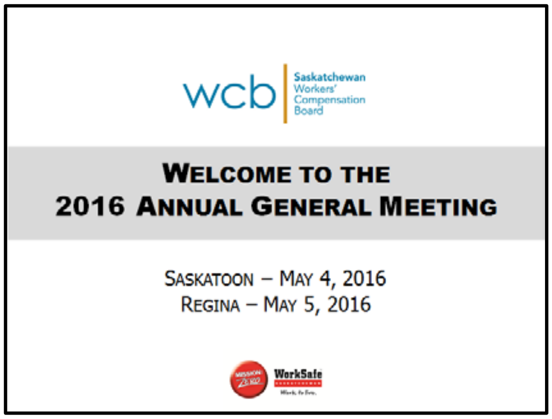
**Saskatchewan Workers' Compensation Board**

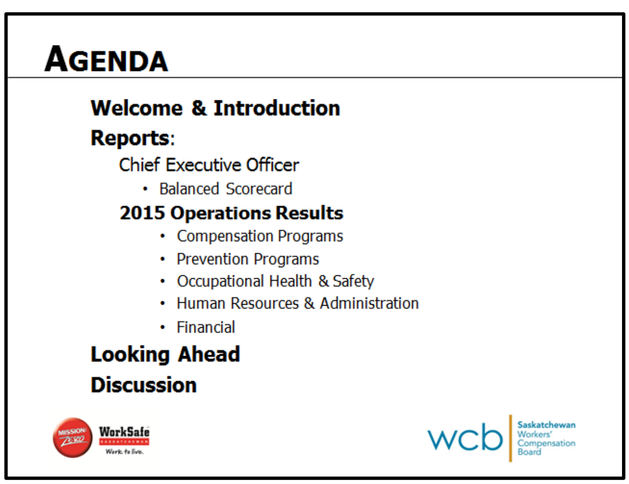
**Annual General Meeting**

**May 4 & 5, 2016**




## Gord Dobrowolsky

It's my pleasure as Chair of WCB to welcome everybody here this morning, and I do mean welcome. The timeline this morning is, we will conclude by noon. And the process is really quite simple. I will have a few remarks, Peter Federko, our CEO, and his VPs will do their presentations. We will have a nature break, if you will, and then questions, comments from you. I want to say, before I get going into my remarks, something that has captured not only my attention but I believe everyone's attention that's here this morning, and since we are a safety organization, it's the fire in Fort Mac. As we go through our day and our meeting here today, let's just keep them in the forefront of our minds and our hopes and prayers that everything is well with them, because I think we have all seen the images on TV and it is absolutely frightening.

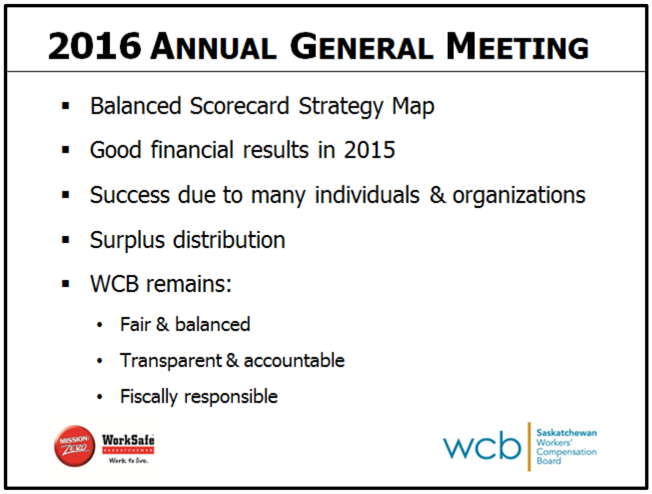


I am joined here today, of course, by my two esteemed colleagues, Larry Flowers and Garry Hamblin.

This is one of our most important accountability events, and thank you so much for your interest in what we do to serve you as employers and workers in Saskatchewan. It is indeed my privilege to be here as Chair of this organization. We are here this morning to share our results from 2015 as well as give you what our view of the future is.

The Workers' Compensation Act, 2013 governs our actions as a board. WCB has exclusive jurisdiction in Saskatchewan and we are an independent, fully-funded board by our employer premiums and investment income. We at WCB have two key areas of strategic focus: customer service and improved customer service, and of course injury prevention. We want to continuously serve you better while we strive to move Saskatchewan ever closer to Vision Zero. And as you will see some of the results this morning, we are moving closer to that elusive goal of zero injuries, zero fatalities, and zero suffering.

The WCB system in Canada as we know it has been established through something called the Meredith Principles. These principles were adopted over 100 years ago and I believe they are still as valid today as they ever were. Reflecting on something known as the Historic Compromise, the Meredith Principles provide for an employer-funded compensation system in exchange for which workers give up their right to sue. The principles stipulate that WCB will provide no-fault mandatory insurance coverage to protect workers from wage loss. Through this no-fault system, employers are protected from legal action arising from a workplace injury and collectively fund the compensation system. We of course remain committed to the Meredith Principles that protect families, employers, workers and indeed entire communities. All of us here representing the Saskatchewan WCB are extraordinarily proud to be able to help injured workers, their families, employers, when are affected by a workplace injury.

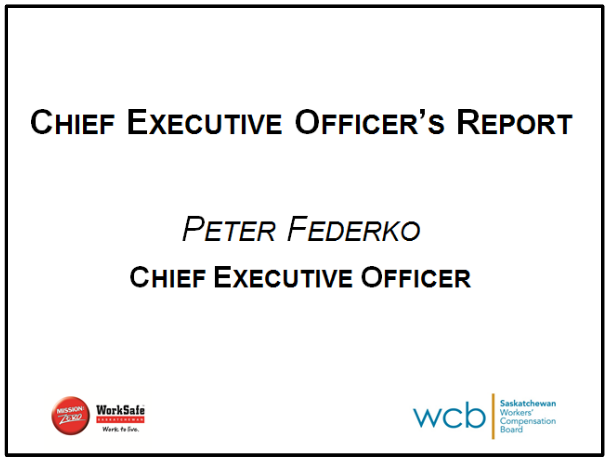



Here are a few highlights from our 2015 year. The WCB remains a fully-funded workers' compensation board and in 2015 we have been able to offer our lowest premium rate in over two decades, and we share this success with you. Our average premium rate dropped for the 13th straight year in 2015 to $1.46. Our 2016 rate is $1.34 per hundred dollars of payroll, which puts us the fourth-lowest in Canada. Our rates continue to decrease because you are investing time and money into preventing injuries. Injured workers and employers are cooperating in return-to-work plans.

Our system is sustainable and constantly improving because we work together. So on behalf of the Board, I say thank you for that. In 2015 our operational results are positive for employers, injured workers, and the public. It is now safer to work in Saskatchewan than ever. 87% of employers achieved Mission Zero last year. That's tremendous. That means 13% is what we are concentrating on. Our time loss injury rate is 2.07% compared to 2.41 in 2014. This is the lowest it's been in over 20 years. In a national comparison with other WCB boards across Canada, this moves us up from the second-highest time loss injury rate a position we have held for many years to fourth. Ladies and Gentlemen, that's huge, to go from second-worst to fourth-worst, I think it is. But you know what I'm saying. We have moved up two positions and that is huge. So we are heading in the right direction.

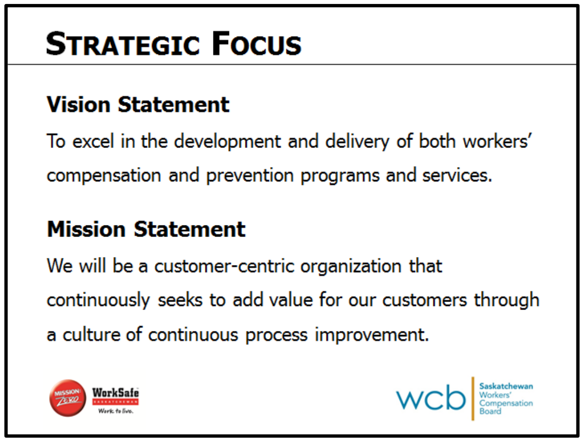
And while we know we have a long way to go until we reach Mission Zero -- because even one injury is too many -- we can celebrate the fact that we are definitely moving in the right direction. Our total injury rate continues to drop and is now 6.30%, exceeding our target of 6.80%.

However, in 2015 the average length of a claim increased to 38.92 days from 37.01. Our vision is to provide the best service to our customers, employers, and injured workers. When injuries are prevented and when people are able to return to work safely after an injury, then it follows that premium rates also decrease. I would like to say this is a credit to our Saskatchewan workers and employers and to our truly professional WCB staff who work together to make our system here certainly one of the best in Canada. With that, Ladies and Gentlemen, I will turn it over to Peter Federko, our CEO, and his executive team, to provide you details of our 2015.



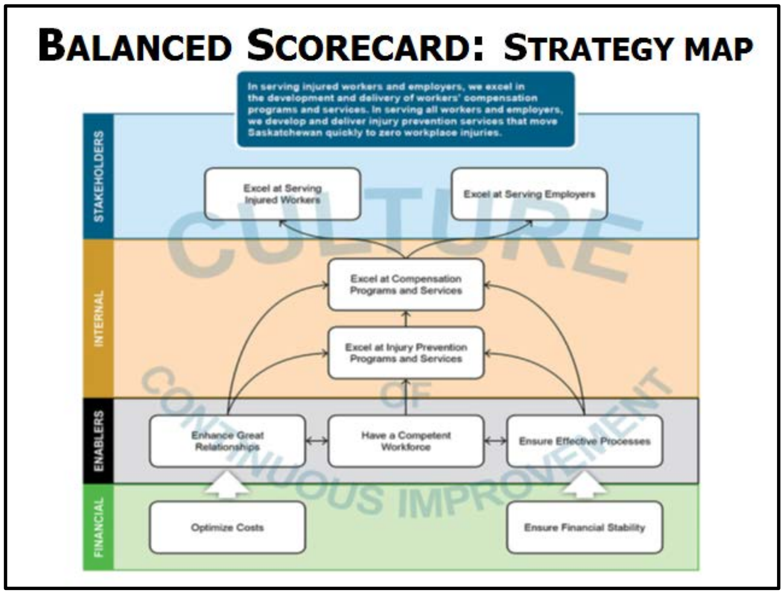

**Peter Federko**

Thank you, Gord. So I firstly just would like to join with Gord in welcoming you all here today and thank you for taking the time out of I know your very busy schedules to be with us here this morning and receive our report out to you and hear your various feedback and opinions and questions, to work together to make our system better. I just want to spend a few minutes up front here -- I will be joined very shortly, one at a time, by my executive who will take you through their respective areas of responsibility and share the results coming out of those particular areas -- but I want to spend a little bit of time up front here just talking about sort of what drives us in terms of the things that we do on an annual and day-to-day basis, and that's the strategic plan that's handed down from our board that then allows us or motivates us to develop operational plans to actually create the reality of the vision and vision of our organization.




What's up on the screen here today is the vision and vision of our strategic plan for the year starting in actually 2017 to 2019. On your tables there is a copy of our strategic operational plan. We use a three-year planning cycle. We just concluded our strategic planning for the next three years, which is 2017 to 2019, so on an annual basis we refresh that strategic and operational plan which then informs us when it comes to budgeting. 2017, 2016 drops off and we pick up 2019. I will talk a little bit more about this kind of at the backend of our presentation here this morning. But what you might notice, for those of you that have been here before and seen our vision statement for a number of years, is there has been a shortening of this vision statement. Our vision statement for the last three-year planning horizon, which was '16 to '18, said something like this: "In serving injured workers and employers, we will excel in the delivery and development of compensation programs and services. And in serving all workers and employers, we will excel in the development and delivery of injury prevention programs and services, moving Saskatchewan quickly to zero injuries." Kind of a mouthful. Really, what the essence of that Vision statement was and what's been preserved by this shortened vision statement is, as Gord mentioned, our focus on continuously improving the services that we provide to our two customers, the injured workers and employers of this province. We haven't lost the essence; we have maintained that stability in terms of the focus on improving the level of service.

The big change is actually in the vision statement, and the vision statement now really focusses us on how we are going to go about improving the level of service, achieving excellence, the pursuit of excellence, in service to the customers that we serve. And the mission statement says, "We will become a customer, we will be a customer-centred organization, that continuously seeks to add value for our customers through a culture of continuous process improvement." So our focus is still on providing excellent service, but the way we are doing that now, and have been for the last two or three years, is a focus on improving the processes that we use in delivering those services to you, our customers.



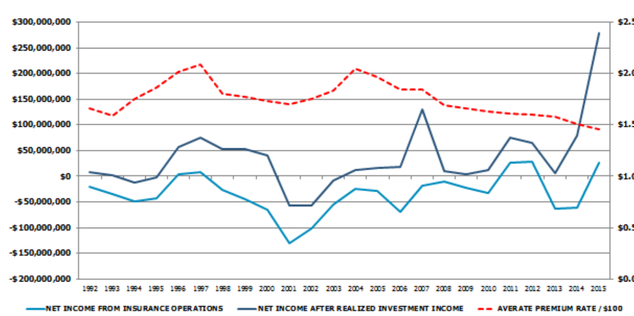

We still maintain the balanced scorecard as a representation of that strategic plan and we have what we call four perspectives, so up at the top remains that vision of our organization in terms of what we are ultimately trying to pursue and achieve. The first perspective is what we call the stakeholder perspective, and it speaks to the provision of excellent service to the two customers that we serve. The rest of the scorecard, the internals perspective, really speaks to the way that we do our business. The enablers is key in terms of the elements that actually contribute to the excellence in our programs that ultimately lead to the excellence in our service. And of course our financial perspective ensures that we are fully funded at all times and that we have sufficient funds in order to discharge the responsibility that has been put upon us to provide excellent service to our customers. As the VPs come forward and report out, you will see a focus on the various perspectives and the various objectives that are within each of these perspectives in terms of how we are moving forward.

## 2015 Results

- $7.5 million **Comprehensive Loss**
- **Time Loss Injury Rate** of 2.07%
- **Total Injury Rate** 6.30%
- **Fully Funded** at 144.7%
- 2014 $141.0 million **Excess Surplus Distribution** paid in 2015

Very quickly, a summary of results. The Annual Report also has been on our website for a while, a copy of that is also on your tables -- in 2015 we reported a net comprehensive loss of 7.5 million dollars and Ann, our Chief Financial Officer, will explain that to you. As Gord said, we achieved another reduction in 13 consecutive years, of time loss injury rate, down to 2.07%, really knocking the lights out of our target which was 2.20%. Total injury rate again declined down to 6.3%. We remain fully funded in an excess position, 144.7% as of December 31, 2015. And the financial statements that you have within your Annual Report will reflect the surplus distribution that occurred in 2014 that was paid out in 2015 of 141 million, reflecting our funded position of 132.2%. Again, the respective VPs will talk in more detail about each of these outcomes and how we are progressing towards achieving the vision of our organization.

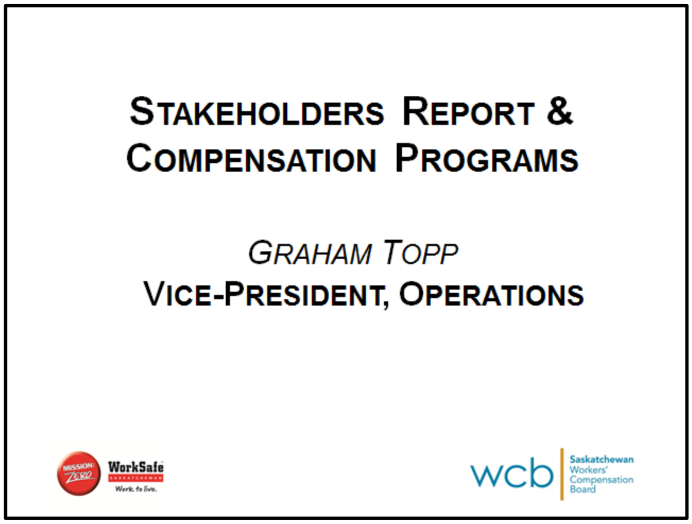
## Net Income & Average Premium Rate



Just a very quick snapshot of the things that we look at, the things that go into generating the revenue of our organization. As Gord said in his opening comments, we are a 100% funded organization operating independently of government by an independently appointed board that has to survive on the premiums that it collects and the returns that are earned on the investments. The system operates as such. If I could just take just a minute to kind of highlight how the entire system works.

