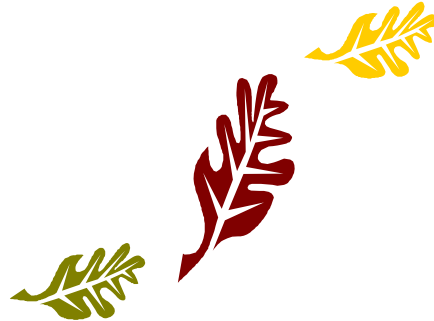


Corporate Report

1st Quarter 2003



Workplace Health,
Safety and Compensation
Commission
Of New Brunswick

WHSCC

CSSIAT

Commission de la santé, de la
sécurité et de l'indemnisation
des accidents au travail
du Nouveau-Brunswick

Index

Preface

| | |
|------------------------------|---|
| Economical outlook 2003..... | 3 |
| The economy..... | 4 |
| Labour market trends..... | 5 |
| Work volumes..... | 8 |
| Newly accepted claims..... | 9 |

Accident Frequency

| | |
|-------------------------|----|
| Accident frequency..... | 11 |
| Activities..... | 13 |
| Safety Awareness..... | 14 |

Injured Worker & Employer Satisfaction

| | |
|--|----|
| Injured worker satisfaction index..... | 16 |
| Employer satisfaction index..... | 17 |
| Key research findings..... | 17 |
| Days to first cheque..... | 18 |
| Unadjudicated claims, by age..... | 19 |
| Approved policies..... | 19 |

Return to Work

| | |
|-------------------------------------|----|
| Actual return to work..... | 20 |
| Number of claims closed & when..... | 20 |
| Return to work status..... | 21 |
| Activities..... | 22 |

Assessments and Funding

| | |
|---|----|
| Assessment rates across Canada..... | 24 |
| Actual average assessment rate for New Brunswick..... | 24 |
| Provincial benefit comparison..... | 24 |
| Comparison of assets to liabilities..... | 25 |
| Unaudited statement of operations..... | 25 |
| Unaudited statement of cash flows..... | 26 |
| The markets..... | 26 |
| Fund asset mix & rate of return..... | 27 |
| Activities..... | 28 |

WHSCC Staff Satisfaction

| | |
|----------------------------|----|
| Employee satisfaction..... | 29 |
| Wellness program..... | 29 |
| Absenteeism..... | 29 |
| Accident analysis..... | 30 |
| Staff turnover..... | 30 |

Introduction

The Workplace Health, Safety and Compensation Commission of New Brunswick is pleased to present the first quarter Corporate Report for 2003.

The report is intended to provide the Board of Directors with an update of the Commission's progress towards achieving the organization's five strategic goals.

Throughout the report, an overview of the internal and external economic environment is provided to facilitate planning, discussion and analysis. In the first quarter of 2003, a detailed analysis of the economic environment has been included for information purposes. It is not an exhaustive or in-depth study but where possible, references have been provided for those who would like to access further information.

The preface of this report provides an overview of the external economic environment and a summary of internal claim volumes.

The main body of the report is organized around the corporate goals, which are listed in order. Beneath each of the strategic goals you will find an account of the Commission's performance, drawing on the operational indicators and other data. This data is then analyzed in comparison to previous periods.

Finally, there is a discussion of the activities the Commission is undertaking pursuant to each goal.

We hope you find this information helpful, and we welcome any feedback you may have.

Our Vision – Healthy and safe workplaces in New Brunswick

The Workplace Health, Safety and Compensation Commission is dedicated to the promotion of a safe and healthy work environment and the provision of services to workplaces, employers and the injured workers of New Brunswick.

In aspiring to achieve our vision, the Commission has adopted the following five strategic goals:

1. Our vigorous pursuit of safety will lead to a significant decline in the frequency of accidents;
2. We will provide prompt, effective, efficient, and caring services to our clientele;
3. We will decrease the time by which injured workers return to pre-accident, modified or alternate employment;
4. We will hold the assessment rates to employers at the lowest level possible, consistent with the best possible benefits to clients; and
5. Our employees will consider the Commission a good place to work.

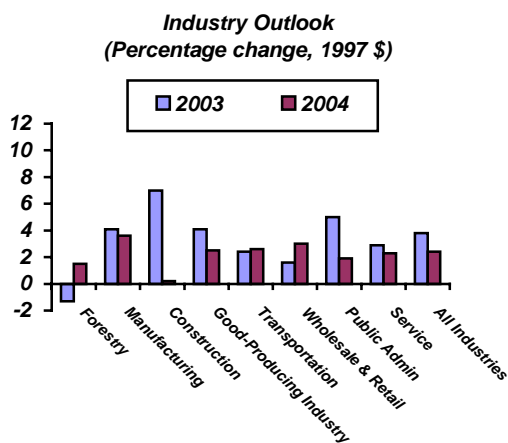
The goals and their measures approved to guide the Commission from 2002 to 2007 were last reviewed in October 2002. They are discussed in more detail throughout the report.

PREFACE

Economic Outlook 2003

Information compiled from the Conference Board of Canada Provincial Outlook Winter 2003 Economic Forecast.

With a projected growth rate of 3.3% in Gross Domestic Product (GDP) for New Brunswick in 2003, the overall provincial outlook is positive.



Construction output for New Brunswick is expected to perform well among the Canadian provinces due to medium and mega-sized non-residential construction projects scheduled this year, including the \$400 million Trans-Canada Project and the \$750 million upgrade to Colson Cove Thermal Generation Plant. However, the construction industry will decline next year due to the three-year delay in the \$500 million upgrade of Irving Oil's Canaport Terminal.

Since most of New Brunswick's manufacturing output is shipped south of the border, anticipated recovery in the United States economy should fair well for the manufacturing and transportation industries.

The province continues to lead the way in attracting call centers into Atlantic Canada given the low-cost environment and the per-

centage of bilingual workers. The Conference Board of Canada (CBOC) forecasts 1,800 new positions are already available this year in call centers throughout the province.

New Brunswick tourism should help retail sales in 2003. The Port of Saint John anticipates the arrival of 47 cruise ships this year, carrying approximately 85,000 passengers, 20% more visitors than 2002. In addition, improved labour market conditions and tax cuts should help strengthen retail sales. The provincial government is expected to refund 21 million tax dollars to New Brunswickers this year.

Social program spending is expected to top all service-producing industries over the next two years. An agreement between the federal and provincial governments in February of 2003, is calling for an infusion of \$240 million in federal funds into the provincial health sector over the next three years. As well, childcare and social services funding will help advance non-commercial services.

Weak markets, high duties, and increasing taxes and fees will all contribute to the slow growth in the forestry industry this year. Softwood lumber disputes have intensified the burden on the forestry industry in New Brunswick. Although US tariffs on Atlantic lumber is only 8% as compared to the 27% placed on the rest of the country, more efficient western Canadian firms have been able to undercut exporters from the province.

THE ECONOMY

| Economic Indicators | | | | |
|----------------------------|-----------|-----------|-----------|-------------|
| | 1982 | 1992 | 2002 | 2007* |
| New Brunswick | | | | |
| GDP (basic prices 1997\$M) | \$10,586 | \$13,950 | \$17,886 | \$20,007 |
| CPI (1992=1.0) | 0.659 | 1 | 1.186 | 1.331 |
| Domestic Exports (\$M) | \$1,462 | \$3,027 | \$8,158 | - |
| Canada | | | | |
| GDP (basic prices 1997\$M) | \$541,930 | \$703,485 | \$977,679 | \$1,118,703 |
| CPI (1992=1.0) | 0.653 | 1 | 1.19 | 1.326 |
| Domestic Exports (\$M) | \$81,825 | \$154,531 | \$365,140 | - |

Gross Domestic Product (GDP)

In New Brunswick, Gross Domestic Product ¹ has grown since the early 1980's. GDP has increased from a low of \$10.6 billion in 1982 to a high of \$17.9 billion in 2002, an increase of about \$365 million per year or 2.7%. This increase is similar to the national average increase of approximately 3.0% annually since 1982.

The eighties was a period of strong growth in GDP both provincially and nationally, with an average annual growth rate of approximately 3.1% and 2.6% respectively. In the early nineties GDP stalled. From 1990 to 1995, the average annual GDP growth rate was 1.3% for New Brunswick and 1.8% for Canada. The average annual growth rate picked up in the latter part of the nineties increasing to 3.1% provincially and 3.7% nationally for the period 1995 to 1999.

Provincial growth from 2000 to 2002 was slower than the national average. From 2001 to 2002, GDP for New Brunswick grew by nearly 3.4%. This helped the province bounce

back from the slower than average growth experienced in 2000 and 2001, where the average annual growth was only 1.4%.

The Conference Board of Canada projects annual growth in GDP to remain strong in 2003. It is expected that GDP for New Brunswick will grow by almost \$600 million or 3.3% in 2003. This is slightly higher than growth projected for Canada where GDP is expected to grow by 2.8% in 2003. GDP should continue to grow both provincially and nationally over the next five years, bringing GDP to \$20 billion for New Brunswick and to \$1.1 trillion for Canada by 2007.

Domestic Exports

Domestic exports play an increasingly important role in our economy, accounting for almost one-third of our Gross Domestic Product. In 2002, New Brunswick domestic exports were \$8.2 billion, an increase of approximately \$6.7 billion since 1982 when domestic exports accounted for less than one-fifth of the GDP.

This is similar to the overall growth in domestic exports nationally. In 1982, Canadian domestic exports accounted for 15% of the National GDP; by 2002 they grew to over \$365.1 billion, accounting for slightly more than one-third of the total GDP.

New Brunswick domestic exports experienced a series of growth spurts since the early eighties. During periods of growth, domestic exports thrived, growing on average 15% to 20% annually. However, from 1988 to 1992 and from 1996 to 1998, growth of domestic exports increased by less than one-half percent. In 2002 domestic exports declined by 1.4% over the previous year, the most considerable decline since 1991. The average annual growth rate of domestic exports for New Brunswick was approximately 10% from 1982 to 2002.

¹ Basic price in 1997 Canadian dollars

Consumer Price Index (CPI)

The Consumer Price Index (CPI) for 2002 was 118.6 for New Brunswick and 119.0 for Canada. From 1982 to 1992, New Brunswick's CPI experienced an average annual increase of 4.3%. From 1992 to 2002 the average rate of increase slowed to 1.7% per year. This is similar to the overall change in CPI for Canada, which increased by 4.4% and then 1.8% for the same periods.²

The Conference Board of Canada projects CPI for New Brunswick will rise to 123.9, an increase of almost 4.5% over 2002 levels. This is higher than the anticipated national increase. CPI for all of Canada is expected to rise to 122.4, an increase of 2.9% over 2002 levels.

