



# Second Quarter Results

April to June 2013

# 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](http://www.worksafenb.ca).

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## 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 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

- Target Achieved
- Target Not Achieved
- ▲ Developing 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

▲ Note: Quality Governance is a new goal adopted by the Board in 2013. A target and index to track governance results will be developed for reporting in 2014.

The Governance Index that establishes if the Quality Governance goal is being achieved is based on:

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

## Safety

Our vigorous pursuit of a safe work culture will lead to a decline in the overall frequency of workplace injuries, and a decline in the perception of the inevitability of workplace injuries in New Brunswick.

### Annual Targets

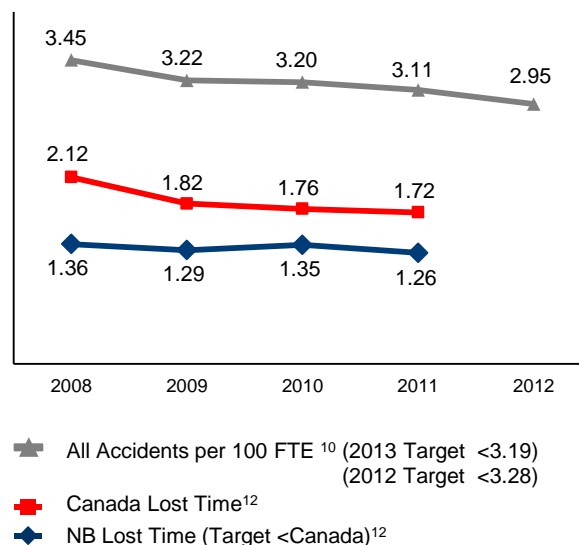
■ The workplace injury frequency rate per 100 full-time employees (FTE) will be lower than the previous five-year average.

■ 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: New target approved by the Board of Directors in 2012, index to be developed for 2013.

Accident Frequency Rates  
(Accidents/100FTE)



# Strategic Goals

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

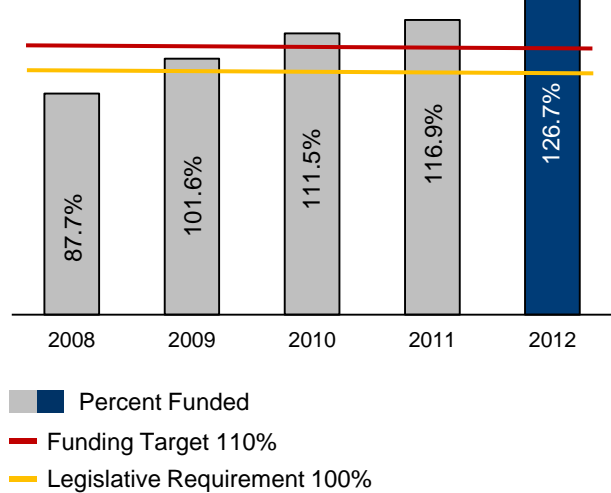
## Balance

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 <sup>1</sup>



## Service

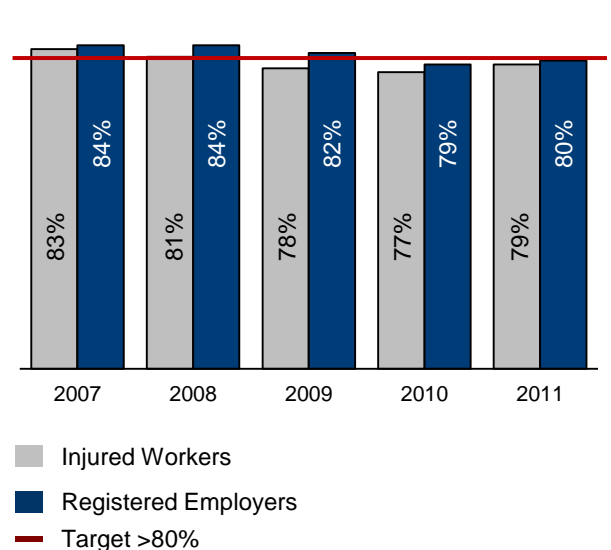
We will provide effective programs and services, implemented with care, compassion, efficiency, promptness, and fairness, to benefit both workers and employers.

### Annual Target

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

Note: In 2012 the Board approved the development of a new tool to measure service delivery. The tool will be in use in the fall of 2013.