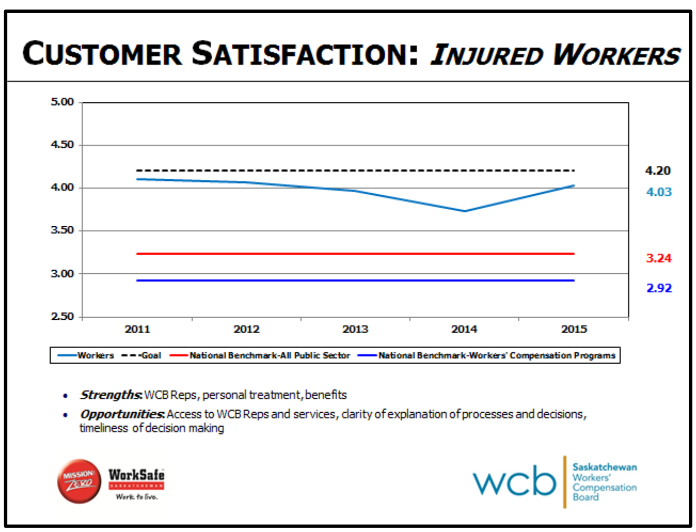
In the fall of every year we hold these rate setting consultation meetings and what we are attempting to do in those meetings and in our process of establishing premium rates is we are establishing the premium rate for next year. Iin 2015 we were trying to figure out how many injuries we would have in 2016, what the cost of those injuries would be, and what our payrolls might be for 2016. Because the premium rate is just a mathematical calculation of our estimated claims costs for next year divided by our payroll. It's our revenue requirement in order to fund the ongoing costs of claims. Under our legislation we are required to collect all that money up front. So even though we won't pay the cost of the claims out for a number of years afterward, we are required to collect that money up front. In 2016, so this year, we are sending invoices out to employers -- they provided their payroll statements -- we will be sending invoices out for the premium that are owed for 2016. Those premiums are to pay for all of the costs of all injuries that will occur in 2016, even though the money actually won't be paid out for several years after that. We take that premium and we invest that premium at a required rate of return as established by our actuaries to provide enough money to continue to pay those claims. We take into account the time value of money. This investment is going to earn an assumed rate of return going into the future and that return is necessary, added to the premium we collected, in order to continue to pay the premiums. It's kind of like funding a pension. If you want to know whether you can retire or not, you determine, "How much money do I have to have today invested at a certain amount in order to provide me with a continuous flow of payments?" It's the same kind of concept that is applied to this rate setting process. Under our assumptions that the actuary gives us, we are required to earn 5 1/2% on that money. So this money is sitting in investments earning a required rate of return of 5 ½%, or more, depending on how well our managers do and the markets do, and that money, together with the premium we collected, allows us to continue to pay costs into the future. The two sources of income we have are the actual premiums that we collect, which is the blue line, a representation of the blue line here -- and I will talk a little bit more about that -- and the investment income here. The blue line actually represents on an annual basis premiums minus total costs. You will see in the majority of the years the premiums minus the costs, with the exception of I think it's four years -- there's a year in there where we were above the income so we actually had an underwriting profit, two years in there, and a year in here where we actually collected more in premium than we paid out. This blue line represents our net income after we add in the investment returns that were earned on that money that I just talked about. And so you will see with the exception of five years, the investment income is what has propped up or contributed to our ability to continue to pay the costs, which is how the entire model actually works together. So the premium is collected up front, earning a rate of return. The point being that in the majority the realized income -- with the exception of 2015 whereas Ann will show in greater detail, we actually reported an underwriting profit -- in the majority we rely on this investment income to bring us up to the net income position that allows us to be in a fully-funded position. All of these things working together as a system is what allows us to be in a fully-funded position.

The red line simply represents what's happened with the average premium rate. And you will see, after the spike we have an increase of, from $1.83, I think it was, up to maybe $2.04 in 2002, our premium rate has not, has been on a steady decline, as Gord indicated, settling out at $1.34 for 2016. Just a very quick kind of overview of how the system all works together in order to ensure that we have sufficient funds as required by our legislation to continue to pay the claims costs of the future and to ensure that today's employers bare the responsibility for the costs of the claims that happen today. With those opening comments -- I will be back at the end to talk to you about what we kind of envision for the future, a little bit more about the changes to our strategic plan -- but without any further delay, I would like to turn it over to Graham Topp who is going to take you through the results in our Operations area. Graham is our Vice President of Operations, which is the whole claims side of our business. And then from there we will move on through the other Vice Presidents so they can provide you with their reports.



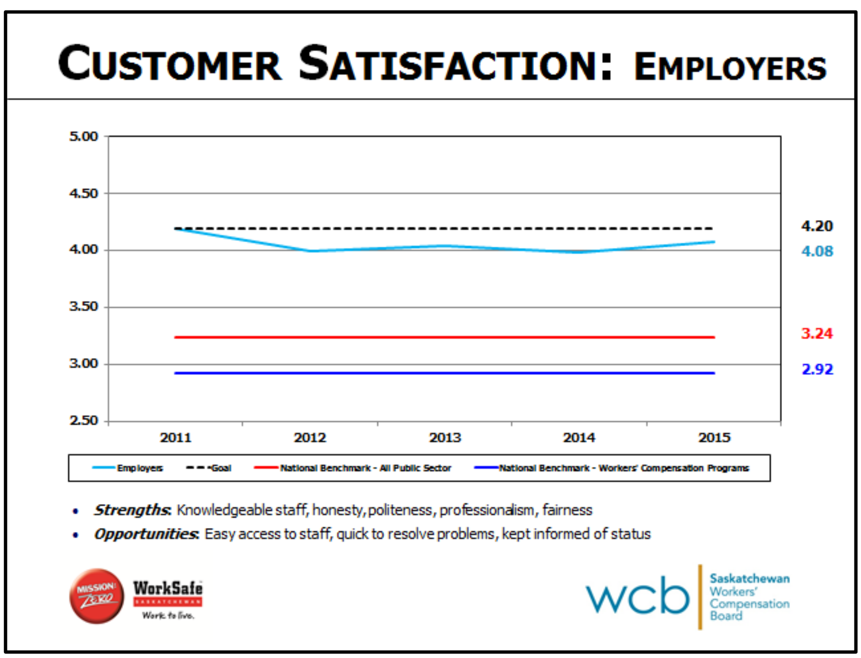

**Graham Topp**

Thanks. Good morning, everybody. Thank you, as well, for coming out and taking time out of your day. I'm going to take us through the claims management side of the compensation program, then hand it over to Phil to cover the rest of the comp program, the employer services side, and of course he will get into prevention.



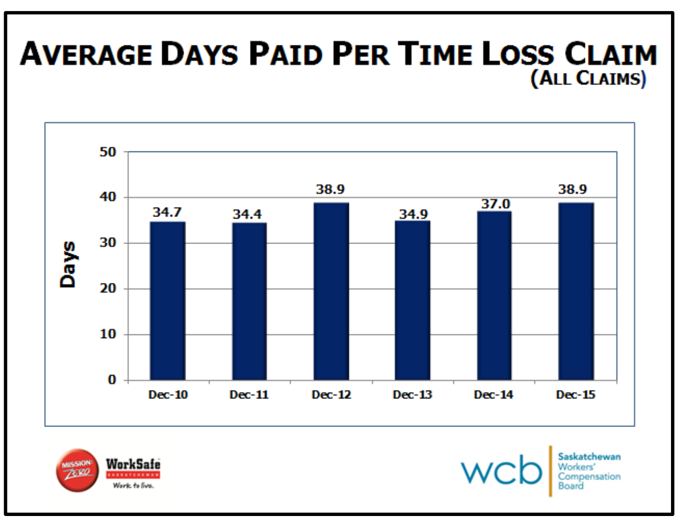

The first thing I want to touch on is our customer satisfaction results. A little bit about the survey first. This is administered by an independent third party. It's designed using a tool called the Common Measurements Tool by the Institute for Citizen-Centred Service and especially designed for public sector organizations. Our goal, is 95% satisfaction. It's 4.75 out of 5, essentially 5 out of 5, something mathematically we may not actually be able to achieve, but it's the pursuit of that high-level goal that it's important to us and it blends right in with our continuous improvement theme. 4.2 was our goal this year. 3.24 is the national benchmark for public sector services, 2.92 for workers' comp programs. Our goal: you can see for injured workers, this year we increased to 4.03, an increase of 8% this year.

Injured workers actually reported increasing satisfaction with all aspects of timeliness, communication, claim handling, and personal treatment. You will see that they tell us that our strengths are our representatives, personal treatment, and our benefits. And the opportunities, the biggest opportunities for improvement are in access to representatives and services; that's a common theme with employers and injured workers. We know we have some issues there and we are working on improving those. Clarity of explanation of processes and decisions and timeliness of decision making. You will notice on this slide and other slide, actually, the phone call responsiveness has gone out of the top three improvement opportunities as identified by our customers. That's not to say we don't realize we have opportunities there in communications as well as access. This basically says "We need to get through to your representatives when we call. We want faster response. When we do get through to your reps, we generally see improvements in service." So that's the bottom line here.




On the employer side a slight improvement as well to 4.08 this last year. According to their feedback our strengths is that staff are knowledgeable, honesty, politeness, professionalism, and fairness, as a strength. We need to improve access to staff, which is a common theme as well. Communications: kept informed of status is a big issue on the communications piece. And generally, get easier to do business with. We are seeing some improvements there. We are short of our goal of 4.2 this year, so we are not making improvements at the rate we had hoped. Our goal is obviously much higher than that. We will continue to focus on timeliness and communications as, the underlying processes that help us be timely. Communication, access is in communications. So that will be our focus going forward. I want to just talk about one result that we have achieved using our process improvement or our new management methodology that's the best example of what we have done that's maybe helping drive some of this up.

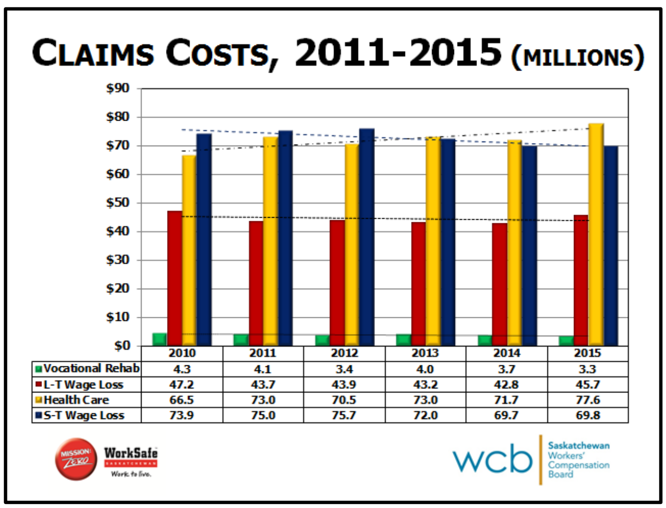
We focussed, really, on the initial adjudication process, about a year and a half. It was sort of bad times. We triage claims when they come in, that relatively straightforward time loss claims go to Claims Entitlement Twos. The more complex or contentious claims go to the Threes. They need a lot of development, investigation and that type of thing. A year and a half, there was about 1,400 claims in the queue of the Twos waiting to be adjudicated. It was taking about 20 days. When I left, just yesterday, there was about, I think it was 230 and it takes five days now, on average. In the Threes we had about 600 waiting, pending adjudication and it was taking about 50 days. There's about 350 now and it's taking just under 30 days. So I just wanted to call out that one result of an example of some of the ways we are trying to improve timeliness and communication, that's our best result. We do know that we have a ways to go.



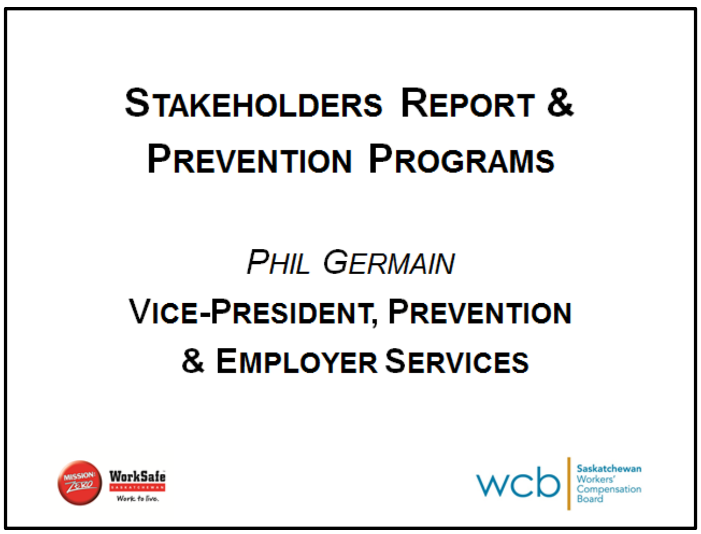

As it relates to durations -- it's the measure of timeliness of return-to-work. The measure increased

1.91 to 38.92 days in 2015. We talked about this last year and the year before. The primary driver of that increase continues to be the changing mix in claims. So employers are getting so good at accommodating the really easy time loss claims, they are turning into no time loss claims. Those short-term time loss claims are leaving the system, leaving the more severe cohort of claims, which mathematically just drives that average up. The actuaries did a study. 5.3 days of that increase over the past five years is just due to the changing mix of claims in the system. So I just wanted to point that out. People aren't getting slower going to work. It's primarily driven by that changing mix of claims. As it relates to those more severe claims left in the system, there is an increasing proportion of back, shoulder, leg, and multi body parts which is contributing, you will see in a minute, to a little bit of an increase in our tertiary medical rehab costs.

Just for interest sake, the number of actual comp days, that we paid in 2015 was down a little over 4% to 425,000, 415. And just for interest sake, to just drive home the value of prevention and return-to-work, since -- in 2001 we were at, almost at 750,000 days paid. That's a 43% drop and a huge improvement not only in just avoiding costs but a huge improvement in getting people back to work, getting back to wellness. Getting back to work does actually have value in terms of medical intervention. It helps people get better faster. So tremendous results over time with that.

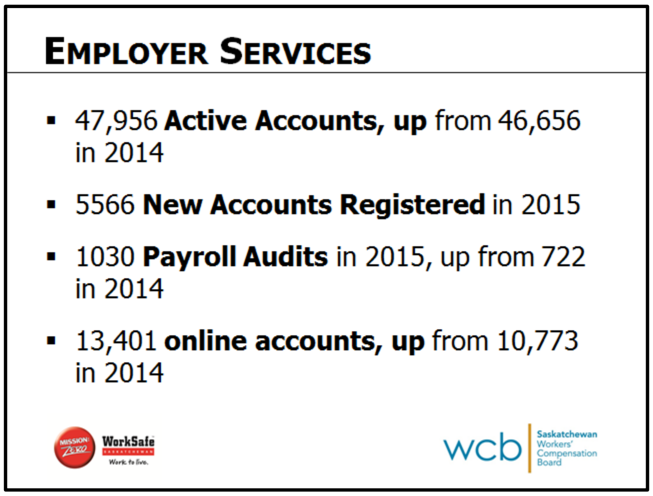



My last slide before I hand it over to Phil is a comment on claims costs. This is cash only. Ann will talk much more about this. It's not adjusted for actuarial evaluation and any other things that the finance folks do. The message here is it's relatively stable. The cost per claim is within our forecast parameters. We have an increase in the maximum. That's all being offset by the declining claims that comes from everybody's prevention effort. I do want to call out the medical. We are still, I guess if you want to call it, worried about this one. It's got a higher rate of inflation. Just a point. We aren't cost cutters. Every benefit that everybody is due, they should get. Our job is to make sure we get value for that money. We are constantly negotiating rates and with health care associations, best practice guidelines, that type of thing, to try and make sure that we get the best bang for our buck. The big hitters in the increase there, 1.1 million in tertiary treatment. We had a 1.1 million dollar increase. It goes with the increase in proportion of backs (injuries) and stuff. A .8 in physio which follows that. And we had a bit of an anomaly, a spike, in our out-of-country medical expenses of 2.3 million last year. That's really what's driven that up. But the overall message here is stable and within forecast parameters. I'm going to pass it on to Phil now to keep going with the rest of the comp program and safety and prevention.