Further, CPI is projected to grow to 133.0 for New Brunswick and 132.6 for Canada by 2007, an increase since 2002 of 12.2% and 11.4% respectively.

For indexation purposes, the Commission calculates the Consumer Price Index using figures to date reported in June of each year.

Canadian Dollar

The Canadian dollar reached US\$71.8 in May, up 13% from the beginning of 2003 and 16% from its low of US\$62.0 in January 2002. This increase is due, in part, to more favorable economic conditions in Canada, higher non-energy commodity prices and a higher interest rate spread favoring Canadian assets.

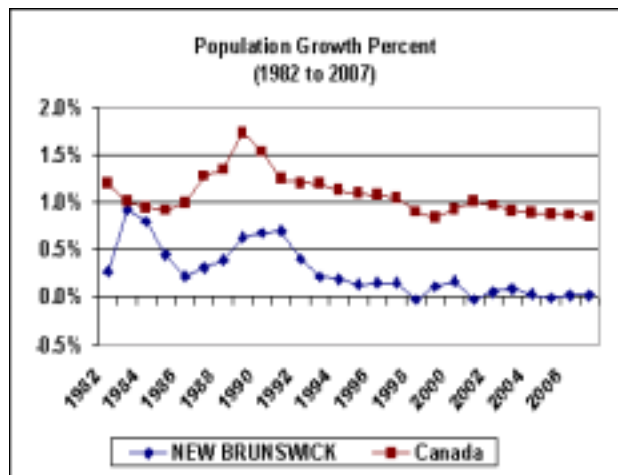
² Footnote – Base year 1992 = 100

LABOUR MARKET TRENDS

Population Growth

In 2002, there were approximately 756,000 residents of New Brunswick, an increase of 0.1% over 2001. Although the population continues to increase, the rate of increase has slowed. From 1982 to 1992, the provincial population grew on average by 0.6% annually and then from 1992 to 2002, it slowed to an average increase of 0.1%.

The province has one of the lowest annual population growths in the country. In 2002, the Canadian population was almost 31.4 million people, an increase of 1.0% over 2001 and an increase of 25% since 1982. Nationally, the population rate of growth slowed modestly over the past two decades, declining from an average annual increase of 1.2% for the period 1982 to 1992 to 1.0% for the period 1992 to 2002.



The New Brunswick population growth is expected to level off over the next five-years and then begin to decline. By 2025, it is anticipated that the population will be approximately 735,000 residents.

Births and deaths are important contributors of population growth. Since 1982, the number of births in New Brunswick has declined 31% and the number of deaths has increased

24%, resulting in a significant decline in the ratio of births to deaths. In 1982, there was approximately 2 births for every death in the province. However by 2002, there were only 1.1 births for every death.

Employment

With the creation of more than 11,000 new jobs in 2002, New Brunswick reported the highest level of employment growth (3.3%) in Canada, equal to Quebec, which is more than one full percentage point higher than the national average (2.2%). In total, almost 346,000 people were employed in New Brunswick, an increase of approximately 39% since 1982. This is similar to employment growth nationally, which increased by 41% over the same period. The Conference Board of Canada projects continued employment growth in New Brunswick over the next five years, with a cumulative increase of more than six percent.



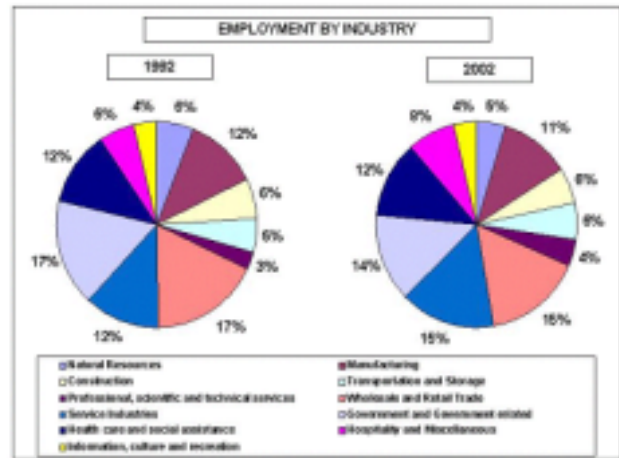
In 1992 the unemployment rate was 13%. Since then it has dropped by approximately 20%, bringing the annual unemployment rate to 10.4% in 2002. A considerable portion of the decline occurred from 2001 to 2002, when the unemployment rate declined from 11.2% in 2001 to 10.4% in 2002, a decrease of 7%. Despite this, the provincial unemployment rate remains high compared to other provinces. A recent Statistics Canada report placed New Brunswick's unemployment rate

the third highest among the provinces and significantly higher than the national average, which was 7.6% in 2002.

Employment by Industry

In 2002, Wholesale and Retail Trade (15%), Service Industries (15%), and Government and Related Services (14%) accounted for nearly one-half of all people employed in New Brunswick.

The overall industry mix has changed little over the past decade. Since 1992, Professional Services, Hospitality and Service Industries have grown, increasing by 1.5% to 3.5%. Whereas Natural Resources, Construction, Wholesale and Retail Trade, and Government and Related Services have declined, decreasing between 1% and 3%.



Average Earnings by Industry

The New Brunswick average weekly wage was approximately \$608 in 2002, increasing by almost 10% since 1998. Overall, average earnings were higher for individuals employed in goods-producing industries (\$717) as compared to the service industries (\$577). However, since 1998 the average wage for goods-producing industries has only in-

creased 2%, whereas the service industry has increased by almost 13%.

| AVERAGE WEEKLY EARNINGS BY INDUSTRY | | | |
|--|-------------|-------------|-----------------|
| Industry | 1998 | 2002 | % Change |
| Industrial Aggregate | \$553.14 | \$608.36 | 10% |
| Goods Producing Industry | \$702.77 | \$717.21 | 2% |
| Service Industry | \$511.12 | \$576.77 | 13% |
| Source: Statistics Canada 72-002 | | | |

Type Of Employment

One key indicator of the strength of our economy is the relationship of full-time to part-time employment. In general, the majority of people continue to work full-time hours at one or more jobs. According to the Labour Force Historical Review conducted by Statistics Canada, in 1982 roughly 84% of those employed reported working full-time hours, while 16% reported working part-time hours.

The percentage of people employed full time dropped slightly since 1982, reaching a low of 83% in the early nineties. It began to increase in 1999 reaching a high of 85% in 2001 and then dropped slightly to 84% in 2002.³

Employer Size

Small firms play a vital role in our economy. In New Brunswick, there are almost 28,000 firms. The majority (96%) employ less than 50 workers and almost two-thirds or 17,000 employ less than 5 workers.

The total number of businesses in New Brunswick has increased over time. It is estimated that there were less than 26,000 firms in 1994 operating in New Brunswick. Since this time the total number of businesses has grown by approximately 2000 firms (8%). Although the number of firms have in-

³ LFHR defines full-time hours as 30 hours or more per week at their main job or only job

creased, the composition of firms by size remains similar.

Women In The Workforce

A significant portion of the increase in employment is a result of the rise in number of women entering the workforce. In 1982, there were approximately 101,000 women employed in New Brunswick, accounting for 41% of all people employed. By 2002, the number of women employed grew to more than 166,000. Women now account for 48% of all people employed.

Aging Population

While population growth has slowed, the aging of the population has resulted in an increase in the population of labour force age. Today there are 608,000 people 15 years of age and older in New Brunswick, up 16% since 1982. This is almost double the growth in the population for the same period. The number of people age 15 to 64 have also increase significantly over the last 20 years. There are now more than 515,000 people in this age group, up 13.4% since 1982.

As the population ages so will the average age of the workforce. Statistics Canada estimated the median age of the New Brunswick workforce was 38.4 years in 2002 and projects the median age will grow to 40.2 years by 2006. This is a little higher than the median age of the workforce in Canada.

In 2002, the median age of Canadian workers was estimated at 37.6 years and Statistics Canada projects the median age will grow to 38.9 years by 2006. One study suggests the median age of the Canadian labour force will increase to 42 years by 2046.⁴

⁴ Research Institute for Quantitative Studies in Economics and Population, McMasters University

In the coming decades, fewer young people will enter the workforce, growth in the population traditionally considered to be of working age will slow or even reverse, and people past today's normal retirement age will almost certainly make up a larger share of the pool from which employers must draw.

| Employment-to-Population Ratios Older Population In Canada | | | | |
|---|------|---------|---------|---------|
| | | 50 - 59 | 60 - 64 | 65 - 69 |
| Males | 1983 | 75% | 56% | 21% |
| | 1988 | 74% | 50% | 18% |
| | 1993 | 66% | 43% | 15% |
| | 1998 | 66% | 42% | 18% |
| Females | 1983 | 37% | 24% | 7% |
| | 1988 | 41% | 24% | 7% |
| | 1993 | 43% | 23% | 7% |
| | 1998 | 46% | 23% | 7% |

As the traditional working age population grows, slowly or not at all, its composition will shift. Groups, such as women ages 60-64, whose workforce participation rates tend to be relatively low, will make up a larger share of the total.

Impact Of Aging Workforce On Claims

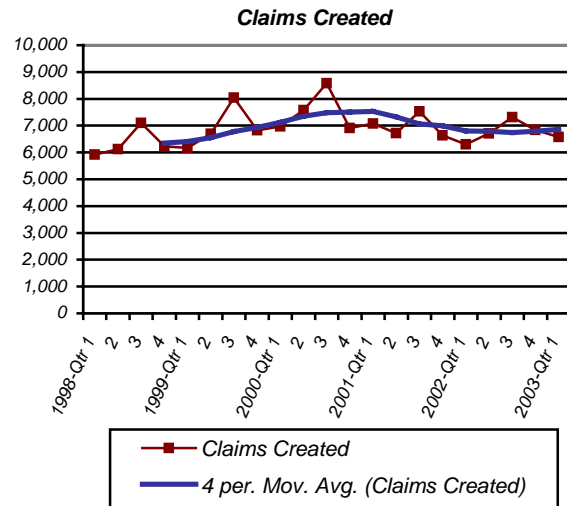
According to a 1996 US study, workers 55 years and over will lose about twice the number of days from work for similar injuries as their under 55 counterparts. For all work-related disabling events, the older group took an average of 10 days to recover versus the 5 day average for the younger group. This is reasonable since older bones and muscles generally take longer to heal. Interestingly, in analyzing the distribution of injuries by disabling event, the largest category for the 55+ group was 'falls on the same level': 17% versus 8% for all workers.