Client Satisfaction<sup>1</sup>



# Strategic Goals

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

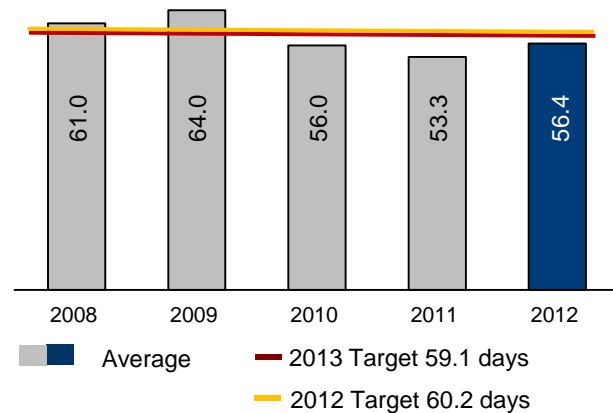
## Return to Work

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 Days<sup>10</sup>



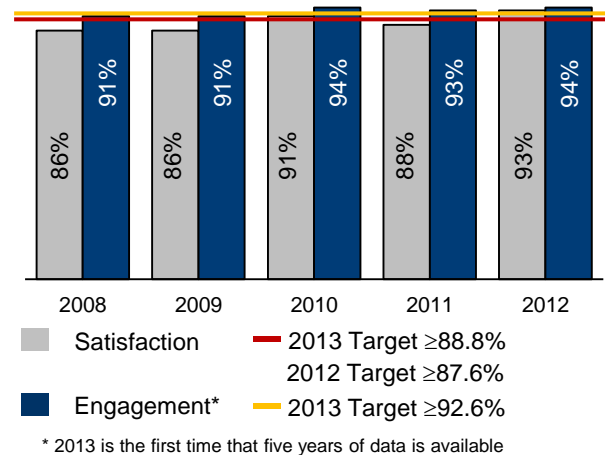
## Staff Satisfaction & Engagement

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 & Engaged<sup>1</sup>



# Achieving Our Goals: 2<sup>nd</sup> Quarter Management Notes

## Quality Governance

### Board Attendance – 2013 Regularly Scheduled Meetings

Directors	1 <sup>st</sup> Q January- March	2 <sup>nd</sup> Q April- June	3 <sup>rd</sup> Q July- September	4 <sup>th</sup> Q October- December
Gerard M. Adams, President and CEO	4/4	3/4		
Michael Allen, Workers Representative	4/4	3/4		
Michèle Caron, Workers Representative	0/4	4/4		
David Ellis, Employers Representative	4/4	4/4		
Ronald Gaffney, Chairperson of the Appeals Tribunal	2/4	4/4		
Judith Lane, Employers Representative	3/4	3/4		
Hector Losier, Workers Representative	4/4	4/4		
Bill Oliver, Vice Chairperson	3/4	4/4		
Jean Stewart, Employers Representative	4/4	2/4		
Sharon Tucker, Chairperson	4/4	4/4		
Mel Vincent, Employers Representative	2/4	4/4		
Maureen Wallace, Workers Representative	3/4	4/4		

Note: Telephone attendance is not counted.

### Appeal Oversight

- The Appeals Tribunal received 374 requests for appeals, down 1.06% year-to-date when compared to the same time in 2012. The Tribunal resolved 382 appeals, 9.05% fewer year-to-date when compared to the same time in 2012.

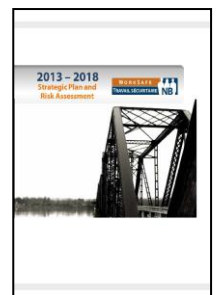
### Oversight, Auditing, and Evaluation

- Internal Audits in progress as at June 30, 2013 include:
  - General Ledger Balancing;
  - Possible Duplicate Medical Aid Payments;
  - Benefit Payments;
  - Possible Duplicate Short-term Loss of Earnings;
  - VPN Security Controls; and
  - Annuity Payout System.

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 effectively controlled.

### Governance

- The Board of Directors completed its annual strategic planning and risk assessment process where it:
  - Reaffirmed its Vision, Mission, Mandate and Goals;
  - Adjusted its Values;
  - Reaffirmed 30 strategies to achieve its Goals, including adjusting one return-to-work strategy;
  - Identified & responded to 24 risks including 3 new risks; and
  - Resourced 60 priorities.



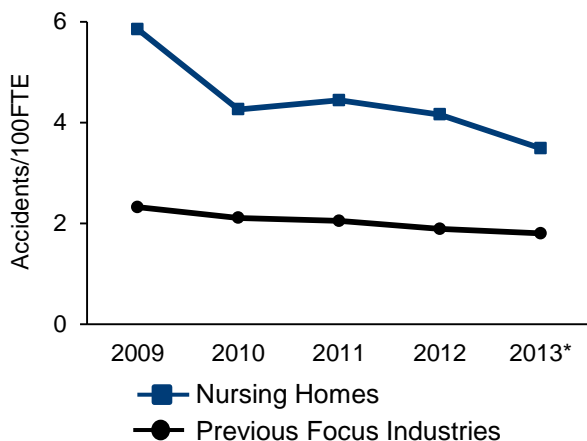
The full strategic plan and risk assessment can be seen at [www.worksafenb.ca](http://www.worksafenb.ca)

- Policies approved by the Board of Directors in the Second Quarter are listed starting on page 13.