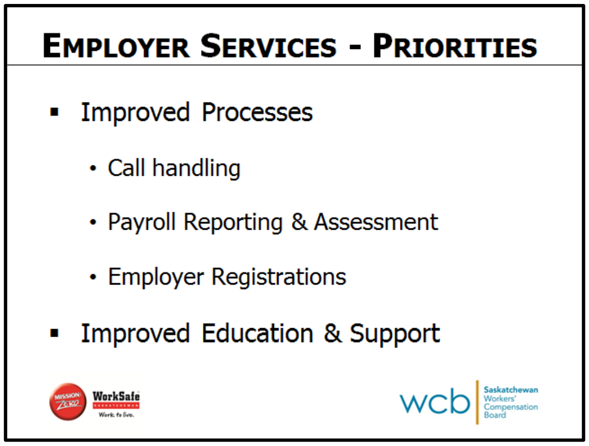



**Phillip Germain**

Thanks, Graham. Good morning, everyone. It's great to be here. I am here to talk about the prevention and employer services results for 2015. The employer services side of the business is, I'm guessing most of you know, work to register employers, make sure employers have the right premiums, assist employers in getting clearances, making sure that employers have the right coverage, working with the classification system, the Experience Rating Program, all of those pieces, all centred around, making sure employers are registered, they have got coverage, and that they are paying the right premiums. And part of the right premiums, which I won't talk about really a whole lot in here, is our audit program. Last year there was actually a net -- so out of all the payroll audits that we did last year, we actually took in, the net result was minus $5,000, roughly. And some people would be wondering, "Well, how is that possible?" Well, part of what we look for when we go out and do a payroll audit is to see if the employer is paying the right premiums. And in a lot of cases employers might be overpaying us premiums. So the cap on payroll might be 69,000 and an employer might have put $70,000 or $80,000 for a worker. We will adjust that in the payroll and we will let the employer know, “Actually, you paid us too much and here is what you should have paid us” and then we will make that adjustment. And it works both ways. And in any given year about a third of our audits result in adjustments up, a third about adjustments down, and about a third no adjustments at all.

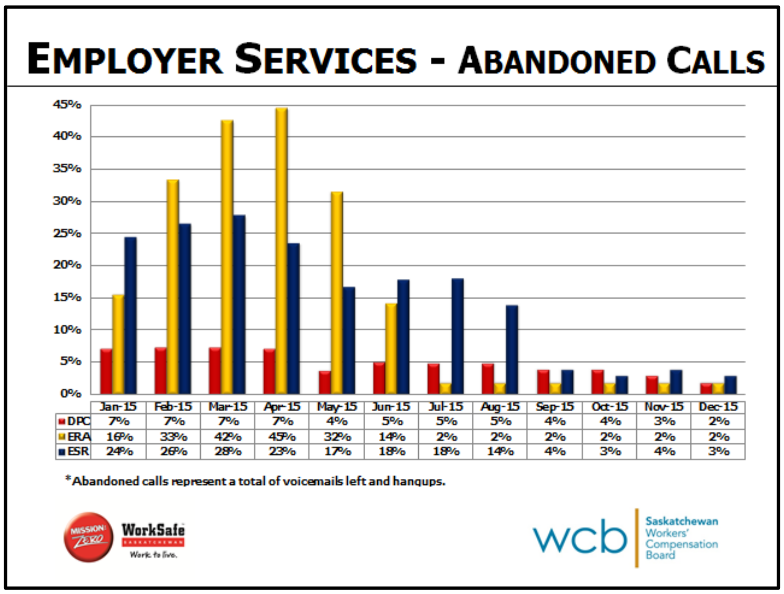



You can see from the employer services numbers here, the number of accounts that we are supporting is up again. New accounts registered were over 5,000, which obviously means some employers shut down their accounts, existing employers, activated them again. And the other thing that we are happy about is the online usage continues to go up. This is about the third or fourth year in a row where more and more employers are engaging. And that was one of our strategies. When we talked last year at this meeting, one of things we said is we are trying to improve certain services for employers and make it easier for them to do business with us. And each year going by we are starting to see more and more employers engaging in our online services. And I will talk a little bit about that as we go forward.



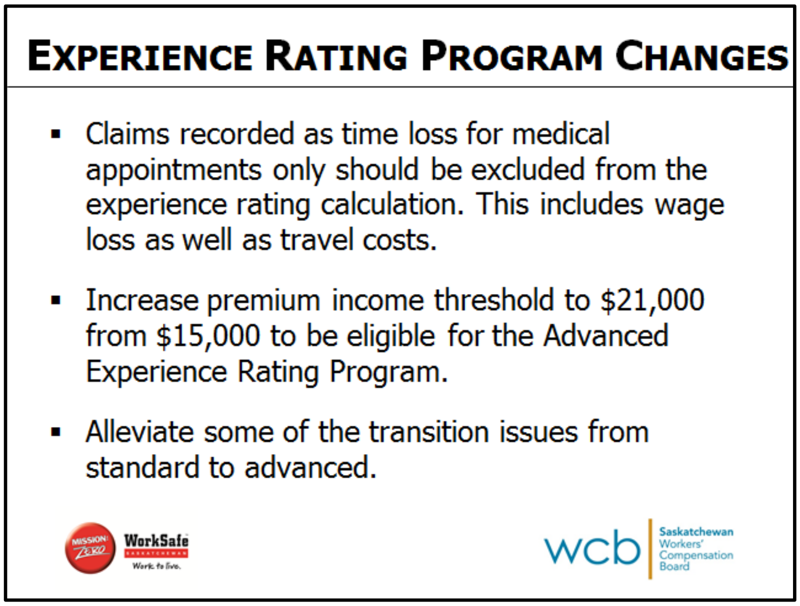

Last year at this time there was a real focus -- we talked about improving our payroll assessment process and our employer registration process. Last year we worked on some of the online forms and the way employers interact with us in terms of reporting payroll to us, updating their accounts, and we saw a significant spike in employers using those updated services. And we got feedback from employers saying, “It’s much easier to use.” And in fact even our staff said, “You know what? I’m not having to follow up and bother employers because they didn’t get us all the information or didn’t get us the right information.” So it’s just an indication that some of things that we are working on are helping employers, make it easier for them to do business with us. The other one that we worked on was employer registrations, so how long does it take to get an employer registered. And in 2013 we recognized it was a problem. We were registering -- our service target for employer registrations was ten days, somebody sent us the information and in ten business days we would have them fully registered. We were hitting that service target about 50% of the time in 2013. By the end of 2014, we were hitting it about 80% of the time. By the end of 2015, we were actually registering 80% of employers within five business days. So we improved our processes to the point where we actually set new business targets. We want to be now registering, by 2016, June 2016, 90% of employers within five business days. So those are a couple examples of the processes that we are really trying to focus on to help make it easier for employers to engage us.

The other things that we worked on were improved education and support. Some of you will, may have engaged in our rate setting meetings. We have changed those over the last couple of years, we changed them so that we made it easier for more people to participate. Last year we had one of the highest numbers of participation at 107 people. This doesn’t sound like a lot when you have got 47,000 customers, but it is actually up. Over 70% of those people who engaged in the rate setting meetings last year were new, had never been to a rate setting meeting, ever. So that’s good. We have also made it easier by allowing people to be able to engage in the rate setting meetings through an online webinar. So you can be in Maple Creek and be watching the rate setting meetings. And we are starting to see a slow growth in the online participation with that as well. We had developed a new online resource, education and training resource, that you could go into at any time and learn about our rate model and experience rating programs, but as I will show in the next slide we pulled that back because the experience rating program was having changes so we wanted to update that and incorporate those changes. And that new resource should be online early here in 2016. The last thing that we didn't target, but I am going to talk about, in 2015, was call handling.




In 2014 we actually got a new phone system, and because of this phone system we started to access data that we didn't have before. And in the employer services area we were noticing what we call a high abandon rate, the number of employers that were either leaving a voice message or just hanging up before we could get to that call. It was hovering between 20 and 30%. So that's what we call the abandon rate, a voice message or a hang up before we can get to them. So we started to look at the processes. And you can see -- this chart is just an illustration of where it was and where it ended up by the end of 2015. So our goal when we started this around May or June was to try and get to 95% of the calls at the time they called, not within 24 hours but right at that time. And we reached it, we were consistently hitting that 95% mark by the end of 2015 and we were carrying it through, even through the very, very busy assessing season. And just to give you an indication of how things change, our employer services area might get 400 or 500 calls a day.

During February, March, April, it spikes up to 2,000 calls a day. But we were still able to try and get to that. We just reconfigured our work, thought about our processes, thought about what we do, we're doing, how we were doing, because our first priority was to get to that phone call. So we are starting to see some progress in that area as well.

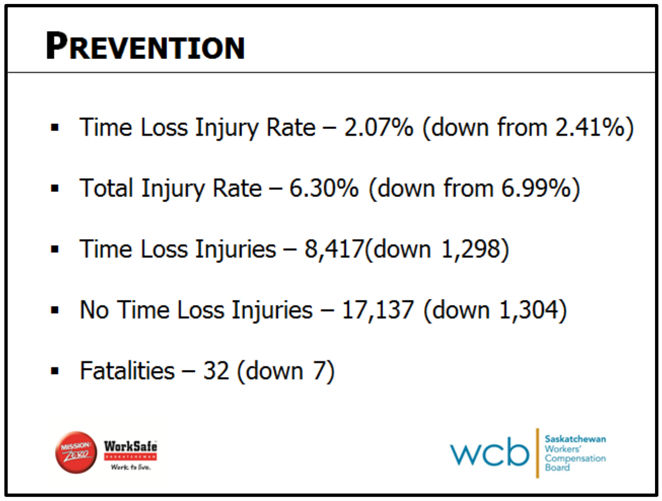



We have recently -- and we just started to talk about it primarily because of the election. We were limited on what we could talk about. But the improved changes to the Experience Rating Program were actually made in 2015. Due to some restrictions related to the election, we didn't get out there and talk about it as much as we would have liked to, but we are able to talk about it now. And here are three things that I think employers are going to be interested in or will key in on, on all the recommendations. The first one -- this is, applies to the standard program. So we will now -- if there is time loss claim that has a medical only time loss, so if a person is injured, they go back to work and the only reason they are not at work is to attend a medical appointment, that will not go against an employer's experience rating in the standard program. Because, again, the standard program is, if you have zero claims you are going to get a discount, if you have one claim you won't be surcharged, after that you will start to be surcharged. So this will allow more employers to not be surcharged in the program for something as simple as maybe one medical appointment.

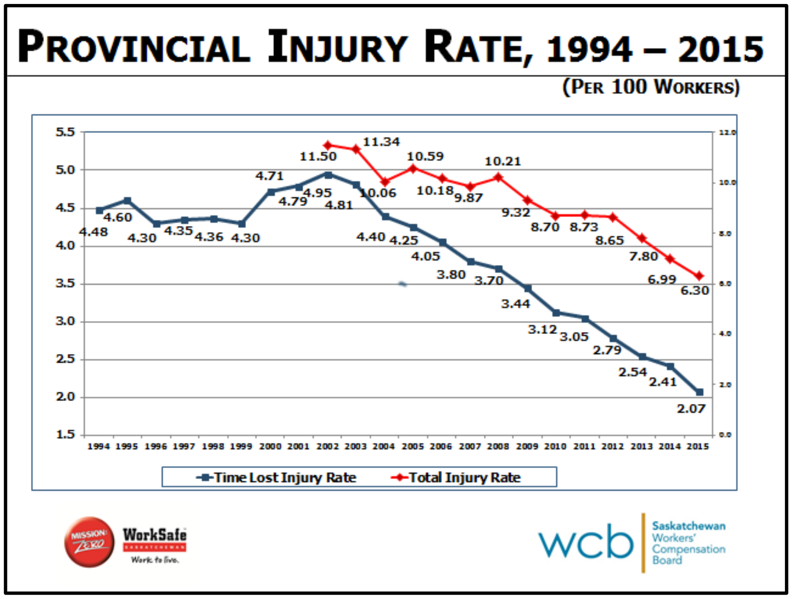
The standard program is kind of for small employers. If you have had 15,000, well traditionally $15,000 in premiums over a three-year period, you are in the standard program, which means your experience rating, how much you pay, will be impacted positively or negatively by how many claims you have, regardless of the cost of those claims. The advanced program is a cost-based system. Your costs compared to the costs of the average employer in your rate code impacts how much you are going to pay up or down. So there’s two basic programs and those programs, the standard and advanced program, were originally designed through committee work many years ago, a committee of employers and worker representatives. That committee meets every three to four years, talks about the program, decides whether it’s working, if it needs to be adjusted, and that’s where these program changes came from. In 2014 and into 2015 we had an experience rating committee that was working on these issues.

The other change is there is an increase in the premium income threshold from 15,000 to 21,000. So instead of three years’ worth of premiums totalling 15,000 -- that’s the threshold, the cut-off by which you are in the standard program -- yeah, that’s going to be increased to 21,000 now, which makes sense. Payroll has increased, salaries have increased. This is going to impact a few employers in terms of, that are probably in the advanced program that are going to come back to the standard program. There was a lot of discussion about alleviating employers who were transitioning from the standard program to the advanced program. And what the board has decided is, if you are transitioning from the standard program to the advanced program and you have a discount or no surcharge at all, you are going to carry that forward up until the point you have a new claims experience. Then you will be fully integrated into the advanced program. So there is kind of a transition period there that will help employers deal with transitioning from one program to the next.

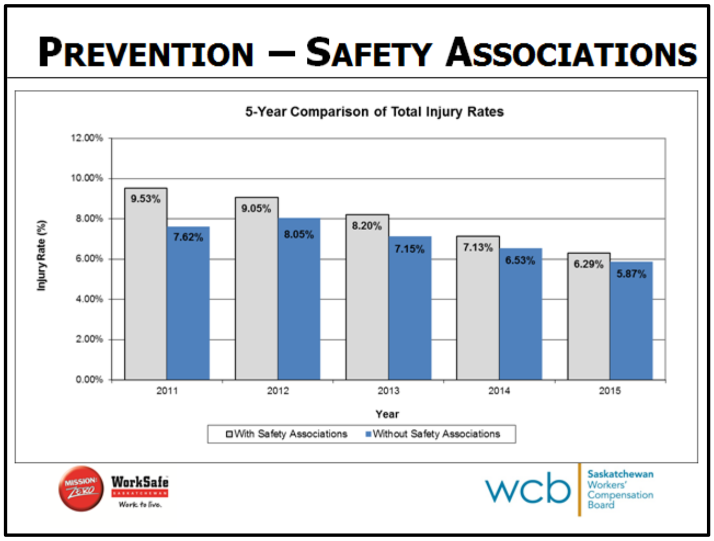
There are others, improving communication. There was discussion about what to do with old claims in the system and the board made a recommendation that we go in and look at how we capitalize claims. So there is going to be process review on making sure we stay on top of capitalization of claims. And those are the essence of the changes that the committee and the board has approved, the committee made and the board approved.



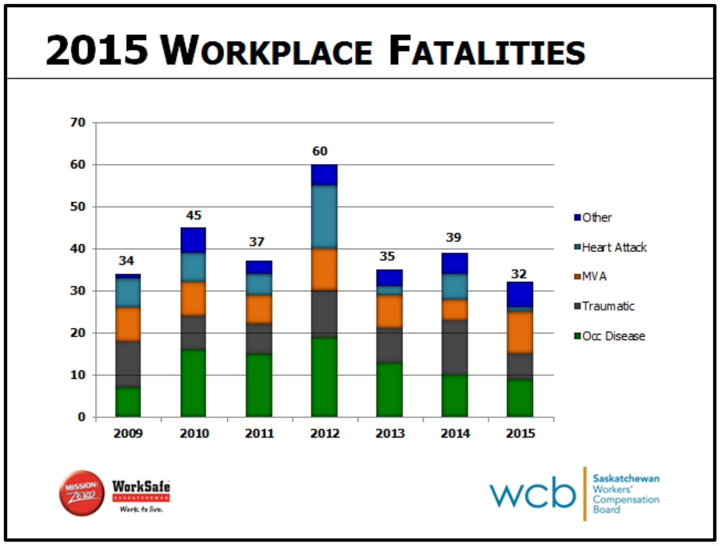

On the prevention side, as Peter talked about, time loss injury rate is down, total injury rate is down, the number of time loss injuries are down, total injuries are down, and even though they are still high, fatalities went slightly down. So from a prevention perspective we look at all of these and we would like to see all of these going down together. That tells us that whatever is going on, whatever support we are doing, whatever work the safety associations are doing, whatever work employers and unions are doing, is having that positive impact. We like to see all of these numbers going in this direction, downwards. I had somebody outside of WCB email me a few months ago -- and I didn't even know we were, moved from second-worst to fourth-worst because I don't really pay attention to that stuff a whole lot. I'm just worried about what we are doing tomorrow. And it was somebody outside who said, "Do you realize that over the last five years there is no jurisdiction in Canada that has dropped their injury rate faster than you guys? In fact, it's not even close. You guys are at like 28% and the next closest is like 18%." Again, just an indicator that what we are all collectively doing is working. So here is the trend line.



