

# 2020 Annual General Meeting



# Introduction & 2019 Annual Overview



Gord Dobrowolsky  
Chairperson



# Annual General Meeting Agenda

Introduction & Overview – Chair

**2019 Overview – CEO**

Financial Highlights – CFO

Future Outlook – CEO

Q&A

Closing Comments – Chair

**Safety Highlights –**

Vice-President,  
Prevention & Employer  
Services

**Quality & Timeliness**

**Highlights – Vice-President,**  
Operations

# Meredith Principles

The Meredith Principles are a historic compromise in which employers fund the workers' compensation system and injured workers in turn surrender their right to sue their employer for their injury.

- No-fault compensation
- Security of benefits
- Collective liability
- Independent administration
- Exclusive jurisdiction



# 2019 Overview

Fully Funded  
**115%**

Employer  
Resource Centre  
**established**

**88%** of employers  
achieved  
Mission: Zero

**433,622** Number of  
workers covered

Fatalities & Serious Injuries  
strategy **launched**

**\$1.17** 2019  
Premium  
Rate

**4.95%**  
Total Injury Rate

**1.86%**  
Time Loss Rate

# 2019 Premium Rates Across Canada

Province	2019
Manitoba	\$0.95
Alberta	\$1.08
<b>Saskatchewan</b>	<b>\$1.17</b>
British Columbia	\$1.55
Prince Edward Island	\$1.58
Ontario	\$1.65
Newfoundland and Labrador	\$1.69
Quebec	\$1.79
Yukon	\$2.05
Northwest Territories and Nunavut	\$2.10
New Brunswick	\$2.65
Nova Scotia	\$2.65



# 2019 Overview



Phil Germain  
Chief Executive Officer



## OUR VISION

We eliminate injuries  
and restore abilities.

## OUR MISSION

We will be a customer-centric organization that continuously seeks to add value for our customers through a culture of continuous process improvement.

# WCB True North

Our True North objectives guide us toward a culture of continuous process improvement and are core to creating a customer-centric organization.



True North	Definition
Customer Experience	Workers and employers deserve excellent service. That is what employers pay for.
Safety	Every injury is predictable and preventable. Our customers rely on us to help them eliminate injuries. Our staff deserve to work in a safe and secure environment.
Quality & Timeliness	Customers rely on us to deliver service at the right time, when they need it. We owe our customers defect-free service.
People	Our people expect leadership to provide a healthy and engaging environment. Healthy and engaged staff are better positioned to serve our customers.
Financial	Customers expect us to deliver value through our services and programs at a fair and reasonable cost and to meet all our obligations now and in the future.