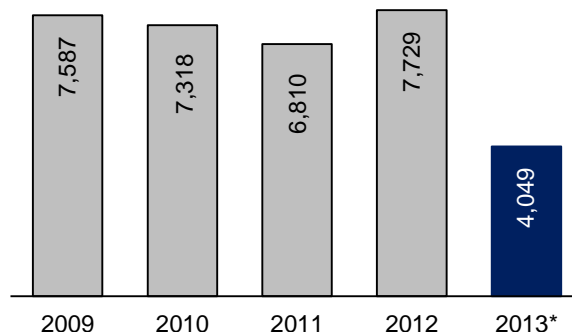
# Achieving Our Goals: 2<sup>nd</sup> Quarter Management Notes

## Safety

Focus Industries Lost Time Accident Rate<sup>2,10,11</sup>  
(Annual / YTD\*)



OHS Compliance - Orders Written<sup>2,10</sup>  
(Annual / YTD\*)



### Annual Target Year-to-Date

- At the end of June 2013, the provincial accident frequency for all accidents is 2.96 accidents per 100 FTE; lower than the second quarter of 2012 (3.05) and below the 2013 target of 3.19.

### 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 of 3.49 accidents per 100 FTE; lower than the second quarter of 2012 (4.70) and the five-year average (4.83); and
  - Lost time accident frequency of previous focus industries is 1.80 accidents per 100 FTE; slightly higher than the second quarter of 2012 (1.75) and lower than the five-year average (2.15).

### Firm Level Intervention

- WorkSafeNB provides focused attention to individual firms based on their accident record and the accident history of the industry group. This contributes to creating a sustainable health and safety infrastructure within these firms. As of June 2013, the aggregate accident frequency for focus firms is 4.54 accidents per 100 FTE, lower than the five-year average of 6.41.

### Advancing Safety Standards

- The government passed Bill 47 and 48 amending the *WC Act* and *OHS Act*. The amendments clarify:
  - Requirements to report accidents, incidents, and injuries;
  - Limitation periods for claims; and
  - Requirements for health and safety programs and policies.

### WorkSafe Culture

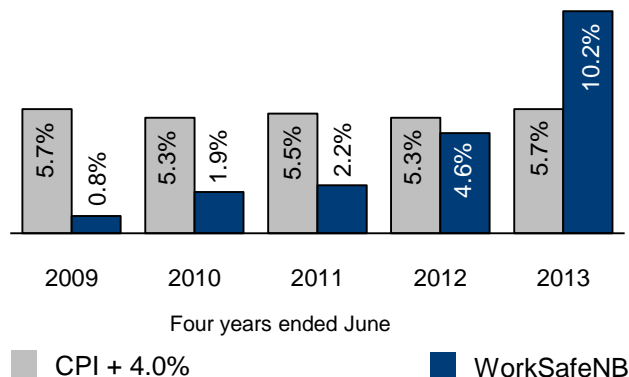
- WorkSafeNB continues to promote a safe work culture through:
  - Progressive Agriculture Safety Day focused on teaching youth about farm health and safety;
  - Annual Day of Mourning ceremonies throughout the province; and
  - The 33<sup>rd</sup> annual WorkSafeNB Health and Safety conference scheduled for November 6-8, 2013.
- WorkSafeNB prosecutes employers who fail to comply with provisions of the *OHS Act*. Year-to-date the following employers were found guilty of violations and fined:
  - 3D Dimensional Contracting;
  - AV Nackawic Inc.; and
  - Edmond Gagnon Ltd.

