Workplace Safety and Insurance Board

First Quarter 2016 Report to Stakeholders

Workplace Safety and Insurance Board
Commission de la sécurité professionnelle et de l'assurance contre les accidents du travail

Management's Responsibility for Financial Reporting

The accompanying unaudited condensed interim consolidated financial statements as at and for the three months ended March 31, 2016 have been prepared in accordance with International Accounting Standard 34 *Interim Financial Reporting,* using accounting policies consistent with International Financial Reporting Standards ("IFRS").

In this MD&A, "WSIB," or the words "our," "us" or "we" refer to the WSIB. This MD&A is dated March 31, 2016, and all amounts herein are denominated in millions of Canadian dollars, unless otherwise stated.

The following Management's Discussion and Analysis of Financial Condition and Operating Results ("MD&A") and accompanying unaudited condensed interim consolidated financial statements, as approved by the Board of Directors of the Workplace Safety and Insurance Board (the "WSIB"), are prepared by management as at and for the three months ended March 31, 2016.

The information in this MD&A includes amounts based on informed judgments and estimates. Forward-looking statements contained in this discussion represent management's expectations, estimates and projections regarding future events based on information currently available, and involve assumptions, inherent risks and uncertainties. Readers are cautioned that actual results may differ materially from projections in cases in which future events and circumstances do not occur as expected.

Thomas Teahen
President and Chief Executive Officer
June 23, 2016
Toronto, Ontario

Pamela Steer
Chief Financial Officer

Management's Discussion and Analysis

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1. Quarter in Review

Highlights of our performance for the three months ended March 31, 2016 compared to 2015.

The following MD&A should be read in conjunction with the unaudited condensed interim consolidated financial statements of the WSIB as at and for the three months ended March 31, 2016 (the "interim consolidated financial statements").

Financial highlights for the three months ended March 31, 2016 compared to the three months ended March 31, 2015:

- We generated a total comprehensive loss of $274 million in the first quarter of 2016 reflecting a net investment loss in the quarter, partially offset by continued strong operating performance resulting from growth in premium revenues and improved return to work outcomes resulting in lower benefit payments. We generated positive cash flow in our business as our premium revenues exceeded our operating expenses, thereby allowing us to transfer $395 million of cash generated from operating activities to our investment fund in the first quarter of 2016.
- Premium revenues increased $16 million or 1.4% reflecting a 0.7% increase in insurable earnings due to moderate growth in the construction, health care and services industries, net of $8 million of higher net mandatory employer incentive programs expense reflecting improved return to work outcomes.
- The WSIB investment portfolio had a net investment loss of $265 million representing a negative return of 1.0% in the first quarter, a decrease of $1,574 million compared to the first quarter of 2015. We caution readers that current investment returns are not a reflection of expected future performance and caution should be exercised in projecting investment income results into the future based on our current results. The return target on our investments over a rolling 10 to 15-year period has been reduced from 6.0% to 5.25% effective January 1, 2016.
- Benefit payments decreased $10 million or 1.7% reflecting 935 or 2.2% fewer prior year claims, including locked-in claims, partially offset by 43 or 0.7% more current injury year claims compared to the first quarter of 2015.
- Administration and other expenses, before allocation to benefit costs, increased $18 million or 10.1% reflecting $9 million of higher bad debts expenses reflecting the timing of amounts determined to be uncollectible, $3 million of higher salaries and short-term benefits expenses, $3 million of higher depreciation and amortization expenses reflecting the implementation of the new accounts and claims management systems, and $3 million of higher other operating expenses.
- Other comprehensive loss was $160 million primarily attributed to a 15 basis point decrease in the interest rate used to value our employee benefit liabilities compared to December 31, 2015, and pension investment returns lower than expected.
- Our unfunded liability was $6,846 million as at March 31, 2016, an increase of $247 million or 3.7% since December 31, 2015.

Operational highlights for the three months ended March 31, 2016:

Marginal decrease in claim volumes. The number of registered claims in the first quarter of 2016 was 0.7% or 342 claims lower than last year. The decrease was largely a result of lost-time claim volume, which decreased by 2.3% or 312 claims, while the number of no-lost-time claims was nearly unchanged (decrease of 0.1% or 30 claims). The lost-time injury rate improved to 0.87 injuries per 100 workers due to fewer registered claims and a slight increase of 0.7% in insurable earnings in the first quarter of 2016. This reflects an improvement of 3.3% compared to the lost-time injury rate of 0.90 in the first quarter of 2015.

Longer-term claim durations continue to improve. While short-term (3- and 6-month) duration results have held steady in the first quarter of 2016 compared to the same period of 2015, the percentage of workers remaining on loss of earnings benefits at longer-term duration intervals has continued to improve. The percentage of workers who continue to require benefits 12 months after their injury has decreased to 3.6% from 3.9% in the first quarter of 2015, while 72-month duration has decreased to 3.2% from 4.4%.

