

Strategic Plan & Risk Assessment 2008-2013



The Face of Safety in New Brunswick **is Changing.**

Our Foundation

Our Vision

Healthy and Safe Workplaces in New Brunswick.

Our Mission

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

Our Mandate

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

Provide timely compensation benefits, medical aid, rehabilitation, and safe return-to-work services to injured workers.

Provide sustainable insurance and insurance-related services to the employer community.

Represent stakeholders and provide recommendations and advice to government with respect to legislation and publish such reports, studies, and recommendations.

Our Values

We dedicate ourselves to the provision of prompt, effective, efficient, and caring services to each of our clients.

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

We are committed to providing competent and energetic leadership that is focused on a clear direction for the Commission.

We ensure that our decisions are made with integrity, credibility, and accountability.

We ensure that our communications are based on trust, mutual respect, openness, and clear and reliable information.

We manage our human, material, and financial resources effectively in responding to our mandate and established priorities.

The Meredith Principles

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

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

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

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

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

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

Long-Term Strategies

1 Leveraging best practices in prevention, compensation, and rehabilitation

The Commission promotes a WorkSafe culture and effective compensation and rehabilitation services through its research and implementation of best practices.

2 Knowing New Brunswick workplaces

Understanding New Brunswick workplaces allows the Commission to allocate its resources where they are most needed to provide high quality health and safety services and improve opportunities for return to work.

3 Ensuring the highest standards in governance and administration

The Commission maintains high standards and transparent relationships with stakeholders by ensuring effective stewardship of the Commission through both governance and efficient implementation of initiatives to achieve our goals.

4 Expecting the unexpected

The Commission plans for and mitigates risks to achieving its legislated mandate.

5 Balancing the system

The Commission strives to provide the best possible benefits to injured workers while maintaining the lowest possible assessment rates for employers.

6 Purchasing the right medical services, by the right provider, at the right cost

Strategic sourcing maximizes return-to-work opportunities while minimizing economic loss for workers and employers and stabilizing costs to the Commission.

7 Creating long-term sustainability

The Board annually refines its strategic direction, assesses risks, and responds by allocating resources to areas that will have the greatest impact on achieving the strategic goals.

8 Educating New Brunswickers

The Commission promotes WHSCC-related legislation, policies, and services to injured workers, employers, and the public.

Our Business

The Workplace Health, Safety and Compensation Commission of New Brunswick is a public body serving employers, workers, injured workers, and injured workers' dependants. The Commission 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.

The WHSCC is funded by assessments paid by registered employers so that the Commission can carry out its legislated mandate. The Commission provides insurance-related services, compensation, and health and safety programs and services in New Brunswick workplaces. The *Workers' Compensation Act* provides authority for the Commission to administer medical aid, rehabilitation, and wage loss benefits for workers who are injured by a workplace accident. As a trade-off, employers and workers receive protection from litigation. Under the *OHS Act*, the Commission has the authority to interpret the health and safety responsibilities of New Brunswick workplace parties, promote and communicate their responsibilities, and enforce compliance with the *OHS Act*.

Board of Directors

The Board of Directors governs the WHSCC and is comprised of representatives of workers, employers, and the public. These directors are committed to upholding the Meredith Principles, which provide the foundation for compensation systems across Canada. Directors must serve in the best interests of the organization to establish the Commission's strategic direction and goals, identify and manage risks to the organization, ensure sound financial governance, and oversee the implementation of key initiatives resourced by the Board. The Board of Directors is stakeholder driven and through its decision-making process it strives to maintain an affordable system for employers, while providing fair benefits for injured workers.

President and CEO

Accountable to the Board of Directors, the President and CEO is responsible for implementing the Board's strategies and turning corporate goals into reality. The President and CEO's focus is operational, dedicating the Commission's resources toward achieving the results identified by the Board as fundamental to the Commission's success. The corporate functions of Human Resources, Communications, Internal Audit, the Office of the Board Secretary and General Counsel, and the Workers' Rehabilitation Centre (WRC) report directly to the President and CEO. The President and CEO is also responsible to the Board of Directors for overseeing the WorkSafe Services Division and the Corporate Services Division through two Vice Presidents.

