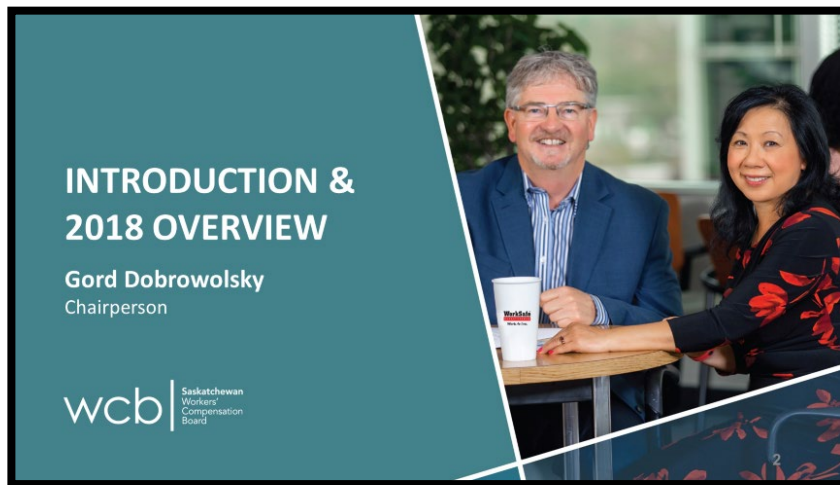


Saskatchewan Workers' Compensation Board
Annual General Meeting
May 1 & 2, 2019

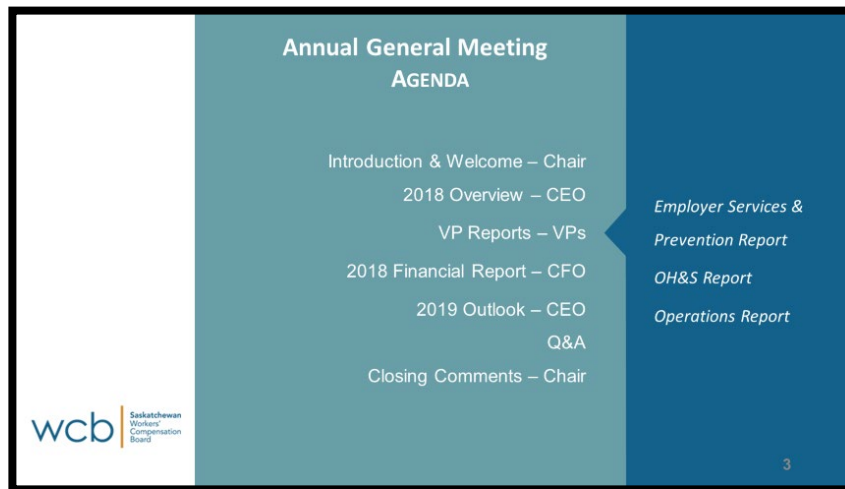


Gord Dobrowolsky

Good morning, everyone. Welcome to the AGM.

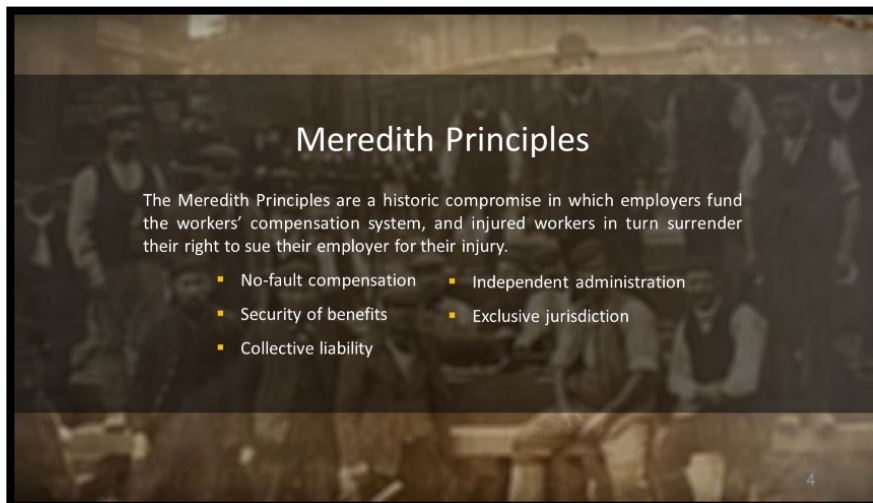


This is without question one of our most important accountability events that we do at the WCB and we thank you for coming and showing your interest in everything that we do.



Our agenda today is meant to give you a high-level overview of the 2018 results. More in depth information is available online or in our annual report. At the end of the session we will have time for you to ask questions. In a few minutes our CEO, CFO and other VPs will be here to give their presentation. It is indeed my privilege to address you as Chair of the WCB. I am joined with my colleagues, Larry Flowers and Garry Hamblin.

As you know, we are here to share our results from 2018 as well as our plans for the future. *The Workers' Compensation Act, 2013* governs our actions as a board. The WCB has exclusive jurisdiction in Saskatchewan and we are an independent board fully funded by our employee premiums and investment income. As stewards of the workers' compensation system in the province, we take this job very seriously. It is our vision at the WCB to eliminate injuries and restore abilities. We will continue to work to achieve our vision through our mission, which is to be a customer-centric organization that continuously seeks to add value for our customers through a culture of continuous process improvement.



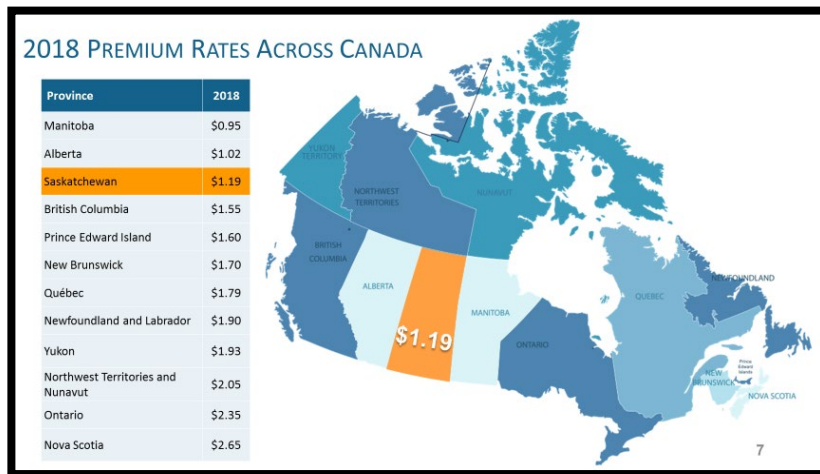
The workers' compensation system in Canada as we know it has been established through something known as the Meredith Principles. These principles were adopted over a hundred years ago, 1913 to be exact, and I believe they are still as relevant today as they were 106 years ago. Reflecting on something known as the historic compromise, the Meredith Principles provide for an employer-funded compensation system in exchange for which the 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 remain entirely committed to the Meredith Principles that protect families, employers, and entire communities. All of us here representing the Saskatchewan WCB are extraordinarily proud to be able to help injured workers, their families, and employers, when they are affected by a workplace injury. The following video gives an excellent history of the compensation system in Canada.

I always like at this point in time to delve into a little bit of personal history. This Chair has not always been in a suit and tie. I remember fondly or otherwise where I actually lied about my age so I could get to work in a meat packing plant in the province here, many years ago of course. And because of that I had a great job earning a buck ninety-five an hour, I believe it was at the time. And in payment for lying about my age to get that job I still have injuries from those years that I worked at a meat packing plant that haunt me to this day, which speaks to the fact that I could never get to be a rider.



Here are a few of the highlights from our year. At 115.2% we remain fully funded with the ability to cover the future costs of all claims in the system. As our labour force has grown over the past decade workplace safety becomes more and more vital for Saskatchewan as we realize our economic growth potential. It remains important for us to keep a solid funding position to ensure benefits and programs for injured workers are never at risk. As well, employers can be sure that they will be protected from lawsuits and that they will continue to have an effective, efficient compensation system.

In 2018 we have been able to offer our lowest average premium rate in over three decades. Our average premium rate dropped for the eleventh straight year in 2018, to \$1.19. Our 2018 rate was the third-lowest in Canada. In October we announced the 2019 premium rate at \$1.17, which as I mentioned is the third-lowest in Canada. Manitoba is at .95 and Alberta at \$1.08, the only two that are lower than we are. And over the last three years, as I mentioned again, we have had the third-lowest premium rate in Canada.



