



Let's Make Workplace Injuries a Thing of the Past

STRATEGIC PLAN & RISK ASSESSMENT
2009-2014



BALANCE.
PROTECT.
STRENGTHEN.

Healthy and Safe Workplaces in New Brunswick

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OUR FOUNDATION



Vision, Mission, Mandate, and Values

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.

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.

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 WorkSafeNB 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 WorkSafeNB.

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.

PROTECTING OUR FOUNDATION

WORKSAFE NB IS COMMITTED TO PROTECTING THE FUNDAMENTAL PRINCIPLES THAT HAVE HELPED BALANCE AND SUSTAIN THE SYSTEM FOR WORKERS AND EMPLOYERS FOR 90 YEARS.

The Meredith Principles



The Canadian workplace health, safety and compensation system is guided by principles formulated and shared by former Chief Justice of Ontario, Sir William Meredith, in 1913. Key among these principles are the concepts of:

NO-FAULT COMPENSATION

Workers are eligible to receive benefits for work-related injuries or occupational diseases, regardless of fault, while workers and employers waive the right to sue.

COLLECTIVE LIABILITY

All registered employers share responsibility for fully funding the cost of workers' compensation insurance and for the system's financial liability.

SECURITY OF PAYMENT

The system is operated to ensure its long-term stability, availability, financial security, and cost-effectiveness. Compensation benefits should be fair and reduce the financial burden of workplace injuries. Assessment premiums should be fair, competitive, and account for the full cost of the system including claims, reserves, and administration.

EXCLUSIVE JURISDICTION

WorkSafeNB has final decision-making authority. It is not bound by legal precedent and must judge each case on its individual merits.

BOARD INDEPENDENCE

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

These principles were adopted by New Brunswick in 1919, and continue to guide WorkSafeNB's Board of Directors in its commitment to providing the best possible benefits to injured workers while maintaining the lowest possible assessment rates for employers.



OUR BUSINESS



WORKSAFENB

WorkSafeNB administers no-fault workplace accident and disability insurance, and comprehensive occupational health and safety programs and services for employers, workers, and injured workers' dependants. WorkSafeNB derives its authority from the *Workplace Health, Safety and Compensation Commission Act (WHSCC Act)*, the *Workers' Compensation Act (WC Act)*, the *Occupational Health and Safety Act (OHS Act)*, and regulations.

WorkSafeNB ensures benefits for injured workers, and it shares liability among registered employers through assessments on their payrolls. Through the system, workers and employers receive protection from litigation when an accident occurs. Sustainability of this system is secured for future generations by providing the best possible benefits that are payable to workers and the lowest possible assessment rates for employers. WorkSafeNB carries out its legislated mandate by:

- > Helping prevent accidents before they occur. Through awareness, education, consultation, and enforcement, WorkSafeNB advances the internal responsibility system and ensures these responsibilities are met by workers and employers; and
- > Providing compensation and rehabilitation services when accidents occur. WorkSafeNB meets these responsibilities by providing benefits and services to injured workers and employers, including medical aid, loss of earnings benefits, rehabilitation, return-to-work, and other support services.

BOARD OF DIRECTORS

WorkSafeNB's affairs are administered by an independent, stakeholder-driven Board of Directors appointed by the Lieutenant-Governor in Council. The Board is comprised of a Chairperson, a Vice-Chairperson, four members representing employers, and four members representing workers. There are also two non-voting members of the Board — WorkSafeNB's President and CEO, and the Chairperson of the Appeals Tribunal.

The Board of Directors is committed to upholding the Meredith Principles, which provide the foundation for compensation systems across Canada.

Operating within a strong governance framework, the Board serves the best interests of WorkSafeNB by:

- > Planning for the future of the system by focusing on long-term goals and ends in its decision-making, as opposed to operational means;
- > Establishing WorkSafeNB's strategic direction, goals, and policies;
- > Recommending appropriate workplace health, safety, and compensation legislation changes to Government;
- > Identifying and managing risks to the organization;
- > Ensuring sound financial stewardship; and
- > Overseeing operations and the implementation of key strategies.

