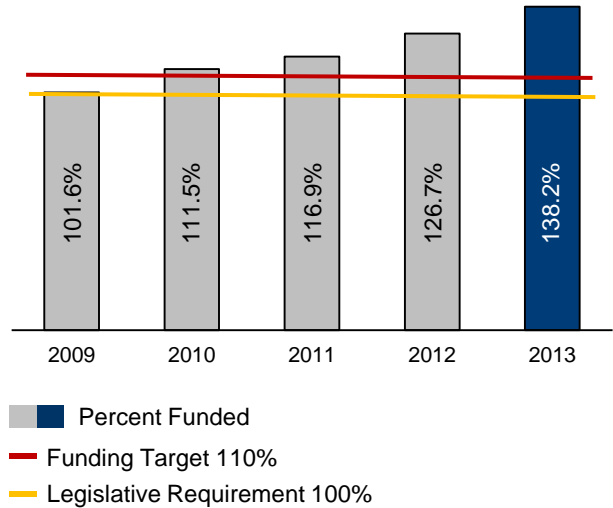
Balance

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

Annual Target

■ At a minimum, we will maintain a 100% funded liability.

Funding History ¹



Note: Funding History is the ratio of assets over liabilities over time.

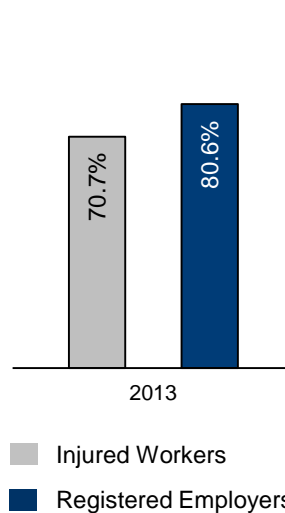
Service

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

Annual Target

▲ Satisfaction with service delivery will meet or exceed the previous five-year average.

Client Satisfaction¹



Note: In 2012 the Board approved the development of a new tool to measure service delivery. This tool was used in the fall of 2013. Target to be established in 2017 once five years of data is available.

Strategic Goals

Annual Results & Targets



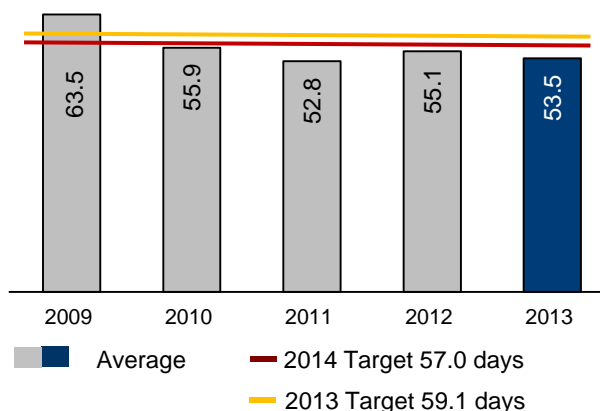
Return to Work

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

Annual Target

- The average paid compensation days for claimants with a return to work goal will be lower than the previous five-year average.

Paid Compensation Days¹⁰



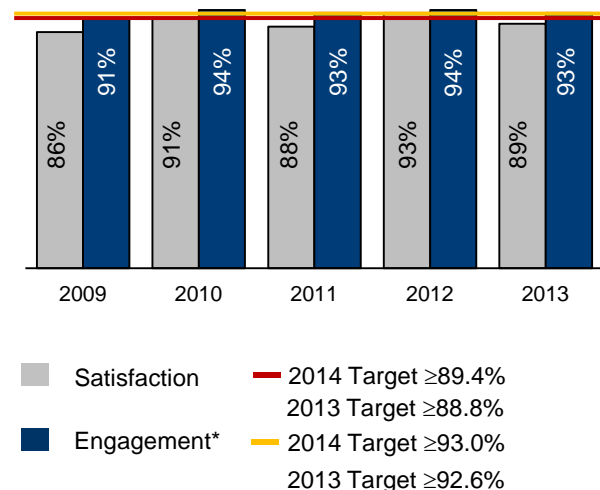
Staff Satisfaction & Engagement

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.

Annual Targets

- Employee satisfaction and engagement levels will meet or exceed the previous five-year average.