New Brunswick increased from \$1.48 in 2017 to \$1.70 in 2018, and then to \$2.65 this year. Ontario decreased from \$2.35 in 2018 to \$1.65 in 2019. Given the full implementation of the enhanced rate model, which strives to be fair, predictable and transparent and a continuing commitment to injury prevention, the average premium rate for 2019 dropped by 1.7% to \$1.17. 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. In 2018, 88% of employers achieved Mission Zero. This means that 88% of the 49,000 employers in Saskatchewan did not report any workplace injuries. This is a huge success and a testament to the work being done by employers in our province. Back in 2008 Saskatchewan had the second-highest workplace injury rate in Canada. Now thanks to the health and safety efforts of people like you, workers and employers, our workplace injury rate is the fifth-highest in the country. So, from second to fifth, that's an improvement of course. This suggests that we will still have a great deal of work to do, but it shows that we are moving in the right direction. While we have seen a decade of improvement, the challenge for us all is to continue to keep our injury rates declining. Sadly, though, in 2018 our time loss injury rate actually increased to 1.99% compared to 1.86% the previous year at 2017. And the workplace total injury rate increased from 5.25% in 2017 to 5.44% last year in 2018. This is concerning and this is a development that we must address immediately. It will mean continuing working together to keep our workplaces safe.

But most alarming in 2018 is the number of workplace fatalities. Sadly, we lost 48 individuals in workplace fatalities last year, 20 from occupational disease and 28 from traumatic events. And I just don't want to brush over that in my speaking notes. I think we all have to take a moment and think. 48 people went to work and died. One is too many, but 48, my goodness. That's a very, very sobering thought. For someone like myself who was at one time a labourer, this hits

really close to home. Evidence from the International Social Security Association indicates that a focus on serious injuries and fatalities should improve the overall level of safety in the province. We will continue to focus on serious injury and fatality initiatives as a top priority in 2019. Our system is sustainable and constantly improving because of the fact that we all work together. Thank you, sincerely, from the Board and the Executive.

Thank you for your interest in our results and for taking the time to be here today. Thank you, Ladies and Gentlemen. Our CEO, Peter Federko, and his Executive team will provide you with more details of our 2018 results. As I mentioned previously, we will end the morning with a question and answer session that's open to everyone who is attending and we also have people who are joining us online this morning. We are a rural province and we are constantly working to increase accessibility to our public meetings, and that's why we have this webinar situated today. With that I say on behalf of the Board, welcome. Thank you for being here this morning. Thank you for showing an interest. And I know that you will enjoy the presentations that are to follow.



Peter Federko

Good morning, everyone. Very nice to see you all here and thank you for coming and showing an interest in our results and this system. I am joined here this morning, by my vice presidents, the executives. It truly is my pleasure to be here, albeit my last annual general meeting here in Regina, to welcome you this morning and kind of kick things off before I turn it over to the vice presidents who will really get into the details of our results. And then I will come back and wind up with kind of a future outlook for the organization.



Things that we do at the administrative level really stem from the strategic plan that the Board provides to us. And the strategic plan starts off by stating what the ultimate purpose or vision of our organization is. And I shared with you last year the change that was made to the vision statement to really simplify and clarify what we believe our purpose as an organization is. And simply stated, we are here to eliminate injuries and restore people's abilities. So, we want to do everything we can, first and foremost, to help prevent injuries from happening, but in the event that they do we want to do everything that we possibly can to restore that individual's abilities to function including their ability to return to work. The mission statement for our organization dictates how it is we are to proceed with achieving the vision for our organization. And the Board has asked us to follow the path stated in our mission statement which is to be a customer-centric organization, which means we always put the customer perspective first and take into account what would the customer actually value, what does the customer actually need, what are the gaps that we have within the services we currently provide that are not satisfying the customer needs. So, we will be customer-centric, continuously seeking to add value for our customers through a culture of continuous process improvement.

The Board has challenged us to look at our internal processes, put the perspective of the customer first and look for opportunities to improve those processes so that additional value can be provided for the customers that we serve.

WCB's True North

Customer Experience - Workers and Employers deserve excellent customer service. That is what employers pay for.

People - Our people expect leadership to provide a healthy and engaging environment. Healthy and engaged staff are better positioned to serve our customers.

Mission: Zero - Every injury is predictable and preventable. Our customers rely on us to help them eliminate injuries. Our staff deserve to work in a safe and secure environment.

Financial - Customers expect us to deliver value through our services and programs at a fair and reasonable cost and to meet all our obligations now and in the future.

Timeliness - Customers rely on us to deliver service at the right time, when they need it.

Quality - We owe our customers defect-free service.

People
Quality
Customer Experience
Workers and Employers
Mission: Zero Safety
Timeliness
Financial

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Of course, a strategic plan is nothing without actually the pursuit of some results. Our results are stated in, at the strategic level, in something that we call our True North. In prior years we called it our corporate beliefs. But our belief is, if we pursue improving these five metrics, the people, the Mission Zero, financial, timeliness, and quality, we will actually enhance the customer experience. Later on, when I get into kind of the outlook and what our plans are for 2019, I will dive a little deeper into, in terms of how we have now distilled from the strategic level down to more operational objectives in terms of the pursuit of our vision and mission and these True North metrics. We believe all of these are critically important to improving the experience of our customers.

We believe that our people look to the leadership of our organization to provide them with a healthy and engaging environment, because our belief is that healthy and safe employees are in a better position to serve our customers. We believe from a Mission Zero perspective that all injuries are predictable and preventable and there is no other number other than zero. We believe that you, our customers, look to us to assist you in elimination of injuries within your workplaces and we believe that our employees deserve to work at an injury-free workplace.

From a financial perspective, we believe that our customers look for us to deliver value through the services that we provide and to have a system that never puts into question our ability to provide for those who are injured on the job. So, to meet our obligations today and well into the future we believe that our customers expect us, and deserve, to have us provide our services to them when they need it the most.

From a timeliness perspective we want to ensure that we are providing services when it's important for those services to be provided. And from a quality perspective we believe that you our customers, expect us to provide defect-free service. Attached to each of these five True North metrics are aspirational goals. And being an aspirational goal, we don't expect to actually achieve these anytime soon. From a people perspective our aspirational goal is to have 100% engagement of our staff. From a Mission Zero perspective – and I've already said this – zero injuries both externally and internally. From a financial perspective we want to provide 100% value all the time. From a customer perspective we want no customers waiting, no delays in our services. And from a quality perspective it's really about zero errors. Now will we achieve these anytime soon? Likely not. But we continue to aspire to achieve these True North metrics to improve the experience of our customers. And as I get further on into the presentation, I will show you how we have broken those True North metrics down into strategic objectives that we will pursue over the next three years. So, I will come back to you later, at the end. In the meantime, I'm going to turn it over I think to Phil.



Phil Germain

Good morning, everyone. I am Phillip Germain, the Vice President of Prevention & Employer Services, and I will give you kind of a high-level overview of what we experienced in those two areas.

EMPLOYER SERVICES

- Payroll increased in 2018 to **\$22.42 billion**
- 49,598** active accounts, up from 48,630 in 2017
- 5,046** new accounts registered in 2018
- 846** payroll audits in 2018, down from 751 in 2017
- 21,153** active online accounts, up from 19,572 in 2017
- 157,921** Clearances issued

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From an Employer Services perspective, this is the area of the business, for those that are not certain, we do the classification, experience rating, we educate employers on the rate model structure, we register employers, we confirm their payroll, assess their premiums, and then accept payments. So, it's all those basic pieces of interacting with the customer related to their premiums, are they classified properly, are they registered, are they paying the right level of premiums, and then clearances and making sure that every claim that's registered with WCB is confirmed to be connected to a registered employer within WCB. So that's the work that we do on a day-to-day basis.

It's a high volume of work as you can see from the numbers. We have almost 50,000 accounts, so that's grown over the last few years from -- I think two, three years ago we were at about 45,000 and it's almost at 50,000. We get about 10,000 interactions with employers around registrations. Roughly half of those are cancellations or reconfigurations, kind of a reregistration as a new or a different company. About 5,000 of them were just brand-new registrations roughly give or take. Part of confirming that employers are paying the proper premiums is we do payroll audits. We go out and meet with employers. Sometimes they send us in the information and we review it. Roughly about 33% of those payroll audits result in some kind of rebate back to the employer or credit because they have actually overpaid us, they have given us the wrong payroll information. About 33% are situations where the employer actually gets a, not a surcharge but additional premiums because they haven't reported the right amount of payroll. And about 33% are, there's no change. So, we do roughly between 700 to 900 payroll audits a year just to go out and confirm that employers are accurately reporting the payroll and kind of paying their fair share, no more, no less. As you can see, we have increased our active online

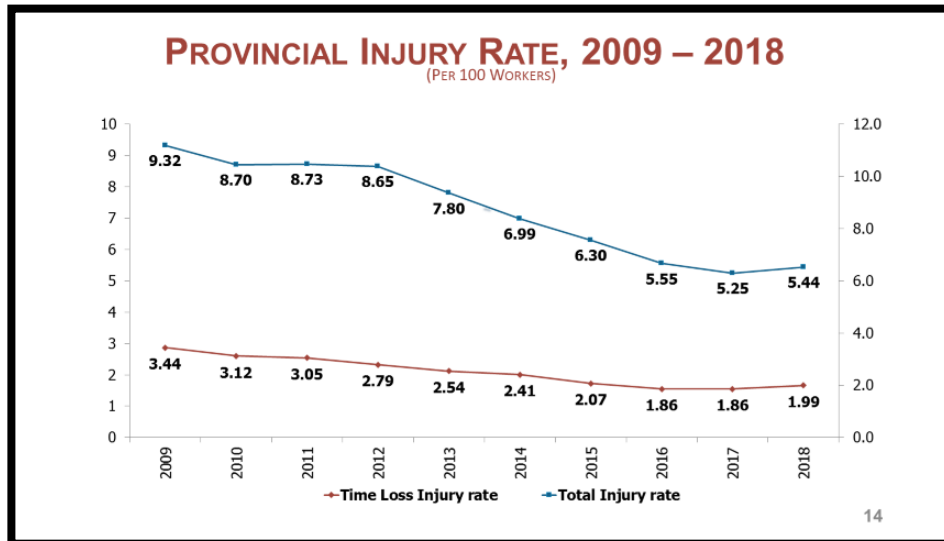
accounts which enables employers kind of 24/7 access to some of the services as it relates to understanding what their premiums are, paying their premiums, getting that basic information. So, it's allowing employers to kind of, more and more employers to interact with us when they want as it relates to these services. And we do a lot of clearances. Those are activities where we make sure that when you are hiring another business that they actually have WCB coverage, because if they should have been registered with us but they are not and there is an injury there is a chance that you as the organization hiring them may end up taking on that claim.