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PROTECTING PROGRESS

THE GUIDANCE OF WORKSAFENB'S BOARD OF DIRECTORS, THE LEADERSHIP OF ITS EXECUTIVE MANAGEMENT TEAM, AND THE EXPERTISE OF ITS HIGHLY ENGAGED STAFF CONTINUE TO PROTECT PROGRESS MADE TOWARDS BUILDING HEALTHY AND SAFE WORKPLACES IN NEW BRUNSWICK.



PRESIDENT AND CHIEF EXECUTIVE OFFICER (CEO)

Accountable to the Board of Directors, the President and CEO is responsible for implementing the Board's strategies and for accomplishing its strategic Goals. With an operational focus, the President and CEO directs WorkSafeNB's resources towards achieving the results identified by the Board as fundamental to WorkSafeNB's success. WorkSafeNB's corporate functions of Human Resources, Communications, Internal Audit, and Office of the Board Secretary and General Counsel each report directly to the President and CEO. The President and CEO's responsibility also includes the Workers' Rehabilitation Centre (WRC), an accredited rehabilitation facility that provides an intensive, multidisciplinary approach to rehabilitating injured workers.

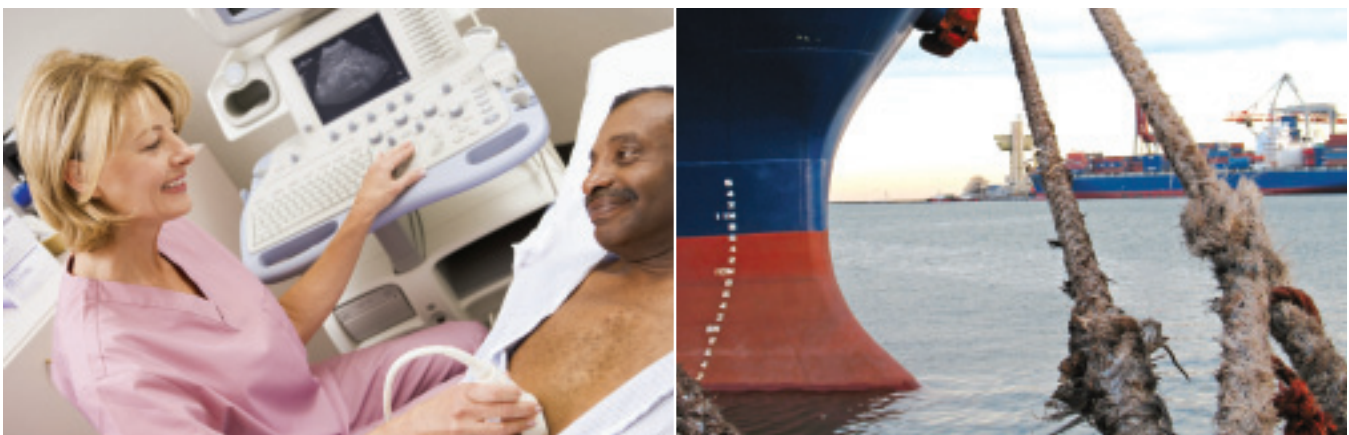
Reporting to the President and CEO, WorkSafeNB's operational functions are led by two divisional Vice-Presidents who direct the WorkSafe Services Division and the Corporate Services Division.

