





MISSION & VALUES

The Workers Compensation Board (WCB) has been an integral part of the Island community since 1949. We serve over 70,000 workers and over 6,000 employers through the fair and effective administration of the provincial workers compensation and workplace safety system.

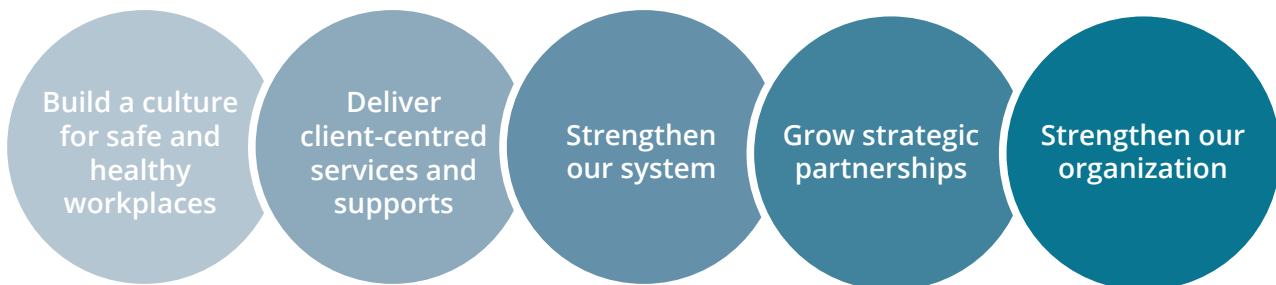
OUR VISION - WHAT WE STRIVE TOWARDS

Workplaces are safe
Injuries are eliminated
Service excellence is assured

OUR MISSION - WHAT WE DO

We partner in building safe and healthy workplaces and support recovery, if an injury occurs.

STRATEGIC PRIORITIES



OUR VALUES - WHAT WE STAND FOR

Integrity

We are transparent and take responsibility for our actions and performance.

Compassion

We are helpful and caring while balancing worker and employer interests.

Excellence

We demonstrate high standards and empower staff to innovate and continuously do things better.

Collaboration

We work with each other and partners to serve our clients and achieve our vision.

Accountability

We are stewards of PEI's workplace safety and compensation system and its entrusted resources.



WCB Board of Directors

Back row from left: Alan MacKinnon, Nancy MacFadyen, Valerie Robinson, and Christopher Gillis

Front row from left: Nicole McKenna (Vice Chair), and Jim MacPhee (Chair)

Missing from photo: Gail Ellis

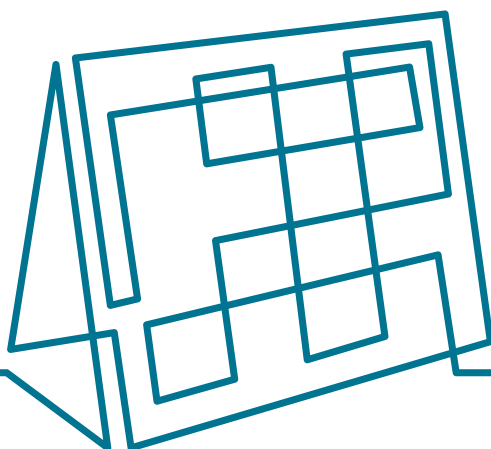
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YEAR AT A GLANCE

	2019	2018
Number of Assessed Employers ¹	6,115	5,828
Estimated Size of PEI Workforce <i>As reported by Statistics Canada</i>	78,000 <i>March 31, 2020</i>	76,000 <i>March 31, 2019</i>
Total Adjudicated Claims	1,984	1,956
<i>Temporary Wage Loss</i>	1,046	1,067
<i>Medical Aid Only</i>	748	725
<i>Denied</i>	190	163
<i>Worker Fatalities</i>	0	1

¹Employers with multiple operations may be classed as more than one assessed employer



2019 Highlights

NEW!



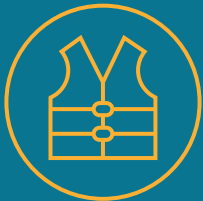
OHS APP

Developed a new mobile app to help PEI employers and workers better access workplace health and safety information.



SURPLUS DISTRIBUTION

Approved a \$20 million surplus distribution back to employers.



FISHING

Implemented a province wide education and enforcement initiative to enhance safety for PEI fishers.

NEW!



WORKPLACE HARASSMENT

Approved new Workplace Harassment Regulations, which will come into effect July 1, 2020.



GRANT PROGRAM

Issued over \$200,000 to Island businesses to help improve safety and return to work.

NEW!



ANNUITY PROGRAM

Introduced an Annuity Program that allows eligible workers to receive benefits for loss of retirement income. As part of the program, funds are set aside on the worker's behalf until they turn 65.



CONSTRUCTION

Developed posters, radio ads and discussion guides as part of an overall construction campaign to reduce accidents in the construction industry.

NEW!



DIRECT ACCESS TO PHYSIO

Introduced a Direct Access to Physiotherapy pilot program to promote the positive impact that early access to care has on recovery.

NEW!



ENHANCED BENEFITS

In 2019, a number of policy changes were made to enhance benefits to workers. This included extending the timeframe for when benefits are reviewed; increasing the time that a worker would receive benefits if they were cleared to return to work but had no position to return to; increasing the clothing allowance and increasing benefits for those requiring home or vehicle modifications following a workplace injury.

2019 BY THE NUMBERS

Performance measures help us drive change, enhance our business operations, and identify challenges and opportunities so we can better meet the needs of the people we serve. These financial and non-financial performance measures are important to the fulfillment of our vision, mission, and goals.



WCB Service

The Satisfaction Indexes includes Island employers' and workers' assessments of the overall effectiveness of the WCB in providing service to them, in terms of staff accessibility, promptness, and knowledge.

85.0 EMPLOYER SATISFACTION INDEX (2019)

76.2 WORKER SATISFACTION INDEX (2018)



RETURN TO WORK PERFORMANCE INDEX

This Index measures Injured Workers' satisfaction with letters received from the WCB, communication throughout the return to work process, accessibility to WCB staff, and knowledge of WCB staff.



Operations

	2019	2018
Most Common Types of Injury <i>* No nature of injury in the "Other" category has >5% of workplace injuries.</i>	1. Sprains, Strains, Tears: 58.0% 2. Fractures, Dislocations: 9.6% 3. Bruises, Contusions: 9.5% 4. Other*: 9.5% 5. Cuts, Lacerations, Amputations: 6.3%	1. Sprains, Strains, Tears: 56.9% 2. Other*: 12.8% 3. Fractures, Dislocations: 10.2% 4. Bruises, Contusions: 8.6% 5. Deafness, Hearing Loss or Impairment: 5.8%
Average Calendar Days to First Payment	16.1	15.3
% of Workers Who Returned to work with Pre-injury Employer	82%	81%

INJURY FREQUENCY RATE

This statistic has a lag year to allow us to capture all injuries in any given year and is a measurement of time-loss claims per 100 workers.

1.67 - 2018 Canadian Average



Percentages of Workplace Injuries by Industry



MOST COMMON AREAS OF INJURY (2019)

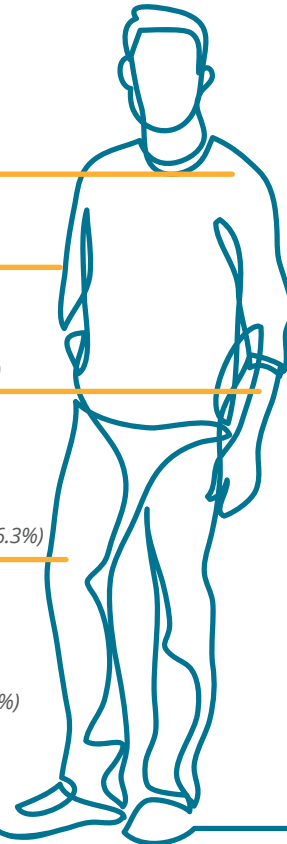
Shoulder: **11.6%** (2018 - 11.5%)

Back: **20.8%** (2018 - 23.9%)

Arm, Wrist, Hand: **20.2%** (2018 - 19.1%)

Hip, Knee, Ankle, Foot: **18.2%** (2018 - 16.3%)

Multiple Body Parts: **10.6%** (2018 - 11.9%)



PERCENTAGE OF INJURED WORKERS NO LONGER ON WAGE LOSS BENEFITS

	2018	2017
90 Days	70%	66%
180 Days	82%	76%
360 Days	88%	83%

This statistic has a lag year in order to allow us to capture all injuries in any given year.