The implication of this study is that older workers will suffer a disproportionate number of injuries from 'falls on the same level' and will take twice as long to recover.

At the WHSCC Work Volumes

Newly Reported Claims

"Claims created" represents all claims reported to the Commission, counted by the date the claim was created.



The volume of claims peak in the third quarter of every year. Since 1998, the highest volume of claims occurred during the third quarter of 2000, resulting in 8,575 claims for that period.

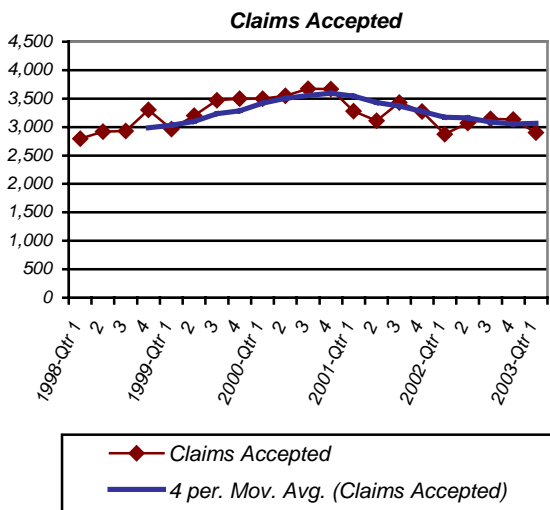
The first quarter of 2003 shows the number of claims created to be at the lowest number since the first quarter of 1999.

The Commission received 6,578 new claims this quarter. This is:

- 4.4% more than in the 1st quarter 2002 (6,300), and
- 3.8% less than in the 4th quarter 2002 (6,838).

Newly Accepted Claims

This graph shows the count of new workplace accidents accepted by the Commission.



The number of claims accepted by the Commission declined in the first quarter of 2003, following quarterly increases over the past year.

The Commission accepted 2,905 claims this quarter. This is:

- 1.1% more than in the 1st quarter 2002 (2,872), and
- 7.3% less than in the 4th quarter 2002 (3,135).

Active Claims

The quarterly volume of active lost-time claims since 1999 has been on the rise. In the first quarter of 1999 the number of claims was 1,662. The number of claims at the close of the first quarter for 2003 was 1,971, an increase of 18.6% since 1999. There was a slight increase, on average, from 2002 to 2003. This is:

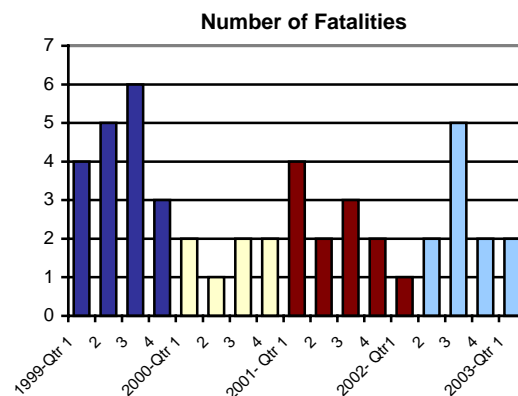
- 1.7% more than in the 1st quarter 2002 (1,938), and
- 2.2% more than in the 4th quarter 2002 (1,929).

Types of Newly Accepted Claims

When newly accepted claims are broken down by type we get a sense of the nature of new workplace accidents.

Fatalities

The following chart shows the number of fatalities that occurred and were accepted by the Commission since 1999.

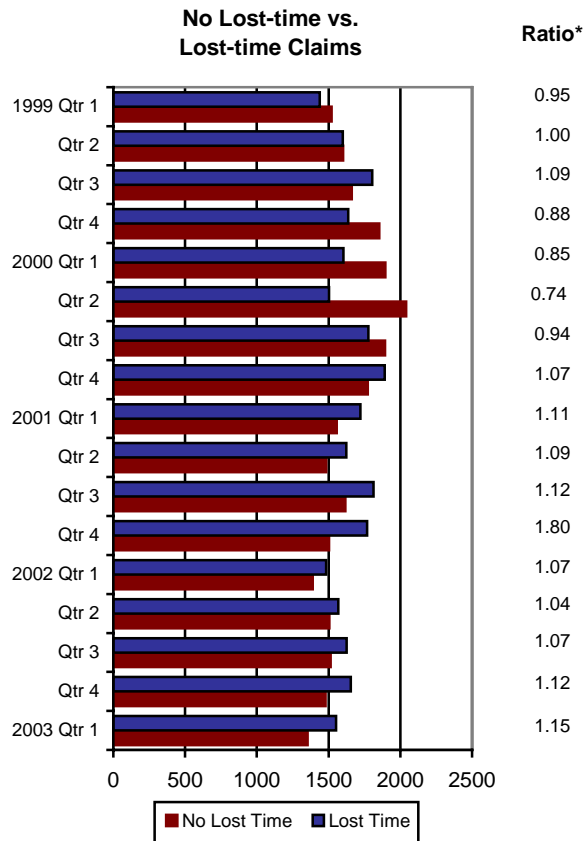


There were two fatalities in the first quarter of 2003, which compares to one fatality this time last year. The annual totals are: 1999-18, 2000-7, 2001-11 and 2002-10.

No Lost-time/Lost-time

The next chart compares the number of lost-time and no lost-time claims accepted since 1999, and provides a quarterly ratio.

Lost-time claims are those in which workers miss time from work, including claims in which no benefits are paid due to the 3-day waiting period.



* The ratio of 1.15 means that for every 100 no lost-time claims, there were 115 lost-time claims.

The ratio of lost-time claims to no lost-time claims has increased. The number of lost-time claims has been greater than the no lost-time claims since the fourth quarter of 2000. This shift could point to an increased severity in claims.

The Commission accepted 1,552 lost-time claims in the first quarter of 2003. This is:

- 4.7% more than in the 1st quarter 2002 (1,482), and
- 6.2% less than in the 4th quarter 2002 (1,655).

There were 1,353 no lost-time claims accepted in the first quarter of 2003. This is:

- 2.6% less than in the 1st quarter 2002 (1,389), and
- 8.5% less than in the 4th quarter 2002 (1,478).

1

Accident Frequency

Goal

“Our vigorous pursuit of safety will lead to a significant decline in the frequency of accidents.”

Measure

This goal is measured by examining the accident frequencies of the following:

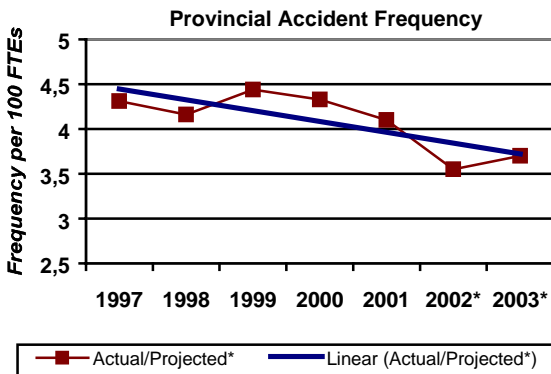
- Provincial;
- \$1MM Inflation adjusted payroll for total insured companies;
- Industry sectors; and
- Focus industries.

Indicators & Analysis

Accident Frequency

The Commission uses the accident frequency rate (number of accidents per estimated 100 full time equivalent workers), to track the rate of accidents in the province,

The following graph illustrates the number of claims accepted by the Commission for insured employers since 1997, divided by the estimated number of workers insured.

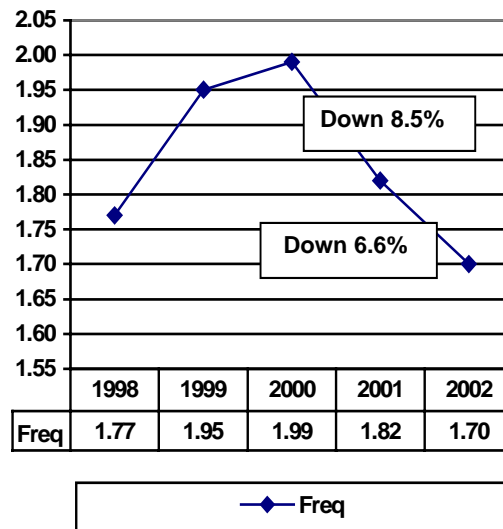


**These figures have been revised to reflect updates to the number of FTEs in the province, and to the number of claims recorded against any given year.*

The "actual" provincial accident frequency rate declined for the second year in a row, reaching 4.1 accidents per 100 FTE's in 2001. It is projected to decrease further in 2002 to 3.55 accidents per 100 FTE's then increase in 2003 to 3.70 accidents per 100 FTE's.

The next graph shows the decline in the number of accident frequency per \$1 million of payroll for all insured companies. There is a decrease of 6.6% from 2001 to 2002, part of a steady decline since 2000.

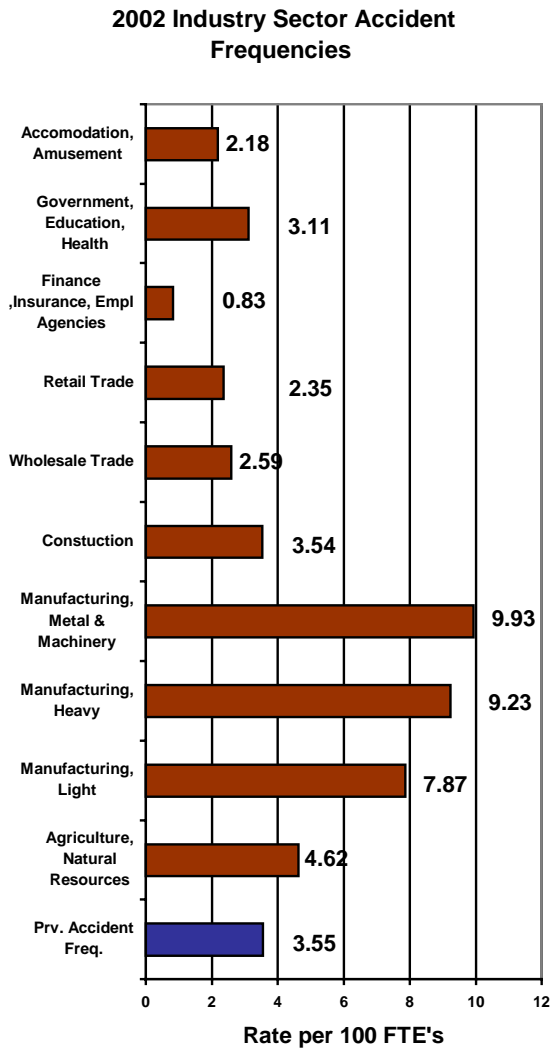
2002 Measures: Per \$1MM Inflation Adjusted Payroll Total Insured Companies



Industry Sectors

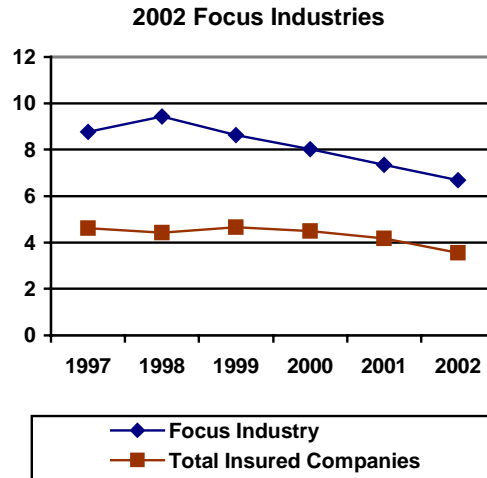
The Commission has made a conscious decision to concentrate its greatest efforts on those industries and workplaces that, through statistical analysis, were identified as being above the norm in relation to number and severity of occupational injuries.