WorkSafe Services Division

The WorkSafe Services division is responsible for providing compensation and rehabilitation services to injured workers, as well as health and safety services to New Brunswick workplaces and workers, including:

- Claims adjudication
- Medical advice
- Health and safety compliance
- Case management
- Medical aid and rehabilitation services
- Health and safety, education and consulting

Corporate Services Division

The Corporate Services division supports the Commission's administrative services and the revenue-generation process. The division supports decision-making by the Board of Directors through:

- Strategic planning
- Financial management
- Rate setting
- Policy development
- Employer assessments
- Investment management
- Technology services



2007 Quick Facts

Workers covered by WC Act	301,600
Workers covered by OHS Act*	344,300
Assessed employers	13,718
Total claims created	25,899
Lost-time claims	6,135
Work-related fatalities	8
Workplace Health and Safety inspections	6,838
Orders written under OHS Act	5,193

* Excludes workers covered by federal legislation.

2008 Strategic Context

The WHSCC Board of Directors practices good governance by annually evaluating the environment in which the Commission operates and by reaffirming or adjusting its strategic direction. The strategic context section of the Commission's plan provides readers with a snapshot of the environment analyzed by the Board of Directors to form the Commission's *2008-2013 Strategic Plan and Risk Assessment*. In 2008, the Board was also responsible for integrating recommendations from the government's Independent Review Panel into its planning decisions.

Planning Environment

Key factors in the environment and assessed risks that influenced the Board's direction for the 2008 Plan included:

- The positive 2007 year-end results and the achievement of Safety, Service, Efficiency, and Staff Satisfaction targets;
- The poor health status of New Brunswickers and the need for affordable access to health care services;
- Partnerships to improve access to health care services;
- Stakeholder issues including benefit levels, health & safety resourcing, and assessment system considerations;
- Changes to the Standard Industrial Code classification system;
- The Commission's financial performance, reporting requirements, and the volatility of investment markets;
- Socio-demographic changes including an aging labour force and increasing retirements;
- The projected health and safety resources required to support the expanding economy and proposed mega projects;
- Board governance and the need to improve continuity through effective appointment structures and board member succession planning; and
- The projected increase in Commission retirement levels and the necessity for succession planning.

Independent Review Panel Recommendations

In 2008, the Board of Directors also had the privilege of responding to a report received from an Independent Review Panel appointed by the Government of New Brunswick. The Panel's mandate was to examine whether the WHSCC was functioning to its fullest potential when compared to other Canadian jurisdictions and within the New Brunswick economic and social context. This review was the first of its kind in 28 years and provided the Board of Directors with the opportunity to integrate the Panel's recommendations into its planning process and to move forward with priorities aimed at strengthening the compensation system and changing the face of safety in New Brunswick.



Roberta Dugas
Chairperson

"The face of safety in New Brunswick is indeed changing. I'm proud that accident rates have dropped to the lowest level ever recorded in the Province, and I believe that given our increased focus on safety, we will continue to reach the targets we have set for ourselves now and into the future."

Results of the review indicated that the Commission compared favourably with other Canadian jurisdictions and that overall it has been performing well. Recommendations focused on strengthening the current system, not changing the fundamental principles that have historically driven our business. In fact, the Panel affirmed that the principle of an autonomous Board, overseen by stakeholders, with minimal government intervention should be maintained. Throughout the report, three significant themes were emphasized.

Stakeholder Focused

The Panel affirmed the historic Meredith Principles that form the basis of the workers' compensation system in Canada. It unanimously concluded that the system should maintain the integrity of an independent agency, while becoming more accountable to its stakeholders through a formal consultation process.

Board Responsibility for Benefit and Assessment Rate Decisions

The report also indicated that balancing benefits and assessment rates is a priority for all stakeholders, with decisions for benefit changes being left to the Board of Directors to decide how resources are directed and what priorities should be resourced. The Panel did identify specific benefit issues that should be given priority consideration by the WHSCC Board of Directors, including supplements to compensation (top-ups/benefit offsets), the level of maximum compensable earnings (85% to 90% of pre-accident earnings), annuity benefits, and the three-day waiting period.