Financial

	2019	2018
Average Assessment Rate	\$1.58	\$1.60
Funded Position (Fair Market Value)	147.8%	146.3%
Claim Cost (In millions)	\$26.0	\$23.0



GOVERNANCE AND OVERSIGHT





Message From the Chair

It is a privilege to serve as the new Chairperson for the WCB Board of Directors.

It is an exciting time for the WCB, as we begin our new five year Strategic Plan. The 2019-2023 Strategic Plan reaffirms our vision of a safer Prince Edward Island, where workplace injuries are eliminated. It also refines our strategic priorities, providing clear direction on how we will focus our resources, conduct our business, and measure the standards of our performance. Based on consultation with our stakeholders, our partners, and our staff, we identified five strategic priority areas which will bring us closer to achieving our vision:

- **Build a culture for safe and healthy workplaces**
- **Strengthen our organization**
- **Strengthen our system**
- **Grow strategic partnerships**
- **Deliver client-centred services and supports**

The Plan is ambitious, and visionary, and we welcome the challenge to enhance our business in order to better serve Island employers and workers.

As a Board, we are committed to maintaining a sustainable workers compensation system for workers and employers. In 2019, we had a strong financial performance and an effective funding policy, and we feel that we have struck a careful balance of benefit enhancements for injured workers and financial sustainability for employers who fund the system.

We continue to address current and evolving issues through policy and program improvements to benefit both workers and employers. In 2019, the Board approved several policy amendments, including enhancements to benefits under Transportation Assistance, Review of Benefits, Clothing Allowance and Return to Work. We also introduced an Annuity Program, which modernizes and broadens how we compensate for loss of pension income. In October 2019, we began work on new Workplace Harassment Regulations, which will have a great impact on workplaces in Prince Edward Island when it comes into effect in July 2020.

In 2019, we said goodbye to long-time board members Angus Houston, Dianne Collins, and Board Chair Stuart Affleck. The Board thanks Stuart and the board members for their leadership, vision and hard work that helped guide the Workers Compensation Board through many significant events. In 2019, we welcomed new board members Christopher Gillis and Nicole McKenna as Vice Chairperson and we look forward to their input and perspective to the Board.

As we reflect on 2019, and look ahead to 2020, I would be remiss if I did not mention the current impacts of the COVID-19 world pandemic. On March 11, 2020, the World Health Organization declared COVID-19 as a world pandemic, changing the way we live and work. The COVID-19 crisis has had a substantial impact on all aspects of our lives, including the many economic and labour market impacts, which have been immediate and significant, and likely to continue into the near future and beyond. As the pandemic evolves, WCB has taken many steps to support Island employers and workers and will continue to support local businesses through this unprecedented time.

I am honoured to serve in the capacity of Chairperson and would like to thank my Board colleagues and the management and staff of the WCB as we strive towards our vision of safe workplaces, injuries eliminated and service excellence is assured.

Jim MacPhee
Workers Compensation Board Chair

Message From the CEO

In 2019, I was honoured to be appointed as the Chief Executive Officer for the Workers Compensation Board of Prince Edward Island.

For decades, the WCB has played an integral role in the Island community; providing protection to employers and support to injured workers.

One of the greatest indicators of our performance continues to be the results of the Stakeholder Surveys. This year, the results of the 2019 Employer Survey confirmed that employers remain pleased with the services and support they receive from the WCB. With a score of 85 for the Service Satisfaction Index, this was an all-time high for the past decade. This follows on the heels of the Injured Worker Survey in 2018, which also showed high satisfaction among Injured Workers.

Prevention of workplace accidents is a pillar in our mandate and is the strategic priority for our Occupational Health and Safety division. Given that fishing and construction are both industries that are more dangerous by the nature of the work and work environments, we took a strategic approach to targeting these industries in 2019. In spring 2019, we launched a province-wide education and enforcement campaign in an effort to encourage fishers to wear PFDs and reduce the risk of drowning. In the fall, we also worked with the Construction Association to develop a campaign that would improve workplace safety on construction sites across the Island.

Our clients have diverse needs and we want to continue to enhance our programs and services to meet their needs. Over the past year, we introduced a program that would provide injured workers with direct access to physiotherapy to provide more timely access to the support they need to recover faster.

In order to ensure that our system is relevant today and into the future, we need to continue to improve the ways we do business with our clients. One of the milestones we achieved in 2019 was the launch of our new mobile app for Occupational Health and Safety. The mobile app provides instant access to information on common health and safety topics, regardless of where they are.

In order to strengthen our organization to ensure that we are better prepared to meet the needs of Island employers and workers now and into the future, our staff have received training on a variety of emerging topics that are relevant to today's workplace.

As we compile the 2019 Annual Report, we can not ignore the current realities of the COVID-19 pandemic on the Island's economy, our organization and the way we and others are pivoting to do business. After recommendations were made by the Chief Public Health Office in March 2020, we acted swiftly to move to an essential services model, and arranged for a majority of our staff to work from home in order to facilitate a seamless transition for our clients. Throughout the past few months, our staff have been working around the clock to support our organization as we adapt and evolve to meet the needs of employers and workers in Prince Edward Island during this extraordinary time. While it is not yet possible to reliably estimate the financial impact of COVID to the WCB, we anticipate that assessment revenues, investment returns, claim costs and the valuation of our benefit liability will be impacted through 2020 and potentially beyond.

As we move forward, we will continue to support our clients as we work toward safe and healthy workplaces across Prince Edward Island and will support recovery if an injury occurs.



Cheryl Paynter
Chief Executive Officer of the Workers Compensation Board





Message du président

C'est pour moi un privilège d'assumer la fonction de président du conseil d'administration de la Commission des accidents du travail de l'Île-du-Prince-Édouard.

La Commission vit actuellement un moment excitant : elle amorce la mise en œuvre de son nouveau plan stratégique de cinq ans. Le plan stratégique 2019-2023 réitère notre vision pour une province plus sécuritaire où les blessures au travail ont été éliminées. Il précise également nos priorités stratégiques puisqu'il donne une direction claire à l'orientation de nos ressources, à la conduite de nos activités et à l'évaluation de notre rendement. À partir de nos consultations auprès de nos intervenants, de nos partenaires et de notre personnel, nous avons établi cinq champs prioritaires stratégiques qui nous permettront de nous rapprocher de la concrétisation de notre vision :

- **Bâtir une culture favorisant la santé et la sécurité dans les lieux de travail**
- **Bâtir des partenariats stratégiques**
- **Offrir des services et des soutiens axés sur les clients**
- **Rendre notre organisme plus fort**
- **Améliorer notre système**

Notre plan est ambitieux et visionnaire, et nous acceptons volontiers le défi de développer notre organisme en vue de mieux servir les employeurs et les travailleurs de l'Île.

Le conseil d'administration est déterminé à garder le système d'indemnisation viable pour les travailleurs et les employeurs. En 2019, nous avons connu une bonne performance financière et une politique de financement efficace. Nous pensons que nous avons atteint un équilibre prudent d'améliorations des prestations pour les travailleurs blessés et de durabilité financière pour les employeurs qui financent le système.

Nous continuons de traiter les questions courantes et en évolution grâce à l'amélioration des politiques et des programmes pour les travailleurs et employeurs. En 2019, le conseil d'administration a approuvé plusieurs changements aux politiques, y compris des améliorations à celles sur l'appui en matière de transport, l'analyse des prestations, les allocations vestimentaires et le retour au travail. Nous avons également adopté un programme de pension qui modernise et élargit la façon dont nous compensons la perte de revenu de pension. En octobre 2019, nous aussi avons commencé le travail lié au nouveau règlement sur le harcèlement en milieu de travail (Workplace Harassment Regulations), qui aura d'importantes répercussions sur les lieux de travail de l'Île-du-Prince-Édouard lorsqu'il prendra effet en juillet 2020.

Soulignons également qu'en 2019, nous avons dit au revoir à des membres de longue date du conseil, soit Angus Houston, Dianne Collins et le président Stuart Affleck. Le conseil d'administration les remercie pour leur leadership, leur vision et leur travail assidu qui ont contribué à guider la Commission à travers plusieurs événements importants. L'année 2019 marque aussi l'arrivée de deux nouveaux membres parmi nos rangs, Christopher Gillis et Nicole McKenna (vice-présidente); et le conseil a bien hâte de recevoir leur contribution et perspective.