# Achieving Our Goals: 2<sup>nd</sup> Quarter Management Notes

## Balance

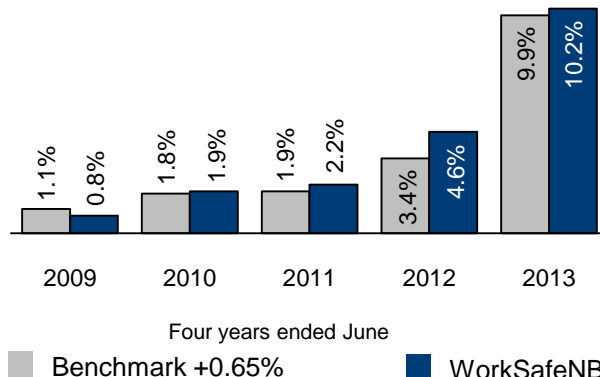
### Performance Objective 1<sup>4</sup>

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



### Performance Objective 2<sup>4</sup>

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



## Disciplined Investment Management

- WorkSafeNB's investment portfolio gained 0.85% in the second quarter of 2013, and has gained 5.56% year-to-date to June 30, 2013. World capital markets were somewhat mixed during the second quarter. In late May US Federal Reserve Chairman Ben Bernanke announced that the Fed may start tapering their accommodative monetary policy, and bond markets sold off as a result. More signs of economic weakness in China led to a slow-down in resource related markets like Australia, Canada and the emerging markets.

The announcement of a new monetary stimulus plan in Japan sent equity markets there rising, and in the U.S. and Europe equity markets continued to rise. The DEX Universe Canadian Bond index lost 2.36% and Canadian equities lost 4.08% for the quarter. U.S. stocks gained 6.86% in CAD terms. International (EAFE) stocks gained 2.82%. 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

- Income from assessed employers for the first half of 2013 was \$1.7 million less than budget, and \$11.7 million less than the previous year. The decrease from the previous year was primarily due to a decrease in the assessment rate from \$1.70 in 2012 to \$1.44 in 2013.

Income from self-insured employers was \$7.2 million higher than budget, and \$11.4 million higher than the previous year. This is primarily the result of the policy change with respect to supplements to compensation described below.

Investment income for the first half of 2013 was \$23.4 million higher than budget. The rate of return as of the end of the second quarter was 5.56% compared to a budgeted rate of return of 3.56%.

Total expenses for the second quarter of 2013 were higher than budgeted by \$6.8 million and \$17.4 million higher than the previous year.

*Continued on next page*



## Achieving Our Goals: 2<sup>nd</sup> Quarter Management Notes

# Balance

### Disciplined Financial Management (continued)

Claims costs were \$8.8 million greater than budget. This was primarily due to a policy change with respect to supplements to compensation. The policy now requires employment-related remuneration to be both earned and received while on compensation in order to be considered a supplement to compensation. Previously, the remuneration only had to be received while on compensation. This change resulted in increased claims costs and benefits liabilities totaling \$16.7 million. Of this, \$6.2 million relates to self-insured employers and had no net impact on the surplus for the period ended June 30, 2013.

The policy change may impact claiming patterns. The impact of these items has not yet been measured and is not included in the financial results for the period. The increase in claims costs described above was partially offset by better than expected experience on new accident costs. These costs were \$8.0 million lower than budget.

Administration, Appeals Tribunal costs, and legislative obligations were lower than budgeted by \$1.9 million, and \$0.4 million higher than the previous year.

On April 25, 2013 the Board of Directors terminated the retirement allowance program for all non-bargaining staff effective May 31, 2013. Staff have the option to receive a cash payout or to defer their entitlement to retirement. The potential cash payout totals \$5.1 million. This is \$400 thousand higher than the December 31, 2012 liability of \$4.7 million. The above results yielded a net surplus for the period of \$29.4 million compared to a budgeted net surplus of \$7.5 million.

The funding ratio at the end of the second quarter of 2013 was 128.1%, compared to 118.9% at the end of the second quarter of 2012. This remains within the range of expected results given WorkSafeNB's current asset mix.

The Board of Directors has a long-term fiscal strategy with a funding goal of 110%. This strategy was designed to provide assessment rate stabilization and enhanced security that awarded benefits will be met. A funding goal in excess of 100% is deemed prudent given the potential magnitude of fluctuations in the market value of the fund.

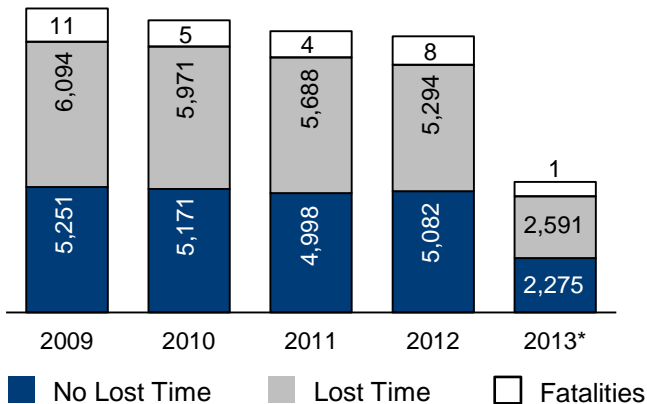
The Board of Directors recognizes that maintaining funding at exactly 110% is improbable given the variability in the market as described above. However, the Board approaches its decision-making with the objective of attaining the 110% funding level. Therefore, when the funding status exceeds 100%, but is not exactly 110%, WorkSafeNB amortizes the difference over a period not greater than 8 years. When the funding ratio is above 110%, this results in a rate reduction. When the funding ratio is greater than 100% but less than 110%, it results in a rate increase. The rate reduction or increase is reflected in the assessment rate-setting process that occurs each fall. Should the funding level fall below 100%, the *WC Act* requires the shortfall to be recovered over a period of five years.