The following chart shows the accident frequency for each of the 10 major industry sectors. Manufacturing, Agriculture & Natural Resources, Construction and Government Education & Health were analyzed and selected because of the number and costs of the claims in their industry.



Focus Industries

The graph below shows the accident frequency of the focus industries in comparison to all the total insured companies in the province. While these industries are showing a decline, they are collectively still running at approximately twice the provincial average.



The Division has selected four of these industries as part of their focus initiative:

- Logging;
- Sawmills;
- Garages; and
- Nursing Homes.

Each focus industry strategy has an awareness, association level and a workplace level component designed to address the health and safety issues in the industry province-wide. During the first quarter, staff examined the industries and prepared the strategy for implementation.

Industry Initiatives

In addition to the focus industries, there are a number of other industry groups that have been identified for initiatives on a smaller scale. These are usually regional initiatives and are as a result of changes in the industry, emergence of new industries, or other significant issues. For 2003 mining, aquaculture, potato harvesting, oil and gas drilling, trucking, film industry and highway construction have specific involvement.

Focus Workplaces

Regional Services staff identifies workplaces to focus attention, based on the accident history of the industry group they are in as well as the accident record of the individual firm. The extent of intervention is done at three levels.

- ***Primary Workplaces*** - Workplaces with higher cost/accident frequency identified for priority intervention. Primary objectives are injury reduction and infrastructure building. Interventions are lead by the Health & Safety Consultant with support from other teams' members. These firms are identified by the Regional Manager and approved by selection process.
- ***Secondary Workplaces*** - Workplaces with higher cost/accident frequency identified for priority interventions. Assigned by Regional Managers, lead by individual disciplines other than H.S.C. Initiatives are directed toward rapid cycle injury reduction and some Health and Safety infrastructure building.
- ***Tertiary*** – Workplaces chosen from selected SIC's. The expectation is for one visit from Health and Safety Officer during the course of a year to ensure basic compliance and address issues identified in the industry.

The combination of primary, secondary and tertiary interventions in workplaces helps achieve a penetration into the specific industry groups to ensure a better impact in addressing industry-wide health & safety issues.

Activities

General

The Prevention Services Division of the WHSCC administers the New Brunswick's *Occupational Health and Safety Act (OHS Act)*, and promotes workplace health and safety through accident prevention. The division offers a variety of services including; awareness education; consulting to provide in-depth safety programs for employers; health and safety inspections; investigations; and arbitration hearings under the *OHS Act*.

Legislation/Regulatory Review

Update on Fall Protection - The Fall Protection Technical Committee is nearing completion of its work. The committee has been meeting for nearly two years and is expected to complete the first draft of the proposed legislative changes in April.

Proposed changes to the regulation include:

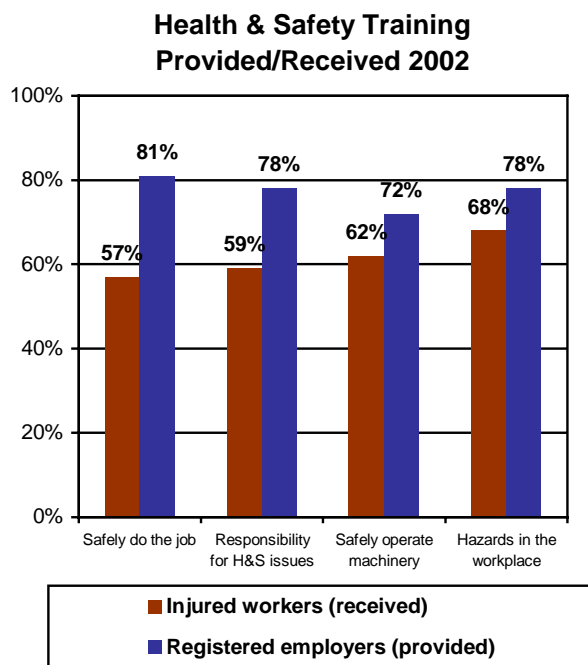
- Expanding definitions section to facilitate understanding of the proposed changes;
- Requirements for when fall protection is required; (or not required)
- Updating CSA standards that are currently cited and recommending the adoption of new standards in fall protection;
- Requirements for training of workers and inspection provisions in fall protection;
- Methods of fall protection including changes to guardrails, fall arresting equipment and new provisions for horizontal and vertical lifelines;
- New provisions for water safety; and

- Amendments to existing sections including portable ladders, scaffolds and suspended equipment.

Safety Awareness

The Prevention Division's health & safety awareness campaign aims to make workers and employers more aware of workplace hazards.

The following chart shows the percentage of injured workers who report receiving health & safety training in their workplace and the number of employers who report providing this type of training when surveyed for the Commission's Annual Client Satisfaction Survey.



Most employers, approximately three-quarters, report providing health & safety training. Only two-thirds or less, of injured workers, report receiving this type of training.

General Education

The complement of Education Consultants in Regional Services was increased by one in January of 2003, for a total of six to emphasize Core Training for Joint Health & Safety Committees. During the first quarter of 2003, all Education Consultants received the curriculum material and were trained in the delivery of this comprehensive three-day program.

Plans were finalized to provide this three-day training program to members of WHSCC's Joint Health & Safety Committees in April. In addition, nine sessions have been scheduled for the co-chairs of all 61 nursing homes in the province in May and June. This training forms part of the Nursing Home focus industry initiative involving the Department of Family and Community Services, CUPE, NB Association of Nursing Homes and the Commission.

Communications

Publications

The 2003 calendar was distributed in early January. This year's calendar depicts various legislative standards through graphic display with references to the appropriate sections of both the *Act* and General Regulations. Production is underway for two posters. One depicts a Health & Safety Officer urging commitment to H&S following the loss of his brother to a workplace accident. The second is focused on youth with a representation of one school's entire student population indicating that is the number of accidents occurring to youth ages 15-24 each year.

Work is ongoing in producing information on the west-nile virus and heat stress in time for the summer season.

Advertising Campaign

A television advertising campaign is commencing in May of 2003. It is divided into two segments, spring and fall. The spring campaign is targeted at the Construction Industry and includes a graphic depiction of a serious accident along with the legislative prescription in order to avoid such accidents. The fall campaign will focus on manufacturing injuries.

Events

Prevention staff was involved in the Association of Safety & Health Consultants and Trainers' annual conference in Saint John in March of this year. In addition, presentations were given to the NB Potato agency as well as the Roadbuilders' Association, and the highway construction industry.

Youth Programs

The Commission continues to focus energy towards the youth population of the province. Health & Safety curriculum for Broad Based Technology education is currently being implemented into the middle grades. An evaluation of the impact of this material has been established with the results expected by the end of the second quarter.

Requests for Health & Safety material from schools throughout the province have increased with approximately 150 for the first quarter alone. New safety slogan posters and the WHSCC calendars were sent out to all Francophone and Anglophone middle and high schools as well as over 500 copies of the Work Smart Work Safe CD Rom.

Presentations continue to be a foundation piece for the Commission's Youth Programs Co-coordinator. In the first three months of this year, teacher in-services were held with middle and high school teachers involved in Broad Based Technology as well as K-12 teachers on all available resources.

A partnership with the Safety Start program was established for the purpose of providing H&S education to school youth participating in the annual fall potato harvest.

Prosecutions/Arbitrations

In the first quarter of 2003 four charges were laid against three employers. One case was concluded with an employer entering a guilty plea to one count. That employer was fined \$4800.

Also in the first quarter of 2003, the Commission received two complaints of discriminatory action. In that same period two arbitration cases were concluded with both complaints being dismissed.

2

Injured Worker & Employer Satisfaction

Goal

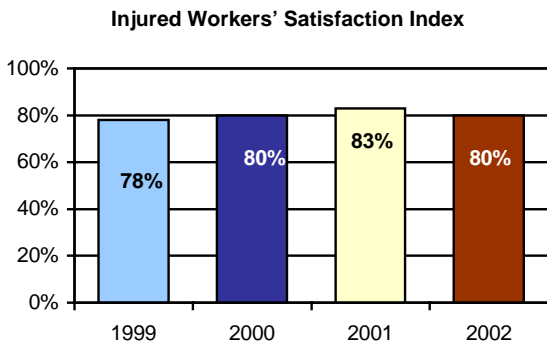
“We will provide prompt, effective, efficient and caring provision of services to our clientele.”

Measure

Our annual survey of public opinion will produce consistently high results. At a minimum, we will maintain a satisfaction score of 82% for injured workers and 85% for assessed employers.