Comme nous venons de nous pencher sur l'année 2019 et nous nous tournons vers 2020, je me sens obligé de mentionner les répercussions de la pandémie mondiale de COVID-19. Comme vous le savez, le 11 mars 2020, l'Organisation mondiale de la santé a déclaré une pandémie mondiale de COVID-19, ce qui a changé la façon dont nous vivons et travaillons. Le 11 mars 2020, l'Organisation mondiale de la santé a déclaré la COVID-19 comme pandémie mondiale, modifiant notre façon de vivre et de travailler. La crise de COVID-19 a eu un impact important sur tous les aspects de notre vie, y compris plusieurs conséquences – immédiates et considérables – sur l'économie et le marché du travail, qui se poursuivront probablement dans un avenir proche et au-delà. À mesure que la pandémie évolue, la Commission prend de nombreuses mesures pour appuyer les employeurs et travailleurs de l'Île et continue d'appuyer les entreprises locales durant cette période sans précédent.

Je suis honoré de contribuer au travail de la Commission en tant que président, et j'aimerais remercier mes collègues au sein du conseil ainsi que la direction et le personnel de la Commission pour leur contribution à nos efforts pour atteindre notre vision de lieux de travail sécuritaires où les blessures sont éliminées et pour offrir un service d'une excellence constante.

Jim MacPhee Président de la Commission des accidents du travail
Président, Commission des accidents du travail

Message de la direction générale

En 2019, ce fut pour moi un honneur d'être nommée directrice générale de la Commission des accidents du travail de l'Île-du-Prince-Édouard.

Pendant plusieurs décennies, la Commission a joué un rôle intégrant dans la communauté insulaire en offrant une protection aux employeurs et un soutien aux travailleurs blessés.

L'un des meilleurs indicateurs pour notre performance continue d'être les sondages auprès de nos intervenants. Cette année, les résultats du sondage auprès des employeurs ont confirmé qu'ils continuent d'être satisfaits des services et du soutien que leur offre la Commission. Ce résultat fait suite à ceux du sondage auprès des travailleurs blessés de 2018, qui ont également démontré une haute satisfaction au sein de cette clientèle, avec un score de 76.

La prévention des accidents du travail est le pilier de notre mandat et une priorité stratégique de notre division de santé et sécurité au travail. Étant donné que la pêche et la construction sont des industries qui sont plus dangereuses en raison du genre de travail et de l'environnement de travail, nous avons pris une approche stratégique pour cibler ces industries en 2019. Au printemps 2019, nous avons lancé une campagne provinciale de sensibilisation et de mise en œuvre dans le but d'inciter les pêcheurs à porter des vêtements de flottaison individuels pour réduire leur risque de noyade. L'automne dernier, nous avons aussi travaillé avec l'association de la construction pour créer une campagne qui rendrait les chantiers de construction de la province plus sécuritaires.

Nos clients ont des besoins variés et nous voulons continuer à travailler sur nos programmes et services pour y répondre. Au cours de dernière année, nous avons introduit un programme qui offre aux travailleurs blessés un accès direct à des services de physiothérapie afin qu'ils aient accès, en temps opportun, au soutien dont ils ont besoin pour se rétablir rapidement.

Pour veiller à ce que notre système serve bien notre clientèle aujourd'hui et demain, nous devons continuer d'améliorer les façons dont nous travaillons avec nos clients. En 2019, nous avons atteint un jalon en lançant notre nouvelle application mobile sur la santé et la sécurité au travail. L'application offre un accès immédiat à de l'information sur des sujets courants du domaine de la santé et de la sécurité, peu importe où elle se trouve.

Dans le but de rendre notre organisation plus forte afin d'être bien préparé à répondre aux besoins des employeurs et des travailleurs de l'Île aujourd'hui et dans l'avenir, notre personnel a reçu de la formation sur plusieurs nouveaux sujets pertinents pour les lieux de travail d'aujourd'hui.

En se penchant sur 2019 dans le cadre du rapport annuel, nous ne pouvons pas ignorer les répercussions de la pandémie de COVID-19 sur l'économie de l'Île, notre organisation et la façon dont nous, et les autres, menons nos activités. À la suite des recommandations du Bureau de la médecine hygiéniste en chef en mars 2020, nous avons rapidement fait les démarches nécessaires pour passer à un modèle axé sur les services essentiels et permettre à la majorité de notre personnel de travailler de la maison afin que la transition se fasse de façon fluide pour nos clients. Au cours des derniers mois, notre personnel a travaillé sans relâche pour que notre organisme puisse s'adapter aux besoins des employeurs et des travailleurs de l'Île-du-Prince-Édouard pendant cette période exceptionnelle. Alors qu'il n'est pas encore possible de bien estimer l'impact financier de la COVID-19 sur la CAT, nous prévoyons que les revenus d'évaluation, les retours sur les investissements, le coût des réclamations et l'évaluation de notre passif en matière de prestations seront touchés en 2020 et même au-delà.

Pour terminer, soulignons que le travail de la Commission pour la sécurité et la santé sur les lieux de travail à l'Île-du-Prince-Édouard se poursuit, et que la Commission va continuer, comme toujours, de soutenir ses clients et d'aider les travailleurs à se rétablir lorsqu'ils se blessent.



Cheryl Paynter
Directrice générale de la Commission des accidents du travail





2019 PERFORMANCE REPORTS



OVERVIEW OF THE 2019-2023 STRATEGIC PLAN

2019 marked the start of the 2019-2023 Strategic Planning cycle. The WCB's **2019-2023 Strategic Plan** was developed through consultation with stakeholders, Board members and staff. The plan guides the way the WCB allocates resources and positions the organization to fulfill its mission.

STRATEGIC PRIORITIES:

- Build a Culture for Safe and Healthy Workplaces
- Deliver Client-Centred Services and Supports
- Strengthen Our System
- Grow Strategic Partnerships
- Strengthen Our Organization



(L-R) 2019 Safe Youth Award Winner Hannah MacLean and supervisor Karalee McAskill at Hyde Pond in Cornwall

Build a Culture for Safe and Healthy Workplaces

WCB is committed to building a safe and healthy workplace culture in PEI. Strong partnerships with employers, workers, service providers and other partners are required to positively impact change.

OHS ADVISORY COUNCIL

Members of the Occupational Health and Safety Advisory Council are appointed by the Minister and reflect a breadth of knowledge and experience relating to the principles and promotion of occupational health and safety. The OHS Advisory Council advises the WCB Board of Directors on the following: the administration of the *OHS Act and Regulations*; monitoring and reporting on OHS activities throughout the province; and exclusions from all or part of the *OHS Act and Regulations*. The Council consists of the WCB Chair, the WCB Director of OHS, and representatives for workers, employers and a member that represents the general public. Members of the OHS Advisory Council include Karen Biggar, Lynn Boyer, Sam Sanderson, Vernon Anderson, Eric MacDonald, Ben MacDonald (Chair), Alan McCormick (Vice-Chair), Danny Miller (Director of OHS), and Jim MacPhee (WCB Chair).

20TH ANNUAL WORKPLACE HEALTH & SAFETY CONFERENCE

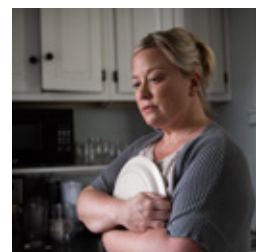
In 2019, we marked a special milestone as we hosted the 20th Workplace Health & Safety Conference. In its initial year, we had 170 delegates, which has grown to a sold out event of over 300 delegates. The event continues to be a great opportunity to promote safety culture in the workplace. This year, the conference covered a variety of emerging and relevant topics including workplace violence, fit for duty and workplace harassment.

NEW RESOURCES FOR TRADES

Through visits to worksites, and discussions with the construction industry, we identified a number of topics that we could develop resources to help build safer, healthier workplaces. As a result we produced new resources on Histoplasmosis, Hexavalent Chromium, and Silica to support those working in the construction industry with the information they need to do their job safely.

WORKPLACE INJURIES HURT THE MOST AT HOME

One of the most important reasons people work safely is for the people they love. In 2019, we continued to build on the success of the Workplace Injuries Hurt the Most at Home Campaign with the development of new posters and radio ads for fishing and construction industries. The goal of the campaign was to remind workers of the impacts that workplace injuries have on our home life and family and to encourage them to work safely.



EDUCATION SESSIONS

The WCB is committed to ensuring that Islanders have the safety skills and knowledge required to build a strong safety culture in their workplaces. As such, we offered a variety of free education sessions for Island employers and workers. In addition to covering topics on Health and Safety Committees, Safety for Managers and Supervisors and Safety Programs, we added sessions on Respectful Workplaces where participants learned about the most effective ways to ensure all are treated with respect and dignity in the workplace.