*Note: Statements of operations and Cash Flows are available on page 16 & 17.*

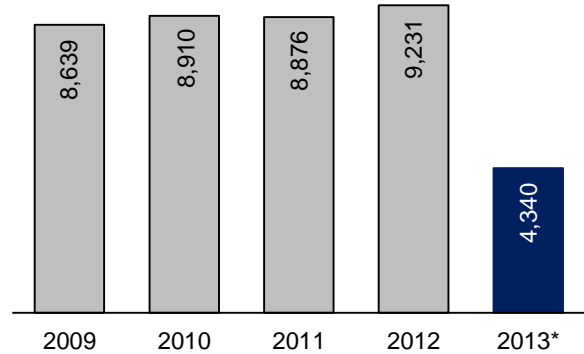
# Achieving Our Goals: 2<sup>nd</sup> Quarter Management Notes

## Service

Claims Accepted by Type <sup>2,6,7</sup>  
Annual / YTD\*



OHS Compliance - Inspections <sup>2,10</sup>  
(Annual / YTD\*)



### Claims Volume

- When compared to the same time period in 2012, year-to-date total claims volume is down 4.1%, with no-lost-time claims down 5.0%, and lost time claims down by 3.1%.

### Time to First Cheque

- Year-to-date, days to first cheque increased 1.1 days (6.2%) to 18.8 days for manageable claims<sup>5</sup> when compared to 2012 and increased for all claims by 0.2 days (0.8%) to 26.5 days when compared to 2012.

### Measuring and Evaluating Client Satisfaction

- Following treatment at the Workers' Rehabilitation Centre, year-to-date 81.2% of clients indicated they were mostly or completely satisfied with the service received.

### Inspections

- WorkSafeNB helps employers comply with the *OHS Act* by providing workplace inspections. At the end of the second quarter, 4,340 inspections were completed, higher than the second quarter of 2012 (3,876 inspections).

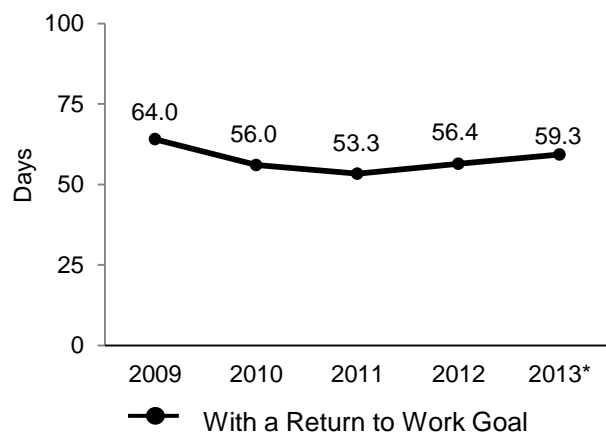
### Cost-effective Service Delivery

- 2,523 employers paid assessments through Monthly Assessments on Actual Payroll (MAAP) an increase of 0.7% from the same period in 2012.
- Over 26.65% of the 11,875 annually assessed employers reported their assessable earnings electronically with the E100 online form. Use of the E100 form increased 13.6% from last year's billing to 3,165 users.

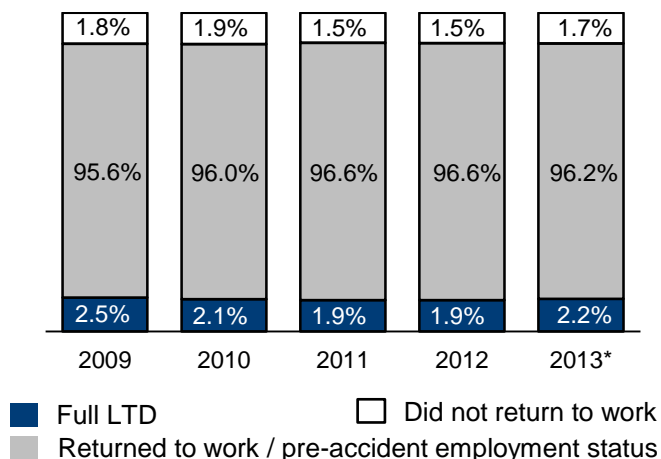
## Achieving Our Goals: 2<sup>nd</sup> Quarter Management Notes

# Return to Work

Paid Compensation Days<sup>2,10, 11</sup>  
(Annual / YTD\*)



Lost-time Claim Disposition<sup>2,10</sup>  
RTW Goal & Full LTD (Annual / YTD\*)



### Annual Target Year-to-Date

- At the end of June 2013, the number of paid compensation days for injured workers with a return to work goal is 59.3, in line with the 2013 target of 59.1 days.