Percent Satisfied & Engaged¹



Achieving Our Goals: 2nd Quarter Management Notes

Quality Governance

Board Attendance – 2014 Regularly Scheduled Meetings

Directors	1 st Q January- March	2 nd Q April- June	3 rd Q July- September	4 th Q October- December
Sharon Tucker, Chairperson	4/4	3/3		
Bill Oliver, Vice Chairperson	3/4	1/3		
Michael Allen, Workers Representative	4/4	3/3		
Michèle Caron, Workers Representative	1/4	3/3		
David Ellis, Employers Representative	4/4	1/3		
Judith Lane, Employers Representative	2/4	2/3		
Hector Losier, Workers Representative	4/4	3/3		
Jean Stewart, Employers Representative	4/4	2/3		
Mel Vincent, Employers Representative	4/4	2/3		
Maureen Wallace, Workers Representative	4/4	3/3		
Gerard M. Adams, President and CEO (Non-voting)	4/4	3/3		
Ronald Gaffney, Chairperson of the Appeals Tribunal (Non-voting)	3/4	2/3		

Note: Telephone attendance is not counted.

Governance

- The Board of Directors completed its annual strategic planning and risk assessment process where it:
 - Reaffirmed its Vision, Mission, Mandate;
 - Adjusted its Values and Safety Goal; and
 - Resourced policy, legislative, and stakeholder engagement priorities.
 The 2014-2019 strategic plan and risk assessment is available at www.worksafenb.ca.
- Michèle Caron, a representative of workers, was reappointed to the Board of Directors for an additional four year term.
- Policies approved by the Board of Directors in the second quarter of 2014 are listed starting on page 13.

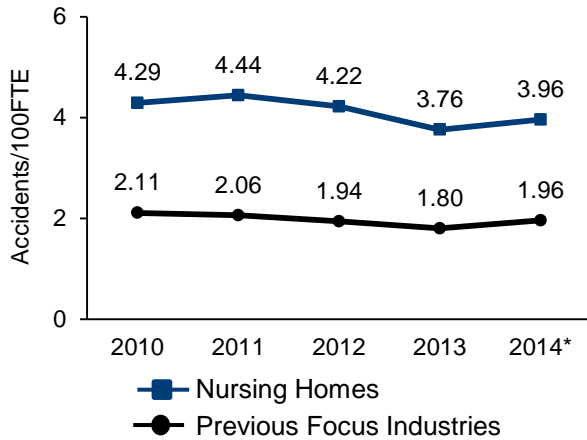
Remaining Accountable Through Effective Oversight, Auditing, and Evaluation

- The Appeals Tribunal received 342 requests for appeals, down 8.65% year-to-date when compared to the same time in 2013. The Tribunal resolved 329 appeals, 13.9% fewer year-to-date when compared to the same time in 2013.
- Internal Audits in progress as at June 30, 2014 include:
 - Claim Related Overpayments;
 - IT Disaster Recovery Plan;
 - Annual Review of Compensation Benefits;
 - General Ledger Balancing;
 - Medical Aid Payments; and
 - Benefit Payments.
 These audits examine the existence and reliability of internal controls, vulnerabilities with the information technology, and compliance with legislation and policies to ensure that risks are identified and effectively controlled.

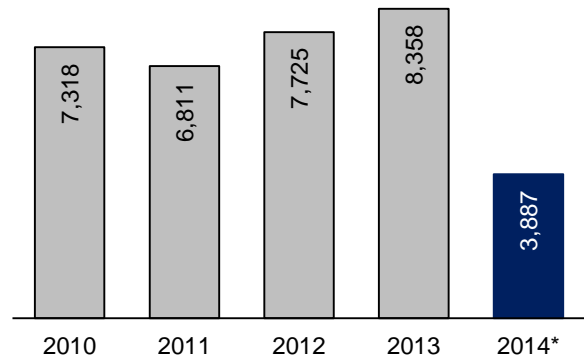
Achieving Our Goals: 2nd Quarter Management Notes

Safety

Focus Industries Lost Time Accident Rate^{2,10,11}
(Annual / Est. YTD*)



OHS Compliance - Orders Written^{2,10}
(Annual / YTD*)



Annual Target Year-to-Date

- At the end of June 2014, the provincial accident frequency for all accidents is estimated at 2.87 accidents per 100 FTE; in line with second quarter of 2013 (2.96) and below the 2014 target of 3.08.

High-risk Industries

- WorkSafeNB continues to focus on high-risk industries to develop a sustainable safety culture. Year-to-date:
 - The current focus industry, nursing homes, has a lost-time accident frequency estimated at 3.96 accidents per 100 FTE; higher than the second quarter of 2013 (3.49) but lower than the previous five-year average (4.51); and
 - Lost-time accident frequency of previous focus industries is estimated at 1.96 accidents per 100 FTE; higher than the second quarter of 2013 (1.80) and lower than the five-year average (2.05).

Firm Level Intervention

- WorkSafeNB's focus firm program assists employers in the development of an integrated occupational health and safety management system. As of June 2014, the aggregate accident frequency for focus firms is estimated at 4.20 accidents per 100 FTE, lower than the five-year average of 5.53.