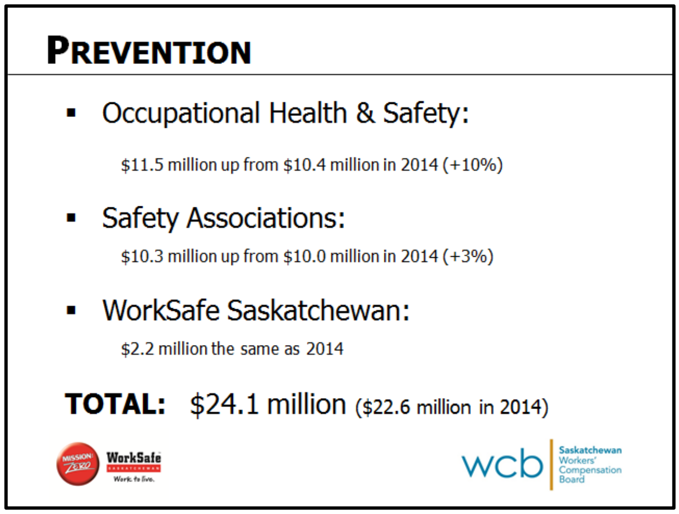

And I want to focus on a couple of points on the trend line. And I think it's important to see where we were and how far we have actually come. As Peter talked about, we have had like a 58% decrease in the time loss injury rate, a 44% decrease, a 48% decrease in the total injury rate. But what's interesting, there's two years on here that are very interesting to me. WorkSafe was announced in 2002. Mission Zero was announced in 2008. So the time loss to injury rate has dropped 58% since 2002. Since the introduction of Mission Zero, the time loss injury rate dropped 44%. So since 2008, of the 44%, the majority of that dropped since 2008. Again, I'm not here to say that this is all about WorkSafe and Mission Zero. It is the partnership; it is all of us working together. But there is no question that the implementation of WorkSafe, the implementation of Mission Zero, has had positive impacts on trying to keep us moving towards lower injury rates, lower fatalities. A similar experience on the total injury rate: the majority of it has actually happened since 2008. Graham talked about the dramatic decrease in the number of compensation days. And when you look at all this together, if you look at since 2008, there's been roughly 5,000 fewer time loss claims in the system. And if we use a conservative estimate of $10,000 per time loss claim, that's about 50 million dollars stripped out of the system that we don't need to collect. I was talking to Collin Pullar the other day, from the Construction Safety Association, and he said, "Had injury rates and premium rates stayed the same" -- and I can't remember which year. It's in the last decade I think he said -- "in the construction industry, the construction industry would be paying 250 million dollars more in premiums today than they are," 250 versus 40 million. They are paying 40 million this year. All things being equal, you go back in time and draw a line forward, they would be paying 250 million. That's a big difference. As I have said, we can't do what we do well without partners. I will show you our model and our model is heavily invested in creating partnerships.



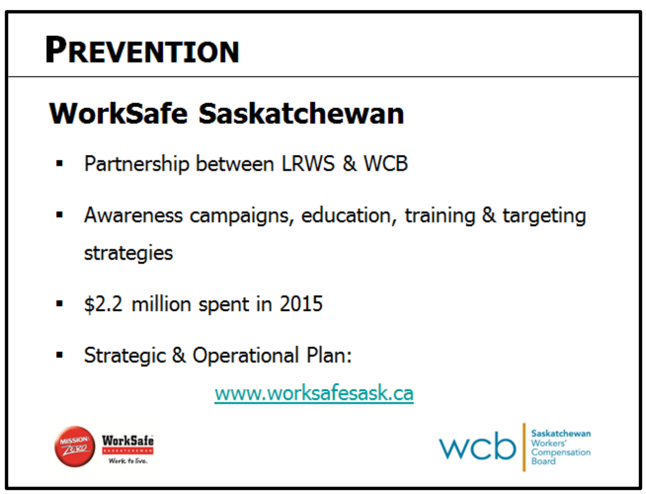

Some of the most significant partnerships we have is directly with industry. We partner with industry to establish safety associations. Our Act allows us that if industry wants to establish a safety association and they remain focussed on injury prevention, we can provide support and funding to help that industry deal with injury prevention. There are seven safety associations, seven industries, that we partner representing 18 rate codes. And you can see here, the white or the grey bars are the safety associations, the blue bars are the rate codes with non-safety associations. And what I always focus on is the difference between the white and the blue bar. And you will see over time that difference is shrinking and shrinking fast. And we can't forget that these safety associations represent some of the highest risk industries, construction, manufacturing, health care. And despite them being more inherently risky industries, they are dropping their injury rate faster than rate codes that do not have safety associations, and it speaks to the value and the power of partnerships. So the safety associations and the work they do are definitely contributing to those numbers I showed before.




Now the anomaly in all this good news story is fatalities. Fatalities year over year are pretty much remaining flat. Despite our best efforts -- we assumed that if you push injury prevention forward, one of the natural things that would happen is we would start to see fewer fatalities. That didn't work. There's something else going on. And while motor vehicle related fatalities are the number one current year fatalities and we are out there with campaigns and messaging trying to promote safer driving, less distracted driving, we are trying to help reduce motor vehicle related fatalities and crashes, it's not having a positive impact at this point. When I get back from these meetings I will be signing on a three-year agreement with the University of Saskatchewan to help us do a more detailed analysis on what is going on with fatalities and what we might be able to do. The U of S, one their Biostats PhD students is going to be taking our data as well as many other sources of data and trying to find correlations that might give us an idea of what we might do to help move this forward. We know it's a cultural issue, we know people are likely aware of risks and not necessarily dealing with those risks, but some of these are tough: the safe driving, the working at heights without fall protection, working in toxic areas without necessarily the right respiratory protection, those are systemic issues. Those are some employers not necessarily understanding the hazard and dealing with it properly. In some cases the workplace is ignoring it and in some cases, especially on the driving one, people just choosing not to drive safely. They are more worried about getting somewhere in five minutes than actually choosing to get there safely. So it's a tough one and we are working on it. So motor vehicle accidents, motor vehicle crashes -- I don't want to call them accidents -- is a big portion as well as the occupational disease. And the majority of occupational disease are old exposures to asbestos. The trick, though, is as we are starting to tear down and renovate these old buildings, that we are not creating a new batch of occupational diseases 20 years from now. We have to be diligent. I think we all thought asbestos exposure was behind us. Ah, not so sure. There is still a lot of asbestos out there in old buildings and we have to be very diligent to deal with them safely. Here is the funding. We always get a question or usually people are curious.




You can see funding for prevention overall is up from 2014 to 2015, from 22.6 million to 24.1 million, and we are projecting another increase to over 25 million in 2016.

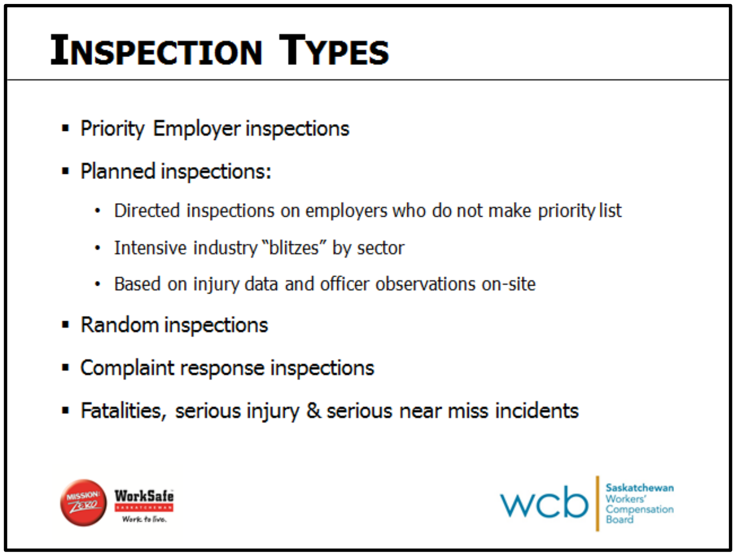



WorkSafe, I'm hoping most of you know. And if you don't, WorkSafe is a partnership between the Ministry of Labour Relations and Workplace Safety and WCB and the premise is, is that we establish a provincial strategy -- that we utilize our resources most effectively to help drive down injuries and fatalities. There is four pillars.

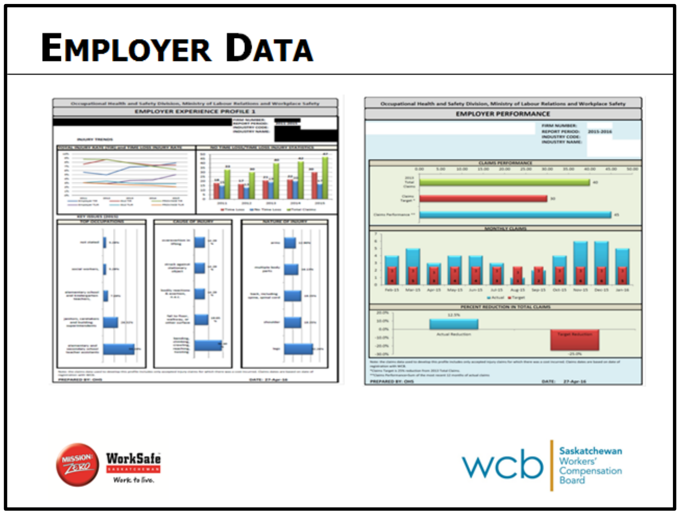

The first one is awareness. We need to create awareness about these issues so that people can start to understand them and start to believe that there is things that we can do. We do an annual survey of our awareness and there is a high recognition around WorkSafe and Mission Zero, there is a high belief in WorkSafe, the importance of WorkSafe and Mission Zero. And we also do what's called an injury tolerance index. We ask a series of questions to see how people's perceptions of injury prevention are changing. We started that in late 2013 and there has been a slow and steady increase, an improvement in how people see injury prevention. More and more and more people are starting to believe that injuries are both predictable and preventable. So raising awareness is important.

The second one is education and training. So we are aware that there is a problem, "Now what do I do about it?" People need to understand the issues better, so education and training is a critical component to moving injury prevention forward. The next component is targeting strategies. And our primary strategy in the past has been targeting employers with high injury rates, typically. The high injury rate just simply tells us whose door we are going to go visit and then we do assessments to try and figure out what's going on. In some cases we get there and the employer is already working hard at addressing those issues. In some cases the employers don't know what to do, so we are there to support them. We have expanded that strategy over the last couple of years from a target of 50 employers to well over 120 and we are expanding it again. We have also introduced, with the support -- and this is WorkSafe, this is our partnership with the Ministry of Labour Relations and Workplace Safety -- we have started to do what are called targeted field campaigns. So we have got the employers that we go and talk to and then there are specific issues that we start to look at. We looked at issues like access, egress, falls in residential construction, and last year, this year, and we will again next year. We are starting to look at issues like ergonomics in manufacturing, issues like lockout, tag out. So those are the three strategies in this spring. In the next few months we will start another one around safety orientation in youth in the workplace. So we will have four targeted strategies, targeted field campaigns going, over and above targeting certain employers that we think might need some help.

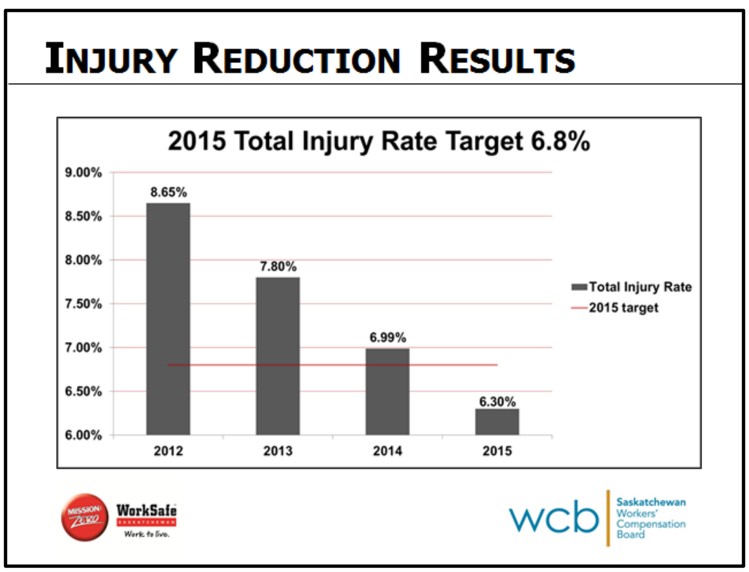
And then the last one is the whole partnership and leadership piece. We know anything that happens effectively in a workplace starts with leadership support, so it’s engaging leaders and helping them help themselves in moving injury prevention forward and helping each other. But almost everything that we do at WorkSafe involves a partnership. All those targeted employer strategies that we talk about, almost all of them involve the partnership with another organization, the Chiropractors Association, the Motor Safety Association, the Saskatchewan Construction Safety Association. The youth stuff: I think every safety association, the Hospitality Safety Association, everybody got involved to try and support these initiatives. We don’t believe we need to do it on our own. There are better experts out there. So partnerships are critically important. We also partner with the Chambers of Commerce and the NSBAs. They create safety awards, and they evaluate their award criteria based on safety. All of this is helping drive injury prevention forward, organizations like the Shooting Stars that go across the province and talk about the importance to parents and youth in hockey about preventing concussions. One of our key partnerships is Safe Saskatchewan, because we truly believe that if people are prepared to be safe at home and at play, they will bring it into the workplace, it will be their natural orientation. Just because you work safely doesn’t mean you go home and act safely. There are probably more people that fall off their roofs putting up Christmas lights than they do in workplaces. And those same people go to work and work safely every day and then go off and cut their lawn in flip-flops and put up their Christmas lights without any fall protection on. So if they are prepared to do it at home, they are definitely going to be prepared to do it at work. And it’s partnerships like Safe Saskatchewan and all these other partnerships that we have that are going to drive that forward.



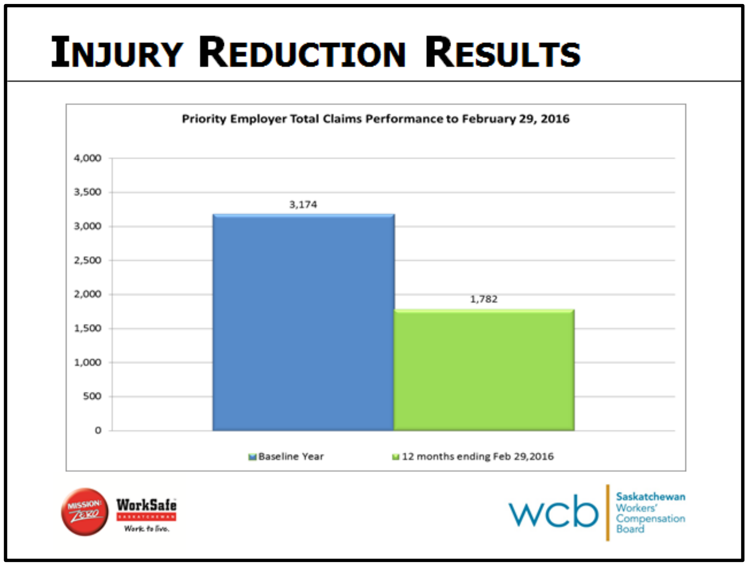

Our partners at LRWS do a quick overview of what they have been up to in terms of the WorkSafe partnership. And I can speak to it because we are involved and what I can tell you, at a real high level -- I won't get into any details -- but certainly we have a working group from a WorkSafe perspective, WCB and OH&S, that meet just about every week, and they talk about all these strategies and what's happening. And OH&S uses our data to help target where inspections go. So not only do they go in and inspect certain workplaces with a high number of injuries, but they pay attention to what injuries are happening. "Has there been 12 injuries and 10 of them then have related to use of band saws? Let's go see the band saws. What's going on here?" So they will try and target the specific issues that appear to be happening in the workplace. That's not exclusively what they do. They do random inspections. But the majority of their efforts are focussed on workplaces and the issues in those workplaces that the data tells them.