### Best Practices in Return to Work Management

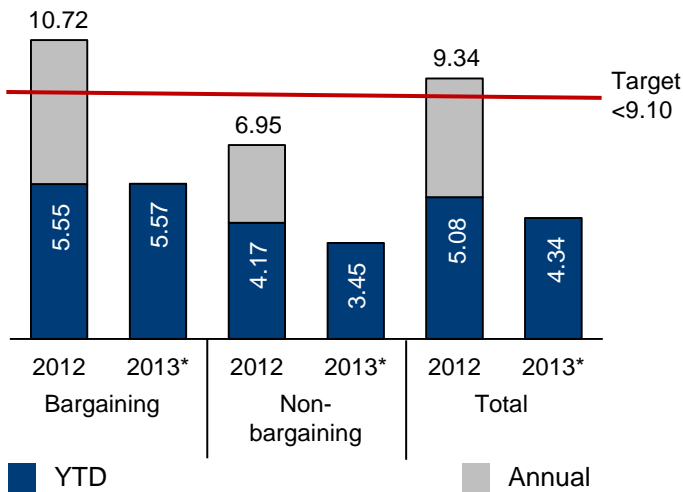
- WorkSafeNB's review of no-lost-time claims with modified return to work programs resulted in new decision points for involving case management and occupational therapists. The decision points are designed to improve results for injured workers to return to work at their full duties by providing additional supporting resources. Started in 2010, the new process has reduced time:
  - On modified duties;
  - To return to pre-accident duties; and
  - To case resolution.

- WorkSafeNB's review of vocational rehabilitation programs identified good compliance to standards, for example completing a vocational profile and completing a declaration of understanding with clients. Recommendations from the review include:
  - Increasing client involvement for developing vocational rehabilitation plans;
  - Developing guidelines for proactive management of the vocational rehabilitation process to achieve working success for clients; and
  - Increasing flexibility for education and skill training for clients.

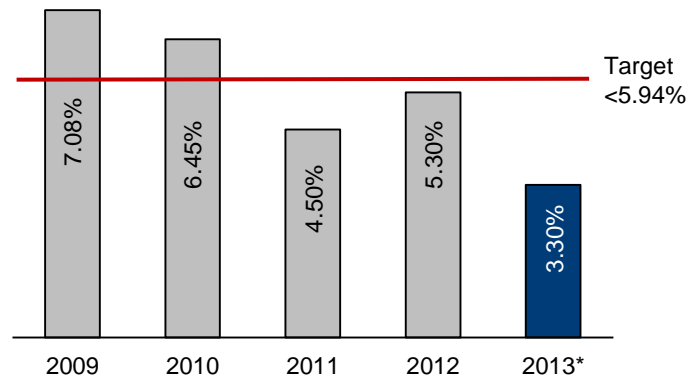
## Achieving Our Goals: 2<sup>nd</sup> Quarter Management Notes

# Staff Satisfaction and Engagement

Days Absent <sup>3,8</sup>  
Annual / YTD\*



Staff Turnover <sup>3,9</sup>  
Percentage of all Staff (Annual / YTD\*)



### Health, Safety, and Wellness

- One lost time claim was accepted under the *Workers' Compensation Act* in the second quarter and 5 claims accepted year to date.
- Activities in the health and safety plan that were completed include:
  - Train the trainer for new ergonomic software that encourages breaks from computer work based on intensity of use; the software suggests exercises to prevent repetitive strain injuries; and
  - The enhancement of the security access system for all WorkSafeNB office locations.
- For the second straight year the Fredericton/Grand Bay Wellness Committee received a *Wellness at Heart Award* from the New Brunswick Heart and Stroke Foundation. The award recognizes organizations that help employees lead healthier lives.

### Employee Engagement

- On April 19<sup>th</sup> employees attended the Annual General Meeting and Service and Retirement Awards banquet. 79 employees were recognized for their long-term commitment to the organization (5 to 35 years) and we honored 17 retirees.