# 2019 Safety Highlights



# 2019 Safety Highlights



13,415

No Time Loss Claims

28,865

Number of Claims Reported

8,036

Time Loss Claims

49,297

Active Employer Accounts

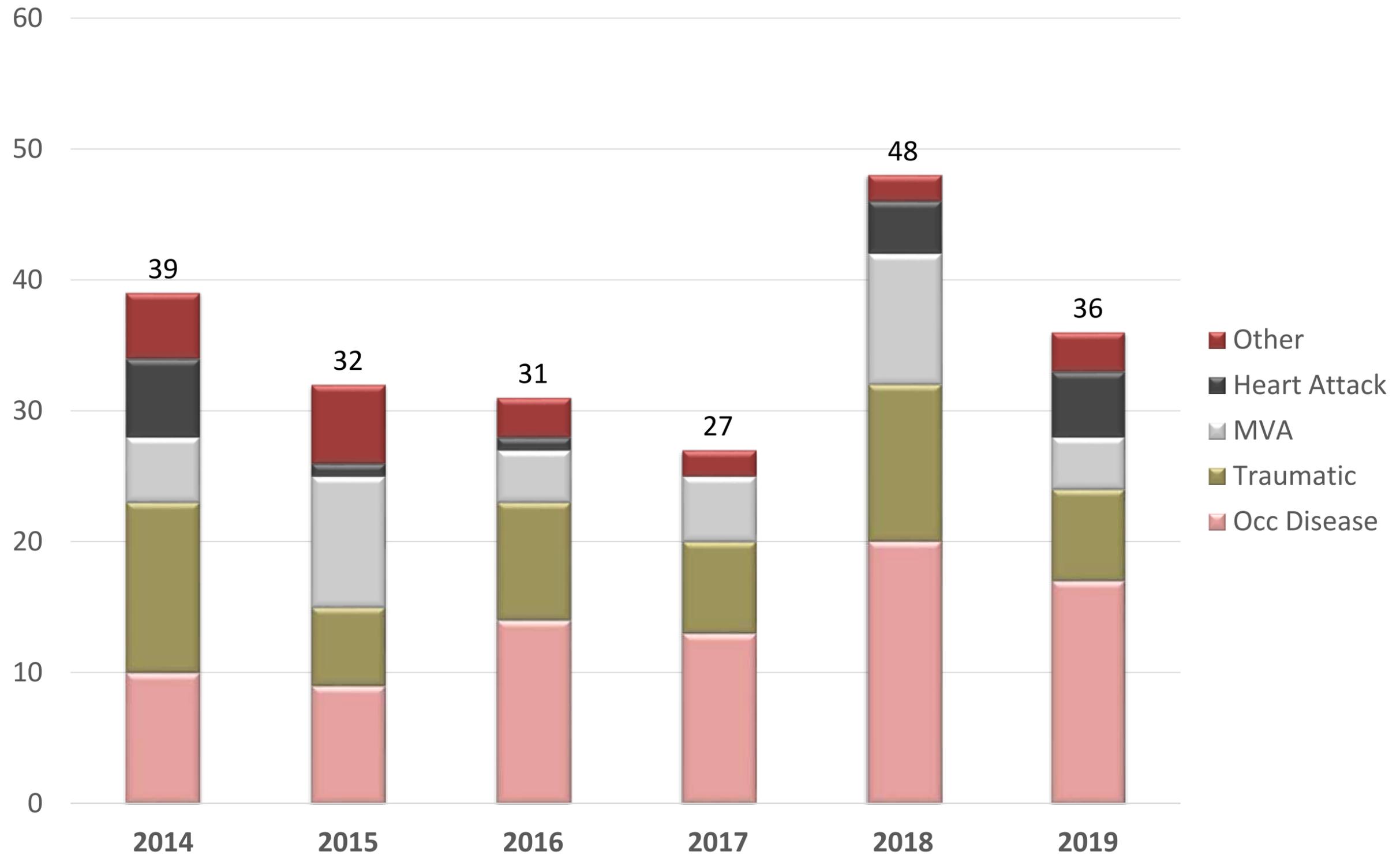
36

Fatalities

433,622

Workers Covered

# 2019 WORKPLACE FATALITIES



# 2019 WorkSafe Saskatchewan

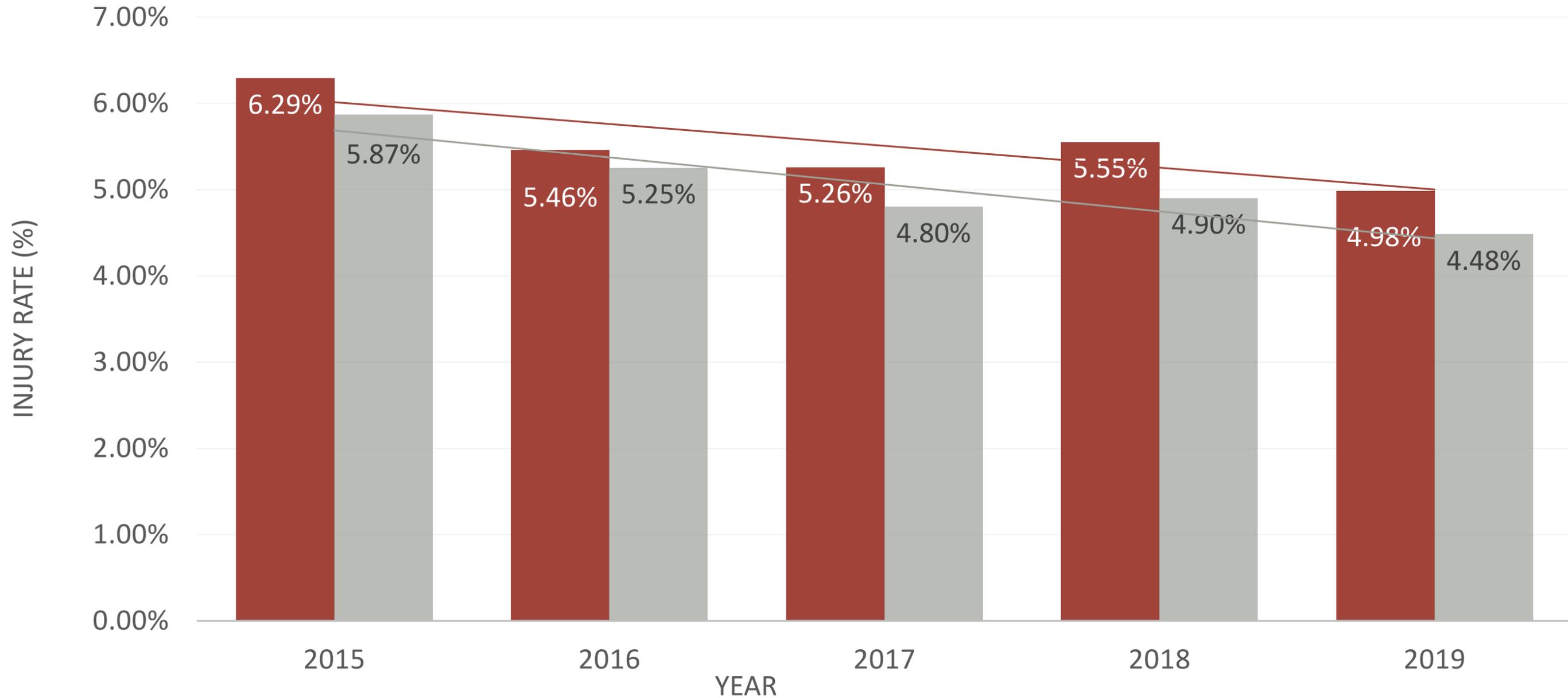


- Awareness Campaigns
- Education & Training
- Targeted Initiatives
- Partnerships & Leadership



# SAFETY ASSOCIATIONS

5-Year Comparison of Total Injury Rates



■ With Safety Associations

■ Without Safety Associations

— Trend line (With Safety Associations)

— Trend line (Without Safety Associations)

# Fatalities & Serious Injuries Strategy

2,400  
serious injuries  
annually



## Analysis of the WCB's fatality data led to four focused priorities:

- asbestos exposure
- work-related motor vehicle crashes (MVC)
- firefighter cancer exposure
- falls from heights

## #1 cause

of acute-related fatalities is motor vehicle crashes.

66%

of occupational disease fatalities between 2010 & 2018 were asbestos-related.

23%

of occupational disease fatalities between 2010 & 2018 were firefighter cancers.

5th

leading cause of workplace fatalities in 2018 was from falling.



From 2010 to 2018, health care and transportation were the top two industries with serious injuries and accounted for 28 per cent of all serious injuries in the province.



Hands are the most injured body part, accounting for approximately 20 per cent of all claims accepted.

Back, leg, shoulder and arm injuries represent more than 60 per cent of all serious injuries.

\* For serious injuries, 2018 is the most recent data available.

*Saskatchewan!* 

OH&S

# Worksite Visits April 2019 – March 2020

**Targeted Employers**

2,842

**Complaint Driven**

714

**Officer Initiated/Random**

1,174

**Notifications, Harassment, etc.**

506

**Total Worksite Visits**

5,236

# Summary Offence Tickets as of March 31, 2020

	Since Inception (Jul/14)	2019/20 Fiscal Year
<b>Issued</b>	122	23
<b>Guilty</b>	109	20
<b>In Progress</b>	1	1
<b>Stayed/Withdrawn</b>	12	2