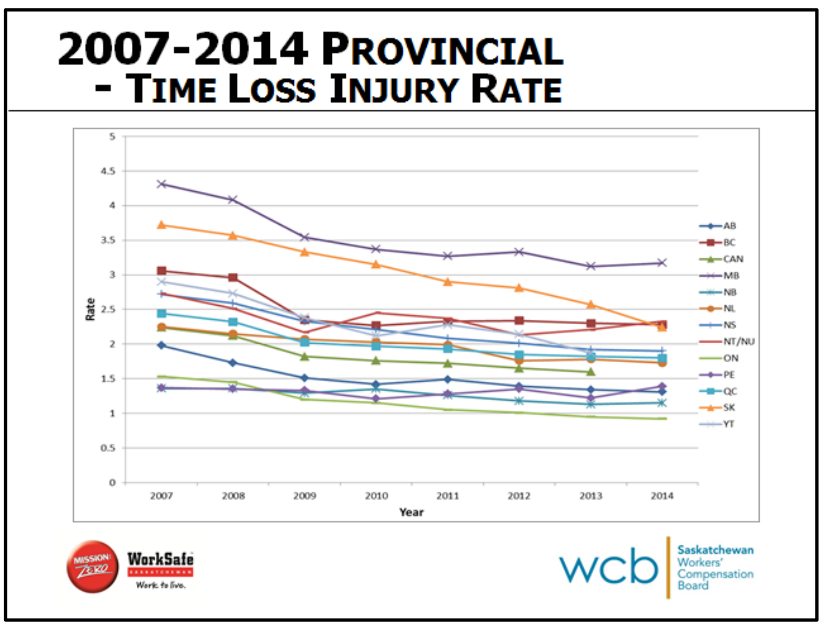

So they produce a report like this that guides their officers during the inspection. So they are very data driven. They are trying to go to the right place at the right time and focus on the right issues. While they are there, they might find something else, but that's the nature of their job. They put in -- this is from our WorkSafe report.



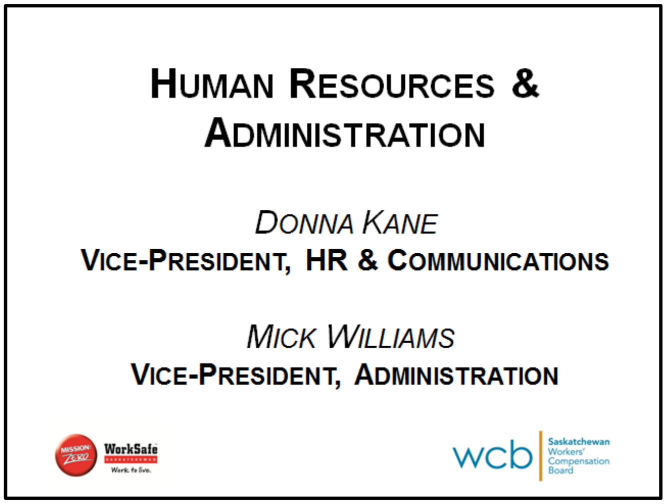

They are just talking about the reduction in the total injury rate. This is a chart -- so we targeted over, about 123 employers last year. Collectively, through all of our efforts, and in particular the ones that went through the intense inspection, this is the result that OH&S saw. So they targeted employers that had intense inspections by OH&S, saw a dramatic drop in a 12-month period in terms of the number of injuries that were occurring within those workplaces. And this slide is a bit of what I talked about.




This is kind of identical to what I was talking about in terms of us moving from second to fourth. This is that drop over a five or six-year period.




This is really hard to see, but I believe this is Saskatchewan and you can see we have actually surpassed -- which was a big surprise to me. This red one with boxes, that's BC. We slightly surpassed BC last year, according to the AWCBC data. Again, it's cause to celebrate. We should celebrate this improvement, but we are a long ways from where we want to be. Thank you very much and I look forward to your questions later.




**Donna Kane**

Good morning, everybody. I'm the Donna on this slide. I am Donna Kane, the Vice President of Human Resources and Communications, and I am pleased to share some corporate highlights with respect to two of three of our strategic objectives in the enabler section of our balanced scorecard.

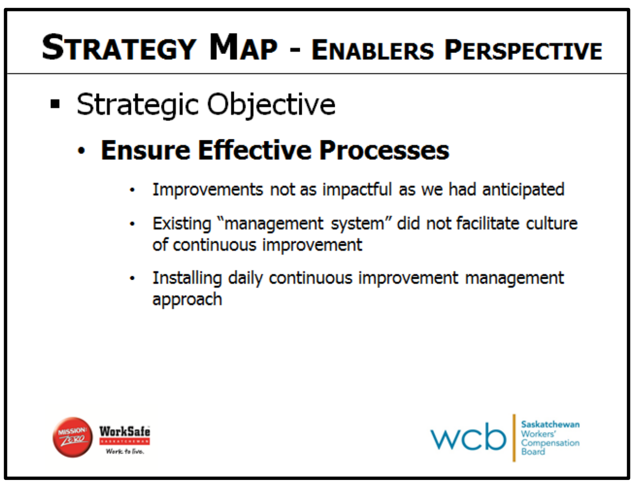

I'm going to be talking with you about enhance great relationships and have a competent workforce. I'm going to turn it over to Mick, then, who is going to share some comments about the third objective, ensure effective processes. If you go back to your handouts, to page three, Peter had talked about the balanced scorecard a little bit and our strategy map. It's a little difficult to see, but I am going to be talking about the three boxes in the enabler section is in black there. And as you can see, when you look at the strategy map, these three areas link or contribute directly to the area above, which is all about compensation programs and services. And Phil and Graham both talked to you a little bit about some of the programs and the services that we are working on and we provide to our customers. So the enabler section actually contributes to these areas. So the first objective, enhance great relationship, the enhance great relationships, is measured through a relationship index, and this evaluates our performance with respect to external and internal relationships. In 2015 we did not meet our target of 95% -- we achieved 85% -- with respect to this objective. And our goal relating to external relations is to always look for opportunities to engage our customers through meetings, presentations, speaking engagements, events, and partnerships that support programs and service delivery goals, to advance Mission Zero and promote injury prevention through the WorkSafe brand. I think everybody here -- it’s pretty hard to disagree with this, that whether relationships are built through prevention, partnerships initiatives, as Phil had talked quite a bit about some of the work that we are doing in that regard, or major events like Compensation Institute -- and as I was talking to some of you this morning, you had mentioned that it was the first time that you had attended the Compensation Institute and how you found the event quite valuable from a learning perspective -- or whether the relationship is built on an individual level through our frontline staff directly with our customers, we know that building positive relations is essential to, and a contributing factor to achieving service satisfaction. So, again, if you look at the balanced scorecard, our strategy map, when we are delivering on our programs and services, they in turn result and contribute to excellent service at the top level of our strategy map. The internal component is the second aspect of the relationship index that I would like to talk about and it is measured internally through our employee engagement results.

At previous AGMs I have mentioned that we use a third party to administer our comprehensive engagement survey every two years to our staff and it’s actually been two years since we went out with our last comprehensive survey, we recently, just surveyed staff and we have received these results. And although we saw some improvement in many of the factors that we were measuring, we continue to have an opportunity to improve given that our overall percent favourable was only better by 2% than the last time we had surveyed two years ago. When I say favourable, favourable means that on a scale of one to five, five being the best that you can achieve, this would be a five point scale and we achieved four out of five for, I think it’s 68% favourable from our employees. We do have an opportunity to improve there as well. Even though, again, the results were slightly better than last time, still an opportunity. We have also introduced an abbreviated engagement survey internally, and we administer this survey every quarter to our employees, and it has six key questions relating to service, communication, leadership and those types of areas that we ask of our employees. And we received a fairly good response rate in 72%, roughly, and the percent favourable for that survey is generally about 76% favourable.

Even though we look at our results closely, it's what we do to advance engagement that matters most. We believe that one of the ways engagement is enhanced is through our focus on continuous process improvement. Communication has increased in and between teams and this helps to establish and build trust, which is the cornerstone of any relationship, including engagement. Employees have input and participate in generating ideas and they collaborate in solving problems and improving their processes and this can be a very empowering and engaging experience for folks. As we go forward, our goal is to achieve increasingly positive engagement results, and because as we all know, having an engaged workforce directly contributes to service satisfaction.

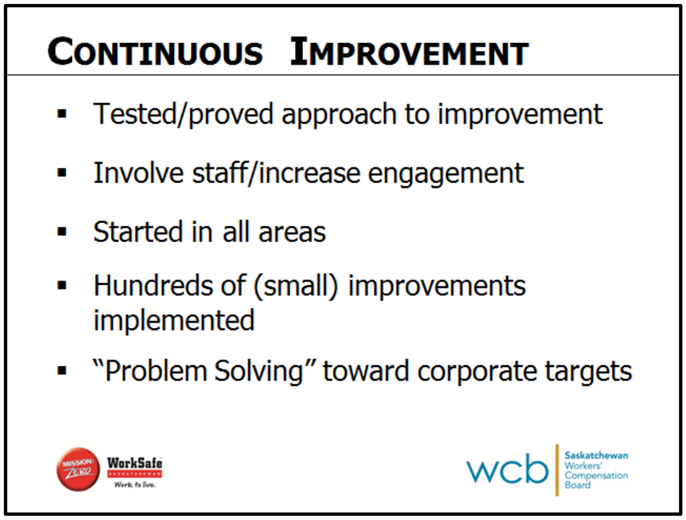

The second strategic objective in the enabler section is to have a competent workforce. And we use an HR alignment index to measure and report on outcomes associated with recruitment, development and retention. So the result for the 2015 index was 95.5% which just squeaked over our target of 95%. And like many folks here today, we compete for talent in this province. We were pleased to be named, once again, a top Saskatchewan employer this past year, because this recognition goes a long way in terms of people applying to our organization and promoting our organization as an employer of choice to folks interested in a career with WCB. The organization also continued its commitment to employee development in 2015 in addition to the individual training and development opportunities that employees plan for and participate in. The service excellence team continued to provide comprehensive training to frontline staff in our operations group. And once the formal training is completed, they are also working hard to do some follow up now with each of the trainees. I believe they had like 56 trainees last year, so it was quite a few. So they are ensuring that the learning outcomes have all been achieved and doing some good follow up with staff.

During 2015 the HR team developed and delivered many management training modules to assist managers with becoming better skilled as people leaders and courses included recruitment and selection, performance management, and understanding the collective agreement better. Since our management team is also responsible to engage their staff in process improvement, we provided them with training in this respect. We have experienced relative stability with our employee relations and we have had a four-year collective agreement in place which actually expires December 31 of this year, so we will be starting negotiations this fall. Lastly, I would like to recognize my communications team, our communications team, for the great work that they have done in putting on this event and to all of our employees for their valued contribution and commitment as we continuously strive to improve upon our processes which in turn results in better service to our many customers.




**Mick Williams**

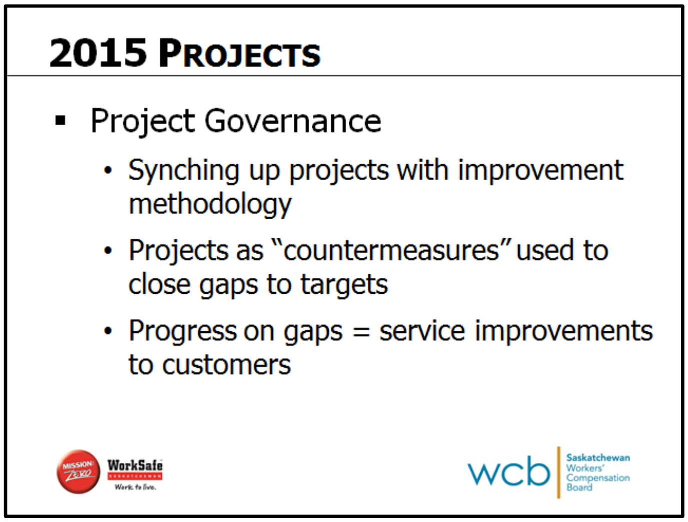
Donna's talked about the importance of relationships and our staff with respect to executing a program or how we internally run the company in order to maximize the value we are creating, and I'm going talk a little bit about the processes. And so when you think about that, it's really just how we do the work we do.




This slide I probably should have entitled "lessons learned" -- is I'm going to talk a little bit about what we have tried, what we have learned from that, and what we are doing now. We started down the road of taking a look at our processes and doing event-based improvement, taking a few people off the line, having them look at how they do things, and kind of a real classic or traditional perhaps -- if any of you were involved in any reengineering efforts back in the late '90s, trying to remove the extra time from processes, and then take that back into the workplace and try to implement that, and what we ran into were the improvements never quite materialized on the shop floor like they did on the whiteboard and so we had a little difficulty getting the kind of improvements in place that we had envisioned. So we went through that for a while and tried a few of those and we were getting some results but we were having trouble sustaining those results. We had to back up and review kind of how we were doing that and take a different tact to it. So we moved next into more of a daily continuous mode. So instead of going after kind of these large-scale improvements, we thought we should try getting more people involved in doing perhaps smaller improvement efforts. That's what we are in the midst of right now and we are beginning to see some better results from that. We think that's probably the track we are going to stay on for the near future and then keep our eyes on that and see what more we can do. We may shift back to improvement events at a later time, but I think the one thing we are learning from involving more people and taking smaller steps is that it's much easier to implement the improvements and have a lot less resistance to the kinds of changes that we need to make. Our improvements weren't as impactful as we had anticipated. One of the things that we kind of learned as we went along, too, was that inadvertently or unintentionally we as the management team were causing this problem in that by not being very specific and intentional about including improvement into how we did our jobs and creating room in people's jobs for time to be able to look at how they do their work, we were actually holding in place or preventing continuous improvement from taking root. So we had to also address our management system and style as we worked with the actual work we were doing.

We have moved to, as I said, more of a daily continuous improvement approach, really trying to, to Donna's point, tap into engaging employees, respecting the knowledge that they had for the work that they do and giving them the opportunity to be able to make the improvements that they have always been uncomfortable with or improve the processes that they have always felt were not as good as they would like them to be. We have been at that for a while now, we started doing this in December of 2014 -- we ran a bit of a pilot. We took one of the areas of our company and we just started doing this to see if we could get it to work. So, we have been at it about a year now. And I've talked about most of the bullets. We involved people -- again, probably the biggest driver behind that was to -- well, two things. One was to engage them in the improvement efforts and, really, to minimize the amount of resistance that these kinds of, that changes that are being imposed on them would naturally cause. We did this for a while, we were about four or five months into it and we started to see things working pretty well, so we decided to start doing this across the company. We have been doing this across the company now for about eight months. We have got hundreds of small improvements happening and I think Graham spoke to some of the results that are, that we are beginning to see some results of improvements happening. Phil talked about the call handling in employer services. Those are the kinds of things that we are asking our staff to look at, take some time to work on, and try to see if we can't make it better. And so we got lots of small improvements. We are beginning to have some of what feels like sustainable results and so we are going to continue to go down this path.

