



# WORKERS COMPENSATION BOARD OF PEI

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2022 ANNUAL REPORT



EXAMPLE OF THE DAMAGE LEFT BEHIND BY  
POST-TROPICAL STORM FIONA AFTER IT TORE  
THROUGH PEI ON SEPTEMBER 23, 2022.

# MISSION & VALUES

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The Workers Compensation Board (WCB) of PEI has been an integral part of the Island community since 1949. The WCB supports all Island workplaces through education and enforcement of the *Occupational Health and Safety Act (OHS Act)*. Over 84,000 workers and over 6,600 employers are protected through the fair and effective administration of the *Workers Compensation Act (WCB Act)*.

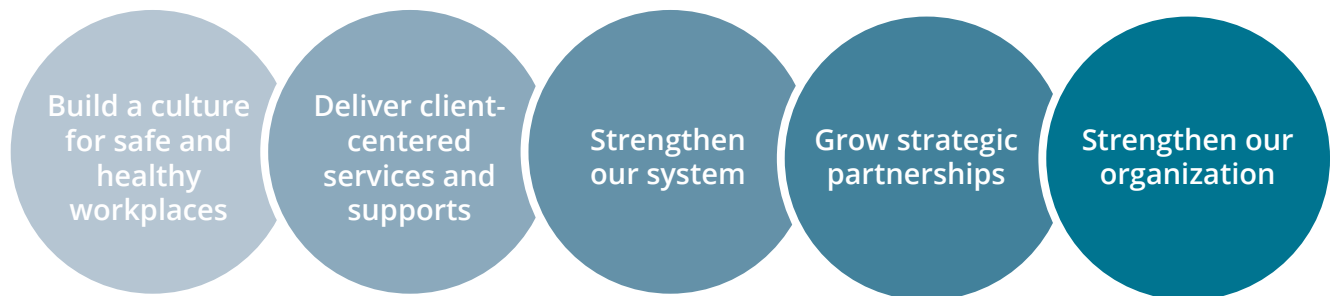
## OUR VISION - WHAT WE STRIVE TOWARDS

- 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.

# BOARD OF DIRECTORS



*Back row from left: Krishna Burugadda, Valerie Robinson, Alan MacKinnon, Gail Ellis and Nancy MacFadyen  
Front row from left: Jim MacPhee (Chair) and Nicole McKenna (Vice Chair)*

# SENIOR LEADERSHIP TEAM



*Back row: Stephen L. Carpenter (Senior Legal Advisor), Barbara Groome Wynne (Director of Corporate and Human Resources), Norman MacDonald (Chief Financial Officer), Kate Marshall (Director of Claims and Compensation), Danny Miller (Director of Occupational Health and Safety)  
Front row: Audrey MacPhail (Executive Corporate Secretary), Cheryl Paynter (Chief Executive Officer), Darren MacDonald (Chief Information Officer)*

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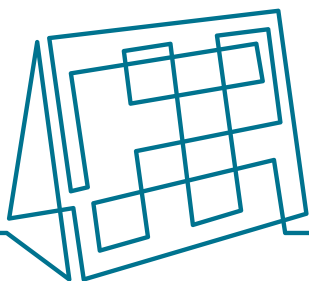
*Cover photo: Brian McInnis, Inside cover photo: Rafe Wright. Used with permission.*

# YEAR AT A GLANCE

	2022	2021
<b>Educational Activities</b> <i>Public presentations, virtual sessions, and in-person workshops</i>	<b>1,944</b> <i>participants</i>	1,900 <i>participants</i>
<b>Workplace Inspections</b>	<b>2,390</b>	3,002
<b>Number of Assessed Employers<sup>1</sup></b>	<b>6,602</b>	6,372
<b>Estimated Size of PEI Workforce</b> <i>As reported by Statistics Canada</i>	<b>84,200</b> <i>March 31, 2022</i>	79,400 <i>March 31, 2021</i>
<b>Total Adjudicated Claims</b>	<b>1,848</b>	1,826
<i>Temporary Wage Loss</i>	<b>1,035</b>	1,012
<i>Medical Aid Only</i>	<b>681</b>	668
<i>Denied</i>	<b>130</b>	146
<i>Compensable Workplace Fatalities</i>	<b>2</b>	0
<b>Total Workplace Fatalities<sup>2</sup></b>	<b>3</b>	0

<sup>1</sup> Employers with multiple operations may be classed as more than one assessed employer.

<sup>2</sup> The Total Workplace Fatalities encompasses all compensable and non-compensable workplace injuries that resulted in the death of a worker, as reported to us.



# HIGHLIGHTS & NEW INITIATIVES IN 2022

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## 1 BENEFIT ENHANCEMENTS

After a process which included stakeholder and general public consultations, the *Workers Compensation Act* and its regulations were amended in December 2022 to reflect the most significant benefit enhancement package for injured workers of the last decade. These enhancements will reduce the financial impact of injuries and fatalities and assist injured workers with the rising cost of living. Meanwhile, employers see their costs maintained at a reasonable level.

## 3 SURPLUS DISTRIBUTION

Based on the organization's December 31, 2021, audited financial statements and its funding policy, the WCB's Board of Directors approved a \$22 million surplus distribution to Island employers. In accordance with policy, a surplus distribution may be approved when the organization's overall funding status is greater than 140%. Employers with up-to-date accounts with the WCB received their share of the surplus distribution in December 2022.

## 5 INJURED WORKER SURVEY RESULTS

The WCB surveys its two (2) major stakeholder groups – injured workers and employers – on a biannual basis. In 2022, Narrative Research was commissioned to survey injured workers. The first survey of this kind was conducted in 2002, which now provides the WCB with significant comparison data to draw from. For injured workers, satisfaction with the overall WCB experience is at its highest level recorded since the start of this study with 74% attesting that they are completely or mostly satisfied. Overall, 82% of injured workers continue to express high levels of agreement that the WCB understands their needs while 91% agree that they are treated with respect.

## 2 RESPONSE TO POST-TROPICAL STORM FIONA

Prince Edward Island was hit with a massive natural disaster when post-tropical storm Fiona ripped through the province, knocking out the power of most Island households and leaving behind unprecedented destruction. Our Occupational Health and Safety Division was on the frontlines of it all supporting the provincial Emergency Measures Office during disaster management, ensuring workplace safety during recovery efforts and actively communicating about available resources to keep workers and employers safe. Just as important, WCB essential services were maintained, ensuring injured workers received their benefits without disruption.

## 4 ENHANCED OHS EXPERTISE

The WCB enhanced its Occupational Health and Safety expertise in a significant way with the onboarding of a full-time Occupational Hygienist. The addition of this valuable resource enabled the expansion of our safety workshop offerings and the development of new resources for the promotion of workplace safety, in support of Island workers and employers.

## 6 WORKFORCE EVOLUTION

The COVID-19 pandemic, which began almost three (3) years ago, led organizations around the world to examine how they carry out their work and how they support their team members. In 2022, we formalized our permanent move to a hybrid model of work for our team members. All divisions, including the Senior Leadership Team, now have team members working remotely on a weekly basis. This model has many benefits including increased flexibility and productivity, with less time spent commuting and enhanced work-life balance, while maintaining service standards.

# FROM PREVENTION TO RECOVERY BY THE NUMBERS



**1,944**

**NUMBER OF EDUCATIONAL SESSIONS (2022)**

1,900 (2021)



2022	1.32
2021	1.37

1.75 - Canadian average as provided by the AWCBC

**2,390**

**NUMBER OF WORKPLACE INSPECTIONS (2022)**

3,002 (2021)



## MOST COMMON AREAS OF INJURY (TIME-LOSS CLAIMS)

**Head, Neck, Throat: 13.3%**  
(2021: 11.3%)

**Shoulder: 11%**  
(2021: Multiple Body Parts 12.1%)

**Back: 15.4%**  
(2021: 20.8%)

**Arm, Wrist, Hand: 17.4%**  
(2021: 19.9%)

**Hip, Knee, Ankle, Foot: 16.7%**  
(2021: 20.4%)



**AVERAGE CALENDAR DAYS TO FIRST PAYMENT**

in 2022

**14.3**

days on average  
15 days in 2021

**77.7**

**WORKER SATISFACTION INDEX (2022)**

76.2 (2020)

**83.4**

**EMPLOYER SATISFACTION INDEX (2021)**

85.0 (2019)



## PERCENTAGES OF WORKPLACE INJURIES BY INDUSTRY (TIME-LOSS CLAIMS)



### NATURE OF INJURY (TIME-LOSS CLAIMS)

**46.8%**

Sprains,  
Strains, Tears

57.2% in 2021

Musculoskeletal injuries continue to make up the highest percentage of time-loss injuries