WORKSAFE SERVICES DIVISION

The WorkSafe Services Division promotes workplace health and safety to New Brunswick workplaces, and provides compensation and rehabilitation services to injured workers. The division administers the *Occupational Health and Safety Act* and the *Workers' Compensation Act*, and implements the Board's strategic decisions by:

- > Providing injury prevention initiatives;
- > Offering health and safety education, and consulting services for workplace parties;
- > Conducting health and safety inspections, accident investigations, and arbitration hearings under the *OHS Act*;
- > Providing injured workers with medical services, medical aid, rehabilitation, claims adjudication, case management, benefits payments, and return-to-work services; and
- > Educating employers and workers on legislative rights and responsibilities, working with them to help them meet these responsibilities, and by enforcing compliance with legislative provisions.

The WorkSafe Services Division is accessible to employers and workers in four service locations: Bathurst, Grand Falls, Dieppe, and Saint John.





CORPORATE SERVICES DIVISION

The Corporate Services Division's activities support WorkSafeNB's Balance Goal of providing the best possible benefits to injured workers while maintaining the lowest possible assessment rates for employers. The division provides the financial framework upon which the organization carries out its legislated mandate. It manages WorkSafeNB's investment strategy and monitors its funding position in order to ensure there are sufficient funds to pay the full costs of accidents today and into the future.

The division provides the Board with decision-making support through strategic planning and risk assessment, policy development and evaluation, stakeholder engagement, and accounting, actuarial, and investment services. It is also responsible for:

- > WorkSafeNB's revenue-generation process, which includes setting rates, assessing payrolls, and collecting assessments from employers;
- > Internal and external financial reporting; and
- > Administrative services, including facilities management and information technology services (including software development and support).

THE APPEALS TRIBUNAL

The Appeals Tribunal provides an internal process for employers, workers, and injured workers' dependants to appeal any decision made by WorkSafeNB under the *WC Act*, *OHS Act*, or *Firefighters' Compensation Act*.

Consisting of a Chairperson and Vice-Chairperson appointed by the Lieutenant-Governor in Council, and panel members appointed by the Board of Directors, the tribunal's role is to hear and consider the merits of individual cases, and apply the appropriate legislation and WorkSafeNB policy to provide timely, fair, consistent, and impartial decisions.

The Appeals Tribunal Chairperson is a non-voting member on the WorkSafeNB Board of Directors. Accountable to the Board of Directors, the Chairperson of the Appeals Tribunal is responsible for the administration of the tribunal and implementation of the Board's goals and strategies specific to the Appeals Tribunal.

STRATEGIC CONTEXT



2009-2014

Through annual strategic planning and risk assessment, the Board of Directors reaffirms or adjusts its strategic direction to maximize opportunities and mitigate risks presented to WorkSafeNB. During the 2009 process, broad strategic issues were identified and were addressed by the Board of Directors. Outlined below are the strategic issues that provide the context for *WorkSafeNB's 2009-2014 Strategic Plan and Risk Assessment* that impacted the Board's decisions as it resourced its goals, strategies, and priorities for policy, legislation, and stakeholder engagement.

PROTECTING THE FINANCIAL SUSTAINABILITY OF THE SYSTEM

WorkSafeNB has a legislated mandate to be 100% funded. In order to reduce volatility in assessment rates and to provide a balanced system that is sustainable for the future, the Board established a goal for WorkSafeNB to be 110% funded. The recent downturn in the economy has resulted in lower than expected returns on investments, which is the primary reason WorkSafeNB has not achieved this goal, as measured by its 87.7% funded liability position at the end of last year.

While WorkSafeNB's funding level was negatively impacted by poor investment markets in 2008, the Board's policies recognize that downturns in the economy and in investment income will occur periodically, and document the discipline to be followed to return to fully funded status. The Board of Directors plans to continue to act prudently in managing the risks associated with financial challenges.

PROTECTING THE INDEPENDENCE OF A STAKEHOLDER-DRIVEN BOARD

Fundamental to a compensation system that is owned by workers and employers is the concept of an independent, stakeholder-driven board that is responsible for preserving the system and negotiating a balance among competing stakeholder interests. As it balances the system, the WorkSafeNB Board of Directors researches and analyzes workplace health, safety, and compensation issues, consults with stakeholders, and proposes legislative amendments to Government for approval.