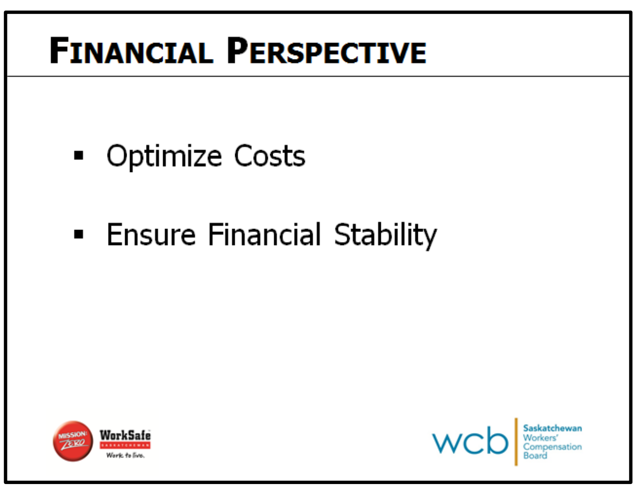
Another piece that we are looking at doing a little bit differently as a result of this experience is that we are changing a little bit of the way that we do our annual planning around this. For our planning to be meaningful for our staff, we want to be setting some targets that they can relate to -- some of these targets are pretty aggressive -- but use this approach to identify the kinds of things that are preventing us from meeting those targets, the kinds of things that would need to happen for us to meet these stretch targets, and again, using or engaging staff in what are the many improvements that we can make in order to get there. We have switched up a little bit in how we do planning around that, too. And then, really, at the core of this, it's how do we remove the barriers that we have right now from getting to these types of targets. Last year when I reported out and originally when we came at this, we kind of thought that our project execution was one of the big barriers to us being able to deliver the kind of service that we wanted to be delivering and as we get further into the process improvement method, we repositioned projects as an outcome of the kinds of improvement initiatives that we needed to take on or at least that they would be the types of things that needed to be connected with these large goals that we are trying to go after.




So we have synced up the projects and the governance of these projects with the methodology and projects are now countermeasures or results of some of the process work that the units are doing and out of that work will be an enhancement to a system or perhaps a larger process review that entails two or three or four more departments and things like that. But we are really approaching our project governance now as more of a, what do we need to do in order to close the gaps on the handful of really key, major objectives that we want to be tackling over the next year or two years. That is a real quick overview of what we talked about, how the system is performing, with respect to how our claims are working, how prevention efforts are paying off and -- Donna and I have talked a little bit about, how are we trying to, what kinds of things are we doing to try to manage the company that is responsible to administer that program, and now Ann you are going to talk about financial results.


**Ann Schultz:**

Good morning. My name is Ann Schultz and I am the Chief Financial Officer at the WCB. In addition to finance I also look after a group called Data Governance reports to me as well as Information Technology Services. I will be talking today about the foundation and financial perspective on our balanced scorecard which is the financial perspective -- it has two elements -- as well as getting into more detail on our corporate financial results. So the balanced scorecard foundation is the financial, which Peter mentioned earlier helps ensure that we have adequate financial resources to fulfill our legislated obligations, so that's to fund the costs of liabilities related to injuries that happen now, into the future, so that we are funded enough that we can meet those obligations, and as well, to ensure that we have the resources to serve our customers now. The financial perspective has two elements.

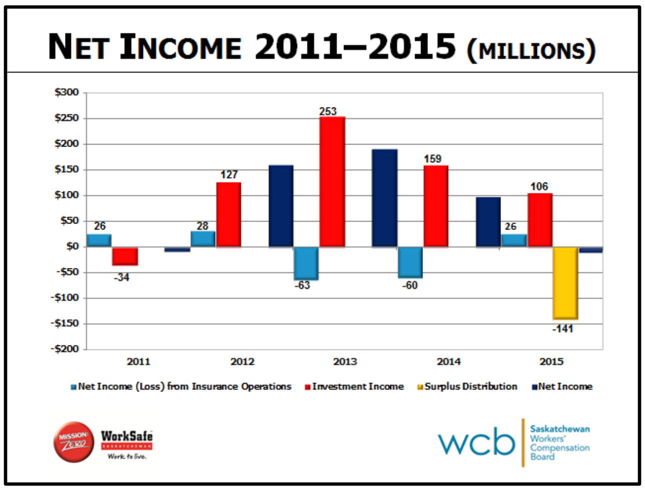


The first is optimize costs. This is made up of an index of claims cost escalation and our administrative budget variance. During the year we did not quite meet our target in this area and this was mainly due to the fact that the costs per time loss claim had exceeded our target and that was mainly because of the drastic decrease in the number of time loss counts, because we take all claims costs and divide it by the number of time loss counts to come up with an estimated escalation. The other part of that is the budget variance, as I mentioned, and we were .9 of a percent off of our budget as compared to our target of .75%. The second part of the financial perspective is to ensure, the objective is to ensure financial stability and we measure that by our funded position. And as Peter has reported, we also are above our target there of 120%. Our funded position at the end of the year is 144.7.

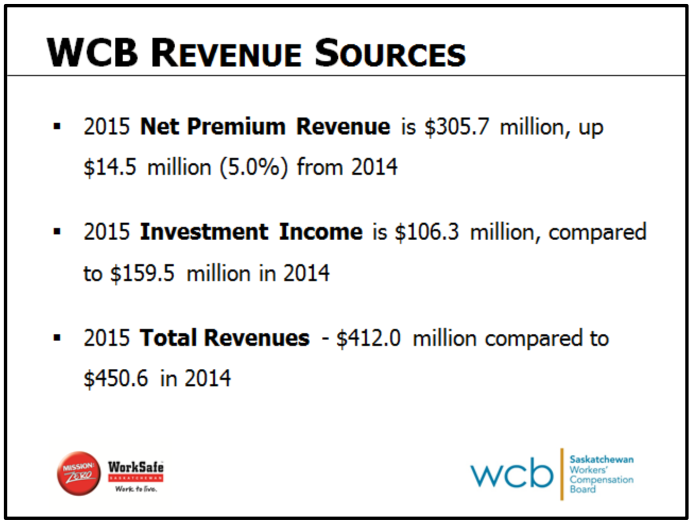
**2015 FINANCIAL RESULTS (MILLIONS)**

| | |
|---|---|
| Revenue (premiums) | $ 305.7 |
| Expenses | $ (279.9) |
| **Underwriting Gain** | $ 25.8 |
| Investment Income | $ 106.3 |
| | $ 132.1 |
| Surplus Distribution | $ (141.0) |
| Net Income | $ (8.9) |
| Other Comprehensive Gain | $ 1.4 |
| **Comprehensive Loss** | $ (7.5) |

We do several things to ensure the financial stability of the Board. One is we have an investment policy and goals statement. As Peter mentioned, we try to invest to meet the discount rate on our benefit liability. In 2013 we undertook a study of the mix of our assets, with the objective of reducing the volatility -- and I will get into some slides later that show the volatility we have in our investment income as a result of that study, we are moving to a different asset mix in our investment portfolio. We have undertaken two steps towards that and we have two steps to complete in 2016. Peter had indicated in his opening that we ended up the year with a comprehensive loss of 7.5 million dollars. There's several things that go into that and number. The first, we start off with our revenue from premiums. This year that was 305.7 million. We have expenses applied to those premiums and that's 280 million, approximately, for an underwriting gain in 2015 of approximately 26 million dollars. After that we had investment income of 106.3 million and this resulted in a net income before the surplus distribution expense of 132 million. The surplus distribution that we expensed in 2015, as Peter explained, actually was a result of 2014 results and we were funded at 132.2% in 2014. The payment of the surplus distribution happened in 2015, so under the accounting rules we are required to record that as an expense in the year that it is paid. The other thing that impacts our bottom line is what's called other comprehensive income and basically this is just the adjustment to our defined benefit pension plan, which is a closed plan and a fairly small impact on us. This year there was an actuarial gain of 1.4 million, so that gets us to the total of a loss of 7.5 million. We will be getting into detail on all of these figures just going ahead here now.

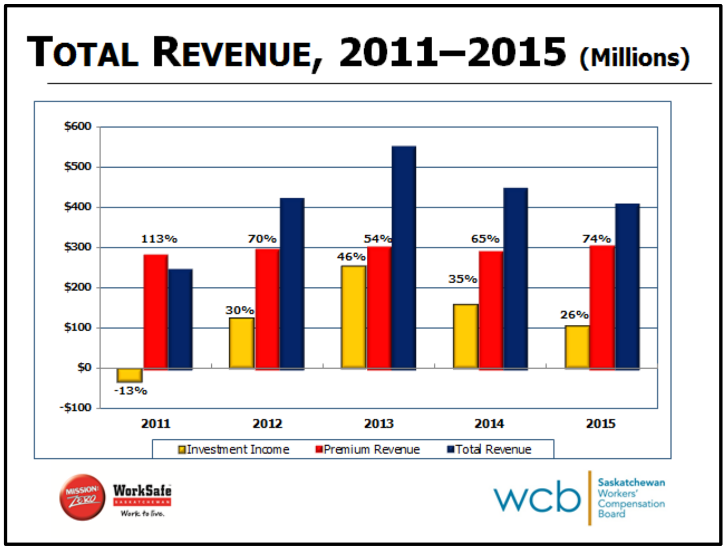



This next slide sort of shows you how our investment income can bounce around. The red bars are the investment income. You can see, depending on the year and what's happening in the markets, it really does bounce around quite a lot. In 2011 we actually experienced a net loss, so that's one of the years that Peter talked about how we try to smooth this out to make sure that our obligations are covered. And then 2013, in comparison, was a very good year; we had very high both realized and unrealized investment income, and the red bar is quite proportionately high in that year.

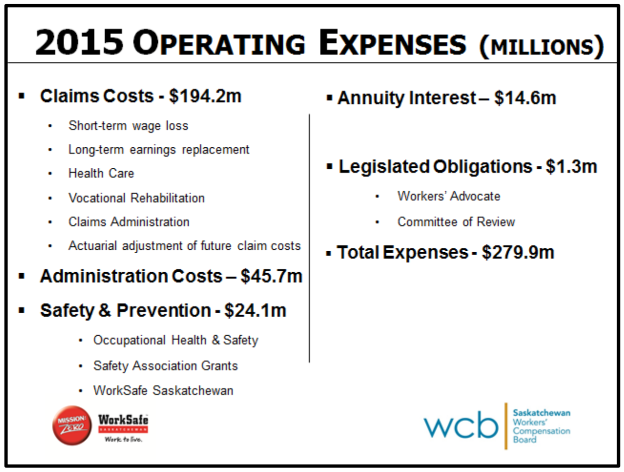



As I mentioned earlier, has two sources of revenue. There is the premium revenue and investment income. So in 2015 our total revenue from these sources was 412 million as compared to 450 million in 2014. Net premiums were up approximately 5% from 2014. The 2015 average premium rate declined by five cents, or 3.3%, to $1.46 from $1.51, in 2014. However, despite this drop in the premium rate, our assessable payroll went up and more than offset that decrease, so we had a slight increase in our premium revenue. 2015 assessable payrolls increased by 4.1% to a provisional amount of 21.01 billion from our actual 20.19 billion in 2014. This was almost a billion dollar increase. If you compare our payroll or assessable payroll to the last five years, we have had a 24% increase in payroll. In 2011 our payroll was 16.98 billion. So the growth in the calculated FTEs resulting from that payroll between 2011 and 2015 is approximately 29,000 or about 8%. As Peter has mentioned, and I think Graham also mentioned it as well -- our maximum insurable earnings are also increasing. And in 2015, of that 4.1% increase in our assessable payroll, approximately 1 ½% of that was strictly as a result of the increased maximum, and so the balance of, you know, the 2 ½% would be on account of growth in payroll. Investment income in 2015 was 106.3 million compared to 159.5 million in 2014, and our total investment return for 2015 was 5.6% compared to 9.2% in 2014.

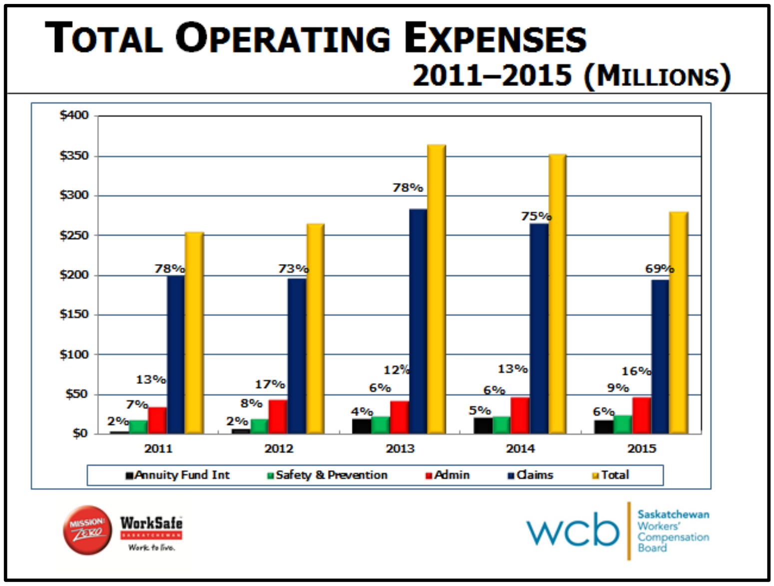
So our investment income is made up of kind of two kinds of income. We have realized income, which is interest, dividends, and when we actually sell an asset we have a realized gain. So that's what we call the realized income, so that's realized investment income. The other kind of investment income we have is unrealized income. That is the income on investments that we hold, but their value has changed because of changes in the market. So the unrealized and the realized part are added together to come up with the total investment income. So in 2015 we had realized investment income of 253 million dollars; however, this was offset by a decrease in the fair market value of our assets which is unrealized, about 147 million, netting out to that 106 million dollar figure that is recorded as our total investment income for the year. In 2014 it was kind of reversed, or not really reversed, but we had realized investment income of 138.8, unrealized gains of 20.7, for a total of 159.




This graph shows the relative proportion of our premiums and investment income, and as I was mentioning earlier, the percentage mix can change dramatically from year-to-year just driven by what's happening with the investments in the markets. With unrealized gains and losses on investments recorded in investment income, there is always the potential for significant fluctuation in our investment income from year-to-year. For example, in the year 2011 our total investment income was actually negative, and in 2012, 2013, again, we had that spike in our investment income.




In our operating expenses -- Graham talked to our claims costs, he talked a bit about the actual cash costs of claims -- our total cost claims were 194.2 million and that includes the items listed. There's compensation costs, health care, voc rehab, the claims administration, as well as an actuarial adjustment. I will talk a lot more about the actuarial adjustment in a bit here. Our administrative costs in 2015 were 45.7 million dollars, which were virtually flat from 2014. Safety and prevention: Phil spoke to the safety and prevention expenditures. And the item that had not been talked about yet was annuity interest.  Annuity interest -- under our legislation we provide for sort of like a pension, if you want to call it, for injured workers who are injured past 24 months. So under our policy we put aside 10% of their compensation costs into an annuity fund and when they turn 65 they have to buy an annuity with it to provide for some income past age 65. So we calculate an interest on those funds that we hold for workers to age 65 and it's based on a five-year average. In 2015 our cost there was 14.6 million dollars. The last category is legislated obligations, which contains the expenses of the Office of the Workers' Advocate and Committee of Review. In 2015 WCB paid 1.2 million dollars to the Workers' Advocate Office and also incurred about $160,000 of expenses related to the Committee of Review.

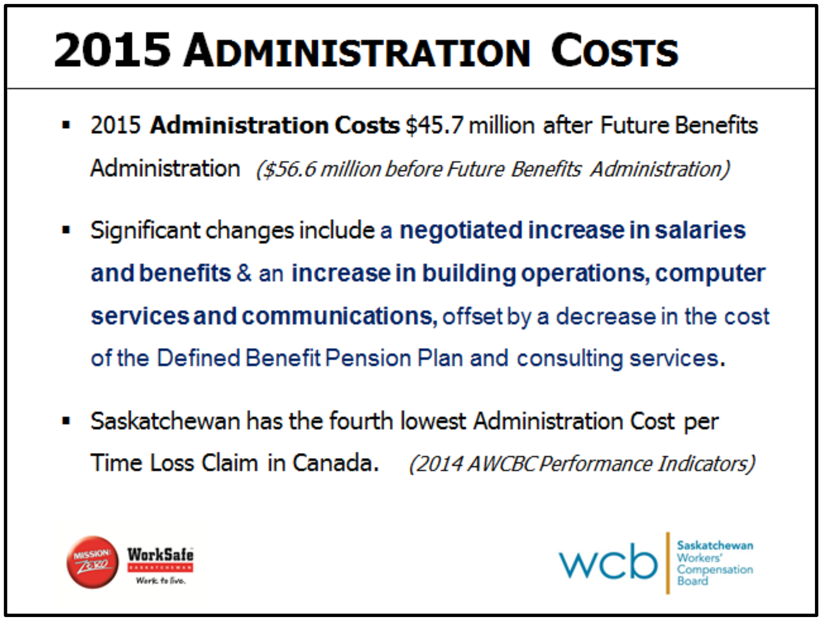



This slide shows our total operating expenses over the last five years. The darkest coloured bar -- and the smallest one is the annuity fund interest. Green is the proportion of safety and prevention. Administration is the red bar. Claim costs are the blue bar. And then our total expenses are the yellow bar, which would be 100% of our expenses. You may note on this bar that our admin expenses appear to have gone up in 2015 from 2012 and ’13, but you will also notice that we had kind of a spike in both those years, 2013 and 2014, in the claims costs, and this is due to two one-time adjustments. In 2013, because of the increase in the maximum insurable earnings under the new Act, our benefits liability was increased by a one-time adjustment of about 84 million dollars, so that added to the total costs in that year. And in 2014 we also had an adjustment to our benefit liability because of changes to the actuarial standards which required that we record the liability for latent occupational disease and that amount was about 79.3 million. If you compare the 2015 admin costs to 2012, we are pretty much in line.