#### HEALTH AND SOCIAL SERVICES



**28.7%**  
27.7%

#### MANUFACTURING



**19.2%**  
18.3%

#### CONSTRUCTION



**14%**  
11.6%

#### GOVERNMENT SERVICES



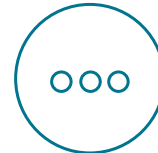
**9.1%**  
9.2%

#### RETAIL TRADE



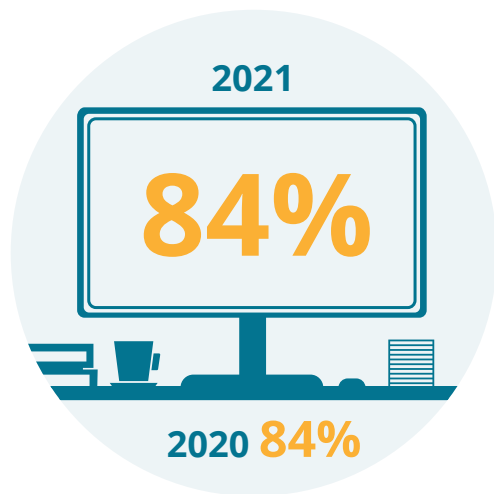
**7.6%**  
9.4%

#### ALL OTHER INDUSTRIES



**21.4%**  
23.8%

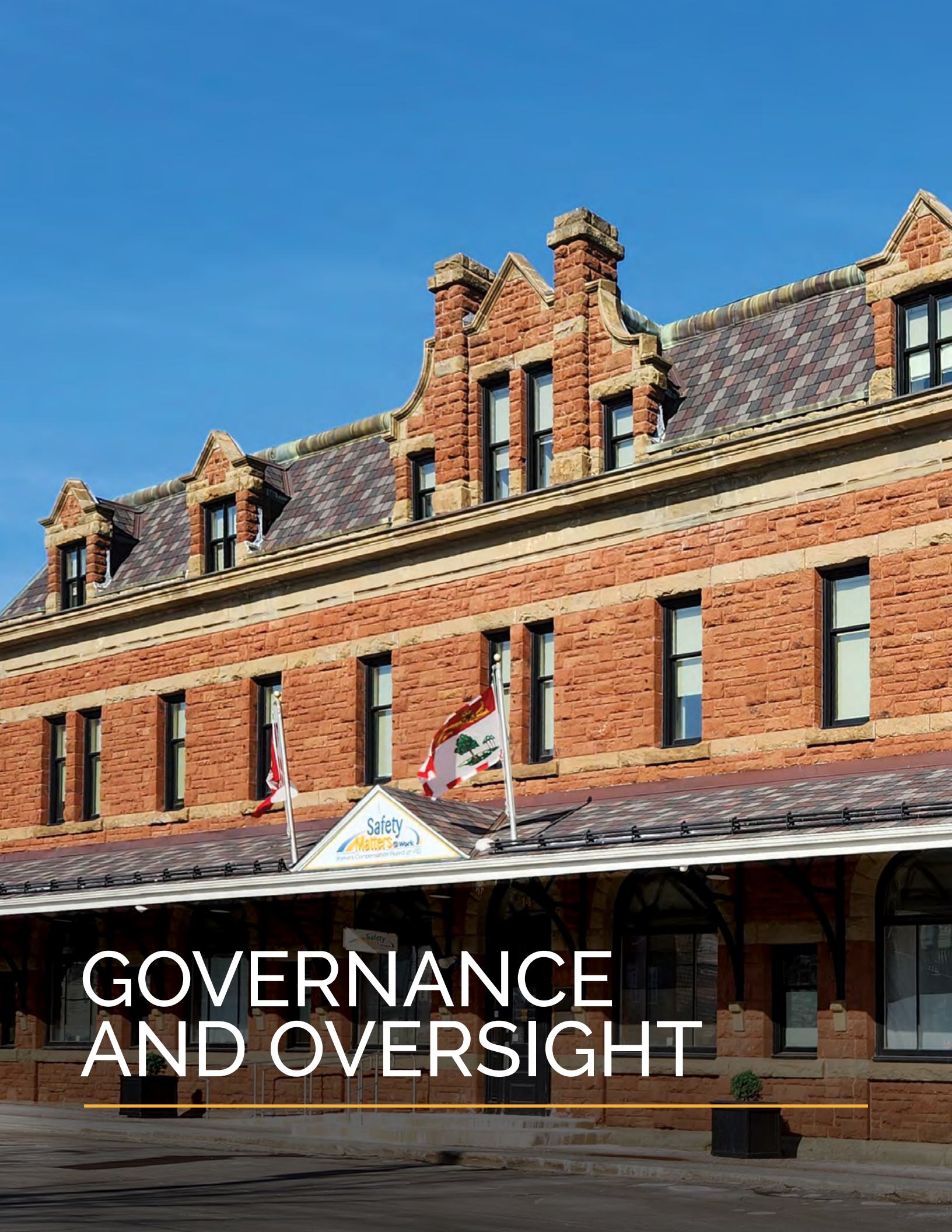
2022 2021



### PERCENTAGE OF WORKERS WHO RETURN TO WORK WITH PRE-INJURY EMPLOYER

### PERCENTAGE OF INJURED WORKERS NO LONGER ON WAGE LOSS BENEFITS

	2021	2020
90 Days	69%	69%
180 Days	80%	81%
360 Days	89%	88%



# GOVERNANCE AND OVERSIGHT

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# MESSAGE FROM THE CHAIR

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In 2022, the Workers Compensation Board delivered strong financial performance for employers, and equally important, it was there for workers by introducing significant benefit enhancements. The WCB was able to accomplish this while navigating an environment that is changing at an ever-increasing pace.

It is with no small amount of pride that we can say that the WCB and its team members held their own during another turbulent year, which included the third year of the COVID-19 pandemic and an unprecedented natural disaster in post-tropical storm Fiona.

While managing these external factors out of our control, we embarked in the most significant benefit enhancement package for injured workers in the last decade, all the while maintaining reasonable costs for Island employers.

The amendments to the *Workers Compensation Act*, that passed unanimously during the fall 2022 sitting of the PEI legislature, were the culmination of many years of purposeful work by our team members and extensive consultations with our stakeholders. This work mobilized us all as we reduced the financial impact of injuries and fatalities and assisted injured workers with the rising cost of living. Some of the enhancements took effect in December 2022 while others will come into effect progressively by January 2024.

While implementing these meaningful enhancements for injured workers and their families, we were able to maintain cost stability for employers. In addition to another year of reduced rates, the Board approved a \$22 million surplus distribution to Island employers in November 2022.

Finally, I would be remiss if I did not mention the results of our 2022 Injured Worker Survey. Service satisfaction with the overall WCB experience is at its highest recorded level with 74% attesting that they are completely or mostly satisfied with their experience. Connecting with our two main stakeholder groups – injured workers and employers – in an independent and consistent manner is an essential oversight role of the Board and serves to ensure continuous improvement.

The Board of Directors takes to heart its role as stewards of Prince Edward Island's workplace and compensation system. As we prepare to embark in a new strategic planning cycle, you can be assured that the WCB will continue its well-established approach of continuous improvement to remain relevant for workers and employers alike.

To our valued team members, you are the ones who help workers and employers create safer workplaces and manage workplace incidents. On behalf of the Board, I want to thank WCB team members – at all levels of the organization – who rose to the occasion and showcased their dedication, their leadership and their resiliency over the past year. To my fellow Board members, thank you for your continued support and professionalism. It is a pleasure working with you in overseeing the corporate governance of the WCB.

A handwritten signature in black ink that reads "Jim MacPhee". The signature is fluid and cursive.

Jim MacPhee  
Chair, Workers Compensation Board

# MESSAGE DU PRÉSIDENT

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En 2022, la Commission des accidents du travail a obtenu de bons résultats financiers pour les employeurs et, ce qui est tout aussi important, elle a été présente pour les travailleurs et les travailleuses en introduisant des améliorations significatives des prestations. La CAT a pu accomplir cela tout en naviguant dans un environnement qui évolue à un rythme de plus en plus rapide. C'est avec beaucoup de fierté que nous pouvons dire que la CAT et les membres de son équipe ont tenu bon au cours d'une année turbulente qui comprenait la troisième année de la pandémie de COVID-19 et une catastrophe naturelle sans précédent, la tempête post-tropicale Fiona.