WorkSafe Culture

- WorkSafeNB's Annual H&S conference is in Saint John October 1st to 3rd. To register visit www.worksafenb.ca.
- The New Brunswick Continuing Care Safety Association Inc. has hired Denise Paradis as the executive director.
- 29 WorkSafeNB employees and their families participated in the Annual Steps for Life Walk in Miramichi to raise funds and awareness for Threads of Life, an organization providing support to families of workplace tragedy.
- WorkSafeNB impacts H&S culture through its youth strategy. The 8th annual Progressive Agriculture Safety Days was held in Grand Falls in June. A second event is scheduled for September in Florenceville.
- WorkSafeNB is committed to Safety Excellence – its campaign to engage employers in promoting excellence in safety. The first featured topic is on new requirements under the *OHS Act*. To join visit www.worksafenb.ca.

Advancing Safety Standards

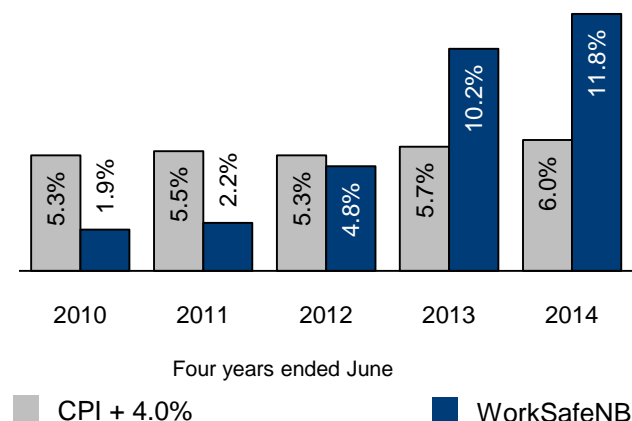
- The New Brunswick Government is reviewing proposed amendments to the H&S regulations that impact the logging and silviculture industry. The amendments will update current best practices. The New Brunswick Forest Safety Association was consulted in May 2014 and fully supports the proposed amendments.
- WorkSafeNB's consultation with the Construction Technical Committee is complete.

Achieving Our Goals: 2nd Quarter Management Notes

Balance

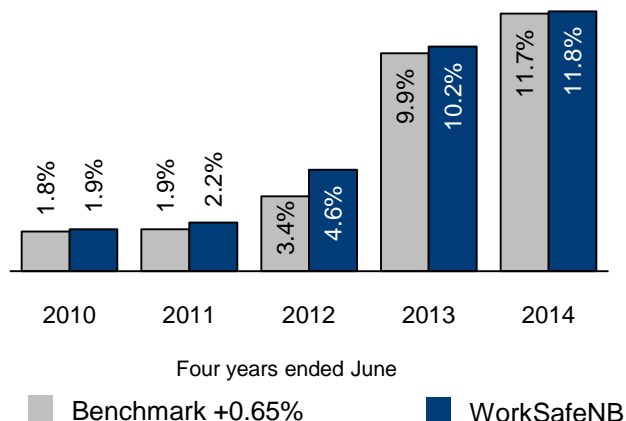
Performance Objective 1⁴

The investment portfolio's rate of return is to exceed the increase in the CPI+4.0%¹³ on a four-year, moving-average basis



Performance Objective 2⁴

The investment portfolio's rate of return is to exceed the return generated by the investment policy-defined benchmark portfolio by 0.65%¹³ on a four-year, moving-average basis



Disciplined Investment Management

- WorkSafeNB's investment portfolio gained 2.45% in the second quarter of 2014, and has gained 5.48% year-to-date to June 30, 2014. Most world equity markets experienced gains in the second quarter and remained resilient despite a backdrop of concerns that included the crisis in the Ukraine, sectarian violence in Iraq, Argentina flirting with a technical default and fears of a slowdown in China. Market leadership changed to a more cyclical, risk-taking approach, as emerging markets and resource-rich markets like Canada and Australia led the way. The European Central Bank eased monetary policy by lowering its lending rate, which caused strong gains in peripheral European equity markets such as Greece, Italy, Spain and Portugal. Not surprisingly, in a frothy investing environment where lower-quality, cyclical companies are favoured by the market, WorkSafeNB's portfolio, with a bias towards quality and value, lagged its passive benchmark for the quarter.

The FTSE TMX Canadian Overall Bond index gained 1.99% and Canadian equities gained 6.41% for the quarter. U.S. stocks gained 1.55% in CAD terms. International (EAFE) stocks gained 0.45%. Emerging markets equities gained 2.97%. The Long Term Fiscal Strategy and the Investment policies document WorkSafeNB's strategy for maintaining a fully funded status and maintaining investment discipline in volatile market conditions.