Continued...

PROTECTING A BALANCED SYSTEM

WORKSAFENB IS PREPARED FOR, BUT NOT UNAFFECTED BY, THE ECONOMIC CHALLENGES EXPERIENCED BY ALL JURISDICTIONS. WE HAVE A LONG-TERM, DISCIPLINED APPROACH TO FINANCIAL GOVERNANCE THAT PROTECTS THE BALANCE NECESSARY TO ENSURE THE SYSTEM IS AVAILABLE TO THE WORKERS AND EMPLOYERS OF TOMORROW.



Pressures from interest groups are anticipated and accounted for in the Board's bi-partite design and in its practice of engaging stakeholders in decision-making. However, decisions made in recent years without the Board of Directors' advice or policy direction threaten the original design of the system. The WorkSafeNB Board of Directors considered its governance responsibility to the system and developed a strategy that includes examining and clarifying its oversight of the Appeals Tribunal, and the Board's relationship with Government and stakeholders.

PROTECTING ACHIEVEMENTS IN HEALTH AND SAFETY AND BUILDING A WORKSAFE CULTURE

The Board of Directors renewed its commitment to the Vision of healthy and safe workplaces in New Brunswick. Investments in awareness, education, consultation, and enforcement have paid off. These strategies have resulted in improvements in workplace health and safety for New Brunswickers. In fact, those who undertake business or work in New Brunswick operate in a jurisdiction that has one of the lowest workplace accident frequency rates in Canada.

Success in health and safety has been benchmarked along the way; however, the Board recognizes that the Vision has not been realized. To build on the progress from previous strategic investments, the Board believes that the next step is to positively change the attitudes and behaviours of New Brunswick workplace parties so that everyone considers workplace injuries unacceptable. Learning from cultural change strategies such as those that have resulted in decreased drinking and driving and increased seat belt use, in its 2009-2014 plan, the Board continues to dedicate resources to build a "WorkSafe culture" in New Brunswick and to create a shared understanding of what is meant by workplace health and safety.

PROTECTING OUR SUCCESS IN DELIVERING SERVICES TO CLIENTS

WorkSafeNB's Board of Directors values excellence in service delivery that considers stakeholders' needs. For the past 10 years, 80% or more of our worker and employer clients reported satisfaction with WorkSafeNB, as measured in the Board's annual Client Satisfaction Survey. The Board is pleased with this demonstration of client confidence with WorkSafeNB. To investigate whether additional gains can be made in service delivery, in its 2009-2014 plan the Board has committed to explore client satisfaction levels in more detail, and subsequently, establish a service policy to communicate service delivery expectations.



"Among the main responsibilities of the Board is to define the strategic direction of WorkSafeNB, considering all of the factors of the environment in which WorkSafeNB operates. I am pleased that our Board continues to protect the interests of the province's workers and employers by providing us with a clear, responsible direction that sets the course for achieving our Vision of healthy and safe workplaces in New Brunswick."

– Roberta Dugas, WorkSafeNB Chairperson

PROTECTING THE PRINCIPLE OF INDEPENDENCE

BY PROTECTING THE INDEPENDENCE OF WORKSAFE NB, THE BOARD OF DIRECTORS IS DIRECTLY ACCOUNTABLE TO THE STAKEHOLDERS WHO OWN THE SYSTEM—WORKERS AND EMPLOYERS.

PROTECTING THE INTEGRITY OF A 90-YEAR-OLD SYSTEM THROUGH ACCOUNTABILITY

In 2008, the Independent Review Panel released its report, *Strengthening Our System*, which highlighted 64 recommendations for improving the workplace health, safety, and compensation system. WorkSafeNB's Board of Directors is committed to addressing the panel's recommendations.