Tout en gérant ces facteurs externes qui échappent à notre contrôle, nous avons mis en place l'ensemble d'améliorations des prestations pour les travailleurs blessés le plus important de ces dix dernières années, tout en maintenant des coûts raisonnables pour les employeurs de l'Île.

Les modifications à la *Workers Compensation Act* (loi sur les accidents du travail) qui ont été adoptées à l'unanimité lors de la session d'automne 2022 de l'Assemblée législative de l'Île-du-Prince-Édouard sont l'aboutissement de nombreuses années de travail ciblé de la part des membres de notre équipe et de consultations approfondies avec nos parties prenantes. Ce travail nous a tous mobilisés pour réduire l'impact financier des blessures et des décès et aider les travailleurs blessés à faire face à l'augmentation du coût de la vie. Certaines de ces améliorations sont entrées en vigueur en décembre 2022, tandis que d'autres entreront progressivement en vigueur d'ici janvier 2024.

Tout en mettant en œuvre ces améliorations significatives pour les travailleurs blessés et leurs familles, nous avons pu maintenir la stabilité des coûts pour les employeurs. En plus d'une nouvelle année de taux réduits, le conseil d'administration a approuvé la distribution d'un excédent de 22 millions de dollars aux employeurs de l'Île en novembre 2022.

Enfin, je m'en voudrais de ne pas mentionner les résultats de notre sondage mené en 2022 auprès des victimes d'accidents du travail. La satisfaction des travailleuses et travailleurs blessés à l'égard de leur expérience globale avec la CAT est à son plus haut niveau, 74 % d'entre eux se déclarant entièrement ou plutôt satisfaits de leur expérience. Le fait d'être en contact avec nos deux principaux groupes de parties prenantes (les travailleurs blessés et les employeurs) d'une manière indépendante et cohérente est un rôle de surveillance essentiel du conseil d'administration et permet d'assurer une amélioration continue.

Le conseil d'administration prend à cœur son rôle de responsable du système d'indemnisation et des lieux de travail de l'Île-du-Prince-Édouard. Alors que nous nous préparons à entamer un nouveau cycle de planification stratégique, vous pouvez être assurés que la CAT poursuivra son approche bien établie d'amélioration continue afin de rester pertinente pour les travailleurs et les employeurs.

Aux membres de notre équipe, vous êtes ceux qui aident les travailleurs et les employeurs à créer des lieux de travail plus sûrs et à gérer les incidents sur le lieu de travail. Au nom du conseil d'administration, je tiens à remercier les membres de l'équipe de la CAT – à tous les niveaux de l'organisation – qui se sont montrés à la hauteur et ont fait preuve de dévouement, de leadership et de résilience au cours de l'année dernière. À mes collègues membres du conseil d'administration, je vous remercie pour votre soutien constant et votre professionnalisme. C'est un plaisir de travailler avec vous pour superviser la gouvernance générale de la CAT.



Jim MacPhee  
Président, Commission des accidents du travail



# MESSAGE FROM THE CEO

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Safety and wellbeing dominated the Prince Edward Island landscape again in 2022 with public health emergencies and natural disasters.

2022 provided another year of navigating the COVID-19 pandemic and our province's first real exposure to the virus, mainly through the Omicron variant. Ever changing safety and testing protocols demanded that we stay nimble and adapt quickly for our team members and for Island workers and employers. We worked in collaboration with the Chief Public Health Office (CPHO) and provided key guidance in response to the ever-changing conditions, which led to the development of the WCB's *Guide for Communicable Disease Prevention*.

Post-tropical storm Fiona further tested Islanders' resilience with a historic storm and devastation in September 2022. Our Occupational Health and Safety Division was front and center as part of the Emergency Measures Office response team and provided crucial safety guidance to the mammoth recovery and clean-up efforts.

While we navigated all of these once-in-a-lifetime challenges, we were able to advance the WCB's agenda on many fronts:

- We provided team members with a more permanent hybrid work environment, where appropriate. This enables our workforce to be more mobile and to stay modern and in step with current and emerging workplace expectations.
- We concluded an operational review, which saw a number of resources added to our team to better support workers and employers, and deliver modern services.
- We also concluded the largest benefit enhancement increase in over a decade for our injured workers and their families, all the while balancing that with decreasing assessment rates and a substantial surplus distribution to employers.
- We are happy to report the Island's injury frequency is down to 1.32 but much work remains to be done as over 1,000 Islanders lost time from work due to injuries. Sadly, there were three work-related fatalities in 2022. One injury, and certainly one fatality, is far too many.

It is a rare moment in history when, in one calendar year, significant improvements can be made on all of these fronts.

As we look towards 2023, much work remains to be done. We now have in our sights refreshing our strategic plan so we can continue to build our adaptability and resilience as an organization, and tackling a lofty business transformation initiative.

I would like to extend my sincere thanks to all our team members across the organization for their extreme dedication and ability to swiftly adapt to change. Each has and continues to provide professional leadership in very challenging times.

Thanks also to our Board of Directors, under the leadership of Jim MacPhee, for their wise counsel and excellence in governance.

Cheryl Paynter  
Chief Executive Officer of the Workers Compensation Board

# MESSAGE DE LA DIRECTION GÉNÉRALE

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La sécurité et le bien-être ont encore une fois été au cœur du paysage insulaire en 2022, marquée par les urgences en santé publique et les catastrophes naturelles.

Ce fut une autre année à gérer la pandémie de COVID-19, et la première véritable exposition de notre province au virus, principalement en raison du variant Omicron. Vu le changement constant des protocoles de sécurité et de dépistage, il fallait rester alerte et nous adapter rapidement pour les membres de notre équipe et pour les travailleuses et travailleurs ainsi que les employeurs insulaires. Nous avons travaillé en collaboration avec le Bureau du médecin hygiéniste en chef et fourni des lignes directrices clés en réponse aux conditions changeantes, qui ont mené à l'élaboration du guide de prévention des maladies transmissibles de la Commission des accidents du travail (CAT).

En septembre 2022, la tempête post-tropicale Fiona, d'une ampleur et d'une dévastation historiques, venait encore une fois mettre à l'épreuve la résilience des Insulaires. Notre Division de la santé et de la sécurité au travail était à l'avant-plan à titre de membre de l'équipe d'intervention du Bureau des mesures d'urgence et a fourni des lignes directrices sur la sécurité essentielles aux efforts titanesques de rétablissement et de nettoyage.

Pendant que nous faisons face à tous ces défis d'une vie, nous avons pu faire avancer les priorités de la CAT sur bien des fronts :

- Nous avons proposé aux membres de l'équipe un milieu de travail hybride plus permanent, lorsqu'indiqué. Ainsi, notre main-d'œuvre peut être plus mobile et rester moderne et en phase avec les attentes actuelles et émergentes sur le marché du travail.
- Nous avons conclu un examen opérationnel grâce auquel des ressources ont été ajoutées à notre équipe de sorte à mieux soutenir les travailleuses et travailleurs et les employeurs et à offrir des services modernes.
- Nous avons également mis en œuvre l'ensemble d'améliorations des prestations le plus important en plus d'une décennie pour nos travailleuses et travailleurs blessés et leur famille, et équilibré le tout en réduisant les taux de cotisation et en distribuant un excédent considérable aux employeurs. It is a rare moment in history when, in one calendar year, significant improvements can be made on all of these fronts.
- Nous sommes heureux d'annoncer que la fréquence des accidents sur l'Île est tombée à 1,32, mais il reste encore beaucoup à faire car plus de 1 000 Insulaires ont dû s'absenter de leur travail pour cause d'accident lié au travail. Malheureusement, il y a eu trois décès liés au travail en 2022. Une seule blessure, et certainement un seul décès, c'est toujours de trop.

Il s'agit d'un rare moment dans l'histoire où, en une seule année, on est en mesure d'apporter des améliorations significatives sur tous ces fronts.

En tournant notre regard vers 2023, nous constatons qu'il reste beaucoup à faire. Nous envisageons maintenant la mise à jour de notre plan stratégique afin de pouvoir continuer de renforcer notre adaptabilité et notre résilience en tant qu'organisation, et de nous attaquer à une grande initiative de transformation organisationnelle.

J'aimerais remercier sincèrement tous les membres de notre équipe pour leur dévouement extrême et leur capacité à s'adapter rapidement au changement. Chacune de ces personnes fait preuve d'un leadership professionnel constant en ces temps très difficiles.