SAFE YOUTH AWARD

The Safe Youth Award is presented annually to Island youth who demonstrate an understanding of occupational health and safety principles and take the initiative to apply them in their workplaces. In 2019, we encouraged employers to nominate young workers who they felt were committed to health and safety at work. This year's recipients included Hannah MacLean, an employee of the Cornwall Watershed Group, and Michael MacKinnon, an employee of Kent in Charlottetown.



Aftermath of Hurricane Dorian, September 2019

Featured Story:

Safety at Work

In September 2019, the east coast of Canada was hit by Hurricane Dorian, a massive storm that had reached a category 5 hurricane status, obliterating many Caribbean Islands before reaching our shores.

By the time it arrived on Prince Edward Island on September 7, 2019, it was downgraded to a tropical storm but hit hard nonetheless. Strong winds caused downed power line poles, fallen trees and damage to buildings that led to widespread power outages affecting most Prince Edward Islanders.

In the days that followed the storm, Maritime Electric was all hands on deck, tasked with removing trees from power lines and making all the necessary repairs to restore power to Islanders. Over 80 line and vegetation management crews were dispatched after the storm, including several contracted crews from other PEI companies, Ontario, New Brunswick

and Newfoundland. Crews were working around the clock diligently restoring power to over 65,000 households and businesses. It took 9 days to fully restore power province wide.

Working under pressure to restore customers while being threatened by fatigue and high voltage work, the risk was high for workplace accidents. However, Maritime Electric's strong health and safety program was put to the test and demonstrated it was robust enough to ensure all crews understood and followed their strict safety protocols.

Despite the working conditions, neither Maritime Electric employees nor their contracted crews experienced any workplace injuries or incidents during the largest restoration effort in PEI history.

As a result of the clean-up efforts, Maritime Electric nabbed the well-deserved Edison Electric Institute Emergency Recovery Award.



Deliver Client-Centred Services and Supports

To meet the diverse needs of clients, WCB works collaboratively with workers, employers and health care providers while being mindful to balance the interests of workers and employers and create greater understanding of the WCB's role in supporting recovery and work disability prevention.

NEW! **ANNUITY PROGRAM**

For some workers, a workplace injury can result in a loss of retirement income. In early 2019, we introduced an Annuity Program, which replaced the former Pension Replacement Benefits Program for those who qualified after January 1, 2019. The program allows eligible workers to receive benefits for loss of retirement income. As part of the program, funds are set aside on the worker's behalf until they turn 65. A move to an annuity program is more consistent with how other Canadian jurisdictions compensate for loss of pension income and allows more workers to receive benefits.

RETURN TO WORK SURVEY

We are dedicated to listening to injured workers in order to identify how to improve our processes throughout the worker's claim, and their transition back to work. In 2019, we surveyed over 100 workers who had returned to work following an accident. The results of these surveys identified the following:



	2019	2018
Satisfied with Support and Assistance Provided	94%	85%
Satisfied with Claim Decision Involvement	84%	79%
Received Service That Exceeded Their Expectations	78%	78%
Felt Decision was Reasonable Related to Return to work	88%	81%
Felt They Were Cared About	97%	94%

Represents the percentage of respondents who were either Completely Satisfied or Mostly Satisfied



NEW! DIRECT ACCESS TO PHYSIOTHERAPY

Research shows that early access to treatment improves outcomes. In 2019, we introduced a new pilot program that would provide direct access to Physiotherapy Services for injured workers in PEI. Direct access to early assessment of workplace injuries provides injured workers with more timely access to the healthcare services they need. It enables workers to go directly to a WCB approved physiotherapy provider, such as a physiotherapist, for an assessment, allowing the return-to-work process to begin earlier.

NEW! ENHANCED BENEFITS

In 2019, we introduced a number of policy changes to enhance benefits to workers. This included extending the timeframe for when benefits are reviewed to increase the period of time that a seasonal worker would receive wage loss benefits based on their pre-injury earnings calculation; increasing the period of time that a worker would receive benefits if they were cleared to return to work but had no job to return to; increasing the clothing allowance and introduced a temporary clothing allowance for those who meet the criteria and increasing benefits available to those requiring home or vehicle modifications following a work place injury.

EXTERNAL RESOURCES AVAILABLE

Any worker or employer has the right to appeal a decision of the WCB. The Worker Advisor and Employer Advisor are free legal services available to workers and employers to support them in the reconsideration and appeal process. While WCB is responsible for the operating costs of these programs, they are independent from the operations of the WCB and they report on their annual activity independent from this annual report.

For more information and/or inquiries for the Office of the Employer Advisor, visit princeedwardisland.ca/en/information/economic-growth-tourism-and-culture/office-employer-advisor or email the office at employeradvisor@gov.pe.ca. Information on the Worker Advisor can be found at princeedwardisland.ca/en/information/economic-growth-tourism-and-culture/office-worker-advisor or they can be reached at workeradvisor@gov.pe.ca.



Strengthen our System

WCB ensures the delivery of a sustainable program that protects workers and employers. We will continue to strengthen the system to ensure it is relevant today and in the future.

NEW! MOBILE APP

With changing workforces, mobile worksites, and advances in technology, we must modernize our access to information and resources. One of the ways we worked toward this was through the development of a new mobile app. WCB, in collaboration with the Canadian Centre for Occupational Health and Safety (CCOHS) launched a new mobile app which provides relevant, up-to-date information on 20 common health and safety topics, with further topics to be developed over the coming years. To access the mobile app, search for Guide to OHS Legislation on the App Store or Google Play or visit our website at wcb.pe.ca/ohsguide.



NEW! NEW INSPECTION REPORTING SYSTEM

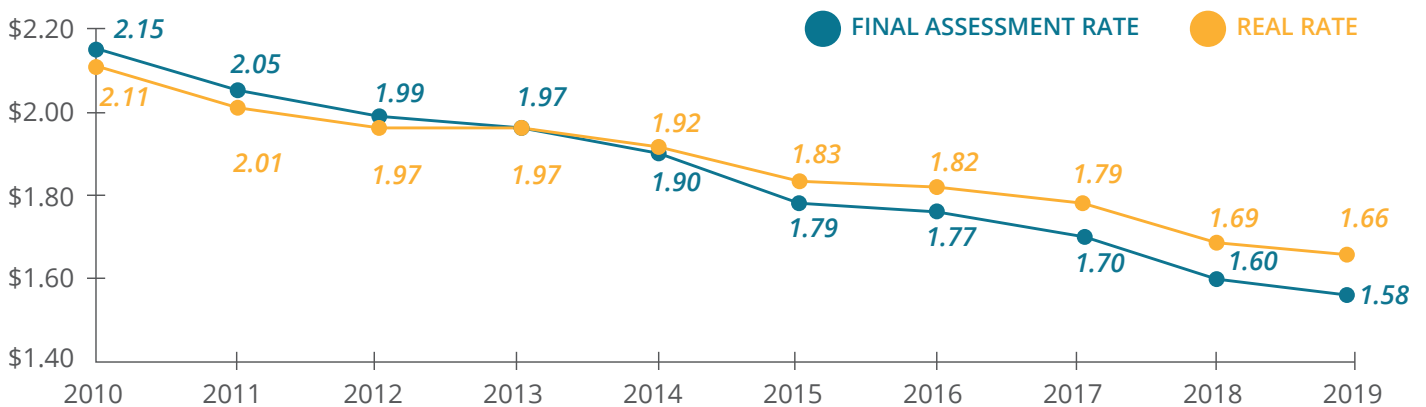
In order to serve our clients better, we need to ensure that our systems are up-to-date. Realizing that the functionality of our system for recording information related to Occupational Health and Safety was limited, we implemented a new, customized inspection and prevention database. Its web-based, real-time connection to the WCB database ensures accuracy of the administrative details of reports. It also streamlines many work processes, such as monitoring non-compliance orders and tracking prevention initiatives. The introduction of the new system, known as the Magna Reporting System, has been a successful venture and has greatly improved work efficiency.

MAINTAIN A STABLE RATE MODEL

Financial sustainability means ensuring benefits can be paid to injured workers, employers are charged fair premiums and that sufficient capital is preserved to meet our financial obligations when faced with economic volatility.

Achieving equity amongst generations of employers by charging today's employers for today's injuries and administration cost is the primary goal of the annual assessment rate setting process. Our Funding Policy can also impact the final assessment rates. When our funding status ratio is below 100% or between 125% and 140%, assessment rates can be increased or decreased to restore the funding status to the target range of 100% to 125%. In 2018, the Board approved another reduction to the average assessment rate to Island employers, bringing it to \$1.58 for 2019.