Disciplined Financial Management

- Assessment income for the second quarter of 2014 was \$4.1 million (5.2%) lower than budget, and \$15.9 million (17.6%) less than the previous year. The decrease from the previous year was primarily due to a decrease in the assessment rate from \$1.44 in 2013 to \$1.21 in 2014. Income from self-insured employers was \$3.9 million (14.6%) less than budget due to experience gains on new and ongoing accident costs, and \$5.5 million (19.1%) less than the previous year primarily due to retroactive claim payments made in 2013 as a result of a policy change with respect to supplements to compensation.

Continued on next page

Achieving Our Goals: 2nd Quarter Management Notes

Balance

Disciplined Financial Management (continued)

Investment income for the second quarter was \$28.4 million (70.8%) greater than budget. The rate of return as of the end of the second quarter was 5.48% compared to a budgeted rate of return of 3.30%, and a 5.56% rate of return at the end of the second quarter of 2013.

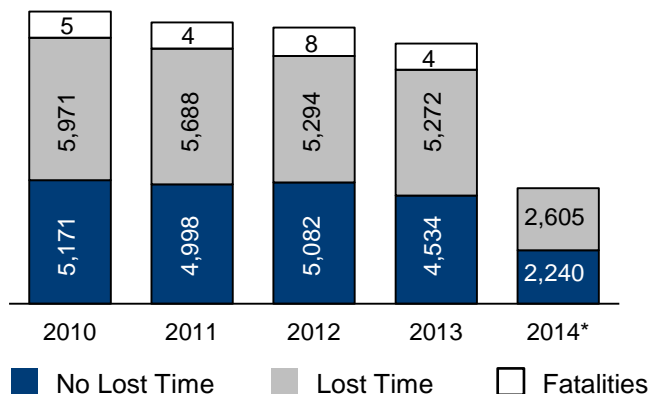
Total expenses for the second quarter of 2014 were lower than budgeted by \$15.4 million (12.5%) and \$16.2 million (13.1%) less than the previous year. Claims costs were \$14.0 million (14.2%) less than budget primarily due to better than expected experience on new accident costs and ongoing claims, and \$17.6 million (17.1%) less than the previous year primarily due to retroactive payments made in 2013 as a result of the policy change with respect to supplements to compensation. Administration, legislative obligations, and Appeals Tribunal costs were lower than budgeted by \$1.4 million (5.7%) and \$1.3 million (6.3%) higher than the previous year. The above results yielded a net surplus for the period of \$35.7 million compared to a budgeted net deficit of \$4.2 million. The funding ratio at the end of the second quarter of 2014 was 140.6%, compared to 128.1% at the end of the second quarter of 2013.

Note: Statements of Operations and Cash Flows are available on page 16 & 17

Achieving Our Goals: 2nd Quarter Management Notes

Service

Claims Accepted by Type ^{2,6,7}
Annual / YTD*



Claims Volume

- When compared to the same time period in 2013, year-to-date total claims volume is down 0.4%, with no-lost-time claims down 1.5%, and lost time claims up by 0.5%.

Time to First Cheque

- Year-to-date, days to first cheque decreased 2.8 days (14.9%) to 16.0 days for manageable claims⁵ when compared to 2013 and increased for all claims by 0.7 days (0.03%) to 27.2 days when compared to 2013.

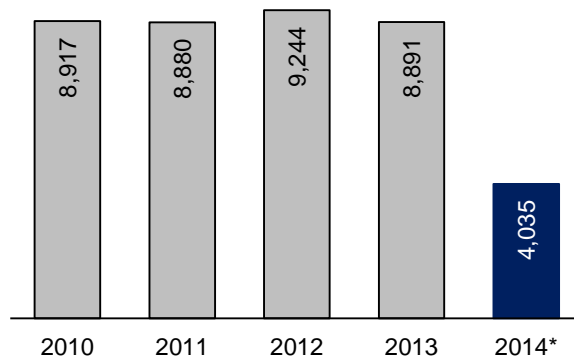
Measuring and Evaluating Client Satisfaction

- Following treatment at the Workers' Rehabilitation Centre, year-to-date 88.0% of clients indicated they were mostly or completely satisfied with the service received, up 6.8% from 2013.

Service Delivery for Long-Term Clients

- WorkSafeNB is studying long-term claims to identify if unmet needs exist. Phase I examined clients with a permanent partial disability of 60% or greater (n=89). 31 clients with possible unmet needs were identified and contacted. Of this group, 17 clients required a care allowance, quality of life grant, medical aid, wood allowance or a combination of these benefits. Phase II will examine clients with a permanent physical impairment of 60% or greater.