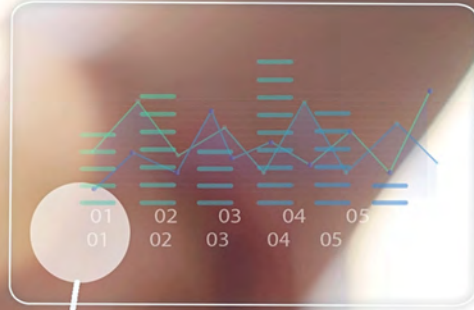
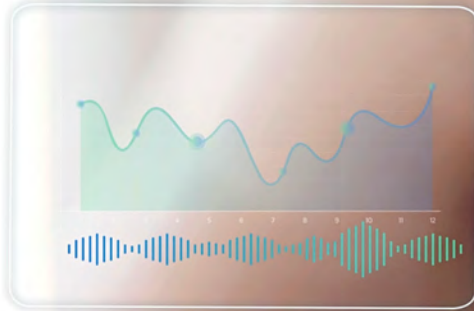
Merci aussi aux membres de notre conseil d'administration, présidé par Jim MacPhee, pour leurs conseils judicieux et leur excellence en matière de gouvernance.



Cheryl Paynter  
Directrice générale, Commission des accidents du travail







# 2022 PERFORMANCE REPORTS





## OVERVIEW OF THE 2019-2023 STRATEGIC PLAN

2022 marked the fourth year of implementation of the WCB's [2019-2023 Strategic Plan](#). The strategic plan was developed through consultation with stakeholders, Board members and team members. 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-Centered Services and Supports
- Strengthen Our System
- Grow Strategic Partnerships
- Strengthen Our Organization

# BUILD A CULTURE FOR SAFE AND HEALTHY WORKPLACES

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The 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.

## OCCUPATIONAL HEALTH AND SAFETY (OHS) ADVISORY COUNCIL

The OHS Advisory Council advises the WCB Board of Directors on the following: the administration of the *Occupational Health and Safety (OHS) Act* and its regulations; the monitoring and reporting on OHS activities throughout the province; and, exclusions from all or part of the *OHS Act* and its regulations. Members of the Council are appointed by the minister responsible for the WCB. These individuals have knowledge and experience relating to the principles and promotion of occupational health and safety.

In 2022, the Council met twice and made recommendations on the following matters:

- The removal of the exemption to the *Occupational Health and Safety Act* General Regulations currently in place for workplaces in an agricultural operation conducted on farmland.
- Amendments to the *Occupational Health and Safety Act* General Regulations to harmonize to the requirements set out in CSA Standard Z1210-17, "First aid training for the workplace – curriculum and quality management for training agencies."
- Guidance on Industrial Storage Racking education.

Members of the Council include representation from the WCB, from workers, from employers and a member of the general public. Members are as follows: Benjamin MacDonald (Chair), Alan McCormick (Vice Chair), Vernon Anderson, Karen Biggar, Lynn Bowyer-MacPhail, Betty Pryor, Sam Sanderson, Danny Miller (WCB – Director of OHS), James MacPhee (WCB Board of Directors representative).

## EXPANDED GUIDE TO OHS LEGISLATION MOBILE APP

The Guide to OHS Legislation mobile app now has a total of 50 topics. The following ten (10) new topics were added in 2022:

- Aquaculture
- Compressed gas
- Diving
- Ergonomics
- Fit for duty
- Industrial racking
- Infectious diseases
- Manual lifting
- Self-employed persons  
– safety responsibilities
- Working in heat and cold

## NEW RESOURCES FOR PROMOTING WORKPLACE SAFETY

The WCB Occupational Health and Safety (OHS) Division created and updated a variety of resources for promoting workplace safety. Five (5) new guides were created covering the following topics: Communicable Disease Prevention, Developing a Respirator Program, Employers of Young Workers, Safety Committees and Workplace First Aid Regulations. Other publications included hazard alerts and prevention updates.

With the ongoing COVID-19 pandemic, virtual sessions continued to be the vehicle of choice for delivering our safety themed workshops. Virtual sessions included a three-part series which addressed Workplace Violence, Workplace Harassment and Mental Health in the Workplace. Virtual sessions will continue to be offered, along with pre-recorded sessions which are available to watch anytime. When it was safe to do so, in-person workshops were reintroduced in fall 2022.

In addition to regular workshop offerings, the OHS Division organized a new session on silica dust safety, in partnership with the Construction Association of PEI (CAPEI). This session, which included a demonstration of several different pieces of dust suppression equipment, was held at the CAPEI training centre in Charlottetown and drew 63 participants. Overall, OHS team members conducted 1,944 educational activities in 2022.





## **SUN SAFETY CAMPAIGN**

Each year, the OHS Division chooses topics for which to carry out targeted campaigns. The purpose of these campaigns is to raise awareness amongst workers and employers of various hazards and risks, and how to mitigate them. This year, OHS team members conducted a Sun Safety Campaign. This included the promotion of OHS educational resources, and OHS Officers conducted over 240 focused inspections on worksites where workers are exposed to hazards of heat stress and radiation.

## **INCREASED OCCUPATIONAL HYGIENE EXPERTISE**

Occupational Hygiene is the discipline of anticipating, recognizing, evaluating and controlling health hazards in the working environment with the objective of protecting worker health and well-being and safeguarding the community at large.

This year, the OHS Division hired a full-time Occupational Hygienist. Their role is to prevent illness, disease and injury arising in the workplace. The addition of this specialist has brought valuable knowledge and expertise that the OHS team will benefit from, but more importantly, that Island workers and employers will benefit from.

# DELIVER CLIENT-CENTERED SERVICES AND SUPPORTS

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To meet the diverse needs of clients, the WCB works collaboratively with workers, employers and health care providers to support recovery and work disability prevention, while being mindful to balance the interests of workers and employers.

## WORK DISABILITY PREVENTION

Did you know that work disability prevention (WDP) is a best practice and proactive approach which can reduce the risk of human resource and financial loss for employers and can ensure optimal engagement, productivity and business continuity?

A worker returning to their pre-injury job after an injury or illness is the optimal outcome. In 2021, 84% of injured workers returned to work to their pre-injury job, on par with 2020.

WDP is an evolution of traditional injury management such as stay-at-work and return-to-work programs. Employers intervene earlier with WDP, in order to minimize the possibility or impact of work disability. And people who stay connected to the workplace after an injury usually have a faster recovery.

The aim is to match the injured or ill worker's abilities to suitable modified work in order to maintain work engagement. Workplace accommodation, such as modified work, promotes healing and can be a valuable part of rehabilitation and recovery. Evidence has shown that workers who are promptly accommodated in the workplace have fewer incidences of recurring injuries.



## EXPANDED DIRECT ACCESS PROGRAM

Did you know that an injured worker can start physiotherapy treatments while the WCB makes a decision on their claim? In 2022, the WCB expanded its Direct Access Program with new contracts with two (2) major health care provider groups: physiotherapists and chiropractors. Injured workers can now reach out to one of 17 approved physiotherapy clinics located tip-to-tip across the Island to obtain an appointment to assess their injury. Time is of the essence when dealing with an injury. Under the agreement, these approved physiotherapy clinics provide an appointment within 48 hours of when the request is made. This expanded direct access to assessment and treatment supports workers in their recovery at work or as part of their return to work plan. Work contributes to the healing process, strengthening mind and body. By returning to work quickly and safely, workers can also reduce lost earnings.

## ENHANCED SUPPORTS FOR WORKERS AND EMPLOYERS

WCB policies set the decision-making framework for determining coverage, benefits and safety standards under both the *Workers Compensation Act* and the *Occupational Health and Safety Act*. In 2022, numerous compensation-related policies were updated to provide clarity and reflect enhanced supports for workers and employers, including the following (in numerical order):

- **POL-03** – Travel and Related Expenses
- **POL-06** – Prescription Eyewear
- **POL-09** – Hearing Loss
- **POL-76** – Worker Role in Recovery and Return to Work
- **POL-85** – Extended Wage Loss Benefits
- **POL-90** – Time Limit for Workers to File a Claim
- **POL-93** – Return to Work
- **POL-117** – Vocational Rehabilitation
- **POL-165** – Employer Role in Worker Recovery and Return to Work



## 2022 INJURED WORKER SURVEY


The WCB surveys its two (2) major stakeholder groups – injured workers and employers – on a biannual basis. In 2022, Narrative Research was commissioned to survey injured workers. The first survey of this kind was conducted in 2002 which now provides the WCB with significant comparison data to draw from.

