



WorkSafeNB Phase I - Governance

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Why Is This Important?

- WorkSafeNB has a direct social and financial impact on injured workers, the workforce and employers throughout New Brunswick.
- Strong governance is vital given WorkSafeNB's responsibility for over \$1.6 billion in total assets while providing nearly \$400 million in annual benefits to injured workers.

Overall Conclusions

- Government negatively impacted WorkSafeNB independence and impeded operations
- Lengthy board appointment process hindered board governance and ultimately increased cost
- WorkSafeNB executive compensation not meeting government expectations

What We Found

Government Diminished WorkSafeNB's Independence and Impacted Operations

- Government did not follow legislation when appointing board chair in 2015.
- 2015 board chair appointment resulted in a perceived conflict of interest
- Government delays left key positions vacant (Board chair & CEO)

Board Practices Require Improvement

- Some board practices are improving
- Board too involved in operations rather than strategic direction
- Committees not operating efficiently
- No performance expectations or annual review for CEO
- No succession plans

Compensation and Benefits not Aligned with Government Expectation

- CEO salary 40% higher than Provincial deputy ministers
- Higher executive vehicle allowance
- Vacation and health benefits more generous

WorkSafeNB Strategic Plans Need Improvement

- Strategic planning process is disciplined but strategic plans are inconsistent and incomplete
- Gaps exist between strategic plan and Department expectations