OHS Compliance - Inspections ^{2,10}
(Annual / YTD*)



Inspections

- WorkSafeNB is committed to preventing workplace injuries and illness through education and enforcement of the *OHS Act*. To ensure compliance, WorkSafeNB conducts workplace inspections, targeted by evidence of risk factors, hazardous environments, and nature of injury. At the end of the second quarter, 4,035 inspections were completed, 7% lower than the second quarter of 2013 (4,340 inspections).

Effective Service Delivery

- WorkSafeNB has negotiated a new contract with 59 approved physiotherapy clinics that links annual fee increases to the Consumer Price Index (CPI) and the New Brunswick Industrial Aggregate Earnings (NBIAE).
- 2,501 employers paid assessments through Monthly Assessments on Actual Payroll (MAAP) a decrease of 0.9% from the same period in 2013.
- Over 28.7% of the 11,748 annually assessed employers reported assessable earnings using the E100 online form, an increase of 6.7% from last year's billing to 3,378 users.
- WorkSafeNB has provided 96.4% (241) of client facing employees with Service Excellence Training. Following training, 90% believe they have a good to high level of understanding of service excellence. The next phase will provide leadership with training to support staff for service excellence implementation.

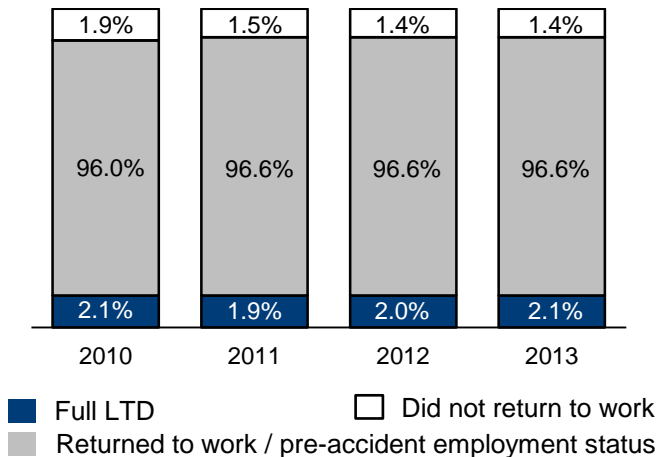
Achieving Our Goals: 2nd Quarter Management Notes

Return to Work

Paid Compensation Days^{2,10, 11}
(Annual / YTD*)



Lost-time Claim Disposition^{2,10}
RTW Goal & Full LTD (Annual)



Year-to-date results were:

- 95.9% returned to work (96.2% YTD in 2013);
- 1.5% did not return to work (1.7% YTD in 2013); and
- 2.7% full LTD (2.2% YTD in 2013).

Annual Target Year-to-Date

- At the end of June 2014, the number of paid compensation days for injured workers with a return to work goal is 60.0 days, above the 2014 target of 57.0 days. There is ongoing analysis to understand these results.

Building and Delivering Proven Programs and Process for Medical Case Management

- WorkSafeNB's pilot for employer direct referral to physiotherapy has expanded to include 13 employers and 65 nursing homes. The program allows employers to directly refer an injured worker, who suffers a soft tissue injury, to a select group of physiotherapists. Direct referral physiotherapists:
 - Complete a clinical and functional assessment; and
 - Advise the employer on safe work abilities.
 The pilot is designed to provide employers and injured workers with information to assist with stay at work and early return to work.

- WorkSafeNB, in consultation with employers, identified that some injured workers losing time from work were taking longer to transition back to pre-accident duties. A value added pilot was developed to assist injured workers by providing an early transfer to case management. The pilot had the following positive results:
 - 42% decrease in time on modified duties from 29.5 weeks to 17 weeks on average;
 - 49% increase in injured workers returning to full duties; and
 - 24% decrease in the time to return to pre-accident duties from 35.5 weeks to 27 weeks on average.