For injured workers, satisfaction with the overall WCB experience is at its highest level recorded since the start of this study with 74% attesting that they are completely or mostly satisfied. Overall, 82% of injured workers continue to express high levels of agreement that the WCB understands their needs while 91% agree that they are treated with respect.

The WCB Performance Index measures injured workers' satisfaction with their overall experience with the WCB, as well as three drivers of overall satisfaction: perceptions of fair treatment, involvement in the decision-making process, and the ability of WCB staff to answer questions. The Index has slightly increased since 2020, standing at 77.7 at the present time, continuing the upward trend since the first survey.

Survey results can be found on the WCB website at [wcb.pe.ca](http://wcb.pe.ca)

## AVAILABLE INDEPENDENT RESOURCES



Any worker or employer has the right to appeal a decision of the WCB. The Worker Advisor and Employer Advisor are free independent services available to workers and employers to support them in the reconsideration and appeal process. While the 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 independently from this annual report.

For more information or inquiries for the Office of the Employer Advisor, visit their website or email the office at [employeradvisor@gov.pe.ca](mailto:employeradvisor@gov.pe.ca). Information on the Worker Advisor can be found on their website or they can be reached by email at [workeradvisor@gov.pe.ca](mailto:workeradvisor@gov.pe.ca)

## STRENGTHEN OUR SYSTEM

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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.

### BENEFIT ENHANCEMENTS

After a process which included stakeholder and general public consultations, the *Workers Compensation Act* and its regulations were amended in December 2022 to reflect the most significant benefit enhancement package for injured workers of the last decade. These enhancements will reduce the financial impact of injuries and fatalities and assist injured workers with the rising cost of living. Meanwhile, employers see their costs maintained at a reasonable level due to the WCB's strong funded position.

- **Benefit Rates**

The WCB provides benefits to workers to compensate for lost wages due to workplace injuries. Wage loss benefits are based on the loss of earning capacity and are calculated at a rate of 85% of the worker's pre-injury net earnings. With changes to the Act, the compensation rate will now increase from 85% to 90% of pre-injury net earnings. This change comes into effect January 1, 2023.

- **Cost of Living Adjustments**

To help keep pace with rising costs of living, long-term benefits - extended wage loss, pension and survivor benefits - are adjusted annually. Benefits are indexed based on the change in the Consumer Price Index (CPI). With changes to the Act, the cap on cost of living adjustments for long-term benefits will increase from 4% to 6% based on changes to the CPI. This change comes into effect July 1, 2023.





- **Earnings Covered by the WCB**

The Act sets out the maximum annual earnings (MAE) for worker benefits and employer assessments. Workers are compensated based on their earnings up to the maximum amount, and employers pay for WCB coverage based on payroll for each worker up to the maximum. The MAE is also used to calculate other benefits, such as impairment awards and compensation for workplace fatalities. To better reflect current wages in PEI and the pace of wage growth going forward, changes to the Act include the replacement of the MAE calculation method. This change comes into effect January 1, 2024.

- **Supports for Workplace Fatalities**

The WCB is committed to supporting the dependents of workers whose workplace injury or disease results in their death. Although no dollar amount can adequately compensate for the loss of a loved one, the WCB offers supports to reduce the financial impact when a workplace fatality does happen. Changes, which came into effect in December 2022, include an increase to the lump sum death benefit for a workplace fatality, from 40% to 100% of the MAE and increase to the financial support for burial expenses, from \$7,500 to \$15,000.

## **RATE REDUCTION AND SURPLUS DISTRIBUTION**

In late 2021, the WCB announced its estimated average assessment rate for the next year. The average rate for 2022 was \$1.43 per \$100 of assessable payroll which represented a 9% or 14 cent decrease from 2021 rates.

Based on the organization's December 31, 2021, audited financial statements and its funding policy, the WCB's Board of Directors approved a \$22 million surplus distribution to Island employers. In accordance with policy, a surplus distribution may be approved when the organization's overall funding status is greater than 140%. Employers with up-to-date accounts with the WCB received their share of the surplus distribution in December 2022.

This marks a decade of declining assessment rates, very strong investment returns, strong growth in the Island's assessable payroll, a focus on injury prevention and return to work efforts, and generally, an overall strong funded position and a funding policy that focuses on sustainability and minimizing volatility, while offering service and increased supports to injured workers.

# GROW STRATEGIC PARTNERSHIPS

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The 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.

## RESPONSE TO POST-TROPICAL STORM FIONA

Prince Edward Island was hit with a massive natural disaster when post-tropical storm Fiona ripped through the province, knocking out the power of most Island households and leaving behind unprecedented destruction. Our Occupational Health and Safety Division was on the frontlines of it all, supporting the provincial Emergency Measures Office (EMO) during disaster management, ensuring workplace safety during recovery efforts and actively communicating about available resources to keep workers and employers safe.

These practical resources made available to keep workers and employers safe during storm recovery efforts covered the following topics: safety for workers and contractors new to a job, proper use of ladders and cranes, proper use of a chainsaw, avoiding working fatigued and the proper use of gas- or propane-fueled equipment.

The Department of Justice and Public Safety made a request to the WCB to have an OHS Officer report to the EMO to help coordinate safe operations during the provincial government's response to the storm. One (1) OHS Officer was assigned for a period of two (2) weeks to the Provincial Emergency Operations Centre to help coordinate safe operations during recovery efforts. Other OHS Officers assisted as needed.



## SAFE YOUTH AWARD

The WCB Safe Youth Award contest is an opportunity to identify young workers who are safety champions and recognize them for their commitment to safety. Workers can apply themselves or be nominated by their employer. There are two (2) categories: 15-19 years old and 20-24 years old. The award comes with a \$500 cash prize.

Our recipients for 2022 are Lauren Smith, summer student with Maritime Electric, and Tessa McKinnon, summer student with Souris Wildlife. Both Lauren and Tessa's employers noted that the young people were diligent in modeling safety practices, used and maintained their personal protective equipment (PPE) at all times and were keen on taking part in hands-on safety training.

Young workers aged 15 to 24 are among the highest risk groups for workplace injury. It's important for everyone – employers, coworkers, parents and teachers – to support young people when they enter the workforce. Young workers, like all workers, can contribute to a culture of workplace safety by asking questions, pointing out hazards and encouraging others to work safely.



Safe Youth Award Recipient - Lauren Smith



Safe Youth Award Recipient - Tessa McKinnon

## ON THE NATIONAL STAGE

Each year, the WCB challenges PEI students to use their creativity to produce an original video that could be used to illustrate to young workers the importance of working safely on the job. This year's winner of the provincial contest was Kiera Sharpley, a Grade 10 student from Charlottetown Rural High School.

As the winner of the PEI provincial contest, Kiera received a \$1,000 cash prize and \$1,000 for her school. Her video was then submitted to the national Youth Video Contest, sponsored by the Canadian Centre for Occupational Health and Safety (CCOHS) to compete against other provincial winners.

Kiera's video "Identifying Hazards" which was created using handwritten Post-it Notes, claimed 2nd place in the national contest, earning her \$1,500 for herself, as well as another \$1,500 for her school. The video can be viewed on the WCB website at [wcb.pe.ca](http://wcb.pe.ca).



Danny Miller (WCB Director of OHS), Kiera Sharpley (video contest winner), Matt Stewart (Charlottetown Rural High School English teacher)

# STRENGTHEN OUR ORGANIZATION

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

## OUR GOVERNANCE

The WCB's Board of Directors is responsible for the governance and strategic oversight of the organization. The Board establishes policies and programs required for the administration of the *Workers Compensation Act* and the *Occupational Health and Safety Act*. Among the Board's responsibilities are the approvals of WCB policies, budgets and assessment rates. The Board is made up of a Chair and an equal number of worker and employer representatives. Together, they reflect a balance of stakeholder interests in the Island's workplace compensation and safety system. Here are the Board members, as of December 31, 2022.

**James MacPhee**, *Chair*

**Krishna Burugadda**, *Employer Representative*

**Alan MacKinnon**, *Employer Representative*

**Gail Ellis**, *Employer Representative*

**Nancy MacFadyen**, *Worker Representative*

**Valerie Robinson**, *Worker Representative and Vice Chair*

**Blair Weeks**, *Worker Representative*

The Board wishes to thank Nicole McKenna whose tenure with the Board ended in 2022. Her leadership of the Board Governance Committee and contributions over the years were greatly appreciated.

The Board of Directors continuously evaluates its performance and engages in development opportunities to further strengthen its governance practices. In 2022, the Board's governance training and education included topics such as investment management, board/management relations and stakeholder outreach through social media. The Board also participated in the annual Governance Summit hosted by the Association of Workers Compensation Boards of Canada, held virtually in 2022.