In addition, in 2018 some of the other things Employer Services did is we spent a lot of time interacting with the taxi industry trying to confirm how taxi drivers can be registered, whether they are independent workers, whether they are not. That's another bucket of work that we have been doing, is going through the whole definition and looking at the definition of what is an independent worker, what's an employee, what's the difference. Those are all sometimes difficult circumstances depending on the way organizations get structured and we need to sort through this. So, we are trying to work to try and create more clarity for employers and in particular in 2018 with the taxi industry.

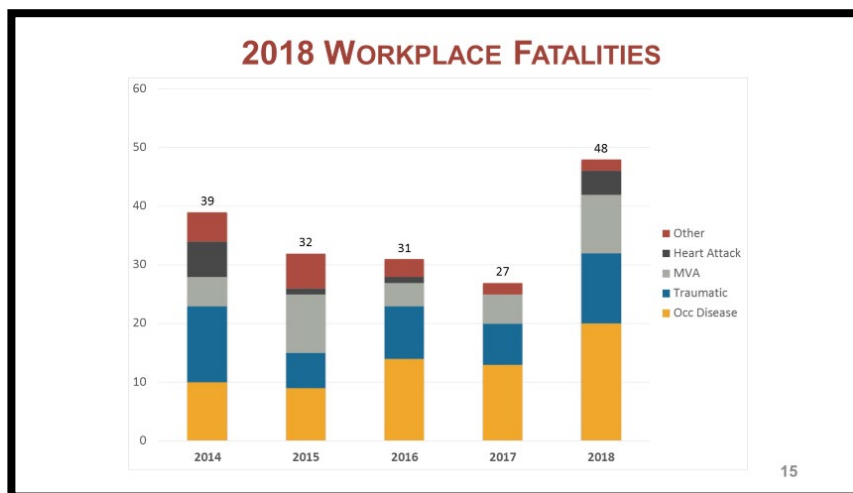
One of the other things that we focussed on over the last few years if you go back to 2015, 2016, we were focussed on improving the registration process for employers. Back in 2014, 2015 we had a service standard of ten days. Over 14, 15 and 16 we got that up to about 80% of employers being registered within ten days. So, we improved the service standard to five days. In 2017 I reported to you that we were registering about 54% of employers within five days. By the end of 2018 we got to 70% of employers were being registered within five days. And we will keep working on that. Our ultimate goal is to get it down to three days and then within 24 hours. So, we will keep plugging away at those pieces.



On the Injury Prevention front, as Gord has already alluded to, it wasn't the best year provincially on the injury prevention front. No time loss injuries were down slightly, but time loss injuries were up, fatalities were way up. We have been talking about this I think at the AGM and different public that we have been getting the sense that our injury prevention efforts are plateauing. Something is not quite working the way we want it to. And certainly, when it comes to further analysis, we have done around serious injuries and fatalities, those buckets of injuries are not going – we typically have about 3,000 serious injuries a year and that number has been pretty steady over the last five to ten years. We do have work to do to figure out why the numbers of serious injuries and fatalities are remaining so high. And a lot of the research we have done in the background is that if we can tackle some of the root causes of serious injuries and fatalities it's actually going to cause all injury levels to go down. So, we are very focussed on the number of key issues related to fatalities and serious injuries, in particular the occupational disease around exposure to asbestos, still ongoing. Firefighter cancers are increasing. Falls from heights, on the traumatic side falls from heights and motor vehicle accidents are typically driving fatalities. And I will get into that a little bit more.



But what we have seen – and this next slide kind of bears it out – is you can see the trend line over time. As Gord said, we have gone from second-worst in the country to fifth-worst. That is progress and that’s progress the industry, employers and workers, have made. And we believe we have had a small contribution, but at the end of the day it’s you, the employers and workers of this province, who have made this difference. But we are seeing a flattening out and we started to recognize it last year and it certainly happened to the point where we had an increase in both our time loss and total injury rate. We need to continue to work on some of the new strategies that are already in the pipeline that we are working on. We have been consulting with different employer and labour groups on what else can we do in order to make a difference and get these numbers going back down quickly.



On the workplace fatality, just a bit more detail in that regard. Gord talked about 20 occupational

disease related fatalities and 28 traumatic related fatalities. The way that breaks down in this chart kind of gives a little bit more detail. But it was 13 asbestos related fatalities, 6 firefighter related cancers, and there was one mining related cancer which is connected to exposure to fly ash. On the traumatic side we had an assault that resulted in a fatality, carbon monoxide poisoning, people caught in equipment, crushed by equipment. There was a person fatally injured due to an electrocution. Three workers died due to falls from heights. There was a shooting. One individual passed away because something fell on them, they were hit by a falling object. One person was struck by a motor vehicle. In the motor vehicle category, obviously we are all fully aware of what happened with the bus crash related to Humboldt, but that, there were ten motor vehicle related, specifically motor vehicle related fatalities, eight of them were in vehicles. One was an aircraft related fatality and one was a snowmobile related fatality. In addition, we had four heart attacks that were work related and two work related suicides. So that makes up the 48 and you can see that it's a wide range of causes. And while all of those are important, at the end of the day we are trying to help employers and workers deal with all of these root causes, you know, in particular we are looking at how to help employers – and I will get into it here in a second. How do we deal with some of these things? And WorkSafe takes a four-pillar approach, there's four pillars to all our strategies, and we think all of those pillars need to be functioning in order to help employers and workers and industry associations and labour really at the end of the day get out and help make a difference. The four pillars, awareness campaigns, education and training, targeting initiatives, and then partnerships and leadership:

Last year we invested over 3 million dollars in WorkSafe. That's over and above the investments by Labour Relations and Workplace Safety, that's over the investments of the safety associations. And the awareness campaigns, hopefully some or most of you, if not all of you, have seen many of the campaigns. We were on radio, TV, online, print. Our campaign surveys tell us that 80% of the working population in Saskatchewan have seen our ads, recognize our ads, and over 80% of the population in the province support us continuing to create awareness around this important issue. So, we have got high recognition, we are out there, we are being visible, and we will keep trying to create awareness. Some of the specific issues that we were trying to create awareness on were asbestos exposure. Our belief is a lot of the people that built the buildings that have asbestos are not the people who are in renovating. So many people who work in and around asbestos today may not even know it. So, creating awareness about what is asbestos, where can it be found, what does it look like, how do you potentially deal with it, creating all that awareness so that we can get people thinking that asbestos is still a hazard today.



On the education and training side we trained over 28,000 workers last year simply through WorkSafe. Over 4,200 came to our classroom presentations, courses, and over 24,000 online. Last year we added a number of online courses that employers and workers took advantage of. Most of those were related to mental health, violence in the workplace, and bullying, and we got a lot of uptake on those new courses. In addition, we partnered with the Saskatchewan Chamber of Commerce to do a number of sessions on cannabis, the new legislation that was coming in around cannabis in the workplace. Those were very well attended and well received. We reached a lot of workers and employers last year. Over 28,000 in 2018, we had just under 11,000 in 2017, so that was a significant increase.