Average Rate Per \$100
Assessable Payroll



ONLINE REPORTING OF FUNCTIONAL ASSESSMENTS

After an accident, there are often limitations to what an injured worker can do. Having a clear picture of a worker's abilities helps us provide better support to workers. A functional scan, completed by a healthcare provider, is one way to objectively measure a worker's abilities. Knowing a worker's functional abilities is valuable information in planning a safe return to work. In 2019, we made it easier for healthcare professionals to provide this information to us by creating a form that is submitted online. This information supports the Work Disability Prevention Team in guiding recovery and reconnecting injured workers to their job duties.



WORKPLACE HARASSMENT REGULATIONS

Workplace Harassment is a growing topic that employers and workers are facing across the country. In 2019, WCB took the first step to bringing forward changes to the *Occupational Health and Safety Act*, by presenting amendments to the Act and introducing new Workplace Harassment Regulations. The amendments outline the responsibility of employers and workers to prevent harassment in the workplace. The amendments to the Act, and the new Regulations were passed in fall 2019, and will come into effect July 1, 2020. To assist employers and workers with the transition, WCB will be rolling out a province-wide education strategy in 2020.

Grow Strategic Partnerships

WCB works with diverse stakeholders in Prince Edward Island and across the country. We will continue to grow and strengthen our partnerships to support our strategic priorities.

CONSTRUCTION CAMPAIGN

Given the nature of the work, and the growing demands on the construction industry in Prince Edward Island, there is a higher risk for workplace accidents. In the fall of 2019, WCB reached out to the Construction Association of Prince Edward Island to develop a joint education campaign that would bring safety awareness to employers and workers in the industry. The campaign, which includes Safety Talks and posters, provides supervisors with the tools they need to have important conversations about safety topics such as ladder safety, fall protection, hearing protection and safety responsibilities.

SHOULDER PILOT

Healthcare providers play an important role in an injured worker's recovery and that is why it is important for us to work collaboratively to improve the health and injury outcomes of our clients. In April 2019, we supported Reactive Health in the introduction of a Shoulder Injury Rehabilitation Pilot. The pilot is testing a shoulder rehabilitation protocol to assess whether it improves return to work outcomes in shoulder injuries.

NATIONAL LEARNING SYMPOSIUM

In September 2019, WCB hosted professionals from workers' compensation boards across the country for the AWCBC Learning Symposium. The event is an opportunity to share best practices, identify and leverage synergies and advance our collective mission to reduce the impact of workplace injuries in Canada. Whether we work directly or indirectly with workers and employers, we strive to find and implement the best solutions because those we serve are what matter most.

JOINT OCCUPATIONAL SAFETY COMMITTEES

In March 2019, the WCB, in partnership with the Canadian Society of Safety Engineering (CSSE) and Cavendish Farms, hosted an education day on the importance of Creating an Effective Workplace Health and Safety Committee. The day included a variety of presentations from great speakers and provided an overall awareness on the legislative requirements related to establishing a safety committee, along with the many benefits it provides.

ASSEMBLY OF PROVINCIAL REGULATORY DIVISIONS

When a workplace accident occurs, there are many regulatory bodies that are involved in the investigation. In December 2019, WCB invited technical experts from the provincial Inspection Services, Officers from Environmental Health and officials from the Charlottetown Fire Department to come together for a networking event. It was a great opportunity to get to know the important resource personnel that we have available to us across Prince Edward Island. The collaboration of our knowledge strengthens our collective investigation results.



We thank Island fishers for their cooperation in recognizing the importance of wearing PFDs

FISHING INITIATIVE

With unpredictable weather conditions, and working with heavy machinery and gear, there are many hazards involved in commercial fishing. In 2019, we drew our attention to developing materials to support the fishing industry. We took what we heard from Island fishers to develop several new resources to promote safety in the fishing industry. This included a resource on selecting the right Personal Flotation Device and a Hazard Alert on the various hazards on fishing vessels and the legislative requirements related to fishing.

GRANT PROGRAM

In 2019, there were four successful grant recipients that received funding through the WCB Grant Program. One of the recipients, the Agriculture Sector Council, received national recognition for the work they completed as part of their grant project. The Council took their vision for enhancing the safety culture within the Agricultural Community to reality through their project, *Agriculture Train-the-Trainer*.



Representatives from the Agriculture Sector Council receiving the Special Project National Award from the Canadian Society of Safety Engineering

From Left: Danny Miller (Director of OHS, Elise Azar, Chair of PEI Chapter of CSSE, Laurie Loane, Executive Director of PEI Agriculture Sector Council, Alvin Smith, Consultant, ASTA Safety, and Greg Stavert, Chairman of the Board of Directors for the Agricultural Sector Council

Strengthen our Organization

The WCB team works together to carry out our mission. Empowered to deliver service excellence, WCB staff live our values of integrity, compassion, excellence, and collaboration every day. WCB demonstrates accountability through strong leadership and governance.

NEW! PSYCHOLOGICAL SAFETY COMMITTEE

In an effort to continue to build a healthy and safe workplace for our organization, the WCB created a Psychological Standards Committee. The committee members received Psychological Health and Safety Advisor training that was certified by the Canadian Mental Health Association and were tasked with creating a framework in which to identify where gaps exist and to continue the promotion of a positive and productive workplace. As part of the committee's work, they led WCB staff through the online course "Being a Mindful Employee," which provides an overview of the National Standards for Psychological Health and Safety.

TRAINING FOR STAFF

In order to ensure that our staff have the knowledge and skills they need to support Island employers and workers, training is essential. In 2019, WCB staff received training on a variety of emerging topics such as: De-escalating Potentially Violent Situations, Psychological Assessments and Trauma Treatment, Understanding Mental Health, Decision Making, Letter Writing and Weighing of Evidence, and Work Disability Prevention. In addition to training, WCB staff also participated in many webinars which included topics such as Chronic Pain and Opioids, Concussions and Return to Work, Investigating Allegations of Harassment, and Exposure Therapy.