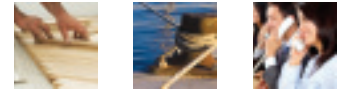
To date, the *WHSCC Act* was amended to support best practices in governance and ensure continuity of Board appointments, and the *Workers' Compensation Act* was amended to improve pension benefits for injured workers. Further improvements include the development and implementation of a stakeholder engagement policy and enhanced health and safety resourcing. Consistent with the Board's focus on building a WorkSafe culture, our operational name was changed to WorkSafeNB, as supported by the review panel. One year later, these commitments, among many others consistent with the recommendations, have been fulfilled. The *WorkSafeNB 2009-2014 Strategic Plan and Risk Assessment* demonstrates the Board of Directors' respect for, and accountability to, the Independent Review Panel Report.

"We are not immune to economic downturns like these, but I am confident we are prepared for them. WorkSafeNB has the right systems in place. Our long-term focus guarantees that the organization will be around tomorrow—a guarantee that the New Brunswick widow who started receiving benefits in the 1950s will still be receiving benefits 10 years from now; a guarantee that the man or woman who is injured on the job today, will receive the money they are entitled to tomorrow."

– Doug Stanley, WorkSafeNB President and CEO



RISK ASSESSMENT



As part of its annual strategic planning process, the WorkSafeNB Board of Directors identifies risks that could impact WorkSafeNB’s ability to achieve its goals. The Board categorizes risks to WorkSafeNB as one of four types — unique mandate risk, external risk, operational risk, and risk to reputation. The tables below identify the source and level of risk, as well as the Board’s response to manage the risk.*

UNIQUE MANDATE RISKS

Specific risks that exist only as a result of WorkSafeNB’s legislated mandate.

RISK	2009 LEVEL OF RISK	2009-2014 RISK STRATEGY
Funding level volatility	Unacceptable	Reduce
Gaps and delays in health and safety legislation	Unacceptable	Reduce
Appeals Tribunal decisions that are inconsistent with Board policy	Unacceptable	Reduce
Impact of negative inflation on benefits	Unacceptable	Reduce
Level and comprehensiveness of benefits	Cautionary	Reduce
WorkSafeNB’s role in return to work and meeting stakeholders’ expectations	Cautionary	Reduce
Changes to international financial reporting standards	Cautionary	Reduce
Annuity set aside is subject to market volatility	Cautionary	Reduce
Decisions that threaten intergenerational equity and the sustainability of the workers’ compensation system	Acceptable	Reduce
Varying expectations of WorkSafeNB’s role in health and safety	Acceptable	Reduce
New and emerging occupational diseases	Acceptable	Accept

*FOUR BASIC STRATEGIES FOR MANAGING RISKS

STRATEGY	DESCRIPTION
Avoid	Action is taken to exit the activities giving rise to risk. Risk avoidance may involve exiting a service offering, declining expansion to a new geographical area, or divesting of a division.
Reduce	Change the activity so that the chance of harm occurring and impact of potential damage, are within acceptable limits.
Share	Action is taken to reduce risk likelihood or impact by transferring or otherwise sharing a portion of the risk with another organization. Common risk-sharing techniques include purchasing insurance products; pooling risks; engaging in hedging transactions; or outsourcing an activity.
Accept	Accept all or part of the risk, and prepare for the consequences.

EXTERNAL RISKS

Societal trends, behaviours and influences that could impact WorkSafeNB's Goals.

RISK	2009 LEVEL OF RISK	2009-2014 RISK STRATEGY
General health status – longer recovery times caused by the poor general health status of New Brunswickers	Cautionary	Accept
Availability and cost of health care	Cautionary	Accept
Increased accidents associated with skills and labour shortages	Cautionary	Accept
Level of knowledge and resources to address emerging high-risk industries	Cautionary	Reduce
Changes to legislation, regulation, and policy in other jurisdictions	Acceptable	Reduce
Literacy and education level of injured workers	Acceptable	Accept
Impacts of language and cultural barriers on safety and return to work	Acceptable	Reduce

OPERATIONAL RISKS

A failure of people or systems that may impact the ability of WorkSafeNB to fulfil its legislative responsibilities.