## CLAIMS COSTS (THOUSANDS)

| | 2015 | | 2014 | |
|---|---|---|---|---|
| **Program Expenses** | | | | |
| • Short and long term wage loss | $115,516 | | $112,506 | |
| • Health care | 77,557 | | 71,727 | |
| • Vocational rehabilitation | 3,290 | | 3,697 | |
| • Claims administration | 10,858 | | 10,376 | |
| Total | | $207,221 | | $198,306 |
| Actuarial Claims Experience Adjustment | | (12,990) | | 66,377 |
| TOTAL | | $194,231 | | $264,683 |

Graham spoke to claims costs during his presentation and the claims costs are fairly stable. Health care claims, inflation, is probably our greatest claims cost risk. And so Graham covered that stuff fairly well, so I will maybe just get into the actuarial adjustment. Our benefits liability gets adjusted every year and that net change gets reflected on our statement of operations as either an additional expense or an expense reduction. During 2015 our benefit liability was reduced by approximately 13 million dollars. There was three things that netted out to that 13 million dollar figure. As I mentioned earlier, in 2014 we recorded a 79.3 million dollar adjustment with respect to latent occupational disease. Well, the actuaries have refined their estimates or their models on predicting what those latent occupational diseases would be and they added 12.7 million dollars to our benefit liability in 2015. However, given the prolonged, economic conditions and lower inflation, they also reduced the inflation rate to calculate projected future benefit payments, so that went down from 2.5 to 2.25% and that resulted in a decrease in our benefits of 13 million dollars. So those kind of net out to zero. But the other adjustment that resulted in the net 13 million dollar decrease was the fact that the actuaries looked at our time loss injury rate and because it had fallen so much, were able to reduce the estimate for future claims costs by approximately 12.7. The numbers are all very similar and it's confusing, but basically we were, we got added for occupational disease, the inflation offset that, and then we had another further offset due to the time loss counts going down, and our injury rates going down.




As I mentioned earlier, our administrative costs per the statement of operations are 45.7 million dollars and this is the net amount after we allocate or charge fees to self-insured which are mostly we handle federal claims and we charge an administration cost for managing those claims, and as well the actuaries calculate the amount that needs to go into the benefit liability with respect to administrating the costs of today's injuries into the future, so that net amount of 45.7 hits our statement of operations. So, it's fairly flat from last year's, I mentioned last year. Every year there is negotiated salary increases and one kind of extraordinary thing that happened this last year that wouldn't have happened in prior years, is that we had a kind of a spike in building operations costs because our chiller quit. It was scheduled to be replaced in 2016 or '17, but due to some of the issues that they were having they had to replace it sooner, so that cost us about $350,000. We benchmark our administrative costs against the AWCBC. The AWCBC publishes comparative numbers, key statistical measures for claims costs, injury rates, administration costs, and many other things, on their website. Comparatively, we have remained in the fourth-lowest with respect to our administrative costs per time loss claim and we have maintained that for some time. The high cost per claim is in the Northwest Territories where they spend $17,000 per claim in administration costs. And in 2014, as reported by the AWCBC, our administrative costs were about $5,700 in that year. During 2015 our costs did increase to $6,351 per claim. But, again, the fact that our time loss counts are going down so drastically, our costs are fairly stable but the nominators is falling faster, so our costs per claim is going up.

## Statement of Operations & Other Comprehensive Income

| *($000)* | 2015 Budget | 2015 Actual | 2014 Actual |
|---|---|---|---|
| **Premiums** | $307,748 | $305,659 | $291,158 |
| **Expenses** | | | |
| Claims Costs | 248,809 | 194,231 | 264,683 |
| Administration | 44,200 | 45,712 | 45,660 |
| Safety & Prevention | 23,058 | 24,067 | 22,636 |
| Annuity Fund Interest | 17,500 | 14,570 | 17,344 |
| Legislated Obligations | 1,374 | 1,322 | 1,124 |
| | 334,941 | 279,902 | 351,447 |
| **Underwriting Profit (Loss)** | **(27,193)** | **25,757** | **(60,289)** |
| Investment Income | 100,000 | 106,296 | 159,473 |
| | 72,807 | 132,053 | 99,184 |
| Surplus Distribution | 0 | 141,990 | 0 |
| **Net Income (Loss)** | 72,807 | (8,937) | 99,184 |
| Other Comprehensive Income (Loss) | 0 | 1,390 | (1,491) |
| **Total Comprehensive Income (Loss)** | **$72,807** | **($7,547)** | **$97,693** |

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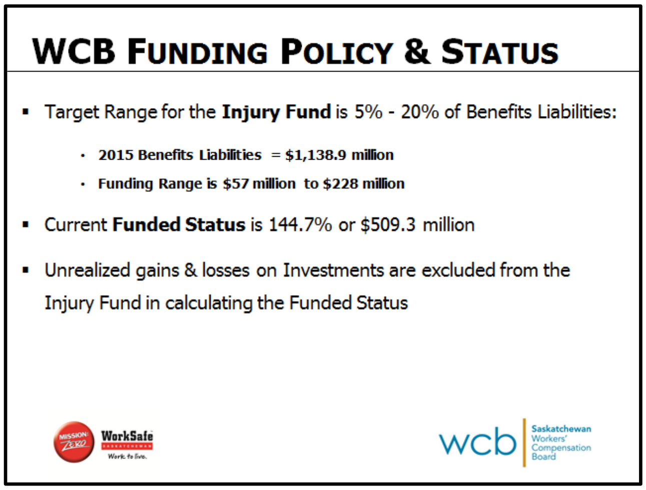
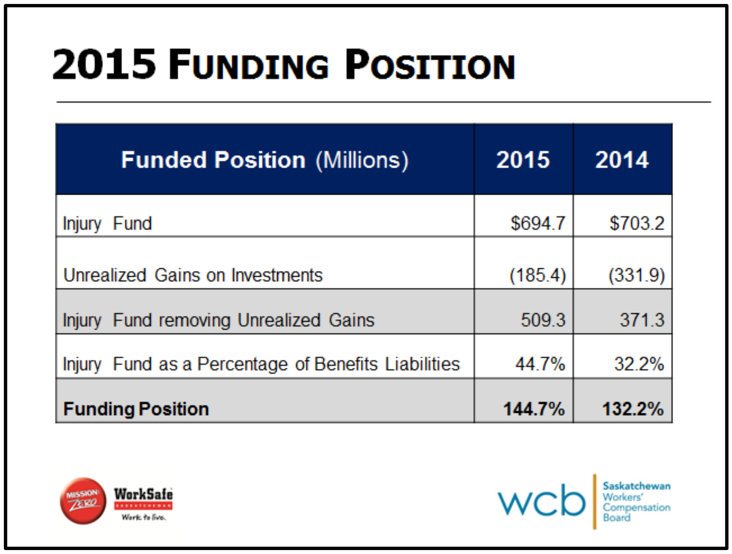
This slide compares our 2015 actual results to our 2015 budget and our 2014 actual. Premiums are a bit under budget, and this is due to the revision in provisional payroll. We had originally estimated that payroll that we assessed our premium rate on would be about 21.15 billion; however, that's been reduced to 21.01 billion. We have seen lower payrolls in certain industries and I'm sure it's not a surprise. Residential construction and seismic and oil wells are the largest reductions and from our original provisional estimate. Claim costs are 54.6 million dollars under budget and this is totally due to the lower than forecast time loss injuries. And our forecast had been prepared using estimates of around 10,900 which was similar to our 2014 injury rate. However, the time loss injuries at 8,417 have really impacted the benefit liability, as I discussed earlier, reduced our benefit liability by approximately 13 million. And when you have fewer claims, the costs also go down. So we about five million dollars under budget with respect to the cash claim costs as well. Our administrative budget was about a million and a half over what, our initial budget for 2015, and the major contributing factors there were salary and benefits were about $300,000 over budget due to the fact that we had unanticipated -- termination and vacation payouts, but that's usually just with respect to people retiring or leaving the organization -- building operation costs, as I mentioned earlier, were over budget due to that chiller repair, and our communications and postage budget was also over about 150,000 due to the timing of when we purchased some of our Canada Post mail out postage. As well, we incurred some costs with the surplus distribution last summer.

Safety and prevention is about a million dollars over what had been budgeted and this has to do with OH&S. We refund OH&S for their costs and they were about a million dollars over budget due to additional human resources that they brought on board in 2015. The annuity interest was 2.9 million dollars under budget and that has to do with the fact of that five-year average interest rate that we pay out. We had budgeted at 9%, but it actually turned out to be 7.6% for 2015.

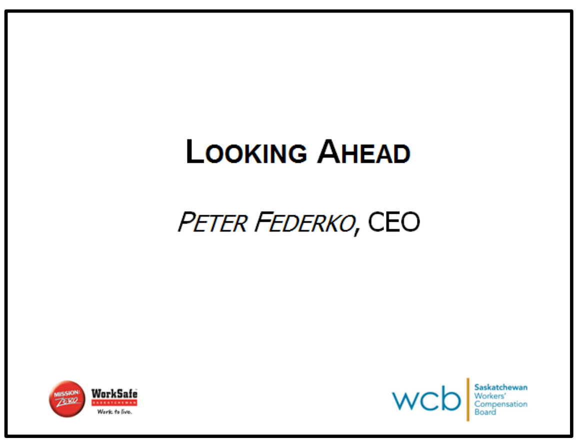



The WCB's funding policy states that our injury fund is to be maintained within a targeted range of 5 to 20% of our benefits liability. In 2015 our benefit liability per our balance sheet was approximately 1.1 billion dollars. Therefore our funding range would be between 57 million and 228 million dollars. Our c where we are at, is 509.3 million, which is above that 228 million upper target. That equates to about 144.7%. Our funding policy removes unrealized gains and losses on investments when we calculate our funded percentage as well as our funded dollar amount, that 509.3 million. So at December 31, 2014 our unrealized gains on our balance sheet were 332 million. At December 31, 2015 that amount had been reduced to 185.4 million. We are in excess of our funded position and the Board is in the process of deciding on the amount to distribute for 2015.




| **Funded Position** (Millions) | 2015 | 2014 |
|---|---|---|
| Injury Fund | $694.7 | $703.2 |
| Unrealized Gains on Investments | (185.4) | (331.9) |
| Injury Fund removing Unrealized Gains | 509.3 | 371.3 |
| Injury Fund as a Percentage of Benefits Liabilities | 44.7% | 32.2% |
| **Funding Position** | **144.7%** | **132.2%** |

This slide shows what happened with our funded position. So at 2015 our injury fund sits at 695 million dollars. When we remove the unrealized gain per our policy of 185 million, we get to the injury fund of 509 million. That equates to the 144.7% funded position that we are currently at. I will now turn it back to Peter and he will talk about looking ahead.

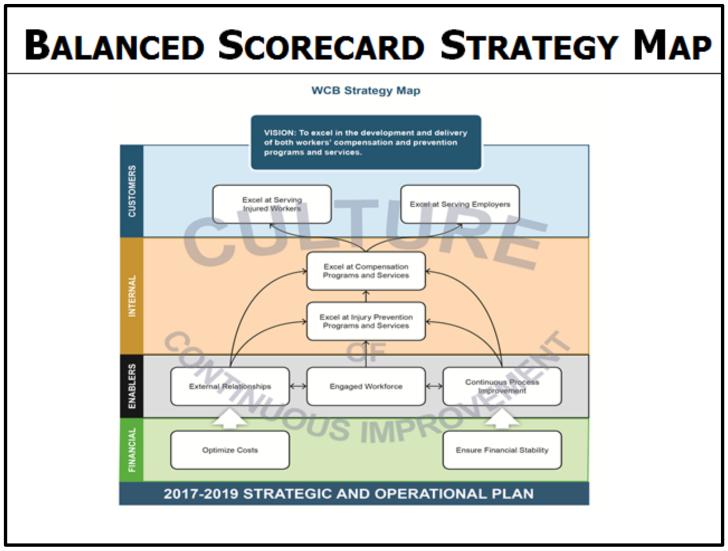



**Peter Federko**

Before we get into the question and answer session, is just to give you a little bit more of a view of what we are anticipating, what we are thinking about and maybe even worrying about as we look into the future.

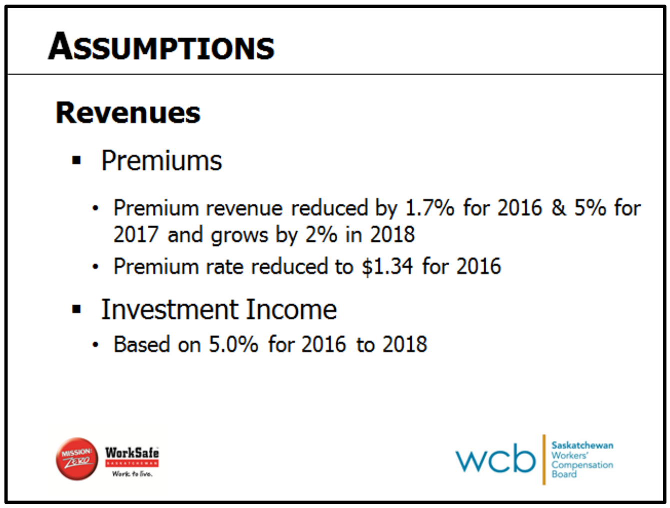

As I already shared with you, through the planning cycle that we had with our board just this spring, changes were made to the vision and mission statement, and I already talked about this, so essentially maintaining our focus on providing excellent service to our customers, but now through the mission statement really focussing on creating this culture of continuous process improvement in order to add that value for the customer.


Also part and parcel of the strategic plan are the value statements and our corporate beliefs. And the value statements really are kind of what you would typically see in the value statement but to actually support our approach with respect to continuous process improvement. If you did a side-by-side comparison between the 2017 and '19 plan and the '16 to '18 plan, you would see some modest, slight wording changes. We still maintain the importance of health and safety by calling out Mission Zero as one of our corporate values. We draw out the need for respect for people, both internally and externally, the need for fairness both internally and externally, and openness and honesty. So those are kind of typical of what you would see in terms of corporate values for most organizations. Our corporate beliefs, though, are very much now a reflection of, quite succinct and very much a reflection of what we believe the key elements or metrics of a continuous process improvement culture are about. We call them our True North Metrics. And it's five things that result in one thing that we use to gauge all our initiatives and projects and ideas and improvements. And the five things are: people -- so we want to make sure that our people at work, our staff, are safe and engaged -- secondly, again, is health and safety. We recognized, from a Mission Zero perspective, that we as an employer have the responsibility of keeping our own staff safe and they have that expectation. We also understand, as a provider of services to your customers, we have a responsibility to assist you in getting to zero. We also understand that the services and goods that we provide have got to be delivered at a fair price, so a financial aspect to this as well. We also understand that we need to provide services on a timely basis when our customers need it, not when it's convenient or easy. And, finally, and certainly not least, we understand that our customers expect defect-free services. As we evaluate our initiatives, our projects, our improvements, if our ideas do not move the needle in one of those five elements, we are really quite, not that excited about it. And our belief is, working on those five elements of continuous process improvement change the customer experience. At the centre of all of this is the improvement of services to our customers. And our statement around that is something like this: "Employers and workers expect and deserve excellent service." That is actually what employers pay for. And so those five elements working together to create this organization that provides excellent service to the employers as well as the workers who draw upon our services. As we approach our planning sessions on the operational and strategic side, as we engage our staff in finding solutions to the problems that are standing in our way of providing excellent service to customers, we keep those five elements in mind with the customer at the centre.