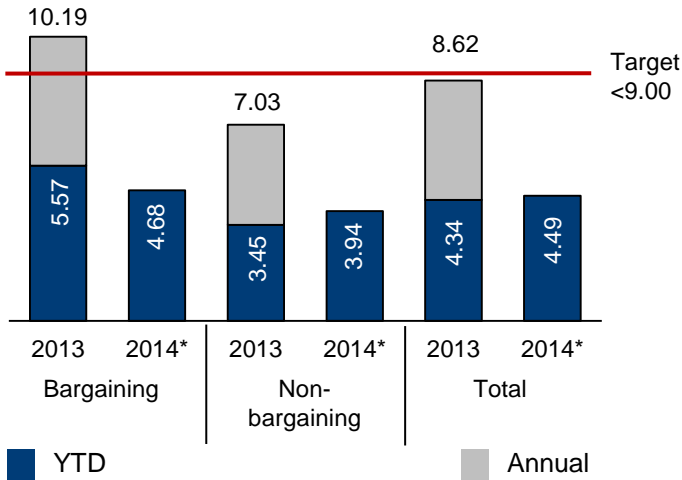
Promoting a Culture for Occupational Medicine in New Brunswick

- In the spring, a one-hour "Introduction to Workers Compensation" module was held at the Université de Moncton. Presented by Dr. Arseneau, it was attended by five first year family physician residents.

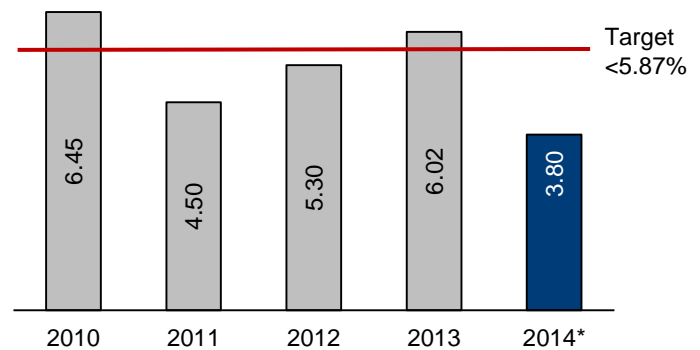
Achieving Our Goals: 2nd Quarter Management Notes

Staff Satisfaction and Engagement

Days Absent ^{3,8}
Annual / YTD*



Staff Turnover ^{3,9}
Percentage of all Staff (Annual / YTD*)



Health, Safety, and Wellness

- Two WorkSafeNB no lost-time claims were accepted under the *Workers' Compensation Act* in the second quarter and three claims have been accepted year to date.
- The Heart and Stroke Foundation of New Brunswick honoured WorkSafeNB with:
 - The gold "Wellness at Heart" award, given to organizations that help employees lead healthier lives; and
 - An award of distinction, given to organizations that show leadership by offering comprehensive and outstanding wellness programs to employees.

Established in 1998, WorkSafeNB's Wellness Program is managed by employee volunteers.

- All of WorkSafeNB's health and safety directives were reviewed to ensure compliance with changes in the *OHS* and *WC Acts* that were effective June 1, 2014.

Succession and Development

- In the second quarter, 31 competitions were opened, 17 of which were for regular positions. There were seven internal promotions.
- At the end of second quarter, two management interns continued with their assignments, receiving mentoring from directors in various departments and completing their rotation in a regional office.

Wages and Benefits

- WorkSafeNB is realigning its job evaluation system for non-bargaining staff by transitioning to the Hay Group methodology. In the second quarter, most non-bargaining positions were evaluated under the Hay system. Work continues on the transition.

Employee Engagement

- In April, employees attended the Annual General Meeting and Service and Retirement Awards banquet where 70 employees were recognized for their long-term commitment to the organization (five to 35 years) and 12 retirees were honoured.

Risk Assessment

As part of its annual strategic planning process, the Board of Directors identifies, assesses, and responds to risks that could impact WorkSafeNB's ability to achieve its goals.

Management's Cautionary Notes:

Management continues to monitor and manage identified risks. There are no cautionary notes to report at this time.

	Level	Strategy
Unique Mandate Risks		
Board succession planning	Unacceptable	Reduce
Impact of Board's policy agenda not being achieved	Acceptable	Reduce
Balancing benefit-related decisions to ensure intergenerational equity and system sustainability	Unacceptable	Reduce
Variance between Appeals Tribunal decisions and Board policy	Unacceptable	Reduce
Varying expectations of WorkSafeNB's role in health and safety	Unacceptable	Reduce
Funding level	Unacceptable	Reduce
Defining WorkSafeNB's role in return to work	Cautionary	Reduce
Personal non-compensable intervening conditions	Unacceptable	Reduce
Operational Risks		
Impact of catastrophic events on business continuity	Cautionary	Reduce
Employee retirement levels	Unacceptable	Reduce
Recruiting and retaining WorkSafeNB employees in specialized fields	Cautionary	Reduce
Potential for WorkSafeNB employees to sustain psychological injuries	Cautionary	Reduce
Risks to Reputation		
Government decisions that are independent of WorkSafeNB Board advice	Unacceptable	Reduce
Impact of external agencies' recommendations upon WorkSafeNB	Cautionary	Reduce
Protecting the integrity of the system	Acceptable	Reduce
Public confidence in WorkSafeNB	Unacceptable	Reduce
Failure to address primary risks or priorities in a timely manner	Unacceptable	Reduce
External Risks		
High-risk industries	Cautionary	Reduce
Changes to legislation, regulation, and policy in other jurisdictions	Cautionary	Reduce
General health status of New Brunswick workers	Cautionary	Accept
Availability and cost of health care	Cautionary	Accept
Impact of aging on safe workplaces	Acceptable	Accept
Gaps and delays in OHS legislation	Unacceptable	Reduce