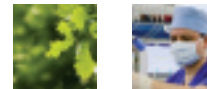
RISK	2009 LEVEL OF RISK	2009-2014 RISK STRATEGY
WorkSafeNB employee retirement levels	Unacceptable	Reduce
Impact of catastrophic events on business continuity	Cautionary	Reduce
WorkSafeNB employee retention in specialized fields	Cautionary	Reduce

RISKS TO REPUTATION

Risks that could impact the perceptions and attitudes that stakeholders, clients, and the public hold towards WorkSafeNB.

RISK	2009 LEVEL OF RISK	2009-2014 RISK STRATEGY
Government decisions independent of WorkSafeNB advice	Unacceptable	Reduce
Fraud and abuse	Acceptable	Reduce

ACHIEVING OUR GOALS



OUR VISION: HEALTHY AND SAFE WORKPLACES IN NEW BRUNSWICK

SAFETY

GOAL

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 2009-2014 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 agreeing that workplace injuries are inevitable will be lower than the previous five-year average.

SERVICE

GOAL

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

ANNUAL 2009-2014 TARGETS

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.

STAFF SATISFACTION AND ENGAGEMENT

GOAL

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

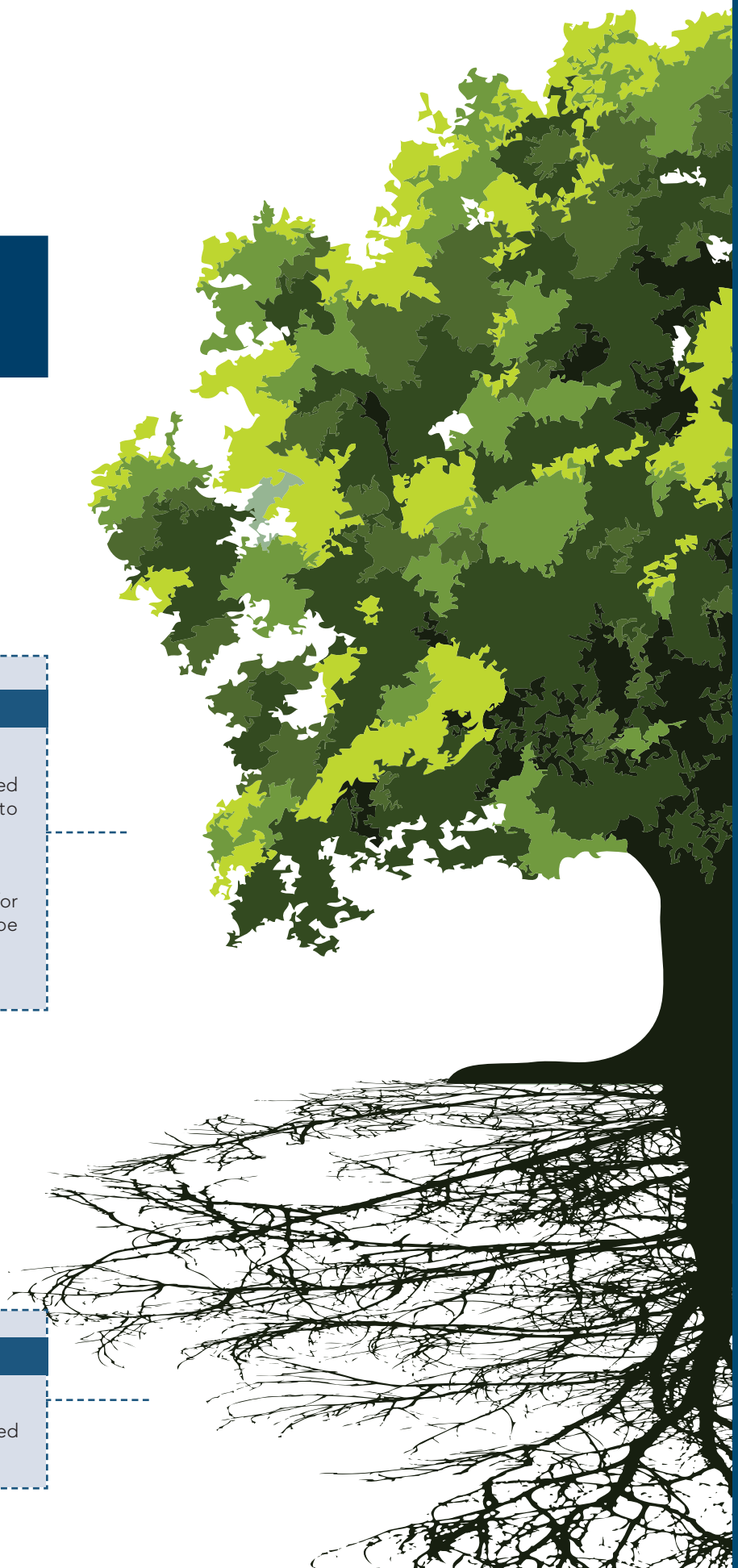
ANNUAL 2009-2014 TARGETS

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

BALANCE

GOAL

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



RETURN TO WORK

GOAL

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

ANNUAL 2009-2014 TARGETS

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

ANNUAL 2009-2014 TARGETS

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

RESOURCING OUR GOALS



The Board of Directors resources key strategies and legislative and policy priorities to achieve our five Goals.



OUR VISION: HEALTHY AND SAFE WORKPLACES IN NEW BRUNSWICK

LEGISLATIVE AND POLICY PRIORITIES

GOVERNANCE

- > Balancing the system
- > Board of Directors' Governance Statement