## OUR TEAM

Following an operational review in pursuit of service excellence, we redefined our structure to reflect the changes in organizational roles and responsibilities. Noting the increasing importance of innovation and technology to achieve our strategic objectives, a new division was created. With the new Innovation and Technology Division, came the appointment of a Chief Information Officer, in line with the new division's mandate.

Between retirements, departures and new positions, the WCB welcomed 20 new team members in 2022 in a number of key positions. This represents the turnover of approximately 25% of our workforce, an unprecedented human resource effort for our organization reflective of post-pandemic workforce trends. We thank our departing team members for their dedicated service, and all our team members for welcoming and contributing to onboarding our new teammates. We are excited about the opportunities that will come from the collaboration of fresh perspectives and veteran expertise.



## OUR TEAM DEVELOPMENT AND SUPPORT

WCB team members participated in a variety of professional development and training opportunities in 2022. Notably, Claims and Compensation team members took part in Trauma-Informed Care (TIC) training. TIC is an approach in the human services field that assumes that an individual is more likely than not to have a history of trauma. TIC recognizes the presence of trauma symptoms and acknowledges the role trauma may play in an individual's life. This invaluable training will contribute to the respectful and empathetic interactions between our team members and injured workers and their families.

Our WCB team members took part in many other training opportunities throughout the year, including management focused opportunities and frontline focused opportunities. Some examples: Colourful

Personalities to promote respect and appreciation of diverse perspectives; Diversity and Inclusion for Management; Dealing with Difficult People; IT Risk Management; Time Management for Professionals; Mental Health in the Workplace, among others.

Finally, WCB team members continued providing services to injured workers and employers while the COVID-19 pandemic continued through 2022 and during the worst natural disaster in our province's history. Supports were available to our team members throughout the year, in the form of mental health and wellness services through various providers, workplace accommodations, hybrid work arrangements and formal agreements, and physical accommodation with shower and laundry services in the wake of post-tropical storm Fiona.

## **OUR ADAPTABILITY**

The COVID-19 pandemic, which began almost three (3) years ago, led organizations around the world to examine how they carry out their work and how they support their team members. This has also been the case at the WCB. If anything, the pandemic taught us that we are far more nimble than we might have thought we were.

In 2022, we formalized our permanent move to a hybrid model of work for our team members. All divisions, including the Senior Leadership Team, now have team members working remotely on a weekly basis. This model has many benefits including increased flexibility and productivity, with less time spent commuting and enhanced work-life balance.

We continued delivering our programs and services while moving to a hybrid work model. In addition, the natural disaster that was post-tropical storm Fiona saw the WCB activating its Business Continuity Plan (BCP). The BCP is our tool for ensuring continued essential services even when our operations are disrupted. With Fiona, power outages directly affected our office building and our operations but also affected our team members who were without power at home for days, even weeks. The BCP will continue to be updated and refined to enable us to remain flexible and adaptable.



## OUR SERVICE AWARDS AND RETIREMENTS

The WCB team gathered on April 20, 2022, for its annual Staff Service Awards Luncheon. A total of 18 WCB team members were celebrated for their combined 315 years of service to the organization. This included four (4) employees reaching 30 years of services and one (1) employee reaching 35 years of service. We are proud to have long-standing, dedicated team members who support our mission every day.

In 2022, we also celebrated those individuals who retired after so generously contributing their knowledge, their talents and their expertise to the organization for many years. Sheila McInnis, Dr. Hendrik Visser, Kelly Heydens, Clare Waddell and Tory Kennedy all retired this year. We will miss them, and we wish them nothing but the best in this new chapter of their lives.



*Standing (left to right): Jim MacPhee (Chair), Karen Derry (30 years), Patti Jenkins (35 years), Kate Marshall (15 years), Philip Hermann (30 years), Jonathan Andrews (5 years), Dr. Hendrik Visser (5 years), Cheryl Paynter (CEO)*

*Seated (left to right): Tracy McDonald (30 years), Krista MacLean (5 years), Janice Whalen (15 years), Annette Johnson (20 years), Babcock Fernandez (15 years), Darren MacDonald (20 years)*

*Missing from the photo: Gayani Gunathilake (5 years), Kim Lynch (10 years), Kelly Heydens (10 years), Jim Smith (15 years), Shauneen Hood (20 years), Tricia MacGregor (30 years)*



# FINANCIAL ANALYSIS

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# OVERVIEW AND ANALYSIS OF 2022 FINANCIAL RESULTS

## Financial Highlights for the Year Ended December 31, 2022

It is recommended that the following pages be read in combination with the complete December 31, 2022, audited financial statements and accompanying notes. These documents are available on the WCB website, [wcb.pe.ca](http://wcb.pe.ca).

In this report, numbers are rounded throughout for ease of reading.

### FINANCIAL HIGHLIGHTS (\$ MILLIONS)

OPERATIONAL HIGHLIGHTS	2022	2021
Assessment Revenue	39.8	39.0
Investment (Loss) Revenue	(11.5)	30.4
Market Rate of Return on Portfolio	(3.83%)	13.12%
Claims and Administrative Costs Incurred	24.8	25.4
Administration Expenses	8.5	8.4
Total Comprehensive (Loss) Income	(27.5)	12.9
Surplus Distribution to Employers	21.8	25.4
BALANCE SHEET HIGHLIGHTS		
Total Assets	240.1	268.4
Market Value of Investments (included in total assets)	225.9	255.1
Benefit Liabilities (included in total liabilities)	159.1	159.4
Total Liabilities	162.6	163.4
Fund Balance	77.5	105.0
Funding Status	147.7%	164.2%

## FINANCIAL REPORTING STANDARDS

The WCB financial statements are prepared in accordance with International Financial Reporting Standards (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 and Average Rates

Revenue from employers comes from two (2) 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 changes in key inputs to the WCB's 2022 assessment revenue compared to 2021 are:

- The count of total assessable employers increased by 3.61% (or 230 more).
- Total assessable payroll increased by 10.19% (or \$250 million dollars).
- With 2022 maximum assessable earnings of \$58,300 (2021 - \$55,300), the total assessment revenue increased by 1.95% (or \$760,000 dollars).
- The 2022 year-end final average assessment rate was \$1.47 per \$100 of assessable payroll compared to 2021's average assessment rate of \$1.59 and to the 2022 estimated average assessment rate of \$1.43 (2021 - \$1.57) forecasted during the 2022 rate setting process.

### ASSESSABLE EMPLOYERS

	2022	2021	2020	2019	2018
Number of Assessable Employers	6,602	6,372	6,003	6,115	5,828
<i>Variance to Prior Year</i>	230	369	(112)	287	236

### ASSESSABLE PAYROLL (\$ MILLIONS)

	2022	2021	2020	2019	2018
Year-End Assessable Payroll	2,704	2,454	2,297	2,266	2,104
<i>Variance to Prior Year</i>	250	157	31	162	102

### ASSESSMENT REVENUE (\$ MILLIONS)

	2022	2021	2020	2019	2018
Year-End Assessment Revenue	39.8	39.0	35.7	36.4	34.1
<i>Variance to Prior Year</i>	0.8	3.3	(0.7)	2.3	0.5

## AVERAGE ASSESSMENT RATE (PER \$100 OF ASSESSABLE PAYROLL)

	2022	2021	2020	2019	2018
Year-End Final Average Assessment Rate	\$ 1.47	\$ 1.59	\$ 1.55	\$ 1.61	\$ 1.62
Estimated Average Assessment Rate	1.43	1.57	1.52	1.58	1.60
<i>Variance to Estimated</i>	<i>\$0.04</i>	<i>\$0.02</i>	<i>\$ 0.03</i>	<i>\$ 0.03</i>	<i>\$ 0.02</i>

## 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. Unrealized gains and losses on fair value through profit or loss investments are recognized at year end based on the fair value of the investments at that time. In 2022, the WCB had investment losses of -3.83%, or -\$11.5 million dollars.