### Succession and Development

- In the second quarter, 32 competitions were opened, 15 of which were for regular positions.
- General professional development activities offered by Human Resources included:
  - Critical incident stress management for WorkSafeNB staff that work in the field; and
  - Leading changes workshop for managers and Growing Leaders.
- To meet future business needs, the WorkSafe Services Division initiated an opportunity for growing leaders to build management capacity through six month senior management internships. The internships require each participant to complete assignments in two or more regions; and at least two other departments, such as Planning & Policy; Program Development & Evaluation/ Chief Medical Office; Chief Compliance Office; Divisional Support; and/or Adjudication and Benefit Services. In collaboration with the Corporate Services Division and through a competitive process open to all growing leaders, three interns were selected:
  - Lise Hebert, Rehabilitation Specialist;
  - Wendy Papadopoulos, Assistant Director, Services Development & Evaluation; and
  - Roland Roy, Engineer.

# 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:

A policy change respecting supplements to compensation has increased claim costs. Policy now requires employment-related remuneration to be both earned and received while on compensation in order to be considered a supplement. The change may impact claiming patterns. The impact of these items has not yet been measured and is not included in the financial results for the period.

	Level	Strategy
<b>Unique Mandate Risks</b>		
Balancing benefit-related decisions to ensure intergenerational equity and system sustainability	Cautionary	Reduce
Balancing benefit improvements and assessment rates	Cautionary	Reduce
Impact of Board's policy agenda not being achieved	Cautionary	Reduce
Board succession planning	Unacceptable	Reduce
Variance between Appeals Tribunal decisions and Board policy	Unacceptable	Reduce
Varying expectations of WorkSafeNB's role in health and safety	Unacceptable	Reduce
Gaps and delays in OHS legislation	Unacceptable	Reduce
Funding level	Unacceptable	Reduce
Defining WorkSafeNB's role in return to work	Cautionary	Reduce
<b>Operational Risks</b>		
Impact of catastrophic events on business continuity	Cautionary	Reduce
Employee retirement levels	Unacceptable	Reduce
Retaining WorkSafeNB employees in specialized fields	Cautionary	Reduce
Potential for WorkSafeNB employees to sustain psychological injuries	Cautionary	Reduce
<b>Risks to Reputation</b>		
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
WorkSafeNB's public image	Unacceptable	Reduce
Failure to address primary risks or priorities in a timely manner	Unacceptable	Reduce
<b>External Risks</b>		
Increased accidents associated with skills and labour shortages	Acceptable	Accept
Emerging 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

# Legislative and Policy Priorities

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

2012/2013 Priorities Approved in the First Quarter of 2013	Approval	Completed
23-200 Assessable Earnings	Board	January 31, 2013
23-300 Employer Classification	Board	January 31, 2013
23-400 Auditing Employer Accounts	Board	January 31, 2013
23-600 Setting Basic Assessment Rates	Board	January 31, 2013
23-605 Experience Rating System	Board	January 31, 2013
23-703 Underestimated / Underreported Payroll Assessments	Board	January 31, 2013
23-704 Late Filing Penalty	Board	January 31, 2013
29-301 Assessment of Volunteers	Board	January 31, 2013
37-100 Long-term Fiscal Strategy	Board	January 31, 2013
21-109 Conditions for Entitlement – Infectious Diseases	Board	February 20, 2013
21-111 Conditions for Entitlement – Occupational Diseases	Board	February 20, 2013
21-505 Advances and Payouts of Compensation Benefits	Board	February 20, 2013
41-007 Privacy and Information Security	Board	February 20, 2013

2013/2014 Priorities Established April 2013	Approval	Completed
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### Top Three Priorities

Legislative Review		In Progress
Three Day Wait		
Human Resources		

### Legislative

WHSCC Act – Appeals Tribunal		In Progress
WC Act – Supplements to Compensation		
WC Act – Under 21		
WC Act – Accident Reporting	Government	June 21, 2013 – Royal Assent
OHS Act – General Provisions	Government	June 21, 2013 – Royal Assent
Board to Approve Regulatory Changes		
Pre-82 Benefits		
Permanent Physical Impairment (PPI)		
Occupational Hygiene / WHIMS		
Forestry Regulations		
Construction Industry review		

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## Governance & Administration

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20-100 Principles of Service Delivery

21-290 Recovery of Claim-related Overpayments

31-510 Business Continuity Management Board May 30, 2013

33-000 Human Resources Board May 30, 2013

34-200 Investment Goals & Objectives

34-205 Statement of Investment Philosophy and Beliefs Board March 14, 2013

41-002 Governance Statement – WorkSafeNB Board of Directors

41-003 Governance – Stakeholder Engagement

41-010 Governance – Board of Directors’ Principles for Governing the Appeals Tribunal

46-220 Third Party Actions

46-300 Fraud and Abuse

46-305 Indemnification

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## Employer Services

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21-300 Allocation of Claim Costs