Board Priorities

The WorkSafeNB Board of Directors identifies and allocates resources toward key legislative and policy priorities. This scorecard identifies when the priority is completed.

2013/2014 Priorities Approved in the First Quarter of 2014	Status
21-230 Deduction of CPP Disability Benefits	Approved by Executive on January 10, 2014
21-513 Who is a Survivor	Approved by Executive on January 10, 2014
21-515 Benefits for Survivors	Approved by Executive on January 10, 2014
23-715 Employer Legislative Requirements and Services	Approved by Board on January 30, 2014
46-305 Indemnification	Approved by Board on January 30, 2014
21-040 Interest on Claim-related Benefits and Employer Accounts	Approved by Executive on February 25, 2014
23-610 Safety Achievement Financial Incentive System (SAFIS)	Approved by Executive on February 25, 2014
24-100 Safety Association Funding	Approved by Executive on February 25, 2014
26-010 Definition of Employee	Approved by Executive on February 25, 2014
46-220 Third Party Actions	Approved by Executive on February 25, 2014
20-100 Principles of Service Delivery	Approved by Board on February 27, 2014
34-205 Statement of Investment Philosophy and Beliefs	Approved by Board on March 14, 2014
21-219 Diverting Compensation Benefits	Approved by Executive on March 19, 2014
25-030 Chronic Pain	Approved by Executive on March 19, 2014

2014/2015 Priorities Established April 2014	Status
Legislative	
Amendments to section 38 of <i>WC Act</i>	Scheduled for 2015
<i>WHSCC Act</i> – Amendments to Appeals Tribunal	Approved by Government with Royal Assent on May 21, 2014. To be effective April 1, 2015.
Annuities / Policy 21-206	In Progress
Administrative Penalties	Scheduled for 2015
Amendments to section 37 of <i>WC Act</i> / Policy 21-208	Scheduled for 2015
Pre-82 Benefits	In Progress
Personal Non-compensable Intervening Conditions	In Progress
Cost Allocation	Scheduled for 2015
Maximum Earnings /Policy 21-210	Scheduled for 2014
Board to Approve Regulatory Changes	In Progress
Occupational Hygiene	Scheduled for 2015
WHIMIS and GHS	Scheduled for 2014
OHS Firefighters	Scheduled for 2015
Forestry Regulations	In Progress
Diving	Scheduled for 2015
Construction	Scheduled for 2014
Permanent Physical Impairment / Policy 21-250	In Progress

2014/2015 Priorities Established April 2014**Status****Top Priorities**

Three Day Waiting Period (Legislative)	In Progress
Asset Liability Study (Evaluation)	Scheduled for 2015
E-Consultation with Stakeholders for Strategic Planning (Engagement)	Scheduled for 2015
Investment in Occupational Health and Safety (Other Priorities)	In Progress

Governance & Administration

41-002 Governance Statement	Approved by Board on May 29, 2014
41-003 Governance – Stakeholder Engagement	Approved by Board on May 29, 2014

Evaluation / Engagement

Client Satisfaction Survey	In Progress
Impact of Supplements to Compensation Decision on Goals	In Progress
Accountability Reporting	In Progress

Health & Safety

24-010 Occupational Health and Safety Prosecutions	Scheduled for 2014
--	--------------------

Return to Work & Rehabilitation

21-400 Rehabilitation	Scheduled for 2014
21-413 Responsibilities and Re-employment Obligations	Scheduled for 2015
21-414 Third Party Mediation	Scheduled for 2015
21-417 Identifying Suitable Employment	Scheduled for 2015
21-418 Return to Work Incentives	Scheduled for 2015
21-419 Communication in Rehabilitation	Scheduled for 2015
21-420 Return to Work – Principles	Scheduled for 2015
21-421 Vocational Rehabilitation	Scheduled for 2015
25-070 Responsibility in Rehabilitation	Scheduled for 2015