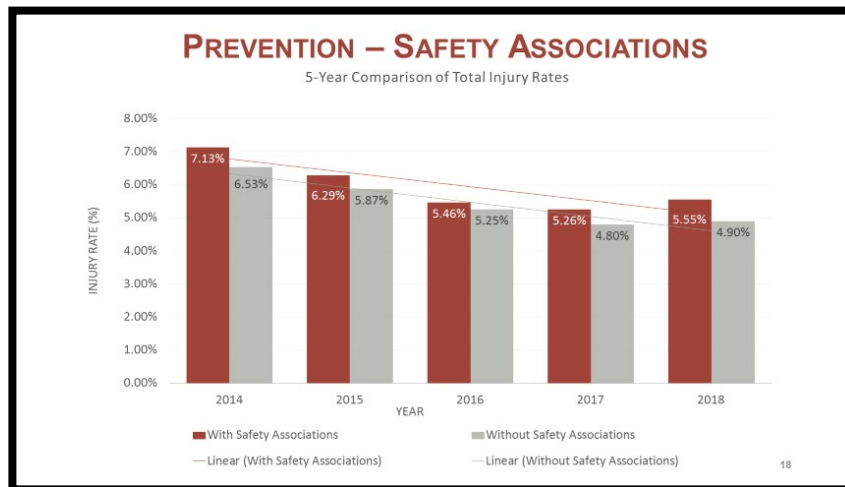
On the targeting front we continued to target employers with high numbers or high injury rates. We continued to interact with the residential construction industry on falls. Manufacturing related to ergonomics and hand injuries. In health care we were working very closely with the safety association, different associations across the province as well as the Saskatchewan Health Authority, on revisiting all our strategies and thinking about what can or should we be doing differently. We have seen an increase in 2018 in the injury rate in health care. Everybody was recognizing it, everybody sees it as unacceptable, and we are working together to try and turn that trend around. As well as many youth initiatives, we have partnered with the Saskatchewan Safety Council, who now offers free training to all youth going into workplaces. So, they will get an orientation to the best of the Safety Council's abilities with some of their limited resources. But they have committed to provide free training to all youth in Saskatchewan and they are doing a phenomenal job, as well as our partnership with Service Hospitality on creating awareness about the importance of youth injury prevention.

On the partnership side – and I have already talked about many of them, in 2017 we had 47

partnerships, in 2018 that was up to 49. Some partnerships ended and new ones came on. Some of the new ones that were coming on were partnerships with the Saskatchewan Trucking Association and SGI to try and help us collectively work together to reduce motor vehicle related crashes. We have created a new partnership with the Saskatchewan Association for Safe Workplaces in Health to provide assistance to the education industry on developing and implementing injury prevention strategies. And most recently we were working a lot with the fire chiefs in the firehalls to try and raise awareness about practices that would prevent cancer related illnesses in the industry. In 2019, one of our partnerships is with Threads of Life which works with seriously injured, families of seriously injured people or people who have died as a work related injury, and Threads of Life awarded the Saskatchewan WCB with one of their awards for all the work that we do to try and help families deal with issues related to seriously injured workers and fatalities. We were honoured to accept that from Threads of Life in 2019 for 2018. I want to just show you a quick clip of one of the new resources I talked about, trying to create awareness around asbestos. Here is an example.



I have seen that video a few times and it never gets easy watching that. But it's an important message and the type of messages we need to get out there.



The final comments I want to make is the whole partnerships piece and I just want to add – I have talked about a number of partnerships and successful partnerships that we have with organizations like the Safety Council and CNIB and Chambers and the Federation of Labour. Some of the key and longstanding partnerships, are with the industry funded safety associations. There are currently seven industry funded safety associations that represent 18 rate codes in the province. The construction, heavy construction, energy services, which is oil and gas, SASWH, which is health care, the Motor Safety Association, which are ag dealers, auto dealers, autobody shops, SASM which is focussed on manufacturing, and then Service Hospitality, the restaurant, hotel and other services in the hospitality industry. These organizations have longstanding partnerships. It's really a partnership between WCB and the industry to try and really focus on critical health and safety issues in those industries. Over the years we have seen phenomenal success. These are high-risk industries, oil and gas and manufacturing and health care and for many, many years we have seen the injury rate for these high-risk industries dropping faster than the province up until this last year. Similar to the provincial situation, the safety associations stalled a little bit in terms of injury rate reductions. You can see they went up. I think the safety associations went up 5% while the non-safety association rate codes went up 2%. But we continue to work with them as partners to figure out what it is that we can all collectively do different. We are, we have been discussions for the last year and a half with all the safety associations about revising the safety association funding policy and related funding agreement. That should get changed and implemented, any changes implemented in 2019. And we will keep working to make sure that all the rate codes and employers within those rate codes continue to be well served by those safety associations. They do a lot of work, a lot of training, the safety associations, they are fully dedicated. And like us I think they are in the midst of reviewing some of what they are focussed on and why



Ray Anthony

I would just like to thank Gord Dobrowolsky, Larry Flowers, and Garry Hamblin on the Board for the opportunity to speak to you here today. I would also like to congratulate Peter on his pending retirement. And, Phil, a little advice. Be careful what you wish for as we move forward here. Before I get really going here, I would like to talk a little bit about the relationship between the Ministry of Labour Relations and Workplace Safety, particularly the Occupational Health and Safety Division, and the Board. In addition to funding the division 100%, we are also partners through the WorkSafe partnership and we are again believers in Mission Zero.

Worksite Visits April 2018 – March 2019

Targeted Employers	3,158
Complaint Driven	822
Officer Initiated/Random	936
Notifications, Harassment, etc.	502
Total Worksite Visits	5,418

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And I like to say that the division’s mandate is to enforce The Saskatchewan Employment Act and particularly the Occupational Health and Safety Regulations and other associated health

and safety regulations. We in a way enforce what is essentially a minimum standard, but we advocate in all cases for best practice and a change of safety culture. With that said, I will talk a little bit about the primary services or duties that the division undertakes. They fall into two categories predominantly, that of inspection and enforcement. So, I will talk first about inspections. As Phil said, we have a targeted employer program, that is that we scrutinize the data of the 12% of employers that have had accidents within the last five years that represent 100% of the injuries that occur to workers. In other words, it's an idea around where there is smoke there's fire. And this year we conducted 3,158 inspections on those targeted employers. Depending on the size of the employer, say if it's a large employer like Walmart with 14 facilities, there would be a large number of inspections on those. If it's a smaller employer, say like the Yorkton Co-op, there might be four or five. The idea behind it is that we want to work with those employers and address those things that are harming workers and get them into a plan, get them into a program, where they are addressing those things that are harming their workers and changing the way they work. The other group we have, of course, is complaint driven. In that we did 822 (complaints). That's where a worker or perhaps another employer will phone in and comment about something they have seen, their sites or whatever, and of course we react to those, we try and react to them within 24 hours.

Of course, the officers have discretion and they conducted 936 officer-initiated inspections. These are the result of perhaps just driving by a site or receiving a tip or whatever reason, but it's done at their discretion. And of course, we have requirements under Section 7 for notifications, things like high risk asbestos, extremely deep excavations, other high hazard industry type things, where we did 502 inspections. So, the total worksite visits for this year was 5,418. This was performed by 63 field staff and it's a record for us, it's the highest ever. It's 38% higher than last year with an increase of 1,433 inspections, so we are rather proud of it. And this year we are adding another three FTEs to the Ministry. Two of them will be field staff in the general safety area.

Summary Offence Tickets as of March 31, 2019

	Since Inception (Jul/14)	2018/19 Fiscal Year
Issued	99	26
Guilty	88	23
In Progress	1	1
Stayed/Withdrawn	10	2

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The next issue I want to talk about is enforcement. We have two types of enforcement. One is what we call summary offence ticketing. And back in July of 2014 there were changes made to The Summary Offences Procedures Act and the Summary Offences Regulations. This allowed OHS officers – and there were 12 of them that were designated by the Minister as peace officers for the purposes of issuing tickets – to issue tickets on 12 offences. And they are actually pretty simple, fall protection -- people fall off things -- safety and excavations -- things fall on people -- safety around machinery -- people get caught in -- and around personal protective equipment, and of course progress reports and accounting, in other words an employer can't ignore us, they have to comply in some fashion. This year we have issued 26 tickets with 23 of them being found guilty, one is currently in progress, and two have been stayed or withdrawn. Since inception on July 2014 we have had about a 90% success rate with these tickets. And they are used in cases where essentially we find repeat offence, where they have been written up before but they are not compliant, so it's further enforcement.

Prosecutions as of March 31, 2019

	2018-19	2017-18
Files sent to Justice	32	36
Prosecutions Initiated	25	29
Prosecution Convictions	19	37
Total Penalties	\$1,447,100	\$1,411,930

Prosecution outcomes and statistics for the current (and previous years) may be accessed from saskatchewan.ca.