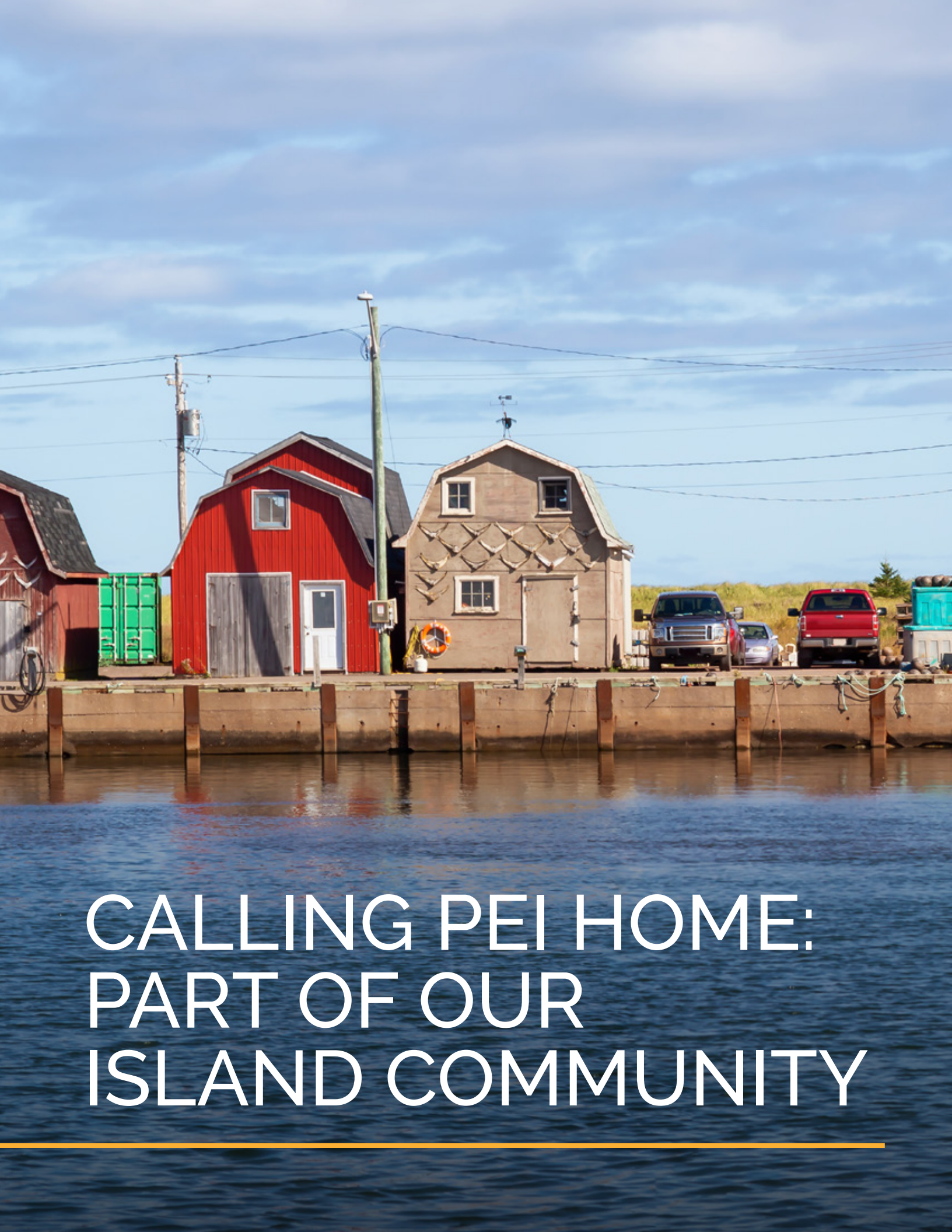
2019 Long Term Service Award Recipients

LONG TERM SERVICE AWARD

In 2019, we recognized 15 staff members for their long term service with the WCB, with some staff reaching significant tenures for up to 30 years of service. With over 1,000 years of service collectively among WCB PEI staff, there is a significant amount of experience and corporate knowledge within our organization.

STRONG GOVERNANCE

Our Board of Directors brings a variety of perspectives and expertise to provide sound governance in the best interests and objectives of the workers compensation system. In 2019, the Board approved many legislative changes, policy enhancements, benefits to workers, a surplus distribution to employers, annual budgets and assessment rates.



CALLING PEI HOME: PART OF OUR ISLAND COMMUNITY



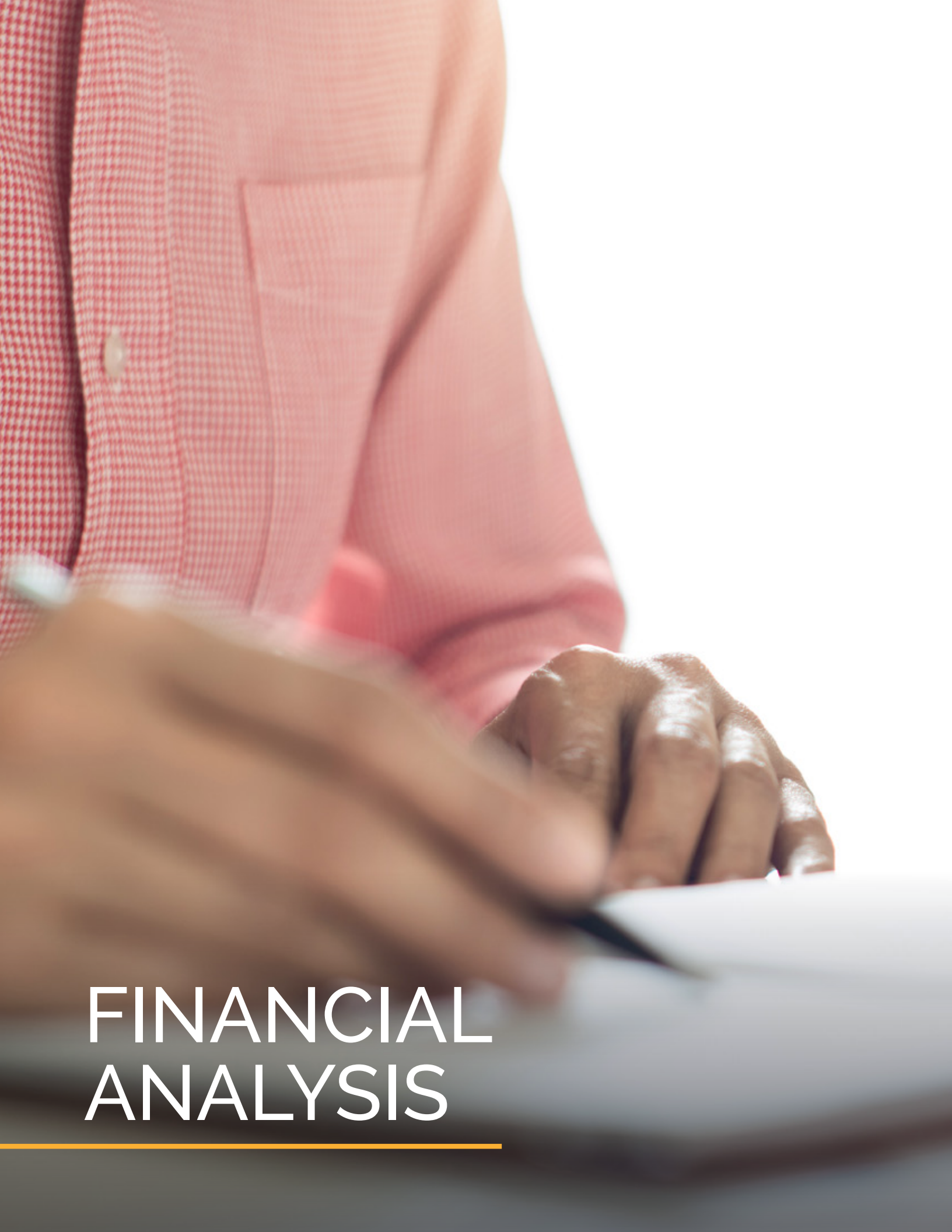


We are proud of who we are, who we help and most of all where we're from. We look for meaningful ways to give back to communities and organizations across the Island. This past year some of our community initiatives included the following:

- Funds raised through dress down days were donated to the Alzheimer Society of PEI, Heart & Stroke Foundation, Canadian Mental Health Association of PEI, PEI Humane Society, Canadian Red Cross, Canadian Cancer Society, Brain Injury Association, MS Society of PEI, Autism Society of PEI, IWK and Anderson House
- Continued support for Threads of Life, a national community organization that helps families who have been impacted by a workplace tragedy. In 2018, we sponsored the annual Steps for Life Walk, and sponsored several families who wished to attend the Atlantic Family Forum
- Registered a Corporate Relay Team in the PEI Marathon to help raise funds for mental health programs on PEI
- Provided sponsorship to the Canadian Mesothelioma Foundation
- Staff contributed items for care packages for Island to Island Hurricane Relief for the Bahamas
- WCB staff contributed approximately \$2,700 to the United Way and Health Partners through payroll deduction

In the coming years WCB will continue to seek out socially-responsible initiatives that will strengthen community engagement, have a positive outcome for Islanders, and further our commitment to all the residents of Prince Edward Island.





FINANCIAL ANALYSIS



OVERVIEW AND ANALYSIS OF 2019 FINANCIAL RESULTS

Financial Highlights for the Year Ending December 31, 2019

It is recommended the following pages be read in combination with the complete December 31, 2019 audited financial statements and accompanying notes which are available at wcb.pe.ca/2019FinancialReports. Numbers are rounded throughout this analysis for ease of reading.

FINANCIAL HIGHLIGHTS (\$ MILLIONS)

OPERATIONAL HIGHLIGHTS	2019	2018
Assessment Revenue	36.4	34.1
Investment Revenue / (Loss)	28.3	(4.4)
Market Rate of Return / (Loss) on Portfolio	14.01%	(1.32%)
Claim Costs	26.0	23.0
Administration Expenses	8.3	8.5
Operating Surplus/ (Deficit)	4.5	(30.0)
Surplus Distribution to Employers	19.8	21.9
BALANCE SHEET HIGHLIGHTS		
Total Assets	246.0	237.3
Market Value of Investments (included in total assets)	231.3	227.3
Benefit Liability (included in total liabilities)	163.1	158.6
Total Liabilities	166.4	162.3
Fund Balance	79.5	75.1
Funding Status	147.8%	146.3%

FINANCIAL REPORTING STANDARDS

The WCB financial statements are prepared in accordance with International Financial Reporting Standard (IFRS). The financial statements of the WCB have been prepared on a historical cost basis except for all portfolio investments which are recorded at fair value.

OPERATIONAL HIGHLIGHTS

Revenues

The WCB's revenue includes two main sources: assessment revenue and investment income.

Assessment Revenue

Revenue from employers arises from two primary groups, assessed employers and self-insured employers. The total assessment revenue is a function of the assessment rate applied against the assessable payroll of each employer in the province. Revenue from self-insured employers is the transactional based administration fee that is charged to self-insured employers for the administration of their claim costs.