2014/2015 Priorities Established April 2014**Status****Entitlement & Benefits**

29-220 Travel Expenses	Scheduled for 2015
29-215 Financial Advice for Surviving Spouses	Approved by Executive on July 30, 2014
21-112 Conditions for Entitlement – Hearing Loss	Scheduled for 2015

Medical Aid & Assistive Devices

21-403 Home Modification Projects to Assist with Activities of Daily Living	Approved by Board on May 29, 2014
25-001 Medical Aid – Principles	Scheduled for 2015
25-002 Medical Aid – Standards of Care	Scheduled for 2015
25-003 Home Care and Independence	Scheduled for 2014
29-550 Care Allowance	Scheduled for 2014
29-551 Hearing Aids & Batteries	Scheduled for 2015

Other Priorities

Service Quality Assurance	In Progress
Multimedia Messaging	Scheduled for 2015
Build Internal Capacity around CSA Standard on Psychological Health and Safety in the Workplace	Scheduled for 2015
Intermediate Internal Level of Review	In Progress - to be operational on April 1, 2015

Statements of Operations and Cash Flows

The Statement of Operations details WorkSafeNB's income and expenses for the second quarter of 2014 compared to the budgeted amounts, and to the corresponding period for the previous year. The Statement of Cash Flows details the cash received and paid for the second quarter of 2014 compared to the corresponding period for the previous year.

Unaudited Statement of Operations For the 6 Months Ending June 30, 2014

	Budget	Actual	Previous
	YTD	YTD	YTD
	(000's)	(000's)	(000's)
Income			
Assessments including self-insured	\$78,288	\$74,226	\$90,094
Investments	40,425	68,964	63,074
	\$118,713	\$143,190	\$153,168
Expenses			
Claims costs incurred	99,050	85,010	102,578
Administration	22,103	20,927	19,701
Legislative obligations	775	769	658
Appeals Tribunal	970	795	805
	\$122,898	\$107,501	\$123,742
Net (deficit) surplus	(\$4,185)	\$35,689	\$29,426

Statements of Operations and Cash Flows

Unaudited Statement of Cash Flows For the 6 Months Ending June 30, 2014

	Actual	Previous
	YTD	YTD
	(000's)	(000's)
Cash flow from operating activities:		
Cash received from:		
Assessed employers	\$63,989	\$76,798
Self-insured employers	17,073	15,299
Interest and dividends	16,176	14,829
	<u>\$97,238</u>	<u>\$106,926</u>
Cash paid to:		
Injured workers or third parties on their behalf	73,631	68,553
Suppliers & employees, for administration & other services	24,174	22,563
	<u>97,805</u>	<u>91,116</u>
Net cash provided by (used in) operating activities	(567)	15,810
Cash flow from investing activities:		
Cash received from:		
Sale of investments	174,944	183,242
Cash paid for:		
Purchase of investments	176,140	165,680
Purchase of capital assets	811	700
	<u>176,951</u>	<u>166,380</u>
Net cash provided by (used in) investing activities	(2,007)	16,862
Increase (decrease) in cash during the year:	(2,574)	32,672
Cash and short-term investments, beginning of period	61,906	16,611
Cash and short-term investments, end of period	<u>\$59,332</u>	<u>\$49,283</u>

The Statement of Operations and Statement of Cash Flows have been prepared in accordance with the accounting policies and practices outlined in the notes to the financial statements contained in WorkSafeNB's 2013 Annual Report.

Notes

1. Annual outcomes are reported using the data provided in the 2013 WorkSafeNB Annual Report.
2. Source: WorkSafe Services, June 30, 2014.
3. Source: Human Resources, June 30, 2014.
4. Source: Corporate Services, June 30, 2014.
5. Manageable claims excludes, for example, claims that were reported late, appealed, or where an employer filed a form of election.
6. Excludes files opened that do not result in a claim.
7. All fatalities occurred under the *WC Act* in 2014, based on year of accident.
8. Days absent = the total days absent / (actual yearly budgeted - vacant positions).
9. Staff turnover (expressed as a percentage) = (number of employees leaving organization / FTE) *100.
10. Numbers are adjusted quarterly as data matures.
11. More precise trends can be determined at year-end, when data has matured and seasonal influences have diminished.
12. Source: AWCBC Key Statistical Measures #21. Note: New Brunswick has a three-day waiting period; therefore, the number of lost-time claims may not reflect every lost-time injury as defined by AWCBC.
13. Prior to March 31, 2012 Performance Objective 1 was CPI+3.8% and Performance Objective 2 was Benchmark+0.75%. Changes are a result of updates to Policy No. 34-200 Investment Goals and Objectives.

Contact

1 800 222-9775
www.worksafenb.ca

1 Portland Street
PO Box 160
Saint John, NB
E2L 3X9