## INVESTMENT RETURNS

2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
15.73%	8.46%	4.30%	9.16%	10.29%	-1.32%	14.01%	5.40%	13.12%	<b>-3.83%</b>

## 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 the administration of various components of the WCB.

## CLAIMS COSTS

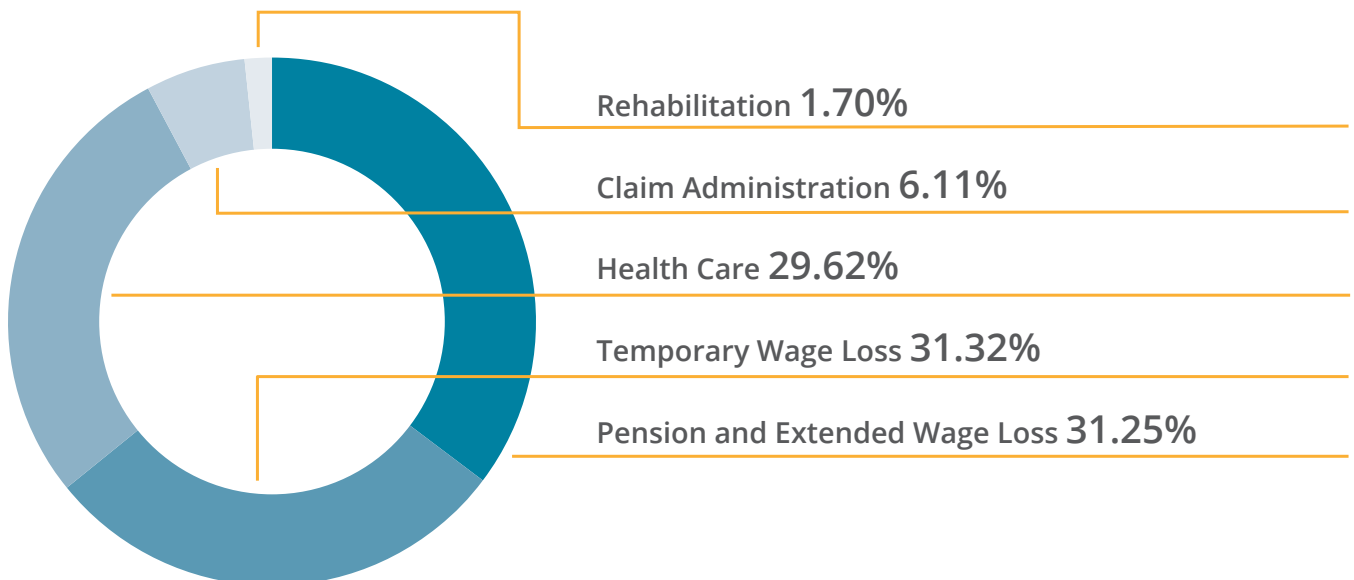
Claims cost expenditures are determined by estimating the outstanding benefits liabilities. This involves actuarial calculations that analyze experience, trends and other relevant factors, based largely on the assumption that past experiences are an appropriate predictor of the future. This process involves an actuarial projection of future claims costs and administration costs incurred to the end of the reporting year (2022).

Total claims cost expenses for 2022 are \$25.4 million, in comparison to \$22.1 million in 2021, which represents an increase of 14.93% or \$3.3 million from 2021. This is substantially attributable to year-over-year changes in claims experience, changes in actuarial assumptions, and changes in legislation.

Included in the \$25.4 million (2021 - \$22.1 million) total claims cost expenses are claims and administrative costs incurred of \$24.8 million (2021 - \$25.4 million) which have decreased -2.21% (or \$560 thousand) over 2021.

### CLAIMS AND ADMINISTRATIVE COSTS INCURRED (\$ THOUSANDS)

	2022	2021
Temporary Wage Loss	<b>\$7,776</b>	\$7,353
Pension and Extended Wage Loss	<b>7,760</b>	8,897
Health Care	<b>7,354</b>	7,159
Rehabilitation	<b>425</b>	432
Claim Administration	<b>1,516</b>	1,550
<b>Total</b>	<b>\$24,831</b>	\$25,391



## OPERATING EXPENSES (\$ THOUSANDS)

ADMINISTRATION EXPENSES	2022	2021
Administration	\$8,059	\$8,041
Workers' Advisor Program	161	151
Employers' Advisor Program	133	137
Appeals Tribunal	107	104
<b>Subtotal</b>	<b>\$8,460</b>	\$8,433
OTHER EXPENSES		
Investment Management	\$737	\$1,101
Bad Debt	124	106
Grant Program	0	(25)
<b>Subtotal</b>	<b>\$861</b>	\$1,182
<b>Total Operating Expenses</b>	<b>\$9,321</b>	\$9,615

Total operating expenses for 2022 are \$9,321 million, in comparison to \$9,615 million in 2021, which represents a decrease of \$294 thousand (or -3.06%) that can be directly attributable to a decrease in the investment management fees paid in 2022.

Administration expenses of \$8,059 million (2021 -\$8,041million) have increased by \$18 thousand across the various expense categories. Significant variances within these expense categories include: Building operating costs have increased \$45 thousand (or +28%); Communications, printing and supplies costs have decreased \$41 thousand (or -28%); Computer maintenance costs have increased \$47 thousand (or +21%); Dues and Fees costs have increased \$22 thousand (or +29%);

Insurance costs have increased \$19 thousand (or +35%); Professional development costs have decreased \$25 thousand (or -35%); and Professional fees have decreased \$89 thousand (or -15%). Inflation, global trends, hiring activity and operational requirements are all impacting administration costs in 2022 compared to 2021.

WCB funds the program expenses of the Officer of the Worker Advisor, the Office of the Employer Advisor, and the Workers Compensation Appeal Tribunal. These programs operate independently from the WCB. In 2022, the cumulative expenditures for these three areas are \$401 thousand. This is an increase of \$9 thousand (or 2.30%) in comparison to expenditures of \$392 thousand for 2021. The majority of the costs associated with running these programs are salaries and professional services.

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 \$364 thousand (or -33.06%) in 2022.

## BALANCE SHEET HIGHLIGHTS

### Investments

At December 31, 2022, the market value of the investment portfolio was \$225.9 million, in comparison to \$255.1 million in 2021. The decrease in the portfolio is comprised of negative investment returns of -\$11.537 million (2021 returns of \$30.411 million) and withdrawals of \$16.5 million for the surplus distribution payment in 2022.

INVESTMENT FUND (\$ MILLIONS)									
2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
213.3	231.3	226.7	248.7	255.1	227.3	231.3	243.4	255.1	<b>225.9</b>

### Benefits Liabilities

The other major component of the WCB's balance sheet is its December 31, 2022, benefits liabilities of \$159.1 million, in comparison to \$159.4 million in 2021. For the year, the total benefits liabilities have decreased by -\$300 thousand (or -0.19%). The calculated liability represents the actuarial present value of all future benefits expected to be paid as a result of injuries that occurred on or before December 31, 2022.

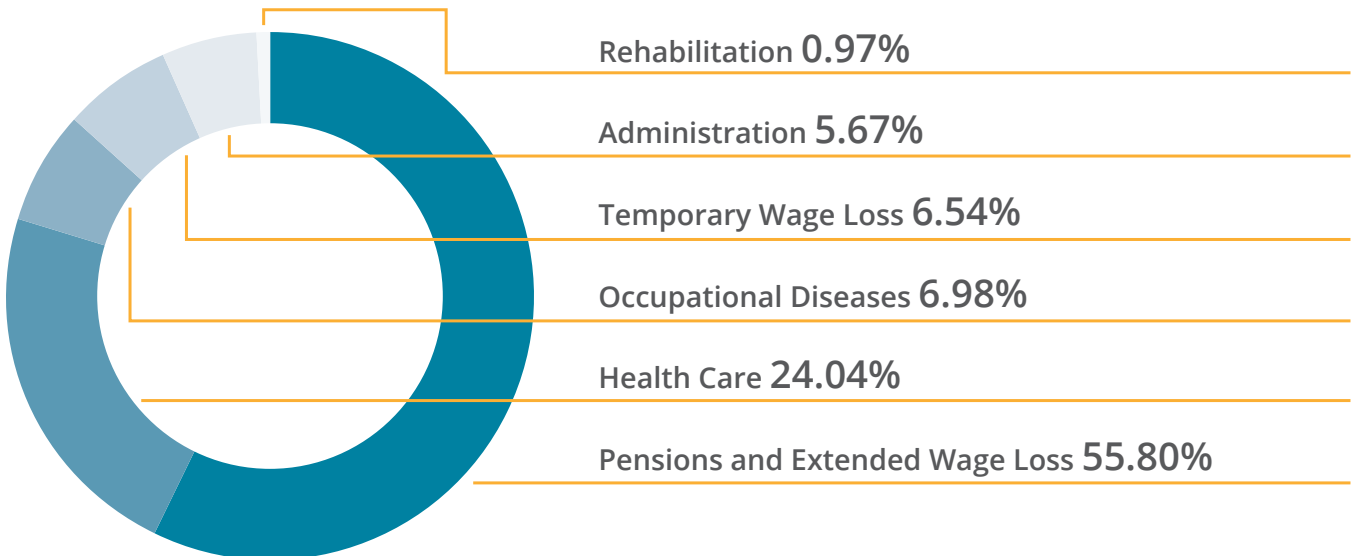
The benefits liabilities include a \$9.0 million dollar provision (2021 - \$9.1 million dollar) for future administration expenses equal to 6.5% of the total benefits liabilities, before the provision for latent occupational disease.