The 2019 increase in both the total assessable payroll and the number of assessed employers was a contributing factor in the increase in assessment revenue.

ASSESSMENT REVENUE (\$ MILLIONS)	
2019	36.4
2018	34.1
2017	33.6
2016	34.8
2015	33.3

AVERAGE ASSESSMENT RATE, 2009-2019 (\$ per \$100 of assessable payroll)	
2019	\$1.58
2018	\$1.60
2017	\$1.70
2016	\$1.77
2015	\$1.79
2014	\$1.90
2013	\$1.97
2012	\$1.99
2011	\$2.05
2010	\$2.15
2009	\$2.16

ASSESSABLE EMPLOYERS, AVERAGE ASSESSMENT RATES AND ASSESSABLE PAYROLL (BY YEAR)			
	2019	2018	2017
Assessable Employers (Number)	6,115	5,828	5,592
Average Assessment Rate (\$ per \$100 assessable payroll)	\$1.58	\$1.60	\$1.70
Assessable Payroll (\$ millions)	\$2,266	\$2,104	\$2,002

INVESTMENT INCOME

Investments are important to the WCB because the capital invested plus investment income must cover future claim obligations. Since compensation liabilities have an inflationary component, over time investment income must cover at a minimum that inflationary component.

All portfolio investments are recorded at fair value which means the WCB recognizes interest revenue as earned, dividends when declared and investment gains and losses when realized. In 2019, the WCB had investment returns of 14.01% (or investment income of \$28.3 million). The 2019 investment income had a significant impact on the funding status which increased to 147.8% (2018 – 146.3%).

The intent of the WCB's strategic investment policy asset mix is to meet current and future benefit obligation for current injured workers. Over a 20 year period the average investment returns were 6.35%.

INVESTMENT RETURNS									
2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
10.68%	2.63%	10.89%	15.73%	8.46%	4.30%	9.16%	10.29%	-1.32%	14.01%

Expenses

The WCB's expenses consist of claim costs and operating costs. Claim costs represent current and future costs associated with workplace injuries occurring in the reporting year. Operating costs are for various components required for the administration of the WCB.

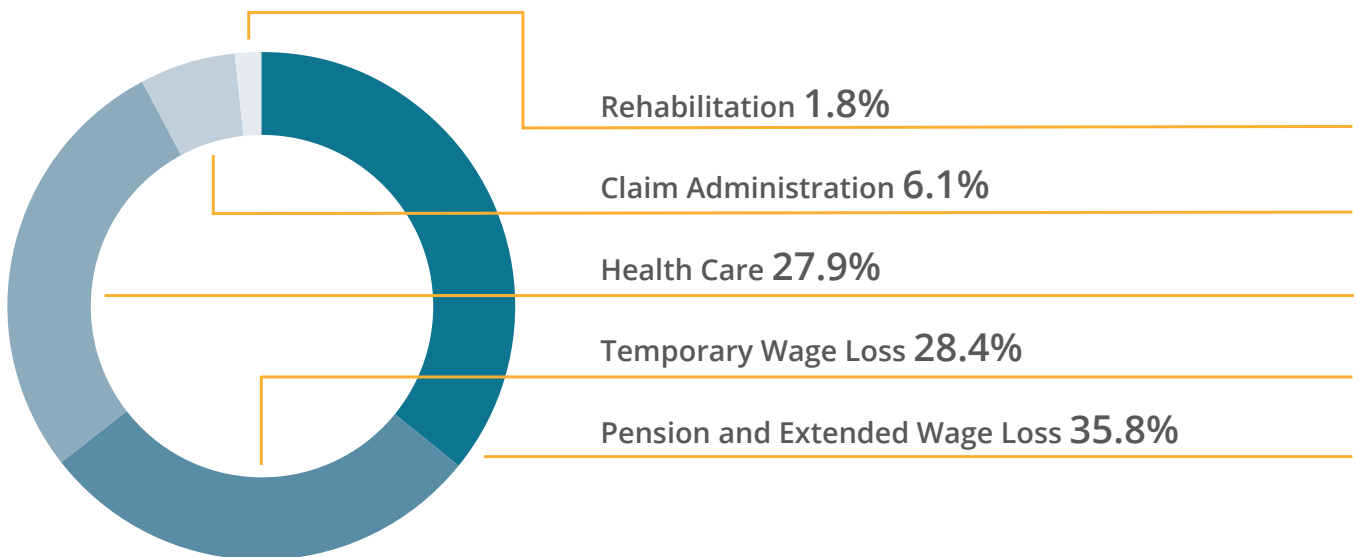
CLAIM COST

Claim cost expenditures are determined by estimating the outstanding benefit liabilities. This involves actuarial calculations that analyze experience, trends and other relevant factors, based largely on the assumption that past experiences are an appropriate predictor of the future. This process involves an actuarial projection of future claim costs and administration costs incurred to the end of the reporting year (2019).

The total claims cost expenses for 2019 are \$30.9 million (2018 - \$27.9 million) which represents an increase of +10.8% (or +\$3.0 million) over the 2018 year. In 2019, there was \$26.045 million of claims and administrative costs incurred (2018 - \$23.030 million) and these costs represent 84% (2018 – 83%) of the \$30.9 million (2018 - \$27.9 million) of total claims cost expenses incurred for the year.

CLAIMS AND ADMINISTRATIVE COSTS INCURRED, 2019 AND 2018 (\$ THOUSANDS)

	2019	2018
Temporary Wage Loss	\$7,392	\$7,214
Pension and Extended Wage Loss	9,320	7,357
Health Care	7,258	6,501
Rehabilitation	485	552
Claim Administration	1,590	1,406
Total	\$26,045	\$23,030



OPERATING EXPENSES

ADMINISTRATION EXPENSES	2019	2018
Administration	\$7,974,353	\$7,782,209
Workers' Advisor Program	104,261	280,203
Employers' Advisor Program	113,052	105,839
Appeals Tribunal	129,710	298,065
Subtotal	\$8,321,376	\$8,466,316
OTHER EXPENSES		
Investment Management	\$1,137,172	\$1,203,297
Bad Debt	52,632	24,077
Grant Program	273,666	500,000
Subtotal	\$1,463,470	\$1,727,374
Total Operating Expenses	\$9,784,846	\$10,193,690

The total 2019 Administration expenses (\$8.321 million) have decreased by \$145 thousand (or -1.7%) over 2018 \$8.466 million. Administration expenses comprised approximately 20% in 2019 and 22% in 2018 of total expenditures.

Staff salaries increased \$392 thousand to \$5.715 million (2018-\$5.323 million) and continue to represent approximately 70% of the total administration spend.

The increased spend is primarily due to the hiring of an internal legal counsel and CFO and cost increases associated with collective agreements. Expenditures on external professional fees have decreased \$370 thousand during the year.

WCB funds the program expenses of the Office of the Worker Advisor, the Office of the Employer Advisor and the Workers Compensation Appeals Tribunal. These programs operate independently from the WCB. In 2019, the cumulative expenditures (\$347 thousand) in these three areas have decreased by \$337 thousand (or -49.3%) compared to 2018 (\$684 thousand). In 2018 additional expenditures were required within these program areas to deal with a backlog of appeals.

Investment Management Fees consist of two components: external management fees and management fees paid to WorkSafeNB for the management of the pooled fund. Management fees paid to WorkSafeNB are calculated on a cost recovery basis. Investment management fees decreased by \$66 thousand (or -5.5%) in 2019 due to the decrease activity within the investment pool.

For the second year in a row, the Board approved a \$500,000 annual Grant Program budget. The expenditures of \$274 thousand represent the committed funds to approved applicants at December 31, 2019.

BALANCE SHEET HIGHLIGHTS

Investments

At December 31, 2019 the market value of the investment portfolio was \$231.3 million, (2018 - \$227.3 million). The primary factor for the increase was the positive investment returns at December 31, 2019 of \$28.274 million (2018 - Investment loss of \$4.437 million) that was partially offset by the surplus distribution of up to \$20.0 million approved by the board in the fall of 2019.

INVESTMENT FUND, 2010-2019 (\$ MILLIONS)									
2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
152.4	161.0	184.3	213.3	231.3	226.7	248.7	255.1	227.3	231.3

Benefit liabilities

The other major component of WCB's balance sheet is its benefit liabilities. In 2019, the benefit liabilities increased by 2.8%.

The calculated liabilities represent the actuarial present value of all future benefits expected to be paid as a result of injuries that occurred on or before December 31, 2019. The liabilities include a provision for future administrative expenses.