Strengthening Excellence in Accident Prevention

The Panel also noted that the WHSCC excels with respect to injury prevention, but believes that the WHSCC has the opportunity to adopt best-practices nation-wide and become the leader in occupational health and safety. The Commission's move to brand itself as Work-SafeNB highlights this emphasis on safety and better aligns the organization with its Vision.

While the Independent Review Panel recommendations accounted for a significant portion of the strategic context that was evaluated, the Board's analysis of all factors impacting the Commission ensures that its *2008-2013 Strategic Plan and Risk Assessment* is relevant, that risks are addressed, and that priorities are adequately resourced. The diligence of Board members to understand all the variables that impact the Commission, and to base their decisions on

"The Independent Review Panel's report reinforces that we are committing our resources in the right areas, from continuing to emphasize health, safety and injury prevention in New Brunswick's workplaces, to undertaking a more systematic approach to stakeholder consultation."



Doug Stanley,
President and CEO

this evidence, is a strong indication of the Board's commitment to ensure a health, safety, and compensation system that is strong, transparent, and accountable to the stakeholders of New Brunswick.

Achieving our **Goals**

Goal

Safety

Our vigorous pursuit of a safe work culture will lead to a decline in the overall frequency of accidents and a significant decline in the overall frequency of accidents in industries and firms where our resources are focused.

Service

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

Return to Work

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

Efficiency

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

Staff Satisfaction

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

Measure

2008 Targets

A decline in the overall accident frequency rate:

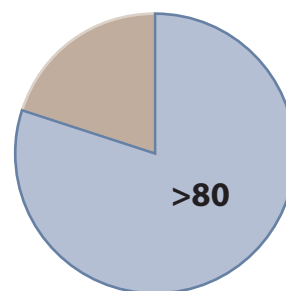
- Within the province
- Compared to other workers' compensation jurisdictions
- By payroll

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

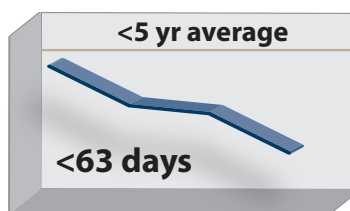
- Within the province **<3.55**
- Compared to other worker's compensation jurisdictions **<2.80¹**
- By payroll **1.27M²**

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

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



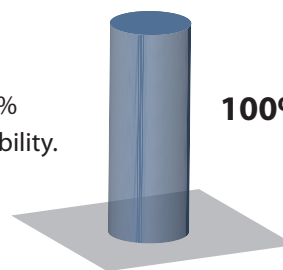
When compared to the previous five-year average, a decline in the average paid compensation days for claimants with a RTW goal.



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

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

Maintain a 100% fully funded liability.



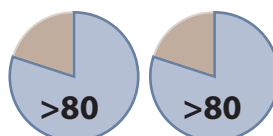
100% funded

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

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

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

Greater than 80% satisfaction on our employee satisfaction survey, including an engagement score of >80%.



- Satisfaction **>80%**
- Engagement **>80%**
- Absenteeism **<7.96**
- Health & Safety **>88%³**
- Employee turnover **<5.3%**

2 - Assessed employers only.

3 - Only two years of data available.

Resourcing our **Goals**

Priorities in Action 2008-2013

The Board of Directors resources legislative and policy priorities and key initiatives to achieve our five strategic goals.