Indicators & Analysis

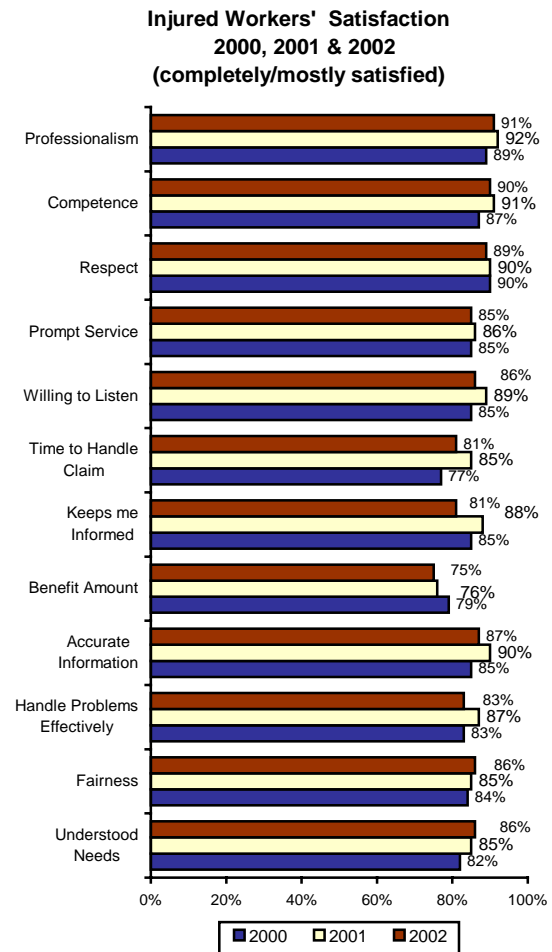
Injured workers’ satisfaction with the Commission is measured using a Satisfaction Index prepared by an independent research firm. The index provides a composite score derived from 12 satisfaction drivers (at right) considered to be important to injured workers’ overall satisfaction.



In 2002, the Client Satisfaction Index for injured workers decreased slightly to 80%, matching levels found in 2000.

Satisfaction Drivers

Collectively, “satisfaction drivers” provide insight into how well the Commission delivers qualities identified in the goal, i.e., “prompt, effective, efficient and caring provision of services.” The table below measures injured workers’ satisfaction with individual service attributes, but does not include those that responded with "don't know" to the questions.



In 2002, most injured workers were satisfied with the professionalism (91%) and competency (90%) of the Commission.

Fewer injured workers indicated they were satisfied with the amount of benefits (75%) and keeping them informed (81%) compared to 2001.

Although the Commission's satisfaction index declined slightly in 2002, 9 of the 12 attributes remain above the 2000 level. As well, from 2001 to 2002, the Commission's performance improved slightly with fairness and understanding needs.

Key Research Findings

A "gap analysis" is used to determine the top drivers of overall satisfaction for injured workers. It looks at the relationship between two variables (importance and satisfaction) and identifies which variables have the greatest impact on overall satisfaction as reported in the annual survey. The results for 2002 are listed in the table below and are ranked according to what injured workers consider to be an important service attribute.

| Rank | Satisfaction Driver |
|------|---|
| 1. | Provides appropriate amount of benefits |
| 2. | Handles claims in a timely manner |
| 3. | Demonstrates competence |
| 4. | Shows respect |
| 5. | Demonstrates professionalism |
| 6. | Provides accurate information |
| 7. | Handles claims in a fair manner |
| 8. | Promptness in providing service |
| 9. | Effectively handling problems |
| 10. | Willingness to listen |
| 11. | Understanding needs |
| 12. | Keeping you informed and up-to-date |

Employer Satisfaction Index

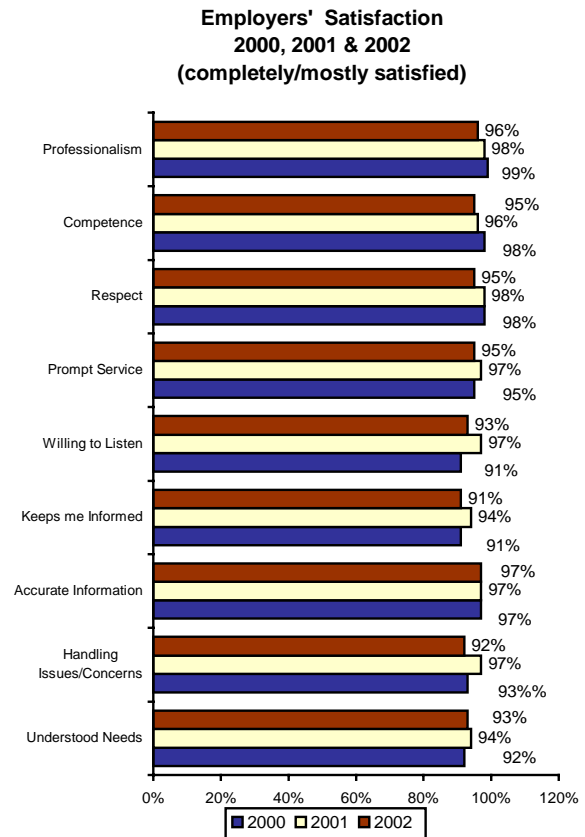
Employer satisfaction with the Commission is measured using a Satisfaction Index prepared by an independent research firm. The index provides a composite score derived from 9 satisfaction drivers (at right) considered important to employers' overall satisfaction.



For the third year in a row, the Client Satisfaction Index for employers was 85%.

Satisfaction Drivers

Collectively, "satisfaction drivers" provide insight into employer satisfaction with service delivery provided by the Commission. The table below measures employer satisfaction with individual service attributes, but does not include those that responded with "don't know" to the questions.



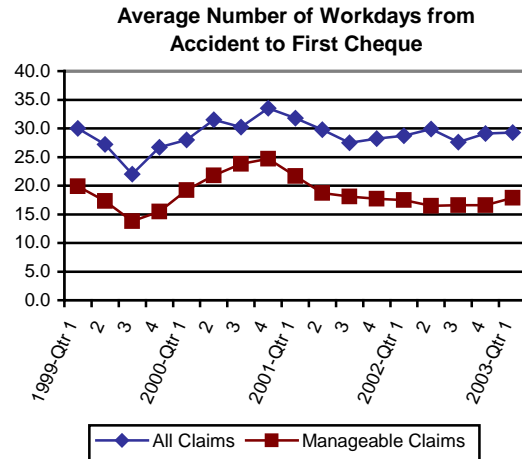
In 2002, most employers (91% to 97%) were satisfied with the delivery of all service attributes. In particular, employers indicated that the Commission is accurate with information (97%) and is professional (96%). Overall, employer satisfaction scores by attribute are similar for the last three years, varying five percent or less. From 2001 to 2002, employer satisfaction with 8 of the 9 service attributes declined slightly. However, since the employer satisfaction index remains consistent with last year, this may indicate that fewer employers are completely dissatisfied with the service provided.

The results for the 2002 survey for the ranking of the satisfaction drivers are shown in the table below. The drivers are listed in order of importance to the employer.

| Rank | Satisfaction Driver |
|------|--|
| 1. | Competence |
| 2. | Professionalism |
| 3. | Level of respect |
| 4. | Willingness to listen |
| 5. | Keeping you informed and up-to-date |
| 6. | Promptness in providing service |
| 7. | Accuracy of the information provided |
| 8. | Effectively handling compensation issues |
| 9. | Understanding needs |

Days to First Cheque

The timeliness of benefits is an important factor in injured worker satisfaction. The following graph illustrates the Commission's recent performance in this area for all claims and for "manageable" claims.



"Manageable" includes all claims except those:

1. That were filed late;
2. In which there was initially no lost time;
3. Accepted via an Appeals Tribunal decision;
4. In which a third party is involved; or
5. Requiring special investigations, such as occupational diseases, fatalities, and pre-existing conditions.

The average number of days to first cheque for all claims in the first quarter of 2003 was 29.3 workdays. This is:

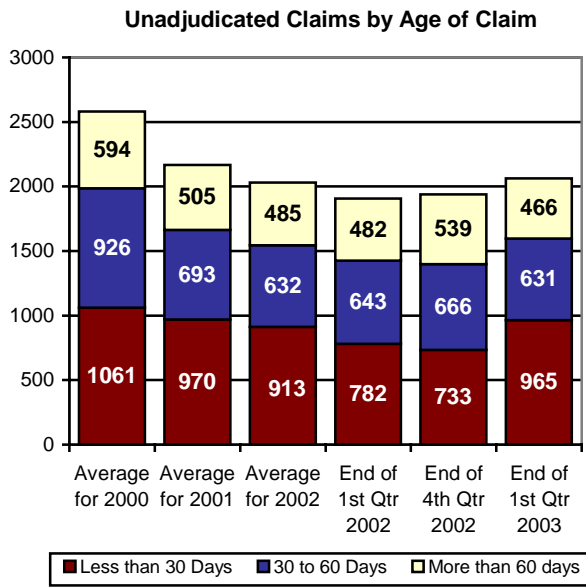
- Up 2.0% over the 1st quarter last year (28.7 days), and
- Up 3.0% over the 4th quarter 2002 (29.1 days).

The average wait in "manageable claims" this quarter was 17.1 workdays. This is:

- Down 2.3% over the 1st quarter last year (17.5 days), and
- Up 7.8% over the 4th quarter 2002 (16.6 days).

Unadjudicated Claims

Another important factor in injured worker satisfaction is how long workers wait to find out if the Commission will accept their claims. The chart below shows the age of the claim and number of claims in the backlog.



- Workers' Compensation Compulsory Employer Coverage;
- Workers' Compensation Coverage for Workers Under the Age of 21; and,
- Workers' Compensation Coverage for Volunteers.

The results of the consultation and other applicable research including costing implications are currently being reviewed.

There were 2,062 claims in the backlog at the end of the first quarter 2003. This is:

- Up 8.1% over the 1st quarter last year (1,907), and
- Up 6.4% over the 4th quarter 2002 (1,938).

Activities

Approved Policies

During the first quarter of 2003, the WHSCC Board of Directors approved the following policies: Policy No. 25-030 Chronic Pain and Policy No. 46-220 Third Party Actions.

The Board of Directors is currently in the process of reviewing Policy No. 21-205 Determination of Estimated Capable Earnings. Other related policies are also being considered in the review.

In the fall of 2002 the Board of Directors consulted with stakeholders on 5 legislative issues as follows:

- Penalties, Fines, and Sanctions under the *Workers' Compensation Act*;
- Penalties and Fines under the *Occupational Health and Safety Act*;

3

Return to Work

Goal

“We will decrease the time by which injured workers return to pre-accident, modified or alternate employment.”

Measure

The Commission utilizes a measure that focuses on return to work rates. This measure provides information on the percentage of injured workers that actually return to work within a range of time frames. It also tracks the percentage of injured workers that are capable of returning to work but are not working at the time of claim disposition.