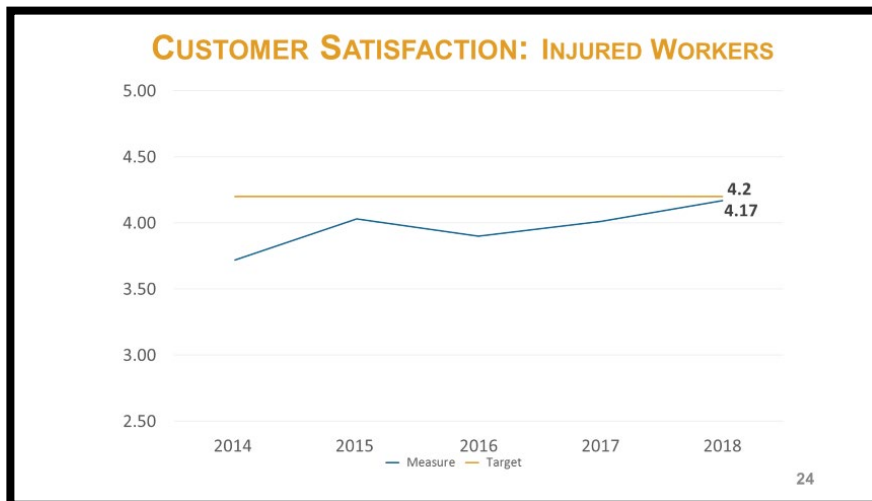
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Last but not least the division works with the Ministry of Justice in investigating serious injury or a fatality. These are incidents that fall under provincial jurisdiction. They generally fall under Section 8 of the Occupational Health and Safety Regulations. Those would be incidents that result in a worker being admitted to hospital as an inpatient for 72 hours or in the case of a fatality. They are generally not investigated by another agency, say like the RCMP in the case of a highway traffic issue or perhaps the National Transportation Safety Board in the case of an airline accident or something like that. And finally, the big part of this – and Justice keeps reminding me of this – is the issue is deterrence, it's not punishment. We had 36 files sent to Justice, or 32 files sent to Justice this year. That number is down slightly, about 10%, and on top of that, 25 prosecutions initiated. Now normally we have one dedicated Crown Prosecutor. You start thinking about that. That's about one case every two weeks and these cases are pretty big cases most of them. It's a lot of work for the prosecutor. So, we took the step this year, with the Board's support, of adding a second prosecutor. Hopefully this will reduce the time that it takes to get a case into court. It will give quicker scrutiny and better service to all parties involved in it and basically just improvement. Finally, total penalties this year, \$1,447,100 on 19 convictions. And as you can see, the dollar value between this year and last year is nearly the same, but the number of actual convictions is down, so the size of the fines is generally rising. But that said, that discretion falls to a judge and the judge normally looks at two real key factors. One is the size of the entity that they are dealing with and the other is their record. And so again, while we would like to see the fines higher and the deterrence greater, it falls to the hands of a justice.



Mick Williams

Hello, everyone. I am Mick Williams the Vice President of Operations at WCB. And Peter spoke earlier about our corporate beliefs and the belief we as an organization operate with, is that if we improve in the five key areas that he highlighted in his slides, timeliness, quality, people, Mission Zero, and financial, that we will improve our customers' experience. One of the places that the customers have experience with us is when the claim occurs. And when the claim occurs then there is an opportunity for us and the need for us to interact with the worker, with the employer, and with our partners in health care. So, one of the things we keep our eyes on as we are doing our work is, are we having the impact on our customer experience that we intend to have.



So, the first thing I want to put up there is our survey results and explain a little bit about how we do this. We use an independent agency to conduct these service surveys for both workers and

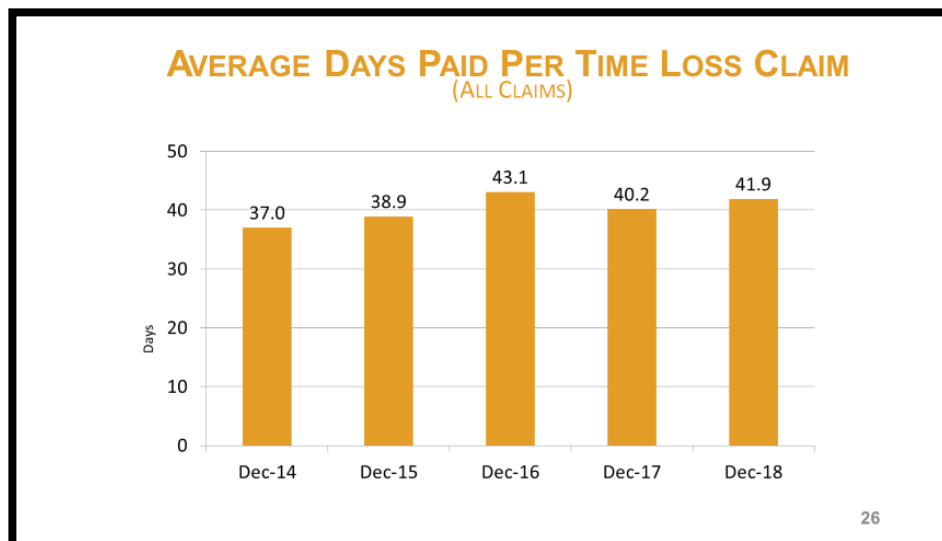
employers. It's a Common Measurement Tool, is the name of the product we use, and we conduct it twice annually with each customer group. It is a survey that's designed specifically for public service organizations, and it measures customer satisfaction levels through a series of questions. Some of you may have responded to these surveys in the past.

In 2018 just when we take a look at the injured workers survey, we ended up increasing our customer satisfaction level on this survey to 4.17. You see the target line there at 4.2, so we didn't quite hit the target on the workers' slide.



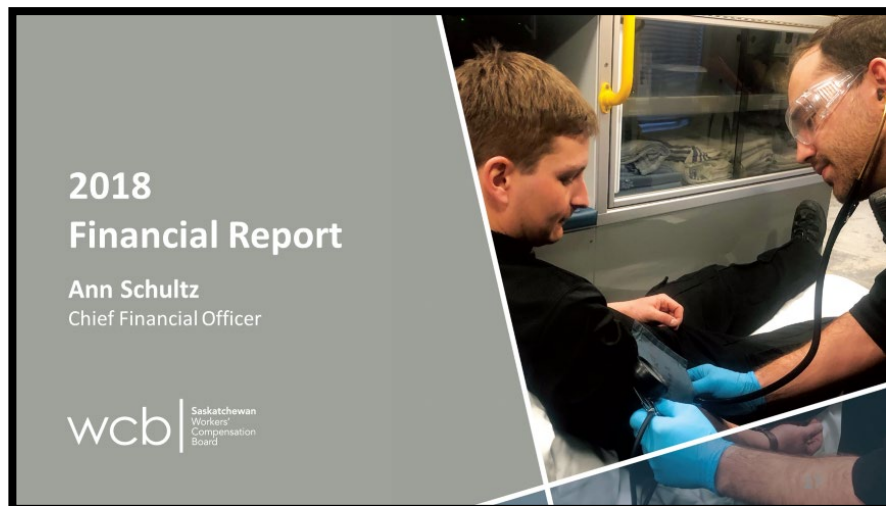
On the employers' side we had slightly better results, 4.23 which slightly exceeded the target on there. And the trend is in the right direction on both of these. Having said that we recognize that there is always a lot of opportunity for us to improve in this area. When we think about what maybe we had done that may have helped us create better results in the past year, I think this time last year when we were reporting out, we talked about our need to improve our accessibility and that was a lot of what we were getting in our surveys was that we needed to find ways to be more accessible for questions that our customers had. In our claims a lot of the information that we exchange with each other is best served in person or over the telephone. We can exchange some electronically but there is still a fairly high demand from the customer for some of that personal contact. So, we took some measures to try and be more available for telephone contact and we think that that probably has driven a little bit of the, probably the single biggest contributor to some of the improvement we saw in this past year. When we look at the information that comes in in our survey right now, I think our next opportunity is now that we are more accessible to be able to talk about this, now we want to get better at problem solving with our customers and being able to explain why we are doing what we are doing and

perhaps engaging in better conversations around whether that's the best next course of action for all parties.



The other thing that we keep our eyes closely on is our durations. And durations for us is the average days paid per time loss claim. Over the past number of years, as you can see by the numbers on here, it's been challenging to not have these numbers keep creeping higher and higher. Our experience is similar to most jurisdictions across the country on that and some of it probably has to do with any number of things but certainly claims mix is in there somewhere as we are getting better as a system at accommodating less serious injuries and probably converting a lot of what formerly would have been short time loss claims into no time loss claims. Some of that factors into this number. Another factor in it for us this past year is while our psychological injury claims don't make up a large portion of the injuries we have, the duration of them is typically quite a bit higher than others, so they are increasing in terms of the mix that we have. And you can see the numbers on here. In December of '17 we had gained a few days in our durations. As of December 2018, we had actually given up a good portion of that. And year to date, all of January, February and March, all three of those months were right around the 41 days mark. Phil talked about us plateauing on the prevention side. We seem to be plateauing at a level on the duration side that's in that 40, 41 days. And that's higher than what we have been in the past. For us this is about adjusting our claims management practices to the reality that we are facing which is that the claim is different than it used to be, what do we need to do in order to be able to manage these claims from a durations perspective and keep them at about the same or better duration levels than what we have been able to do in the past. So those are some of the challenges we are looking at with respect to the durations of claims

and restoring the abilities of people who are affected by workplace injuries. So the kinds of things that we are looking at are everything from taking a look at what is causing the delays in us processing claims, things like are we getting medical information in a timely fashion, are we exchanging information with workers and employers in a timely way, are there ways that we can improve our interactions with them. We call that or refer to that as taking a look at our process and looking at, what delays do we have in our current process, how are those affecting our durations and what can we do about them. And then there is the other part of it that I talked about a little bit earlier about, we have got a different mix of claims that we are working with now, how do we learn more about them so that we can be intervening in better ways. Where we are going to learn more about that is, we are taking a look at the – Phil talked a little bit about the serious injuries. We are taking a look at our cohort of claims that are lasting longer than six months and seeing if there isn't a way that we can kind of predict better which of our claims are going to need more intervention and how do we intervene more quickly on those. So that's kind of where 2018 has brought us with our claims and a bit of a glance into what we are trying to do about it in the next while.