The most significant assumptions underlying the valuation are a real rate of return of 3.25% per annum and a long-term inflation rate of 2.25% per annum of which there was no change to these assumptions. Based on past years' experience, the assumption for the number of outstanding Extended Wage Loss (EWL) awards increased from 39 to 44, as well as a change to the provision for occupational disease latency stage from 4.5% to 7.5%.

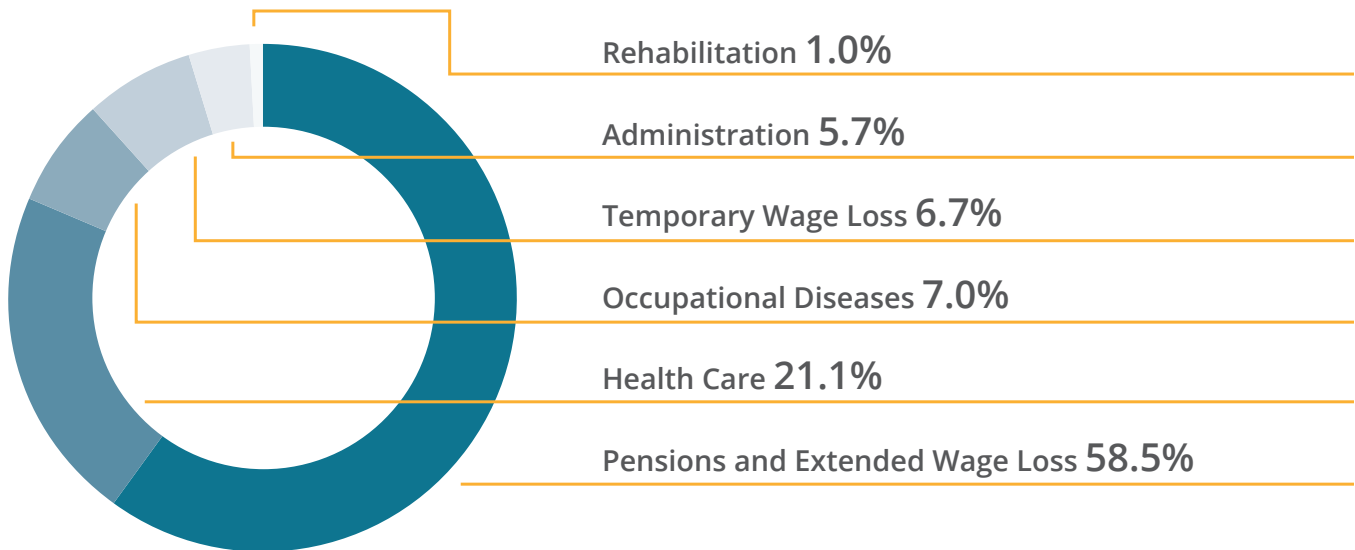
All other general methods and assumptions used to prepare the valuation have remained unchanged from those used to prepare the December 2019 valuation.

The 2019 benefit liabilities include a 7.5% general provision for occupational disease claims expected to be diagnosed after December 31, 2019 as a result of exposures assumed to have occurred in the workplace prior to December 31, 2019. Examples of occupational disease claims include hearing loss related diseases, cancers, lung related diseases, carpal tunnel syndrome, and asbestos related diseases. The 3.0% increase in this general provision is based on an actuarial study completed in 2019. The previous 4.5% general provision was based on an actuarial study completed in 2012.

BENEFITS LIABILITIES, 2019 AND 2018 (\$ THOUSANDS)

	2019	2018
Temporary Wage Loss	\$11,012	\$9,798
Pension and Extended Wage Loss	95,427	98,456
Health Care	34,353	32,089
Rehabilitation	1,636	2,192
Subtotal	\$142,428	\$142,535
Administration	9,258	9,265
Subtotal	\$151,686	\$151,800
Occupational Diseases	11,376	6,831
Total Benefit Liability	\$163,062	\$158,631

BENEFIT LIABILITIES



FUNDING REQUIREMENTS, POLICY AND STATUS

Funding Requirements

Pursuant to Section 63 of the Workers Compensation Act, R.S.P.E.I. 1988 Cap. W-7.1, the WCB is required to be fully funded. When it is not, it is required to have a plan to be fully funded within a reasonable time frame. Being in a fully-funded position means that the Board is in a position to pay all future benefits to which current injured workers are entitled, as well as the costs associated with administering those benefits.

Funding Policy

Our Funding Policy (POL-136) establishes a framework to achieve long term financial sustainability for our workers compensations system. The primary goals of the funding policy are to:

- minimize the risk of becoming unfunded;
- minimize cost volatility for employers so the overall average assessment rate for the current year will not vary significantly from the previous year's average assessment rate;
- minimize the total cost charged to employers by ensuring the funded status is appropriate in relation to financial needs; and
- ensure today's employers pay for the current and future cost of today's accidents.

The funding status is defined numerically as total assets expressed as a percentage of total liabilities.

The funding policy targets a funded status in the range of 100%-125% and includes specific adjustments to be applied to the assessment rate should the funded status fall outside this range.

When funding status is 125% to 140%, the surplus can be returned to employers by reducing assessment rates over a number of fiscal years until funding status returns to the 100% to 125% target range. In 2019 the required average assessment rate was reduced by 8 cents (2018 – 9 cents) per \$100 of assessable payroll.

	2019	2018
Required Average Assessment Rate	\$1.66	\$1.69
Funding Policy Adjustment	(0.08)	(0.09)
Final Average Assessment Rate	\$1.58	\$1.60

When the funding status is above 140%, the Board may consider a surplus distribution back to eligible employees, in an amount as determined by the Board. The Board approved a \$20 million surplus distribution back to eligible employers in 2019 and \$22 million in 2018 and has returned \$76.6 million over the past five years.

Funding Status

FUNDING STATUS 2010-2019									
2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
113.8%	113.7%	124.1%	135.3%	147.2%	141.4%	159.4%	165.4%	146.3%	147.8%

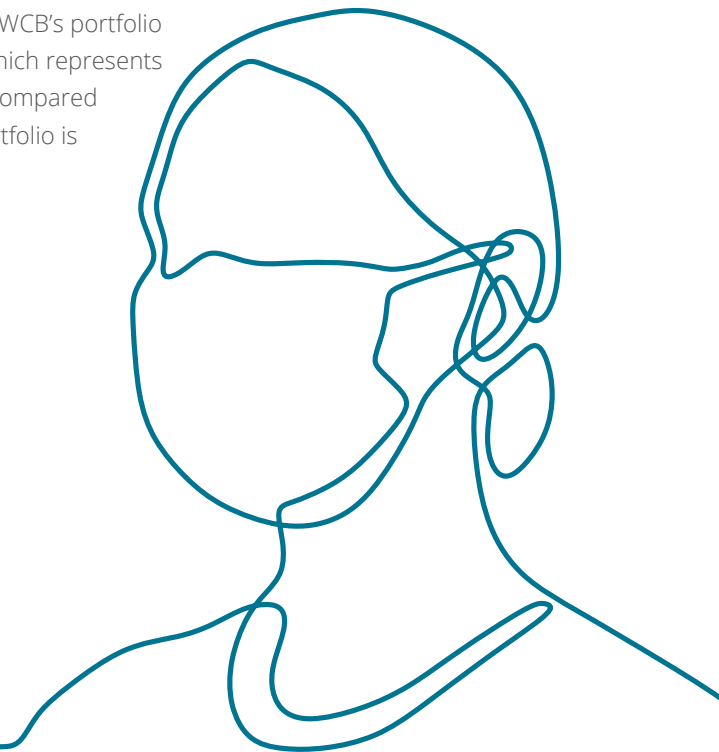
The funding status of 147.8% as at December 31, 2019 will be considered in setting 2021 assessment rates.

POTENTIAL FINANCIAL IMPACTS OF COVID-19

Since December 31, 2019 the spread of COVID-19 has severely impacted local economies around the globe. In many countries including Canada businesses are being forced to cease or limit operations for long or indefinite periods of time.


While it is not yet possible to reliably estimate the financial impact of COVID -19, WCB’s management anticipates that assessment revenues, claims costs and the valuation of the benefit liability may all be impacted by COVID -19 in the 2020 year and potentially beyond.

In addition, as of March 31, 2020 management’s estimated fair value of WCB’s portfolio investments was \$199.2 million (December 31, 2019 - \$231.3 million) which represents a fair value decrease of -13.9% (or an investment loss of \$32.1 million) compared to the December 31, 2019 fair value. Volatility within the investment portfolio is expected to continue for the duration of the COVID-19 pandemic.







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