Indicators & Analysis

The return to work goal is measured using the following tables. These tables include lost time claims only and exclude claim dispositions where clients remove themselves from the workforce (i.e. retirement, return to school not resulting from WHSCC interventions). The data in the following tables is generated from the internal management information system and includes data from November and December of 2002 up until March 31, 2003.

| Actual Return to Work | | | |
|-----------------------|----------|--------------|---------------|
| % Returning Within | Same Job | Modified Job | Alternate Job |
| 20 days | 58.6% | 1.4% | 0.3% |
| 80 days | 75.3% | 2.3% | 1.6% |
| 130 days | 79.7% | 2.5% | 2.2% |
| 260 days | 85.9% | 1.8% | 2.4% |
| 520 days | 85.1% | 2.5% | 1.9% |

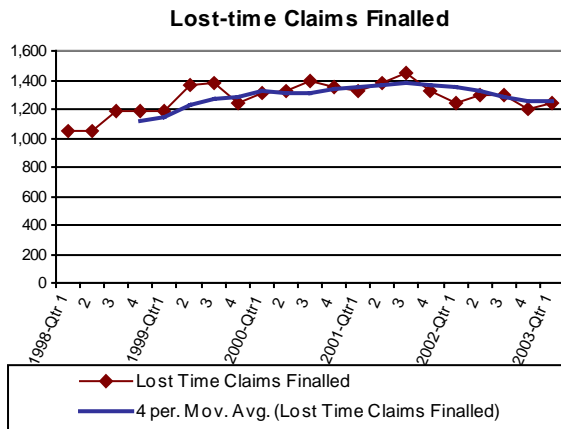
| % Returning Within | Total For Actual Return to Work | Ready & Not Working | Total |
|--------------------|---------------------------------|---------------------|-------|
| 20 days | 60.4% | 0.1% | 60.5% |
| 80 days | 79.1% | 1.7% | 80.8% |
| 130 days | 84.4% | 3.1% | 87.5% |
| 260 days | 90.1% | 4.0% | 94.1% |
| 520 days | 89.5% | 6.6% | 96.1% |

To allow sufficient tracked time, data for 20 days (4 weeks) and 80 days (16 weeks) was derived from 2002 claims; data for 130 days (26 weeks) and 260 days (52 weeks) was derived from 2001 claims; data for 520 days (104 weeks or 2 years) was derived from 2000 claims.

Number of Claims Closed & When

Another way to view return to work outcomes is by looking at how many claims are finalled in the quarter, the average length of time those claims were open, and the injured worker’s status when the claim was closed.

The following graph shows how many lost-time claims were finalled each quarter. A claim is “finalled” when loss of earnings benefits cease.



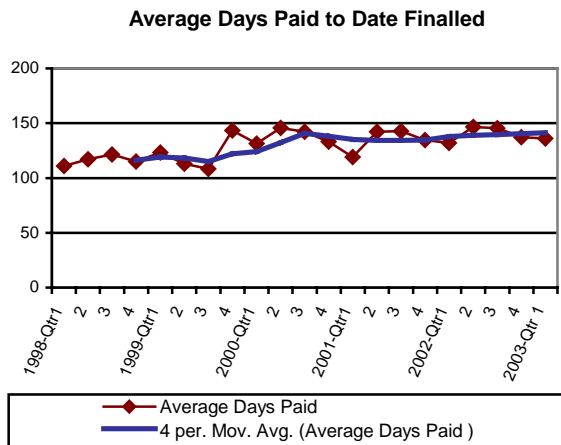
As shown by the trend line, the number of lost-time claims finalled by the Commission has decreased since the third quarter of 2001 and remains at one of the lowest levels since 1999.

There were 1,235 lost-time claims closed in the first quarter of 2003. This is:

- Remaining the same as the 1st quarter of 2002 (1,235), and
- Up 3.4% over the 4th quarter of 2002 (1,194).

Days Paid to Date Finalled

The following graph illustrates the average number of days paid in all finalled lost-time claims.

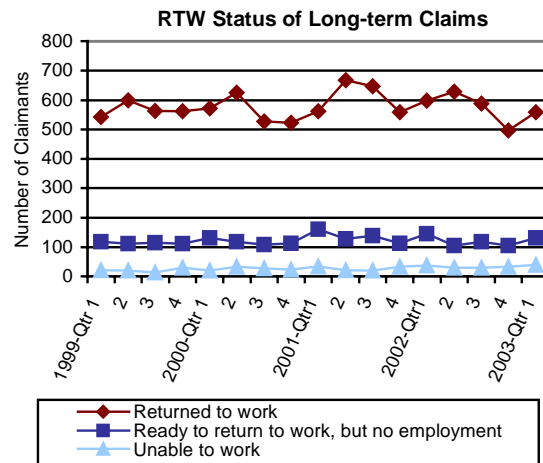


The average number of days paid before claims were finalled has been relatively stable since mid year of 2000. In the first quarter of 2003, the average days paid prior to the claim being finalled was 136 days. This is:

- Up 3.0% over the 1st quarter of 2002 (132.1), and
- Down 0.8% over the 4th quarter of 2002 (137.1).

Return to Work Status

The following graph shows the number of case-managed claims in which workers returned to work, or were considered by the Commission to be “ready to return to work,” or “unable to return to work” when the claim was finalled. (Return to work status information is only available for case-managed claims.)



The quarterly average of injured workers returning to work since 1999 is 578. This is comparable to the 558 who returned to worker in the first quarter of 2003. This is:

- Down 6.7% over the 1st quarter of 2002 (598), and
- Up 12.5% over the 4th quarter of 2002 (496).

There were 130 injured workers who were considered “ready to return to work” although they were unemployed when their claims were finalised in the first quarter of this year. This is:

- Lower than the 1st quarter of 2002 (146), and
- Higher than the 4th quarter of 2002 (104).

There were 40 injured workers who were considered unable to return to work due to a long-term disability (LTD) when their claims were finalised in the first quarter of this year. This compares with:

- 37 in the 1st quarter of 2002, and
- 32 in the 4th quarter of 2002.

Activities

Disability Management Project

Promotional activities continued during the 1st quarter of 2003 with 31 meetings/in-service sessions held with 28 workplaces involving 85 staff/employees. In addition, 12 presentations on the topic of disability management were provided to 156 staff involving 12 different workplaces/associations. These in-service sessions and presentations were held to provide education on disability management, as well as to provide direct one-on-one coaching to aid workplaces with program development. During this period we also carried out job task analyses for 4 different workplaces to assist with development of their disability management programs.

Continuum of Care

Compensation and Rehabilitation Services has expanded the Soft Tissue Claim Continuum to all other injury types. Simplified guidelines for the medical management of all injuries have been established and training has been delivered to staff on the use of the guidelines and medical management continuum. These medical recovery guidelines can be found at the WHSCC (www.whscc.nb.ca)

and www.grandroundsnow.com websites. The guidelines have also been published in information binders for physicians and physiotherapists.

On February 6th, WHSCC introduced medical recovery guidelines into its electronic claims management information system (referred to as “Workbench”), as an enhancement to the WHSCC's Continuum of Care approach to managing work-related injuries.

The incorporation of medical recovery guidelines into WHSCC's Workbench alerts the case manager that a claim has exceeded the normal recovery times. At this point, the case manager will contact the injured worker and treating clinicians to ascertain what the barriers are to returning to pre-accident work or commencing at least a time-limited transitional return to work program within two weeks.

Management of Medically Off-Track Cases

Work is ongoing on the improved process for the management of medically off-track claims. The role of Medical Advisors in the management of these claims has been defined and referral criteria developed. Medical Advisor resources have been re-assigned to improve the availability of their expertise on each regional Case Management Team.

Clinician Community Rapport

Dr. Gozna continues to be invited by physicians to speak at local Community Hospital's continuing education programs. A hot topic is “Third Party Medicine: Principles and Pitfalls”. Dr. Gozna wrote an article in the New Brunswick Medical Society (NBMS) January newsletter on this topic. Dr. Margison's April article is on WHSCC's Continuum of Care model for all injuries. Dr. Gozna has completed a video on the rapid GP assessment of

claimants with back injuries. The Commission has received a master copy for producing VHS cassettes for distribution to physicians.

Form 8 "First Physician's Report" was revised with input from the NBMS and is being distributed to physicians. Form 10 "Physician's Progress Report" was also revised with input from the NBMS and is currently in translation. Form 10P "Physician's Chronic Pain Progress Report" has been revised. This form and guidelines for opioid prescribing have gone back to the NBMS for review.

The Commission continues to meet with the WHSCC-NBPPP Clinical Practice Issues Committee to discuss issues around physiotherapy services. Standards around work conditioning and work hardening were distributed at the February 27th meeting.

The Commission has established a network of physiotherapy and occupational therapy clinics to provide work capacity evaluations. These evaluations are becoming increasingly important in managing claims, and the lack of standards was becoming problematic.

Workers' Rehabilitation Centre (WRC) The Durability of Return to Work

Clients discharged from the WRC ready to return to work are being reviewed to assess the durability of their return to work - that is to say that the client successfully remains at work and/or off benefits. The review will attempt to ascertain key factors that determine successful return to work following rehabilitation. The review will also attempt to identify the causes of failed return to work.

Centre of Excellence / Research

The Centre has partnered on a research project with a psychology student completing her masters at the Université de Moncton.

The purpose of the project is to identify personality characteristics that assist in coping with chronic pain and responding to psychological treatment. The research is being conducted by administering the Millon Behavioral Medicine Diagnostic Inventory to injured workers who have chronic pain. To date, the test has been administered to 70 injured workers.

The WRC is pursuing a collaborative research project with Dalhousie University for the treatment of sleep disturbance in injured workers with chronic pain. Sleep disturbance, a common problem in injured workers with chronic pain, negatively impacts their function. The Centre will apply specific interventions to improve injured workers' sleep and measure the effectiveness of these interventions. Effective interventions will be incorporated into the rehabilitation program of injured workers.

4

Assessments & Funding

Goal

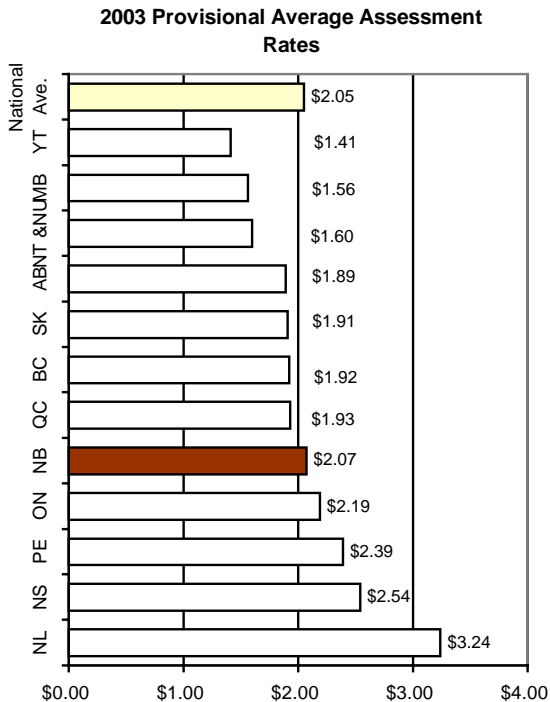
“We will hold the assessment rates to employers at the lowest level possible, consistent with the best possible benefits to clients.”