23-610 Safety Achievement Financial Incentive System ( SAFIS)

23-715 Employer Legislative Requirements and Services

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## Occupational Health and Safety

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24-001 Occupational Health and Safety Philosophy

24-015 Right to Refuse During Pandemics Board May 30, 2013

24-100 Safety Association Funding

26-010 Definition of Employee

31-500 Health and Safety Board May 30, 2013

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## Evaluation / Engagement

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Client Satisfaction Evaluation Methodology In Progress

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**Entitlement & Benefits**

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21-010 Definition of Worker  
21-040 Interest on Claim-related Benefits and Employer Accounts  
21-112 Conditions for Entitlement – Hearing Loss  
21-113 Weighing Information  
21-206 Funding Annuity Benefits  
21-208 Workers Under 21  
21-210 Calculation of Benefits  
21-211 Three-Day Waiting Period  
21-215 Supplements to Compensation  
21-219 Diverting Benefits  
21-230 Deduction of CPP Benefits from LOE and Income Tax Reimbursement  
21-250 Permanent Physical Impairment  
21-270 Annual Review of Benefits  
21-410 Allowances for Self-employment  
21-513 Who is a Survivor  
21-515 Benefits for Survivors  
29-551 Hearing Aids and Batteries

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**Medical Aid & Assistive Devices**

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21-403 Home Modification Projects In Progress  
25-003 Home Care & Independence  
25-007 Prostheses, Orthoses & Assistive Devices  
25-010 Personal Non-compensable Intervening Conditions  
25-012 Medical Aid – Opioids  
25-014 Medical Aid Decisions  
25-030 Chronic Pain  
25-070 Responsibility in Rehabilitation  
29-510 Prescription Eyeglasses  
29-550 Care Allowance



# Statements of Operations and Cash Flows

The Statement of Operations details WorkSafeNB's income and expenses for the second quarter of 2013 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 2013 compared to the corresponding period for the previous year.

## Unaudited Statement of Operations For the 6 Months Ending June 30, 2013

	<b>Budget</b>	<b>Actual</b>	<b>Previous</b>
	<b>YTD</b>	<b>YTD</b>	<b>YTD</b>
	<b>(000's)</b>	<b>(000's)</b>	<b>(000's)</b>
<b>Income</b>			
Assessments including self-insured	\$84,668	\$90,094	\$90,368
Investments	39,714	63,074	43,944
	<b>\$124,382</b>	<b>\$153,168</b>	<b>\$134,312</b>
<b>Expenses</b>			
Claims costs incurred	93,825	102,578	85,626
Administration	21,462	19,701	19,277
Legislative obligations	663	658	699
Appeals Tribunal	946	805	768
	<b>\$116,896</b>	<b>\$123,742</b>	<b>\$106,370</b>
Net surplus	<b>\$7,486</b>	<b>\$29,426</b>	<b>\$27,942</b>

# Statements of Operations and Cash Flows

## Unaudited Statement of Cash Flows For the 6 Months Ending June 30, 2013

	<b>Actual</b>	<b>Previous</b>
	<b>YTD</b>	<b>YTD</b>
	<b>(000's)</b>	<b>(000's)</b>
<b>Cash flow from operating activities:</b>		
Cash received from:		
Assessed employers	\$76,798	\$92,477
Self-insured employers	15,299	13,694
Interest and dividends	14,829	15,037
Province of NB	-	-
	<hr/> 106,926	<hr/> 121,208
Cash paid to:		
Injured workers or third parties on their behalf	68,533	67,973
Suppliers & employees, for administration & other services	22,563	22,536
	<hr/> 91,116	<hr/> 90,509
<b>Net cash provided by operating activities</b>	<b>15,810</b>	<b>30,699</b>
<b>Cash flow from investing activities:</b>		
Cash received from:		
Sale of investments	183,242	121,689
Cash paid for:		
Purchase of investments	165,680	134,049
Purchase of capital assets	700	491
	<hr/> 166,380	<hr/> 134,540
<b>Net cash (used in) investing activities</b>	<b>16,862</b>	<b>(12,851)</b>
<b>Increase in cash during the year:</b>	<b>32,672</b>	<b>17,848</b>
Cash and short-term investments, beginning of period	16,611	21,774
<b>Cash and short-term investments, end of period</b>	<b>\$49,283</b>	<b>\$39,622</b>

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 2012 Annual Report.

# End Notes

1. Annual outcomes are reported using the data provided in the 2012 Year-end Governance Results.
2. Source: WorkSafe Services, June 30, 2013.
3. Source: Human Resources, June 30, 2013.
4. Source: Corporate Services, June 30, 2013.
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 2013, 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.

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## Contact

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