# Prosecutions as of March 31, 2020

	2018-19	2019-20
Files sent to Justice	32	20
Prosecutions Initiated	25	9
Prosecution Convictions	19	12
Total Penalties	<b>\$1,447,100</b>	<b>\$1,664,500</b>

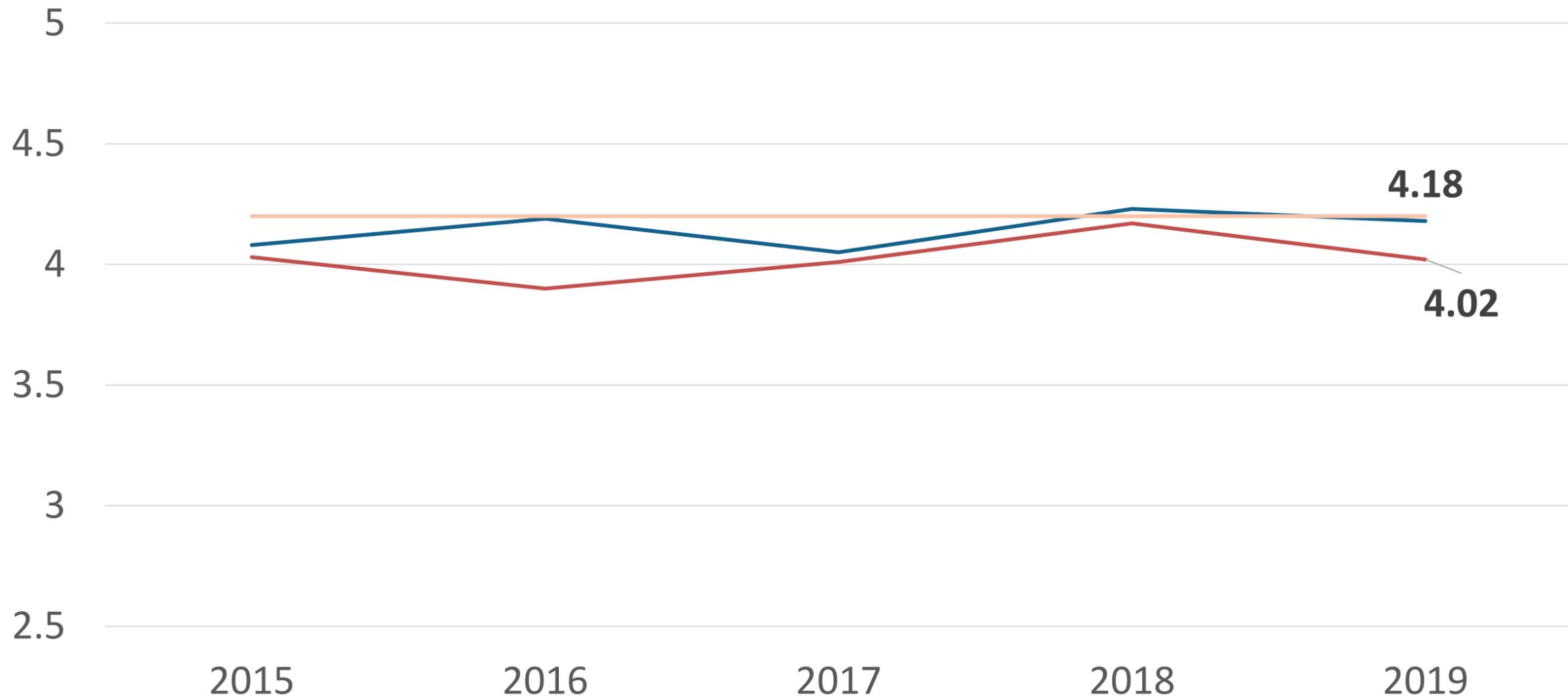
Prosecution outcomes and statistics for the current (and previous years) may be accessed from [saskatchewan.ca](http://saskatchewan.ca).

# 2019 Quality & Timeliness Highlights



# CUSTOMER SATISFACTION

## INJURED WORKERS AND EMPLOYERS



Voice of  
the Customer

— Workers Measure — Employers Measure — Target

# 2019 Quality & Timeliness Highlights

15.51%

Year-end six-month  
persistence metric



70% within  
135 days

Time period from notification of  
injury to identification of the need  
for additional services\*

\*Additional services may include  
physiotherapy, chiropractic, medical and  
vocational support.