Again, our balanced scorecard: modest changes to the scorecard to reflect, really, those corporate elements. There is the changed, shortened-up version of the vision statement still reflecting and focussed on improvement of service to our customers, recognizing that we talk about workers and employers we are talking about customers. This used to say “stakeholders.” Stakeholders can be all kinds of people. Stakeholders can be the health care providers who aren’t necessarily our customers but more like a vendor of ours. It could be the government who controls our legislation. Recognizing that what we are focussed on is improving the services of those two customers, the worker and the employer. Also within the enabler section you will see some changes. Instead of this saying “competent workforce,” we now say “engaged workforce,” which includes both the internal relationship piece as well as the competency piece. An underlying assumption here is our HR processes are going to hire competent people. They come in with the required skills to do the job. Our job now, as a management team -- and, again, this is the cultural shift that Mick talked about, from a management perspective in an environment of continuous process improvement, is now creating the engagement of the staff after they are hired to become problem solvers and find us solutions to the process problems that are preventing us from delivering excellent service.

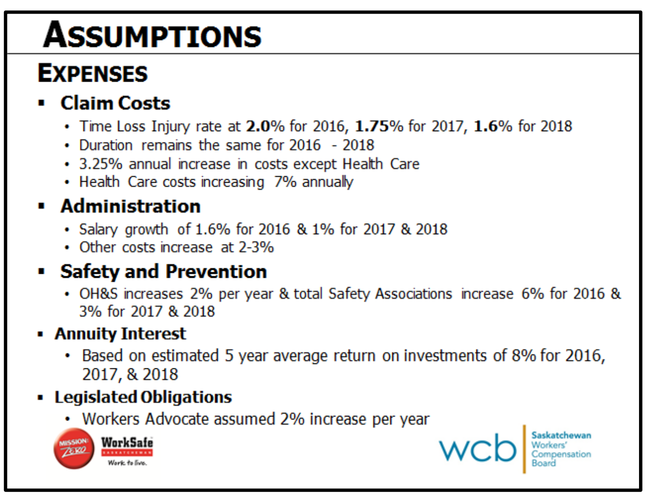
The relationship piece is still the external relationship piece. As Phil said, this is critical. We cannot do anything without positive relationships with our customers and other stakeholders: health care providers, employers, employer associations, the labour associations. We have great partnerships with the Federation of Labour and the building trades councils to help us advance injury prevention in this province. We also need those relationships to support effective early and safe return to work. And finally, again, really, the continuous process improvement piece talks about the improvement of our processes. And, actually, if you came and visited us, you would see the depiction of this scorecard a little bit differently. We would call this objective, effective processes, and underlying this entire scorecard you would see a watermark that says, "continuous process improvement (CPI) culture," because we believe, strongly, that the creation of this CPI culture is truly the way we are going to unleash improvements to the service levels to our customers. Of course the financial foundation continues to be important because we need to ensure that benefits are never at risk and that we do have sufficient resources in order to actually provide those services required.




So looking forward, our crystal ball which, is getting foggier and foggier, honestly, because of the way the world is changing, current economic conditions and so on and so forth, but here is our best guess today of what we might see. Again, this is based 100% on assumptions, this is not a budget. This is strictly projections on things that we think we may see over the next three years. First of all, for on the revenue side: on the premium side we are expecting a decrease in premium revenue of about 1.7% in 2016. That's in large part due to kind of the levelling off or correction that we are seeing with respect to payrolls on the economic improvement side, although as Ann has said, and Graham, the increase in the maximum is kind of buffeting some of that, so our maximum insurable increase from 62,000 in 2014 to 65,000 in 2016. It was 59,000 in '13 went to 65,000 in 2014, and now is 69,200. By 2019 we need to get to 165% of average industrial wage which right now we are estimating at just over $97,000 a year. As payrolls increase, even though there isn't necessarily any more economic activity because employers now have to ensure a larger payroll base, that will curtail some of what we are seeing in terms of corrections. In 2017 we are expecting another 5% reduction in premium revenue -- again, crystal balling. Do not hold us to this. This is like on-the-back-of-the-napkin preliminary -- but we are looking at premium rate of somewhere in the range of

$1.25, so a further nine-cent reduction from the $1.34 today. And so we have incorporated that thought into our projections and expect that to now again drop our premium rate down. Again, the economic uncertainty: we don't know how long things are going to slow, we don't know what this year is going to bring in terms of the economy in Saskatchewan. Everything we are hearing is that this is going to be a hot, dry summer. If the egg industry slows down and even though that doesn't have a direct effect on comp, the residual effect of reduced farming income on retail, on hospitality, could be significant and we may see a correction in premiums. I mean who knows, right? The economists down even know what they are supposed to say about us. But, the last forecast I think I heard from, it was either the Conference Board or TD Bank, they have actually projected Saskatchewan's economic growth at less than one percent. They have downgraded that. Anyways, this is kind of what we are thinking. Now we are hoping in 2018 we are going to see a recovery, again with the increase in the insurable earnings that we are going to see our premium revenue bump back up by about 2%.

Investment income, we are just assuming a 5% return. I mean it's just our best guess. I don't know, 5.6% last, at 2015. The first quarter was actually pretty good in 2016. I will tell you, though, April was like a really bumpy ride. We were down -- I didn't check this morning, but yesterday the TSX and the Dow were both down by like almost 200 points. Oil was down again by a buck, the dollar dropped a bit. There is all of this uncertainty and stuff going on that kind of makes this crystal ball even fuzzier.




With respect to claims costs -- our target for 2016 is an injury rate of 2% and we have incorporated that into our projections. For 2017, we are hoping to hit 1.75 and in '18, 1.6%, and that has been factored in. Of course, the increases in the maximum have also been factored into the effect that that might have on our claims costs. Durations, we are expecting, hoping, they are going to remain flat at 38.9. The interesting thing about the durations, as Graham reported out, those durations are being driven by a mix in the claim. Our challenge from a strategic and process perspective is, if this is how our new world looks, then how do we adjust our processes in order to deal now with this new demographic of claim? How do we adjust the prevention strategies now to focus more, target more, on the kinds of injuries Graham talked about like backs and shoulders and multiple?

Health care costs continue to be the fastest growing cost. And one of the -- and I don’t remember if Ann mentioned this or not. But one of the big factors in 2015, we had a couple of out-of-country claims that were huge, bumped our medical costs up by like around 2 ½ million dollars just from those two claims, because all the medical attention had to be bought in the States. I mean I was signing hospital bills for like $500,000 for these individuals because of the treatment they had to receive in the U.S. So a bit of an anomaly there, but still projected to see health care costs, primarily through inflation, but a bit of utilization due to the changing severity of claims of about 7%, all the claims costs at about 3 ¼%. Salaries, as Donna mentioned, we are in the last year of our collective agreement. It expires in 2016. There is a 1.6% increase built in for our staff in that collective agreement. We are forecasting -- again, haven’t even started negotiations, but we are thinking this might settle out somewhere around 1% for the next two years.

Other costs, inflation running around between 2 and 3%, in some cases lower, we just applied that across the board. Occupational Health & Safety, we built in those. The annuity fund, we actually smoothed the returns on the annuity fund interest and so our projection is that it’s going to be flat at about 8% over the next three years. And, finally, legislated obligations, just with respect to Workers’ Advocate, we have assumed a 2% increase there.

## STATEMENT OF OPERATIONS, INJURY FUND PROJECTION

| | 2014 Actual | 2015 Actual | 2016 Projected | 2017 Forecast | 2018 Forecast |
|---|---|---|---|---|---|
| **Premiums** | $291,158 | $305,659 | $300,378 | $283,407 | $289,075 |
| **Expenses** | | | | | |
| Claims costs | 264,683 | 194,231 | 261,391 | 255,608 | 265,787 |
| Administration Expenses | 45,660 | 45,712 | 46,044 | 47,141 | 48,221 |
| Safety and Prevention | 22,636 | 24,067 | 24,077 | 24,651 | 25,259 |
| Annuity Fund Interest | 17,344 | 14,570 | 16,400 | 17,500 | 18,700 |
| Legislated Obligations | 1,124 | 1,322 | 1,198 | 1,171 | 1,195 |
| | 351,447 | 279,902 | 349,110 | 346,071 | 359,162 |
| **Underwriting Profit (Loss)** | (60,289) | 25,757 | (48,732) | (62,664) | (70,087) |
| Investment income | 159,473 | 106,296 | 103,000 | 105,000 | 107,000 |
| | 99,184 | 132,053 | 54,268 | 42,336 | 36,913 |
| Surplus Distribution | 0 | 140,990 | 0 | 0 | 0 |
| **Net Income (Loss)** | 99,184 | (8,937) | 54,268 | 42,336 | 36,913 |
| Injury Fund, beginning of year | 521,055 | 703,248 | 694,700 | 700,951 | 695,693 |
| Appropriation (to) from reserves | 83,009 | 389 | (48,017) | (47,594) | (47,626) |
| **Injury Fund, end of year** | **703,248** | **694,700** | **700,951** | **695,693** | **684,980** |
| Reserves | $34,557 | $34,168 | $82,185 | $129,779 | $177,405 |

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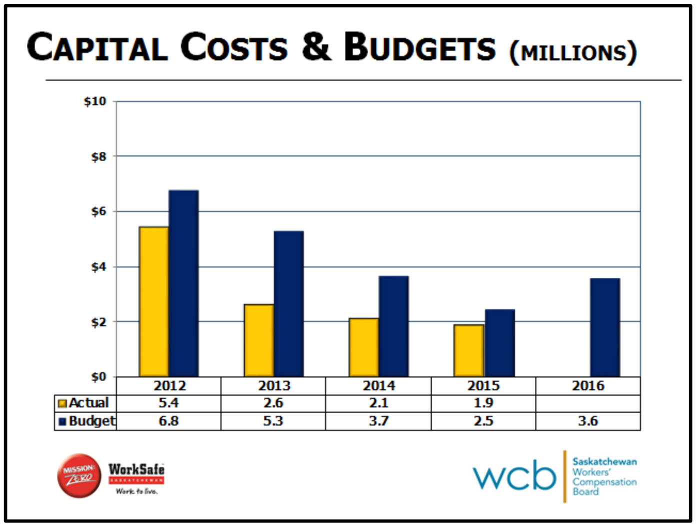
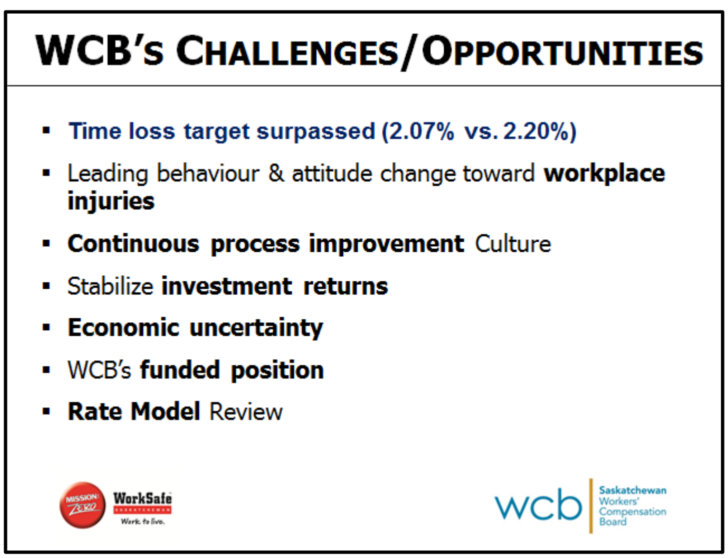
So when we roll all that up -- now one caveat here. The 2016 numbers have not been adjusted for the 2015 results. So if you pull the projections from our annual meeting last year, you will see kind of the similar projections for 2016. And so these should have been, and we will -- if you come back and visit us at rate setting time we will have revised projections for 2016. The other thing that this does not reflect is any surplus distribution other than the one that actually occurred in 2015, because as Ann mentioned, a decision is yet to be made with respect to what's going to happen in 2016 relative to 2015, excess surplus. So you can see across the board, you know, projected net incomes going across the piece, underwriting profits and losses as again as forecasted over the next three years and in each of those three years we are expected that in the year we will have an underwriting loss that again will be offset by investment returns leading our injury fund at those particular levels throughout this projection period. Now we haven't built in the funded percentages because if, for example -- just blue sky -- if the Board were to pay out the entire 281 million dollars in 2016, that would take this funded position down to 120%, which in turn would affect the funded position in 2017 and so on and so forth. So because we haven't built anything into that, it would just be totally inaccurate for us to give you what we anticipate those funded percentages to be, because we know for sure they are going to change once the board has made its decision with respect to surplus distribution.




The other thing we are required to share with you, as laid out in our legislation, is what we expect to spend on the capital side. And this is, I don't know, 100% I'm going to say -- it might be 99.9, but it's 100% related to our computer systems. So this would include, we have a three-year refresh on our desktops and so there is money spent every year just to refresh desktops. We have projects planned to continue to improve our online services, to enhance some of the elements within our claims system. All of those things added up come to about 3.6 million dollars in 2016.




Finally, what are the things that we think about or I worry about that keeps me up at night? And, you know, as I said when our annual report was released, one of my big worries right now is maintaining the momentum behind the decrease in the time loss injuries. We have seen 5,000 claims, as Phil said, taken out of the system between 2008 and 2015. Just between ’14 and ’15 I think there’s 1,300 time loss claims that came out of the system. This is certainly no time to become complacent. While I agree with Gord, the progress, moving two steps in our relative ranking among other provinces and territories in Canada is huge, but the national average is still somewhere around 1.8%, or was in 2014. One of the other things that we are focussed on and from a process improvement perspective is shooting for the average is just wrong. Do you want us to be average? We don’t want to aspire to be average. We aspire to be excellent. We want to be among the best. So when we look at the injury rates, the lowest injury rate in Canada is .92, and when we look at the difference between our 2.07 and .92, we’ve got some room. Our neighbour to the west is just over 1% injury rate. We have some work to do. And so I continuously remind myself and everyone else that will listen to me that we have to continue to find partners focussed on the 13%, as Gord said, to continue to bring that injury down, because it certainly is producing positive, positive results. So changing that behaviour and attitude with respect to injury prevention will continue to be a focus of ours. I already talked, almost ad nausea, about our continuous improvement culture. The single-most focus in our organization around cultural change is around continuous process improvement.

Investments, stabilizing investments, Ann already talked about the changes in our asset mix within our investment portfolio to maintain the returns but take some of the volatility out by moving into different asset classes, so that, again, returns would be smooth over the long term and you wouldn’t see those spikes. I already talked about the concerns about economic uncertainty. We really don’t know -- and as I said earlier, I’m not sure that anybody does -- what 2016 and 2017 holds for us. How long is the resource sector -- and not just oil and gas, but our entire resource sector in this province going to be in a bit of a downturn here or at least flattening, and what residual effects might that have and if other sectors of the economy experience slowdowns from their particular perspective -- we could, in fact, see a decrease in premium revenue with not necessarily a similar decrease in the number of claims. We worry about that. Maintaining our funded position is directly tied to that economic uncertainty. We don’t want to have to react. We have always said we don’t necessarily want to strive for the lowest premium rate in Canada, but we certainly want some stability and predictability. And in that regard, we are close to the end -- I would not say in the midst -- of completing a rate model review that will help us in creating stable and more predictable premium rates based on the methodology. I don’t know when the board is going to make a decision with respect to that. I mean in an ideal world we would use whatever changes would be made as a result of recommendations coming out of the review for 2017 premium rates, but I can’t tell you that today. One of the big things that we are working on right now is finalizing this rate model review so that the recommendations can be analyzed and sent to the board for consideration relative to the impacts of that. As I said last year, it kind of completes the last piece in what I called our financial review, you know, looking at our investments, looking at our funding policy, the asset/liability study that was done last year, and now looking at the methodology behind the actual setting of the premium rates.

Challenges but also opportunities for us. We continue to ask for your support with respect to helping us become the safest province in the country and shedding -- and thank God I don’t have to say we are the second-worst in the country, the dubious honour of being second-worst. How many times have you heard me say that? Now I get to say the less dubious honour of being fourth-worst in the country, not to minimize the significant progress that has been made. Thank you very much.