Ann Schultz

I am going to be reviewing our 2018 financial results. WCB experienced a comprehensive loss in 2018 of 154 million dollars compared to the comprehensive income in 2017 of 110 million.

STATEMENT OF OPERATIONS & OTHER COMPREHENSIVE INCOME

(\$000)	2018 Actual	2018 Budget	2017 Actual
Premiums	\$256,470	\$263,704	\$255,172
Expenses			
Claims Costs	278,220	267,936	230,153
Administration	49,986	49,266	45,800
Safety & Prevention	25,562	24,437	24,491
Annuity Fund Interest	13,375	17,600	19,928
Legislated Obligations	1,330	1,139	1,207
Total Expenses	368,473	360,378	321,579
Underwriting Profit (Loss)	(112,003)	(96,674)	(66,407)
Investment Income	(41,626)	112,000	175,778
Net Income (Loss)	(153,629)	15,326	109,371
Other Comprehensive Income	(635)	0	888
Total Comprehensive Income (Loss)	\$(154,264)	\$15,326	\$110,259

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The following slides will review the financial activity that resulted in this loss and also the impact on WCB's funded position that Gord had mentioned earlier that remained fairly strong at 115.2% at the end of 2018. Premium revenue, the first line on our statement of operations and other comprehensive income, is driven by industry payrolls and premium rates. In 2018 as previously mentioned our premium rate was \$1.19 per \$100 of assessable payroll and this was a reduction from \$1.24 in 2017. Even with the difficult economic conditions for some sectors we did experience almost a 4% overall increase in assessable payrolls over 2017. Assessable payrolls as mentioned by Phil increased to 22.4 billion from 21.6 billion in 2017. Approximately 2% of that 3.7 or 4% increase in payrolls is attributable to the increase in the maximum insurable earnings that was effective January 1, 2018. So, in 2017 the maximum insurable earnings were slightly over 76,000. This increased to slightly over \$88,300 in 2018. Premium revenue was slightly below what we had budgeted and that was due to the fact that we had estimated payrolls would be approximately a billion dollars higher than actually what happened.

Total expenses in 2018 were 368.5 million as compared to 321.6 million in 2017. This is an increase of almost 47 million dollars. Claims costs are our biggest expense category and typically make up about 70% of our total claims costs. Claims costs in 2018 were 278.2 million and they made up the majority of that 47 million dollar increase in our costs by increasing 48 million dollars more than the 2017 balance of 230 million dollars. We will discuss claims costs in more detail in a coming slide. Administration expenses, the net administration expenses at 50 million dollars are an increase of about 4.2 million from 2017. So, there was increases in salaries, amortization, and also the fact that the net administration expenses, that show up on our statement of comprehensive income and loss are after we deduct things, like we charge

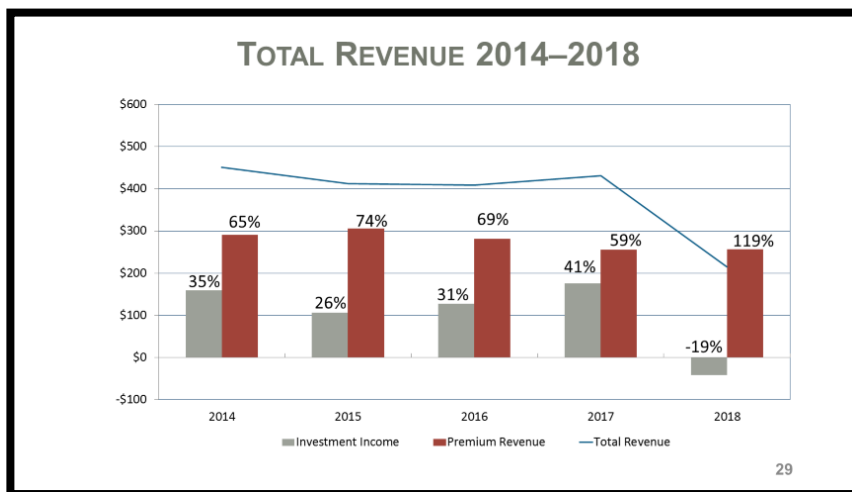
self-insured earners for administering their claims as well as we take into an account an adjustment to the future costs to administer claims that's actuarially determined and that amount actually dropped by 1.1 million, so that impacted the net admin costs shown on this statement.

Safety and prevention, as Phil and Ray spoke to, include the costs of the Occupational Health and Safety program with the Ministry of Labour Relations and Workplace Safety, funds to safety associations, and WorkSafe Saskatchewan expenses. In 2018 there was an increase of approximately a million dollars and this was as a result of increased WorkSafe expenses.

The next line with respect to expenses is annuity interest. So, after a worker is receiving long-term wage loss for 24 consecutive months, an amount equal to 10% of their wage loss benefit is set aside into a fund until that worker reaches age 65. This fund is meant to replace other pension or Canada Pension income that the worker would not be contributing to while they are on benefits. These funds earn an interest rate and we calculate that interest rate based on the five-year actual average interest returns that we have. In 2018 the interest rate paid on those funds was 6% compared to the 9.8% in 2017, so that explains the decrease of over 4 million dollars in that expense category for 2018. We will get a little bit into investment returns in a following slide as well.

Legislated obligations contain expenses or include the expenses for the Office of the Workers' Advocate and Committee of Review expenses, so in 2018 the WCB paid the Ministry 1.3 million dollars to fund the Workers' Advocate Office. After the expenses we recognize what's called our underwriting loss, so that's our premium revenue less expenses, and in 2018 that amount was a 120 million loss as compared to 66 million dollars in 2017. Again, the reason for that was the increase in claims costs. Investment income, the next line, is WCB's other main source of revenue. Our investment income is made up of both realized investment earnings which are interest, dividends and actual sales of the assets we hold, and we also have unrealized earnings or losses when the fair market value of assets is greater or less than what we paid for those assets. Investment income in 2018 was a negative 42 million dollars compared to the positive returns we had in 2017 of 176 million, and the investment return for 2018 worked out to a negative 1.9% compared to the positive 9.8% in 2017. In 2018 we experienced significant fluctuation in investment market values in the last quarter of 2018. Within that 41.6 million dollar loss we experienced an unrealized loss of 126 million. The results of Quarter 4 resulted in that unrealized loss. We budget for investment income on an expected annual return of about 5% and of course we fell short of that. On a positive note, the value that we lost in the fourth quarter of 2018 was more than recovered in the first quarter of 2019.

Other comprehensive income includes the actuarial loss on employee benefits with respect to our closed defined benefit plan. So, in 2018 that amount was a \$600,000 loss compared to a gain that we had in the previous year. We will discuss the impact of these financial results on the injury fund and the funding position in more detail in a coming slide.



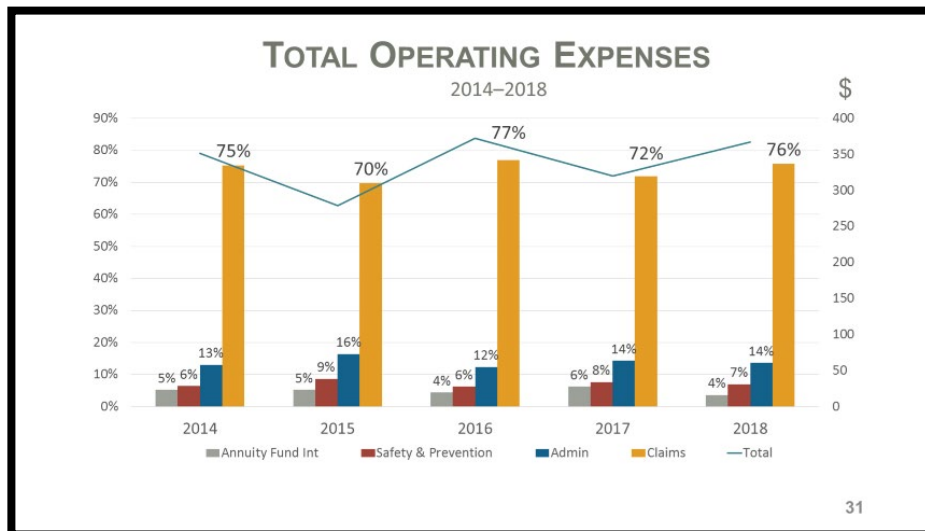
This slide compares shows the relative proportions of our revenue sources in comparison to the total revenue for WCB. So, as I mentioned earlier with unrealized gains and losses on investments, the value or the amount of income we recognize can vary significantly. The grey lines represent investment income and as markets go up and down so will our investment income. In 2018 investment income actually was a negative contributor to total revenue in the amount of about 19%. We hold investments to ensure that we have enough assets to meet our future claims costs and we will get into that a bit more when I talk about the benefits liability. We make assumptions with respect to the long-term expected rate of return when valuing that benefits liability. The impact on WCB's funded position of the investment and loss in 2018 was mitigated by our funding policy which removed those unrealized losses and gains and the fact that we have a funding range of 105 to 120% which allows WCB to absorb short-term fluctuations in investment income caused by market volatility. Investment income can be volatile. In the last 10 or 11 years we have had negative investment returns. For example, 2008 was a really bad year with a minus 16% return on our investments. But we have also had some very positive years in the last ten years. In 2013 we actually earned a positive 17.5%. So, our five-year average from 2014 to 2018 was approximately 6% and it had a range of returns from the negative 1.9% in 2018 to the positive 9.8% that we earned in 2017. Premium revenue as I mentioned earlier is driven by industry payrolls and premium rates and tends to be more stable.