41.52 days

Average duration of  
Time Loss claims



# 2019 Quality & Timeliness Highlights



Employer Resource Centre  
launched  
**in 2019**



**79.19%**  
registered within  
**5 business days**



**67.6%**  
of payroll audits  
**resulted in  
adjustments**

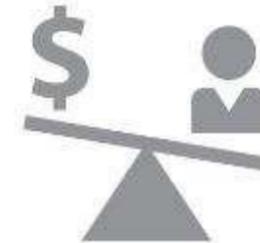
# 2019 Financial Highlights



# 2019 Financial Results



**115.1%**  
**Funded**  
percentage



**\$2,653**  
**Administrative costs**  
per \$1 million of  
assessable payroll



**\$170m**  
**Total comprehensive**  
income

# 2019 Two Sources of Revenue

- **Premium Revenue – \$267 million**
- **Investment Income – \$277 million**
- Investment income includes realized investment income of \$115 million and an increase in unrealized gains on investments of \$162 million.

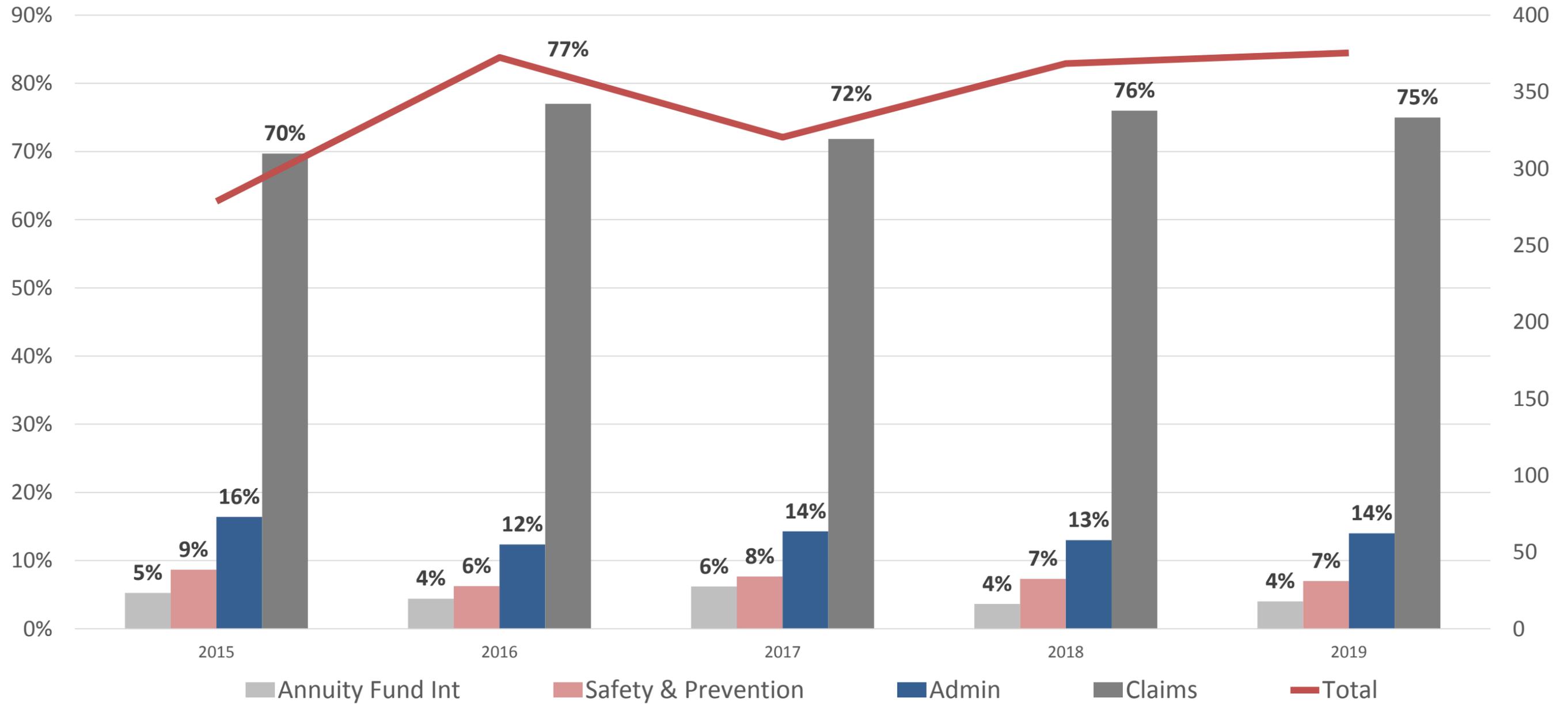
**Total Revenue - \$544 million**

# STATEMENT OF OPERATIONS & OTHER COMPREHENSIVE INCOME (LOSS)

(\$000)	2019 Actual	2019 Budget	2018 Actual
Premiums	\$267,210	\$271,054	\$256,470
Expenses			
Claims Costs	281,036	292,155	278,220
Administration	52,230	49,953	49,986
Safety & Prevention	25,674	25,722	25,562
Legislated Obligations	1,390	2,405	1,330
Total Expenses	360,330	369,235	355,098
<b>Underwriting Loss</b>	<b>(93,120)</b>	<b>(98,181)</b>	<b>(98,628)</b>
Investment Income (Loss)	277,085	101,000	(41,626)
Annuity Fund Interest	(15,065)	(13,500)	(13,375)