Measure

At a minimum we will maintain a fully funded liability.

Indicators & Analysis

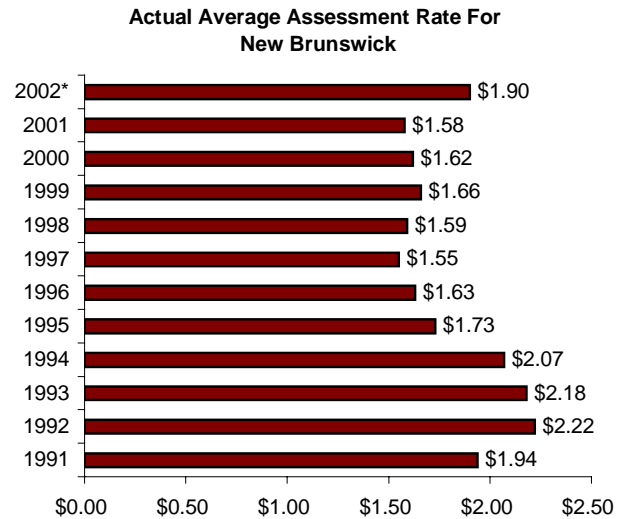
Assessment Rates Across Canada



Note: caution should be exercised when comparing provinces' and territories' average assessment rates. Interjurisdictional differences in extent of coverage, industry mix, benefit levels, and assessable maximums can affect rates.

Our provisional average assessment rate for 2003 is \$2.07. This is comparable to the national average of \$2.05.

The goal speaks to “holding” the rates at a low level. The following chart shows the movement in the average assessment rate in New Brunswick since 1991.

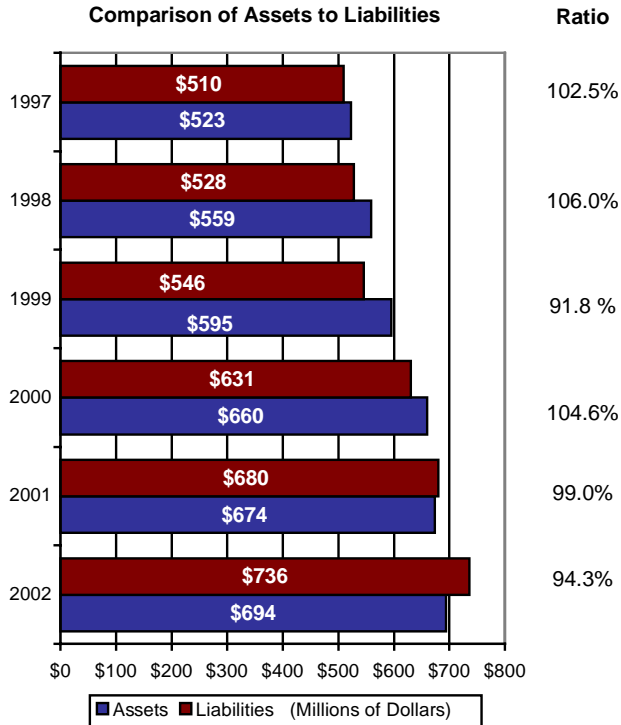


*Provisional average assessment rate

| AWCBC Provincial Benefit Comparison For 2003 | | | |
|--|---|-------------------------|---------------------|
| PRV | % Earnings Based | Waiting Period | Max. Comp. Earnings |
| YT | 75% gross | No | \$66,200 |
| ON | 85% net | No | \$65,600 |
| NT & NU | 90% net | No | \$64,500 |
| BC | 90% net | No | \$60,100 |
| AB | 90% net | No | \$58,800 |
| MB | 90% net 1st 24 mths of cumulative benefits then 80% net | No | \$55,620 |
| QC | 90% net | No | \$53,500 |
| SK | 90% net | No | \$51,900 |
| NB | 85% loss of earnings | 3/5ths of wkly benefits | \$48,400 |
| NL | 80% net | No | \$45,500 |
| NS | 75% net 1st 26 wks then 85% net | 2/5ths of wkly benefits | \$41,800 |
| PE | 80% net 1st 38 wks then 85% net | 3/5ths of wkly benefits | \$40,000 |

Comparison of Assets to Liabilities

Fully funded liabilities occur when the sum of the Commission's financial obligations are fully covered by the Commission's assets. The following illustrates the ratio of the Commission's assets to liabilities from 1997 to 2002.



Statement of Operations and Cash Flow

The Statement of Operations details the Commission's income and expenses for the first three months of 2003 compared to the budgeted figures, and to the corresponding period for the previous year. The Statement of cash flows details the cash received and paid for the first three months of 2003 compared to the corresponding period for the previous year.

| Unaudited Statement of Operations For the Three Months Ending March 31, 2003 | | | |
|--|-----------------|-------------------|------------------|
| | Budget YTD | Actual YTD | Previous YTD |
| | (000's) | (000's) | (000's) |
| Income | | | |
| Assessments including self-insured | \$36,381 | \$36,691 | \$35,751 |
| Investments and other | 11,339 | (2,009) | 5,988 |
| Province of NB | 225 | 225 | 225 |
| | \$47,945 | \$34,907 | \$41,964 |
| Expenses | | | |
| Claims costs incurred | 40,523 | 41,117 | 39,372 |
| Administration | 7,567 | 6,636 | 6,137 |
| Appeals Tribunal | 362 | 255 | 294 |
| Legislative obligations | 205 | 208 | 146 |
| Risk management rebates | 75 | 14 | 12 |
| | \$48,732 | \$48,230 | \$45,961 |
| Excess of (expenses) over income for the period | (\$787) | (\$13,323) | (\$3,997) |

Assessment income for the three-month period ending March 31, 2003 was greater than budgeted by \$310,000. Investment income for the same three-month period was \$13,348,000 less than budgeted.

Total expenses for the three months ending March 31, 2003 were under budget by \$502,000. Claims costs were greater than budgeted by \$594,000. Administration, Appeals Tribunal costs, and Risk Management rebates were lower than budgeted by \$1,099,000, while Legislative Obligations were on target. The above results yield a deficiency (loss) of (\$13,323,000) compared to a budgeted loss of (\$787,000).

| Unaudited Statement of Cash Flows For the Three Months Ending March 31, 2003 | | |
|--|----------------|-----------------|
| | Actual YTD | Previous YTD |
| | (000's) | (000's) |
| Cash flow from operating activities: | | |
| Cash received from: | | |
| Assessed employers | \$ 33,059 | \$ 27,355 |
| Self-insured employers | 4,850 | 4,508 |
| Investments | (2,009) | 5,988 |
| Province of New Brunswick | 900 | - |
| | <u>36,800</u> | <u>37,851</u> |
| Cash paid to: | | |
| Injured workers or third parties on their behalf | 28,967 | 27,077 |
| Suppliers and employees, for administration and other services | 7,444 | 7,395 |
| | <u>36,411</u> | <u>34,472</u> |
| Net cash provided by operating activities | 389 | 3,379 |
| Cash flow from investing activities: | | |
| Cash paid for: | | |
| Purchase of capital assets | 112 | 147 |
| Net increase in investments | 277 | 3,232 |
| Investments, beginning of period | 579,821 | 569,297 |
| Investments, end of period | 580,098 | 572,529 |

Investment Portfolio Overview

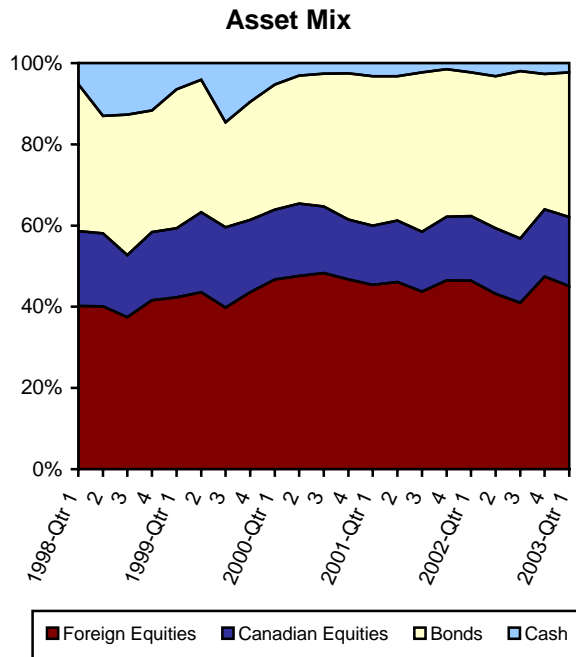
The Markets

World equity markets were extremely volatile during the first quarter of 2003 as the impending U.S. war with Iraq caused investor uncertainty. Most World equity markets had negative returns for the quarter, and the WHSCC portfolio was negatively affected by the strong Canadian dollar, which gained 6.9% relative to the U.S. dollar in the quarter. Overseas developed markets led the decline this quarter, with the MSCI EAFE (CAD) losing 14.54%. Emerging markets equities and

U.S. equities also had poor returns, with the MSCI EMF (CAD) and the S&P 500 (CAD) declining 12.36% and 9.82% respectively. Canadian equities (S&P TSX) lost 3.52% for the quarter and the Canadian bond market had a poor quarter as well with the Scotia Capital Universe index declining 0.67%.

The Canadian economy is continuing to grow faster than the U.S. with Gross Domestic Product (GDP) growing at a rate of 1.6% during the fourth quarter of 2002. The Canadian labour market continued to be strong, with the unemployment rate at 7.4% at the end of February vs. 7.5% as of the end of November 2002. Canada's overall inflation continued to rise in the first quarter of 2003 with energy prices continuing to play a leading role. In February, Canada's year-over-year inflation rate was 4.6%, its fastest growth rate since September 1991. The strong Canadian economy places the Bank of Canada in tightening mode. The Bank of Canada increased its key lending rate by a quarter point at both its March 4 and April 15 meetings.

U.S. GDP grew at an annualized rate of 1.4% in the fourth quarter of 2002. The annual unemployment rate was 5.8% as of the end of March, down slightly from 5.9% at the end of December. Excluding the volatile food and energy components of U.S. CPI, there is little evidence that inflationary pressures are building in the U.S. economy. The Fed left interest rates unchanged in March, and they were unwilling to commit on whether future inflationary pressures or future deflationary pressures posed the greater risk to the economy at the end of the first quarter.