- > Appeals Tribunal

OCCUPATIONAL HEALTH AND SAFETY

- > OHS mandate, philosophy, and definition of employee
- > Fall protection, mining, and LNG processing
- > Soft-tissue injuries

INCENTIVES FOR WORKERS AND EMPLOYERS

- > Experience Rating System (ERS)
- > Safety Achievement Financial Incentive System (SAFIS)
- > Return to work incentives for workers

FUNDING

- > Investment goals and objectives
- > Long-term fiscal strategy

CALCULATING AND ADMINISTERING BENEFITS

- > Pre-1982 accidents
- > Calculation and annual review of benefits
- > Benefits for young workers
- > Impact of inflation and deflation on benefit indexation

ENTITLEMENT

- > Conditions and general principles for entitlement to compensation benefits
- > Defining who is a survivor, and what their benefits are
- > Entitlement to long-term disability benefits
- > Pre-existing conditions
- > Personal conditions not within the scope of the WC Act

PENALTIES AND FINES

- > Non-compliance with WC Act
- > Non-compliance with OHS Act
- > Failure to report an accident
- > Late filing of payroll information

RETURN TO WORK

- > Return to work principles
- > Rehabilitation
- > Responsibilities and re-employment obligations
- > Third party mediation
- > Identifying suitable employment
- > Communications in rehabilitation
- > Vocational rehabilitation

SERVICE DELIVERY AND COMMUNICATION

- > Principles of service delivery
- > Employer legislative requirements and services

HOME CARE AND INDEPENDENCE

- > Quality of life

MEDICAL AID

- > Principles
- > Standards of Care

BALANCE.

PROTECT.

STRENGTHEN.

Healthy and Safe Workplaces in New Brunswick

The Board of Directors and the President and CEO of WorkSafeNB look forward to your comments and discussion of our *2009-2014 Strategic Plan and Risk Assessment*. You can reach us at:

Toll-free: 1 800 222-9775

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