<b>Net Income (Loss)</b>	<b>168,900</b>	<b>(10,681)</b>	<b>(153,629)</b>
Other Comprehensive Income (Loss)	630	0	(635)
<b>Total Comprehensive Income (Loss)</b>	<b>\$169,530</b>	<b>\$(10,681)</b>	<b>\$(154,264)</b>

# TOTAL OPERATING EXPENSES

## 2015 – 2019 (Millions)



# 2020 Outlook



# 2020 OPERATING BUDGET

## Revenue Premiums

- Average premium rate is \$1.17 for 2020 and 2021
- Employer assessable payrolls increase by 4% in 2020 and 2% in 2021 due to increases in maximum assessable earnings

## Investment Income

- Long-term average return on investments of 5.25% for 2020 and 2021

## Claim Costs

- Time Loss Injury rate at 1.67% for 2019 and 1.51% for 2020
- Duration remains the same for 2020 and 2021
- 3.25% annual increase in costs except health care
- Health care costs increasing 5.0% annually

## Administration

- Salary growth of 2% for 2020
- Other costs increase at 2-3%

## Annuity Interest

- Based on estimated five-year average return on investments of 7.0% for 2020 and 2021

## Safety and Prevention

- OH&S increases 2% per year and total safety associations decrease 0.4% for 2020 and 2% for 2021

## Legislated Obligations

- Workers' Advocate assumes 2% increase per year

# WCB's CHALLENGES/OPPORTUNITIES

## CHALLENGES

New operating paradigm  
due to COVID-19  
pandemic

Financial management

Market volatility

## OPPORTUNITIES

New supports for  
employers & injured  
workers (resilient  
management & staff)