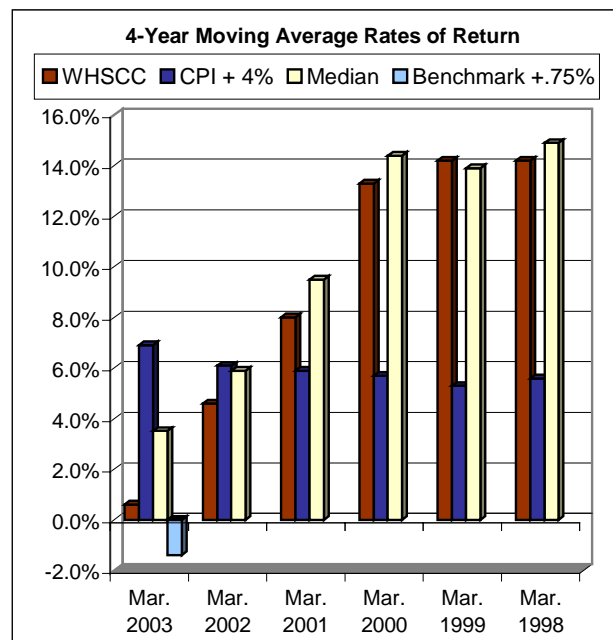
As of March 31, 2003, all asset classes are within their target ranges as defined by policy.

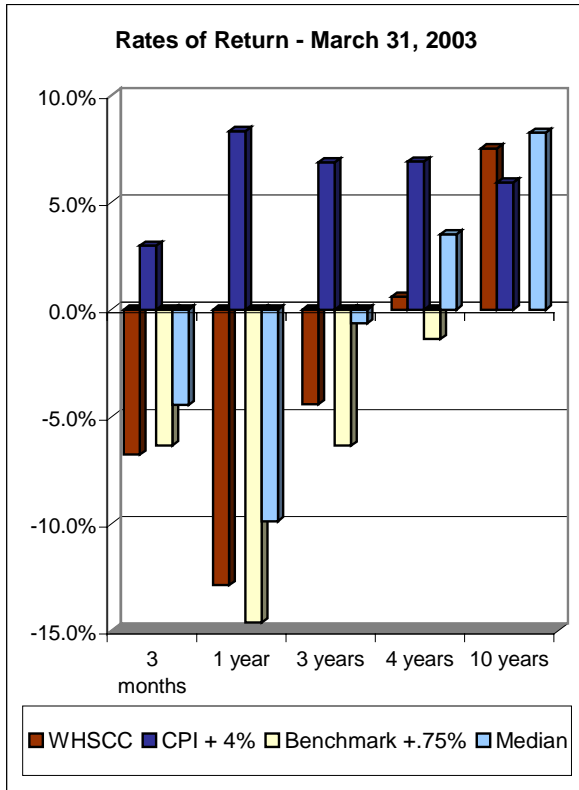
Fund Performance versus Policy Objectives

The WHSCC portfolio under performed its benchmark this quarter, and was severely affected by declining World equity markets and by the strengthening Canadian dollar relative to the U.S. and other currencies. The WHSCC portfolio produced a quarterly return of -6.8%, compared to -6.5% for the benchmark. Asset mix deviations added 0.3% in performance during the quarter, with the largest contributor being the underweight position in International (EAFE) equities. Security selection lost value, costing 0.6% in performance for the quarter. Underperformance by U.S. and International (EAFE) equities managers relative to their benchmarks was the largest contributor to the value lost through active management this quarter. Over longer periods, however, security selection has added significant value over the passive benchmark return.

Negative returns in the majority of the World's equity markets continue to make it difficult to reach the performance goal of CPI + 4%. The WHSCC portfolio's overall performance was significantly less than that of the median fund during the quarter. The median balanced fund in the SEI universe lost 4.5% for the quarter (data is not yet available for the Frank Russell Canada Universe). The WHSCC portfolio has a higher weighting in U.S. and foreign equities than does the average fund in the Frank Russell Universe, and these asset classes under performed Canadian equities in the first quarter.

The illustrations below depict the fund's rate of return over various time periods relative to the three objectives outlined in the WHSCC's policy on Investment Goals and Objectives: (1) CPI +4%, (2) the benchmark portfolio + 0.75%, and (3) the median return of a recognized universe. Only four years of data is available for the second objective (relating to the benchmark portfolio). The policy's objective is to exceed each of these over four-year periods.





Activities

Internal Audit

Audits completed/in progress at the end of the first quarter of 2003 include: T5007's, Overpayments, Entitlement Decisions, Business Continuity Planning and Information Technology Threat Assessment.

Fraud & Abuse

The Commission's investigative capability has recently been increased to three with the hiring of an additional full time staff investigator. In February of 2003 a new investigator, a former RCMP officer, was permanently located in Northern New Brunswick. The two staff investigators compliment the Senior Investigator's initiatives in detecting and preventing fraud and abuse throughout the province.

5

WHSCC Staff Satisfaction

Goal

“Our employees will consider the Commission a good place to work.”

Measures

Employee satisfaction surveys will produce a consistently high rating. In addition, other indicators that will be measured in support of the objective include:

- Absenteeism;
- Accepted Claims for Commission Staff;
- Internal Promotions; and
- Staff Turnover.

Indicators & Analysis

Research has shown that there are many internal measures that may indicate workers' satisfaction. High turnover, low attendance and high accident rates may suggest that workers were less than satisfied with an organization and their job. Where as promotions, high attendance and low accident rates may suggest that workers are satisfied with an organization and their job.

Wellness Program

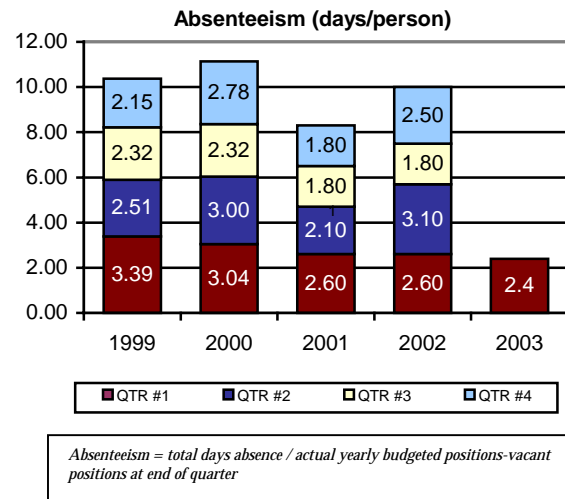
The launch for the 2003 wellness activities occurred at the Provincial Committee meeting in December. New for 2003 will be a concentrated topic approach for each calendar month.

- ✓ January - Wellness Commitment Month
- ✓ February - Heart Month
- ✓ March - Nutrition Month

Local Committees developed activities under each monthly topic in addition to the efforts continued from 2002 (physical state, nutritional state, psychological state and basic health.

Absenteeism

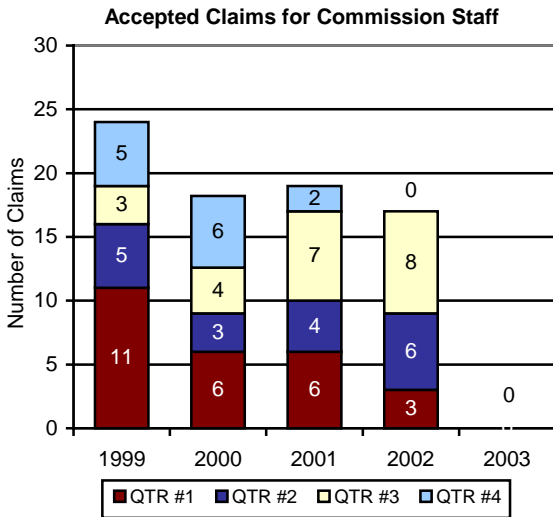
With the implementation of the HRIS at WHSCC, the efficiency of tracking employee information has been enhanced. As of January 2003, absenteeism will be calculated based on the “total days absence/actual yearly budgeted positions - vacant positions”. Attendance for this quarter is 2.4. Previous years' first quarter absenteeism has ranged from a high of 3.4 in 1999 to a low of 2.6 for the last two years. The rate for 2003 is the lowest rate in the last number of years.



It is worth noting that the Return to Work Program, commenced in 2001, has assisted in returning 2 employees to their regular full-time duties during the first quarter of this year and continues to work with many others.

Accident Analysis

No claims were accepted in the first quarter, which would result in lost time for employees. This is the second quarter in a row without a lost time claim for WHSCC employees.



Note: The number of accepted claims reported in the first quarter of 2003 and the fourth quarter of 2002 is zero. The number of accepted claims reported in any quarter can change because accidents are not always adjudicated within the quarter they occur in. Any claims accepted outside the quarter they occur in, will be noted in the next quarter report.

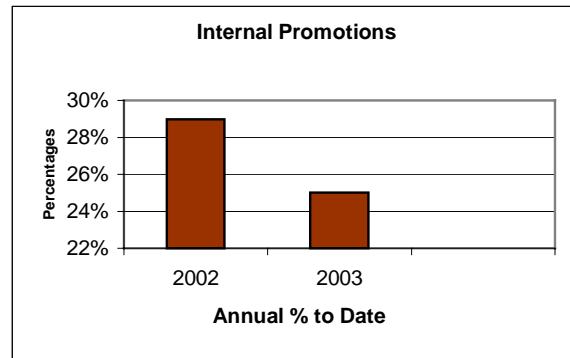
The 2003, Health & Safety Plan was kicked off by the President in the first quarter. Specific activities included a review of the plan and policy with all managers, employees and the Joint Health and Safety Committees (JHSC).

“Body discomfort” surveys were given to employees who have had repetitive strain injuries in the past to help evaluate their current status, identify high risks for recurrence and determine if further accommodations may be required. JHSCs will have an expanded role in the 2003 Health and Safety plan. This was reviewed with the committee members during the quarter.

Internal Promotion

There were 21 competitions closed this quarter. Of the 21, 8 were for postings since January of 2003, the other 13 were for postings from the end of 2002. Nineteen (90%) of these were posted internally and two were posted externally due to the professional specialties required.

In 2002, the total employee promotions was 29% of the 113 completed competitions. Of the 21 competitions that closed during the quarter, there were 6 (29%) resulted in employee promotions.



Staff Turnover

This quarter five staff terminated their employment. Two retired, two resigned for other employment and one terminated as a result of reorganization. There were nine new permanent staff hired during the quarter for a turnover rate of 1.24%