CLAIMS COSTS (Thousands)		
	2018	2017
Program Expenses		
Short and long term wage loss	\$125,955	\$117,341
Health care	85,523	78,890
Vocational rehabilitation	4,275	4,563
Claims administration	10,001	11,151
Total Program Expenses	\$225,754	\$211,945
Actuarial Claims Experience Adjustment	52,466	18,208
TOTAL Claims Costs	\$278,220	\$230,153

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This slide is a revisit of our claims costs. Claims costs include short-term wage loss and long-term earnings replacement, health care costs, vocational rehabilitation expenses, claims administration costs, and the adjustment to the benefits liability which is the actuarial claims experience adjustment. Again, claims costs increased in 2018 to 278 million dollars. Durations and the number of time loss claims are two drivers of the short and long-term compensation costs, and as Mick mentioned durations increased in 2018 to almost 42 days. Health care inflation remains our greatest risk, as health care inflation typically runs ahead of normal inflation. In 2018 we experienced increases in health care costs related to inflation and there was also an increase in the utilization of tertiary and secondary treatment services. Vocational rehabilitation expenses include costs to return injured workers to meaningful employment have remained stable. As I mentioned earlier, claims administration is an actuarially determined amount to administer the claims that are in the system to the end of those claims.

The benefits liability which is on our statement of financial position is an actuarially determined amount that would settle the cost of all claims that are in the system at the end of the year. We must ensure that we have enough financial assets to honour all those costs for all the claims in the system to the end of the claim. So, in the case of an injured worker that is very young, those costs could run out as long as 50 years or more. The benefits liability adjustment is the change in that benefit liability amount that the actuaries determined from 2017 to 2018. Again, it increased 52.5 million, so the benefit liabilities at the end of 2018 were 1.28 billion as compared to 1.23 billion in 2017. The increase in the benefits liability for 2018 again was related to medical inflation, the increase in the maximum insurable earnings, increased expected health care costs from increasing treatment and utilization levels, an increase in psychological claims, and the continuing pattern as Mick talked about of claims staying in the system longer.



This slide shows the relative percentage of our expenses. Expenses tend to be more stable than what happens with our revenue sources. 2018, as I mentioned, claims costs included that adjustment for the benefits liability of 52 million dollars and pushed up the relative proportion of claims costs to 76% of our total expense structure. The other bar that I would like to draw your attention to is administration expenses. In 2018 they comprised of 14% of our total expenses. We compare ourselves to other WCB Boards and the Association of Workers' Compensation Boards of Canada gather information with respect to costs and publish it in the key statistical measures. In 2017, which is the most recent year that that data is available from the Association of Workers' Compensation Boards of Canada, Saskatchewan had the fourth-lowest administration costs per time loss claim. As well, the AWCBC also does another measure of administrative efficiency and that is the administrative cost per \$100 of assessable payroll and in 2017 Saskatchewan had the third-lowest cost against that measure.

2018 FUNDING POSITION

Funding Position (Millions)	2018	2017
Injury Fund	\$399.8	\$555.0
Unrealized Gains on Investments	(171.4)	(297.1)
Injury Fund removing Unrealized Gains	228.4	257.9
Benefits Liabilities & Annuity Fund Payable	1,505.3	1,449.9
Injury Fund as a % of Benefits Liabilities and Annuity Fund Payable	15.2%	17.8%
Funding Position	115.2%	117.8%

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WCB legislation requires that WCB be 100% funded to ensure security of benefit. The legislation allows for reserves to ensure financial stability and predictability of premiums. The funding policy sets a range for a reasonable funded position based on actuarially determined risk modelling which considers the makeup of WCB's investments, our benefits liability makeup, what kind of claims are in our benefits liability, what kind of injuries, all kinds of factors that they look at with respect to that in terms of what our benefits liability is composed of, and economic assumptions. As I mentioned earlier, investments are recorded at fair market value on the statement of financial position and the change in the unrealized gains and losses is recorded through investment income. This means that volatile investment markets can produce swings in our operating surpluses and the injury fund. WCB's funding policy removes unrealized gains and losses from the injury fund for the purpose of calculating the funding percentage to lessen the volatility in the funding ratio. The calculation then remains consistent year over year and funding percentage is not subject to significant swings and the fair market value of investments. It's like the equity in your home. You only really realize, the value of your house when you sell it and the money is in the bank. The funding percentage for 2018 was 115% under the funding policy and is within the targeted range of 105 to 120%. Our injury fund after recognizing the loss we experienced this year was just under 400 million dollars. We removed the unrealized gains of 171 million dollars to come to an injury fund removing those unrealized gains, sort of the cash in the bank, of 228 million. We then take the ratio of that amount against our significant liabilities which is the benefits liability and the annuity fund payable to come to the 15.2%. So that's how we arrive at our funded position.



Peter Federko

This next section on the outlook, first of all just sort of as I indicated at the beginning, just drills down a little bit further into what our strategic objectives are for the strategic planning year. We run a three-year planning cycle and update that annually, so the plan that’s actually on our website and might be on your tables too is for the period from 2019 to 2021.

Strategic Objectives (2019 - 2021)

Strategic Themes		
<p>Mission: Zero</p> <p>We will prevent injuries, fatalities and suffering in all workplaces.</p> <p>By December 31, 2021, there will be a 30% reduction in workplace injuries and fatalities AND zero WCB staff injuries and fatalities.</p>	<p>Restore Abilities</p> <p>We will restore the abilities of injured workers.</p> <p>By December 31, 2021, we will be returning 95% of injured workers to function within 6 months as indicated by our 6 month persistency metric.</p>	<p>Culture of Continuous Improvement</p> <p>We will develop a culture that engages all staff in solving problems.</p> <p>By December 31, 2021, there will be an increase in employee engagement levels to 90%.</p>

In conjunction with cascading those True North metrics down into actionable items, the strategic objectives we have set for the three-year period fall into the three categories which come directly out of our vision and mission statement. So, first of all we focus on Mission Zero. We want to prevent injuries, fatalities and suffering in the workplaces. And then we move into the restore abilities where we want to restore the individual’s abilities to function including their ability to return to work. And a third one is around the culture of continuous process

improvement, again creating this culture for our employees to put them in the best position possible to be engaged in looking for ways to improve our processes to better serve our customers. Our goals and objectives with respect to each of these strategic themes is, with respect to Mission Zero, by December 31, 2021 we want to see a 30% reduction in workplace injuries and fatalities and we want to see zero injuries with respect to our own staff. With respect to restore abilities we would like to see by December 31, 2021 that we will be returning 95% of injured workers back to function within six months as indicated by our six-month persistency measure. As Mick alluded to, while we are looking at durations as an indicator of the severity of injuries, when it comes to how well we are doing with respect to the restoration of folks' abilities we are looking at something called the persistency measure. The persistency measure simply tells us how many workers or what percentage of workers remain on wage loss payments at different intervals of time. We have picked the six-month interval, so by December 31, 2021 we want to see 95% of workers who have had their function restored and are no longer reliant on wage loss payments six months post injury, which is a fairly significant stretch for us in terms of improving of where we are today.

The culture of continuous process improvement, we want to see our engagement scores which are currently around 70% I think increased to 90% by the end of 2021. These are the three kind of strategic themes over the next three years that we have focussed on and have cascaded down into the organization for the purposes of development of operational objectives. So, if we went one layer down here into, closer to the frontline work that's being done, you would see even more granularity with respect to how we intend on moving these particular three strategic objectives within the next 12 months.

