
News Release



Workplace Health, Safety and Compensation Commission of New Brunswick

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WHSCC RELEASES 2004 ANNUAL REPORT: A GOOD NEWS STORY

Saint John, NB: The Workplace Health, Safety and Compensation Commission's bottom line improved substantially in 2004 due to prudent rate-setting decisions, investment gains, and lower than expected accident costs.

The Commission's 2004 Annual Report, released today, "shows that we've rebounded to near fully-funded status," reports Robert Scott, Chairperson of the Board of Directors, "which is great news."

"This recovery could not have taken place without the cooperation of all stakeholder groups represented on the Commission's Board of Directors. In order to ensure this province's compensation system is alive and well, all members have made tough decisions and difficult compromises," Scott says. "It's a challenge, to be sure, but the reward – ensuring the future financial security of New Brunswick's employers and injured workers – is worth it."

Benefits paid to injured workers are drawn from an accident fund that is invested and maintained at a level sufficient to cover the full cost of those payments, now and in the future. Workers' compensation boards across Canada experience fluctuations in the level of their accident funds, depending on many factors.

"One of the goals the Board of Directors sets for the WHSCC is to maintain, at minimum, a fully-funded liability," explains Scott. "And the 2004 Annual Report notes ours at 98.8% funded. This is a big improvement over the past two years, and one we intend to build upon."

"All stakeholders in New Brunswick should applaud the high level of fiscal responsibility demonstrated by our Board," says Scott. "If we are fully funded, we can maintain benefits levels that are higher than those offered in any of the other Atlantic provinces. Being fully funded means that we can tell new employers that they can come to New Brunswick without having to buy into an insurance system burdened with pre-existing costs."

The WHSCC Board of Directors managed this recovery by continuing to make rate-setting decisions that reflect both the financial needs of the Commission and the economic realities of the day.

“Despite tough financial times, the Commission has maintained high standards when it comes to benefits for injured workers,” Scott says.

In 2004, the WHSCC paid \$115,306,000 to injured workers or third parties on their behalf, which represents the second of two years of increases.

The Commission has also implemented a variety of policy changes that benefit workers – such as improved fee schedules for care allowances, transportation expenses, meal allowances, hearing aids and batteries, and child or dependant care expenses.

“While maintaining – and in some areas even improving – benefits to injured workers in 2004, the Commission managed to keep employer assessment rates the lowest in Atlantic Canada, and return the accident fund to near fully-funded status,” Scott says, “which are accomplishments to be proud of.”

The WHSCC implemented a new investment accounting policy for the 2004 fiscal year, as a result of new standards introduced by the Canadian Institute of Chartered Accountants.

The new policy, called “Fair Value,” states that all investment income and losses for the year – including dividends, interest, gains and losses – will be reported in the year they occur. Previous accounting standards allowed for those gains and losses to be reported over a five-year period, which allowed workers’ compensation boards to better weather the ups and downs of volatile financial markets.

“The new accounting policy makes it even more important that we continue to conduct ourselves in a fiscally responsible manner,” says Scott. “Achieving and maintaining fully-funded status will be more of a challenge under this new rule, but that doesn’t make it any less important for the Commission.”

MORE INFORMATION

The WHSCC’s 2004 Annual Report, including its Financial Statements, is available for download at www.whscc.nb.ca.

ABOUT THE WHSCC

The WHSCC administers no-fault workplace accident and disability insurance for employers and their workers, funded solely through assessments on employers. The WHSCC is committed to the prevention of workplace injuries and accidents through education and the enforcement of the *Occupational Health and Safety Act*.