Also included in the benefits liabilities is a 7.5% or \$11.098 million dollar (2021 - \$11.121 million dollar) general provision for latent occupational disease claims expected to be diagnosed after December 31, 2022, as a result of exposures assumed to have occurred in the workplace prior to December 31, 2022. Examples of occupational disease claims include cancers, lung related diseases, carpal tunnel syndrome, and asbestos-related diseases.

## BENEFITS LIABILITIES (\$ THOUSANDS)

	2022	2021
Temporary Wage Loss	<b>\$10,396</b>	\$10,682
Pension and Extended Wage Loss	<b>88,767</b>	90,863
Health Care	<b>38,237</b>	36,099
Rehabilitation	<b>1,545</b>	1,584
<b>Subtotal</b>	<b>\$138,945</b>	\$139,228
Administration	<b>9,031</b>	9,050
<b>Subtotal</b>	<b>\$147,976</b>	\$148,278
Occupational Diseases	<b>11,098</b>	11,121
<b>Total Benefits Liabilities</b>	<b>\$159,074</b>	\$159,399

### BENEFITS 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) established a framework to achieve long-term financial sustainability for our workers compensation system. The primary goals of the funding policy are:

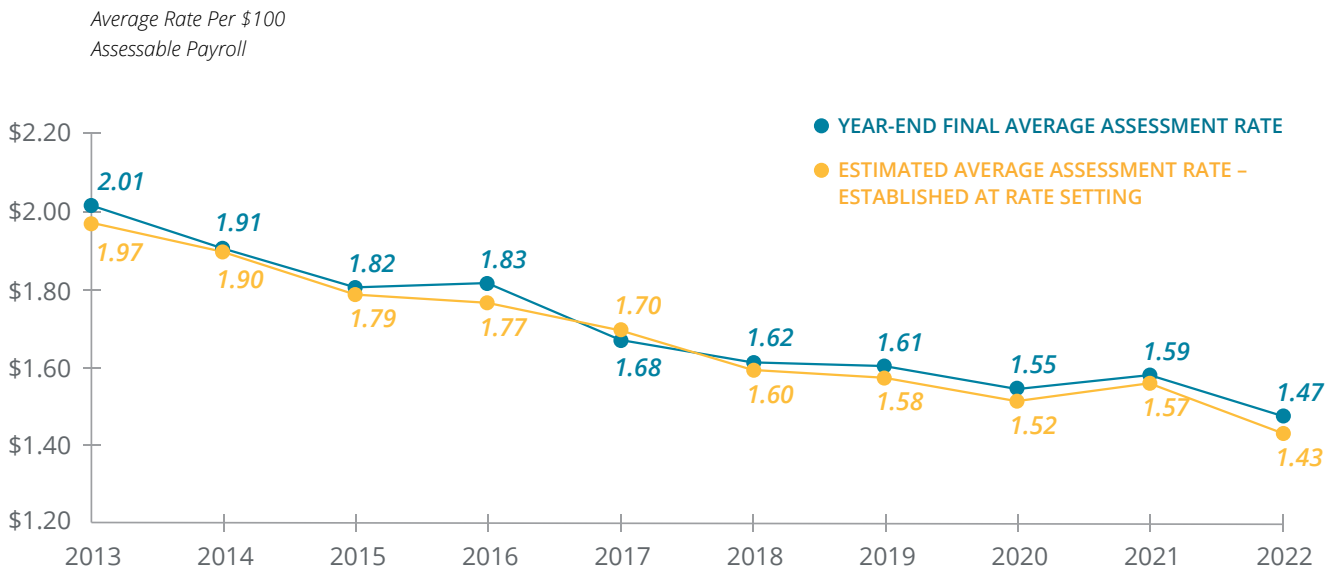
- Minimize the risk of being unfunded
- Minimize cost volatility for employers so the overall average assessment rate for the current year will not vary significantly from the previous year's average assessment rate
- Minimize the total cost charged to employers by ensuring the funded status is appropriate in relation to financial needs
- Ensure today's employers pay for the current and future cost of today's workplace incidents

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 the funding status is between 125% and 140%, the surplus will be returned to employers by reducing assessment rates over a number of fiscal years, until funding status returns to the 100-25% target range.

For rate setting purposes, the required average assessment rate of \$1.50 (2021 - \$1.71) was reduced by 7 cents (2021 - 8 cents) per \$100 assessable payroll, in accordance with our funding policy. For 2022, the net estimated average assessment rate was \$1.43 (2021 - 1.57).



When funding status is above 140%, the Board may consider a surplus distribution back to eligible employers, in an amount to be determined by the Board.

In accordance with our funding policy, over the past eight years a cumulative amount of \$137.3 million dollars has been approved by the Board to be returned to employers based on better-than-expected investment returns. This benefit was transferred to employers over the past eight years through Board-approved annual rate adjustments of \$13.2 million dollars and direct distributions of \$124.1 million dollars.

**Funding Status**

FUNDING STATUS									
2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
135.3%	147.2%	141.4%	159.4%	165.4%	146.3%	147.8%	155.4%	164.2%	<b>147.7%</b>

The funding status of 147.7% at December 31, 2022, will be considered when setting 2024 assessment rates.



# COMMUNITY ENGAGEMENT

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# COMMUNITY ENGAGEMENT

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## DAY OF MOURNING

On April 28, the Day of Mourning, Islanders are encouraged to show support for all those who have been affected by workplace fatality or injury. The Day of Mourning originated in Canada in 1984 and is observed in more than 100 countries world-wide. Jim MacPhee, Chair of the WCB Board of Directors, Valerie Robinson, Vice Chair of the WCB Board of Directors, WCB CEO Cheryl Paynter, along with a number of WCB team members attended the April 28, 2022, ceremony for the Day of Mourning and laid a wreath on behalf of the WCB of PEI. This event is organized by the PEI Federation of Labour.

## THREADS OF LIFE

The Association for Workplace Tragedy Family Support, known as Threads of Life, is a Canadian registered charity dedicated to supporting families after a workplace fatality, life-altering injury or occupational disease. Its network of family members and corporate partners believes traumatic workplace injuries, occupational diseases and deaths are preventable.

The WCB supports families to participate in the Threads of Life Atlantic Family Forum through corporate donations and promotions. The purpose of the Family Forum is to bring together families affected by a workplace tragedy from Nova Scotia, New Brunswick, Newfoundland and Labrador, Prince Edward Island, and Québec for a weekend of support and healing. WCB CEO Cheryl Paynter attended the Atlantic Family Forum Reflections Ceremony May 27 and 28, 2022, at Oak Island Resort and Conference Centre.

The WCB takes an active role in coordinating and participating in the annual Threads of Life walk. Steps for Life - Walking for Families of Workplace Tragedy is a national movement to change the way Canadians think and act about workplace health and safety, and to support those directly affected by fatalities, life-altering injuries and occupational disease. With the COVID-19 pandemic, virtual events replaced in-person walks. The virtual event took place on April 7, 2022. However, on April 6, 2022, WCB team members organized a lunchtime walk to raise awareness for the Steps for Life event.



## CHRISTMAS CAMPAIGN

WCB team members had the opportunity to make suggestions for which non-profit organizations we would support for the 2022 holidays. This year, we retained the following three (3) contribution opportunities.

- The WCB Social Committee organized a food drive to collect non-perishable food items for the Charlottetown Food Bank. We extend our thanks to the Social Committee for their leadership on this project.
- All WCB team members were invited to contribute to the Blooming House Christmas Gift Campaign.
- The WCB made a corporate donation to the Canadian Mental Health Association – PEI Division's White Cross Program, in support of mental health support and services in the province.






Did you know the WCB has a mobile app which contains practical and easy-to-consult information on the *Occupational Health and Safety Act*?

There are now 50 topics included in the app, from aquaculture to hazard assessment, WHMIS and much more in between.

**THE APP IS FREE TO DOWNLOAD FOR IOS AND ANDROID USERS!**



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