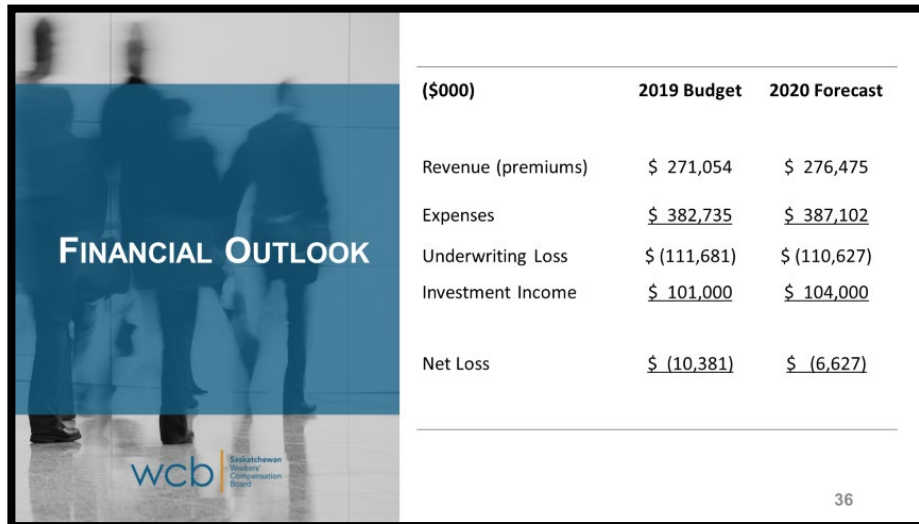
2019 OPERATING BUDGET

<p>Revenue Premiums</p> <ul style="list-style-type: none"> • Average premium rate is \$1.17 for 2019 and 2020 • Employer assessable payrolls increase by 4% in 2019 and 2% in 2020 due to increases in maximum assessable earnings <p>Investment Income</p> <ul style="list-style-type: none"> • Long-term average return on investments of 5.5% for 2019 and 2020 <p>Claim Costs</p> <ul style="list-style-type: none"> • Time Loss Injury rate at 1.67% for 2019 and 1.51 for 2020 • Duration remains the same for 2019 and 2020 • 3.25% annual increase in costs except health care • Health care costs increasing 5.25% annually 	<p>Administration</p> <ul style="list-style-type: none"> • Salary growth of 0% for 2019 • Other costs increase at 2-3% <p>Annuity Interest</p> <ul style="list-style-type: none"> • Based on estimated five-year average return on investments of 6.0% for 2019 and 2020 <p>Safety and Prevention</p> <ul style="list-style-type: none"> • OH&S increases 1.75% per year and total safety associations increase 1.7% for 2019 and 2% for 2020 <p>Legislated Obligations</p> <ul style="list-style-type: none"> • Workers Advocate assumes 1.75% increase per year
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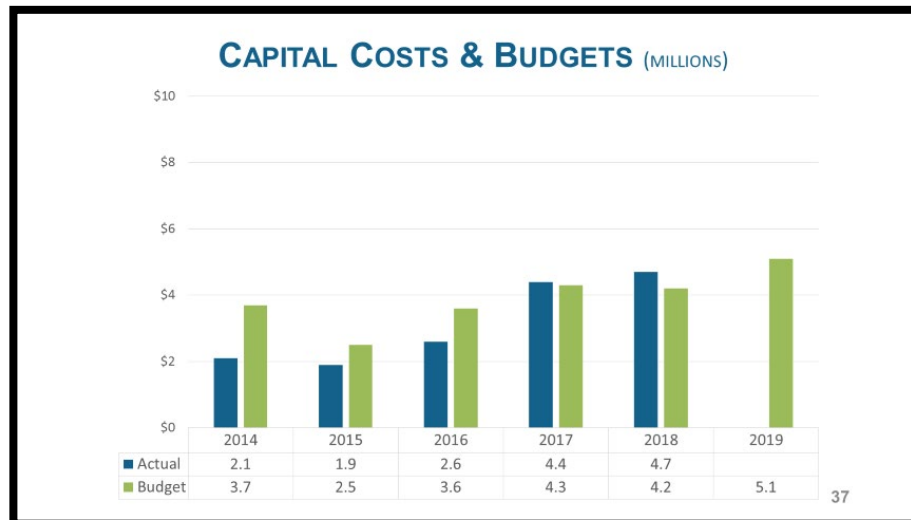
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The next part we get into is we are required to actually give you a look into what we see the

potential future being for our organization from a financial perspective. And of course, these are based on certain assumptions with respect to our revenue and our expenses. With respect to the revenue side of course on the premiums we are assuming that the premium is going to stay where it is in 2019 through 2020, so at \$1.17. We are, however, forecasting an increase in assessable payroll by 4% in 2019 and 2% in 2020, the difference being the 2020 forecast is based strictly on the increase in the maximum wage amount whereas we do have a bit of an economic increase built into the 4% expectation for 2019. It's again very conservative estimates. I'm not sure whether Ann pointed this out or now when she was talking about our premium revenue, but we saw actually a 3.7% increase in payroll between 2018 and 2019. Two percent of that was driven by the increase in the maximum wage. The other 1.7 was actually true economic growth. While there were certain industries that struggled with respect to increases in their payroll, overall, we actually did see an increase in the payroll reported to us although not at the same level that we were expecting. With respect to the investment income, our assumption – Ann talked about us needing to earn a certain return on premiums collected in order to pay future claims costs. Our actuarial liability calculations require that we earn 5 ½% on our investments over the long term, and so for purposes of our projections we have used the assumption of 5 ½% return on investment for both 2019 to 2020. As Ann pointed out, the first quarter of 2019 was a very, very good quarter. We recovered everything plus what we lost in the last quarter of 2014, so we have probably already exceeded the 5 ½% return, but let's not forget what happened fourth quarter of 2018. So, this can change very quickly and accordingly we are, putting in a conservative estimate in terms of the returns that our investments will earn over the forecast period. Our claims costs, we have built-in reductions in our time loss rate. Well, as Phil reported, we saw a flattening off of our time loss injury rate in 2017, and actually an increase in 2018. We are being optimistic that we will see a reduction in the time loss injury rates in both 2019 and 2020 down to 1.67 and 1.51 respectively. Durations, we are expecting just to hold flat at around the 41-day mark. With respect to the inflationary costs, we are expecting about a 3 ½% increase in claims costs with the exception of health care costs which as Ann indicated is our fastest growing cost component within our compensation costs. We are forecasting a 5.25% increase in those costs over 2019 and '20. Our administration costs, no salary increases for 2019. Our other costs, inflation, we are just expecting them to grow between 2 and 3%. Annuity interest, we are assuming the rate of return of the five-year averages Ann indicated at 6% will hold through 2019 and '20. We are budgeting, estimating, anticipating increases in Occupational Health and Safety of 1.75% in each year and 1.7% increases in safety association funding, and with respect to our legislative obligations, at 1.75% for the Workers' Advocates Office.



When we roll that up into our budget for 2019 and what we are forecasting for 2020, you will see that in each of the years while we are expecting positive investment income as opposed to negative, which is what we saw in 2018, we are expecting to record smaller net losses in both 2019 and '20, roughly 10 million dollars in 2019 and 7 million dollars in 2020. When we convert this into our forecast of what our projected funded position might be, we see slight decreases in our funding position from the current 115% today to about 113% in 2019 and then a further decrease down to about 112% in 2020.



The other part of our budgeting process or our capital expenditures, we are forecasting a rather modest increase, about a \$400,000 increase in our capital expenditures year over year. All of these capital costs are related to our IT systems, whether it be continued maintenance or

system development or enhancements to existing systems is primarily what goes into our capital expenditure budget.



What are our challenges moving forward? And as Phil already indicated and Gord referenced in his remarks, seeing increases in the number of injuries and the number of fatalities really is somewhat concerning to us. And I think it's critically important for all of us in this room, all those watching, and for every workplace in Saskatchewan, to continue to lead the way in terms of changing the culture of this province from one that just sort of accepts injuries as a way of life to one that proactively strives to actually reduce and eliminate injuries in this province with the belief that we can prevent all injuries. Because every one of them has a predictable element to it. We can't predict when they are going to happen, but we can predict that if certain precautions are not taken, if certain steps are not taken, that an injury will in fact occur. And so leading that cultural and behavioural change, I continue on a daily basis to see people talking on their cell phones while they are driving notwithstanding that we have had distracted driving laws in this province for years. And it's a behavioural attitudinal issue that continues to allow us to take those additional risks and not only put ourselves at risk but put everyone else on the road at risk. And we have to continue to work together to change that attitude, to change those behaviours, and improve the health and safety of this province. We will continue to focus on improving our processes for the purposes of adding value for our customers, and that's a huge and challenging initiative that we have taken on. And of course, stabilizing our investment returns. We hold today just over 2 billion dollars in investments, and our intention with respect to holding those investments at a minimum is to earn the 5 ½% that we need in order to fund these liabilities. When we look at this from an investment policy perspective what we are seeking to do is reduce the volatility in the investment returns while maintaining the minimum return of 5 ½%.

And since 2014 we took very aggressive steps, if you will, by undergoing several different studies by our actuaries and investment consultants to assist us in determining what asset mix we should have. We have currently funds investing in Canadian equities and U.S. equities and real estate and bonds and mortgages and the equities are split between small capitalized and large capitalized, global, non-North American, on it goes. The Board has decided through the investment committee to undertake another optimization study to again look at, is there anything else that we should be doing, any other asset classes that we should be looking at, to try and reduce some of the volatility. It's a bit of a wakeup call for us I think in terms of Q4 of 2018. I expect that optimization report to come from our investment consultant sometime in June. Unfortunately, I won't get to see what great things they have to say, however, I know that the investment committee as it has in the past will continue to apply the due diligence that's necessary in order to make the best decisions in terms of providing adequate and stabilizing those investment returns over the long term. Of course, the number one focus, the number one belief that we need to continue to maintain is that even one injury is too many and that Mission Zero is in fact achievable. And thank you all for coming today.