Key Initiatives

▶ Ongoing ◆ New

Safety Goal

- ▶ Partnering with industries and safety associations to provide education and information on health and safety
- ▶ Targeting high-risk industries and firms to focus health and safety resources
- ▶ Monitoring emerging industries for health and safety issues
- ◆ Continuing zero tolerance campaigns to improve compliance with OHS regulations
- ◆ Dedicating resources to health and safety education and compliance to build a WorkSafe brand in New Brunswick
- ◆ Focusing on youth and new workers to build a WorkSafe culture

Return to Work Goal

- ▶ Providing timely, efficient, and adequately resourced regional case management services
- ▶ Developing return-to-work plans and resourcing suitable retraining initiatives
- ▶ Communicating regularly to help injured workers understand loss of earnings benefits and return to work expectations
- ▶ Partnering to educate workers, employers, and the public on rights and responsibilities of return to work
- ◆ Focusing on service delivery for long-term clients
- ◆ Partnering with medical aid providers to facilitate effective and timely treatment

Service Goal

- ▶ Improving decision-making processes to maximize efficiencies and reduce the time to first cheque
- ▶ Providing legal advice, assistance, and support to clients to help navigate the system
- ▶ Establishing standards to ensure medical effectiveness – right care, right cost, right provider
- ▶ Investing in technology when innovative and cost effective service delivery approaches can be achieved for stakeholders
- ◆ Reviewing the role of advocates to enhance assistance to workers and employers
- ◆ Increasing resources to support effective case management service delivery

Staff Satisfaction Goal




- ▶ Evaluating competitiveness of wages and benefits
- ▶ Instilling a WorkSafe culture among staff by promoting health, safety, and wellness
- ▶ Providing timely disability management services to improve return-to-work outcomes of staff
- ▶ Planning employee succession to ensure the professional development and readiness of staff and senior management
- ◆ Developing strategies to evaluate employee engagement

Efficiency Goal

- ▶ Adhering to a disciplined policy and legislative decision-making process to balance benefits and assessment rates
- ▶ Ensuring the highest standards in governance and administration by dedicating resources to investment management, financial management, and fiscal and economic planning
- ▶ Conducting Internal Audits to ensure accountability
- ▶ Protecting the system through prevention and detection of fraud and abuse
- ◆ Strengthening the Board's oversight role through policy evaluation
- ◆ Focusing on stakeholder engagement
- ◆ Enhancing governance through appointment structures and succession planning to improve Board continuity
- ◆ Monitoring Appeals Tribunal service delivery standards and piloting a decision review project








Risk Assessment

In 2008, the Board of Directors identified risks that could impact the Commission's ability to meet its goals. The risks identified were grouped into four major areas: unique mandate risk, external risk, operational risk and risk to reputation. The tables below identify both the sources and levels of risk to be managed by the Commission, now and into the future.

Level of Risk		
		
acceptable	cautionary	unacceptable








Unique Mandate Risks

The area of risk to the WHSCC that exists only because of the legislated mandate of the Commission.

Funding levels	
Assessment rates that do not promote self-sufficiency	
Varying expectations of the Commission's role in health and safety	
Gaps and delays enacting legislative amendments to legislation and regulations.	
Level and comprehensiveness of benefits	
Occupational diseases	
Varying expectations of the Commission's role in return to work	
Varying interpretations of sections within the WC Act	
Gaps in the WHSCC Act regarding the applicability of Board policy in Appeals Tribunal decisions	
Financial impact of employer incentives proposed by the Independent Review Panel	
Effect of actuarial assumptions on annual financial results	




External Risks

Trends and behaviours that exist in society that could impact the goals.

Changes to other provincial or federal legislation and regulations	
Poor health status of New Brunswickers	
Availability and cost of health care	
Increased accidents associated with skills and labour shortages	
Impacts of low levels of literacy and education on safety and return to work	
Impacts of language and cultural barriers on safety and return to work	
Level of knowledge and resources to address emerging high-risk industries	


Operational Risks

A failure of people or systems that may impact the WHSCC's ability to fulfill its legislative responsibilities.

Impacts of catastrophic events on business continuity	
Inflated WHSCC employee retirement levels	
WHSCC employee retention in specialized fields	

Risks To Reputation

The risks that could impact stakeholders, clients, and the public's perceptions and attitudes towards the WHSCC.

Expectations associated with legislative and policy changes in other jurisdictions	
Fraud and abuse	
Government decisions independent of Commission advice	
Changes to International Financial Reporting Standards	