2020 strategic initiatives  
and operational goals

Create new  
improvement  
opportunities

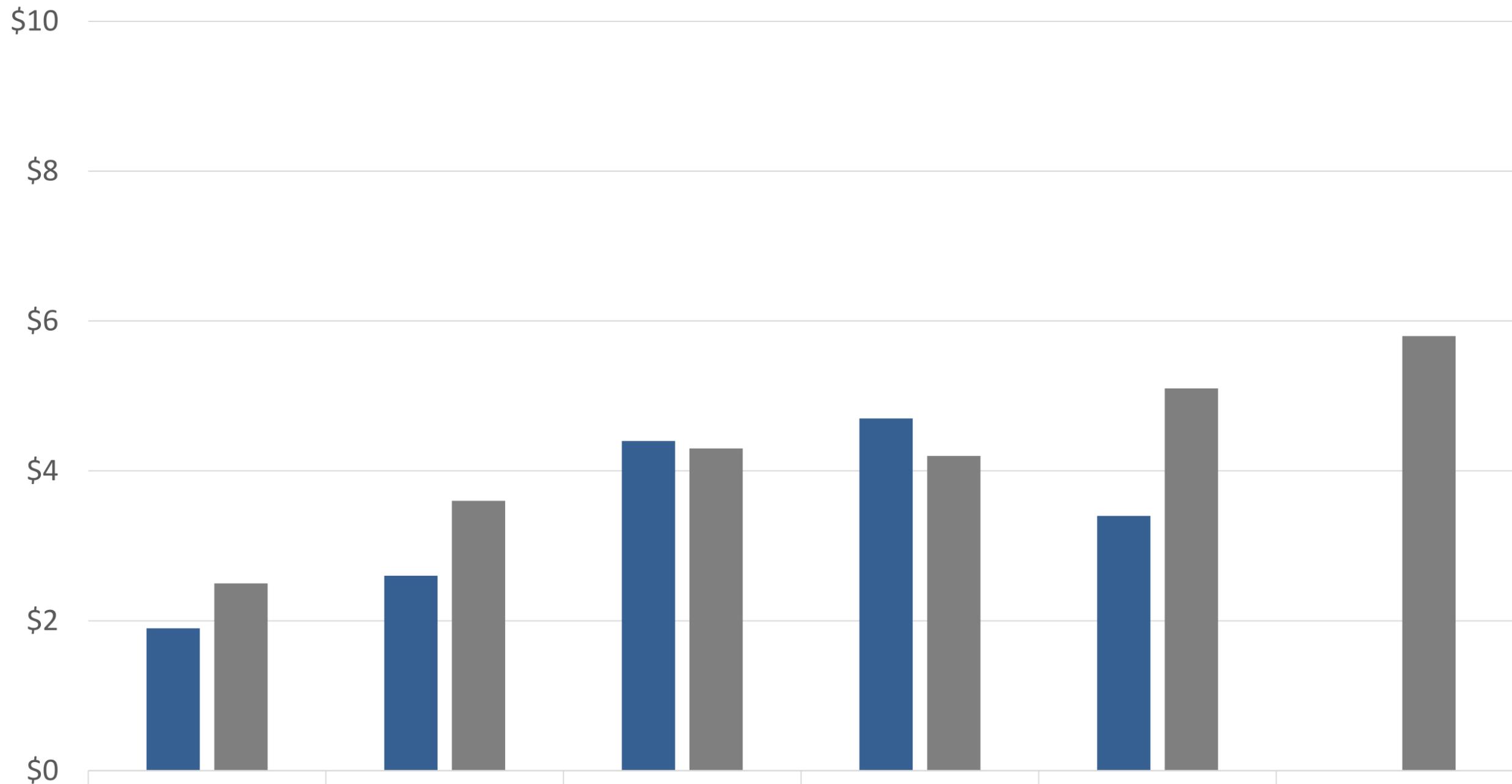
# 2020 FINANCIAL OUTLOOK

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<b>(\$000)</b>	<b>2020 Budget</b>	<b>2020 Projections</b>
<b>Revenue (premiums)</b>	<b>\$ 276,751</b>	<b>\$ 256,072</b>
Expenses	<u>\$ 373,437</u>	<u>\$ 344,091</u>
Underwriting Loss	\$ (96,686)	\$ (88,019)
Investment income (loss)	\$ 114,000	\$ 25,000
Annuity Fund Interest	<u>\$ (15,900)</u>	<u>\$ (15,801)</u>
<b>Net Income (Loss)</b>	<b><u>\$ 1,414</u></b>	<b><u>\$ (78,820)</u></b>

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# CAPITAL COSTS & BUDGETS (MILLIONS)



	2015	2016	2017	2018	2019	2020
■ Actual	1.9	2.6	4.4	4.7	3.4	
■ Budget	2.5	3.6	4.3	4.2	5.1	5.8

# 2020 AGM & 2019 Annual Report Overview



Questions

# 2020 AGM & 2019 Annual Report Overview

Thank you