Positive return-to-work outcomes correspond to continued strong results from the WSIB's Work Transition Program. During the first quarter of 2016, 79.1% of injured workers (Schedule 1) completing their Work Transition plans through the program were successful in finding employment, reflecting a slight increase from 78.6% in the first quarter of 2015. The overall percentage of workers who returned to work within 12 months with no wage loss was 91.0% this quarter, unchanged from the first quarter of 2015.

New method of measuring customer satisfaction. Starting in 2016, the WSIB is reporting results for a new measure of customer satisfaction. In contrast with the Service Excellence Index results, which are based on averages of a series of questions from the customer satisfaction survey, we will now also be sharing the results when injured workers and employers are asked a single question about their overall satisfaction with their WSIB experience. This quarter, 67% of injured workers said that they were satisfied (rating of 4 or 5 on a 5-point scale) when answering this single question; and 78% of the registered employers were satisfied, including employers who have or have not used claim management services.

The new satisfaction metric has been introduced to allow the WSIB to use statistical analysis to better identify the key dimensions that are most heavily impacting customer satisfaction, and the right areas of focus for driving continuous improvement. It also allows the WSIB to more easily compare its performance to workplace compensation boards in other jurisdictions and other public agencies, many of whom report single-question customer satisfaction results.

Low inventory of appeals. The Appeals Services Division's inventory of active appeals (1,920 cases) has once again decreased, despite having reached a historically low level at the end of 2015. The inventory has declined as a result of fewer incoming claims (1,791 in the first quarter of 2016 compared to 2,270 last year) and ongoing timeliness of appeal resolutions. During the first quarter of 2016, 88.7% of appeals were resolved within six months, an improvement over last year's result of 87.1% and above the WSIB's target of 85.0%.

2. Operating Results

A more detailed discussion of our financial performance for the three months ended March 31, 2016 compared to 2015.

Financial highlights

The following table sets forth our operating results for the three months ended March 31:

(millions of Canadian dollars)	Three months ended March 31 2016	2015
Revenues		
Premiums	1,190	1,166
Net mandatory employer incentive programs	(40)	(32)
	1,150	1,134
Net investment income (loss)		
Investment income (loss)	(231)	1,347
Investment expenses	(34)	(38)
	(265)	1,309
	885	**2,443**
Expenses		
Benefit costs		
Benefit payments	582	592
Claim administration costs	102	99
Change in actuarial valuation of benefit liabilities	130	62
	814	753
Loss of Retirement Income Fund contributions	14	14
Administration and other expenses	100	84
Legislated obligations and funding commitments	71	74
	999	925
Excess (deficiency) of revenues over expenses	**(114)**	**1,518**
Other comprehensive loss		
Remeasurements of employee defined benefit plans	(160)	(124)
Total comprehensive income (loss)	**(274)**	**1,394**
Total comprehensive income (loss) attributable to:		
WSIB stakeholders	(247)	1,238
Non-controlling interests	(27)	156
	(274)	**1,394**
Other measures		
Core Earnings[1]	281	271
Return on investments[2]	(1.0)%	6.0%
	Mar. 31 2016	**Dec. 31 2015**
Unfunded liability[3,4]	(6,846)	(6,599)
Unfunded liability - Sufficiency Ratio basis[4]	(6,420)	(6,984)
Sufficiency Ratio[4]	79.7%	77.9%

1. Core Earnings is calculated as total comprehensive income (loss), excluding the impacts of net investment income, change in actuarial valuation and any items that are considered as material and exceptional in nature. See Section 8 – Non-IFRS Financial Measure.
2. Return on investments is calculated as the change in the fair value of the total investment portfolio, taking into account capital contributions and withdrawals prior to investment expenses.
3. Unfunded liability represents the deficiency of net assets attributable to WSIB stakeholders as at the end of the reporting period. The total deficiency of assets of $4,084 million as at March 31, 2016 (December 31, 2015 – $3,797 million) is allocated between the WSIB stakeholders and the non-controlling interests ("NCI") on the basis of their proportionate interests in the net assets of the WSIB. NCI represent the proportionate interest of the net assets and total comprehensive income of subsidiaries in which the WSIB directly or indirectly owns less than 100% interest. NCI of $2,762 million as at March 31, 2016 (December 31, 2015 – $2,802 million) exclude benefit liabilities since the holders of NCI, the WSIB Employees' Pension Plan and other investors are not liable for those obligations. The proportionate share of the total deficiency of assets attributable to WSIB stakeholders as at March 31, 2016 was $6,846 million (December 31, 2015 – $6,599 million) which includes benefit liabilities. Refer to the interim consolidated statements of financial position for further details.
4. Refer to Section 4 – Reconciliation of the Unfunded Liability on a Sufficiency Ratio Basis for further details.

Premiums

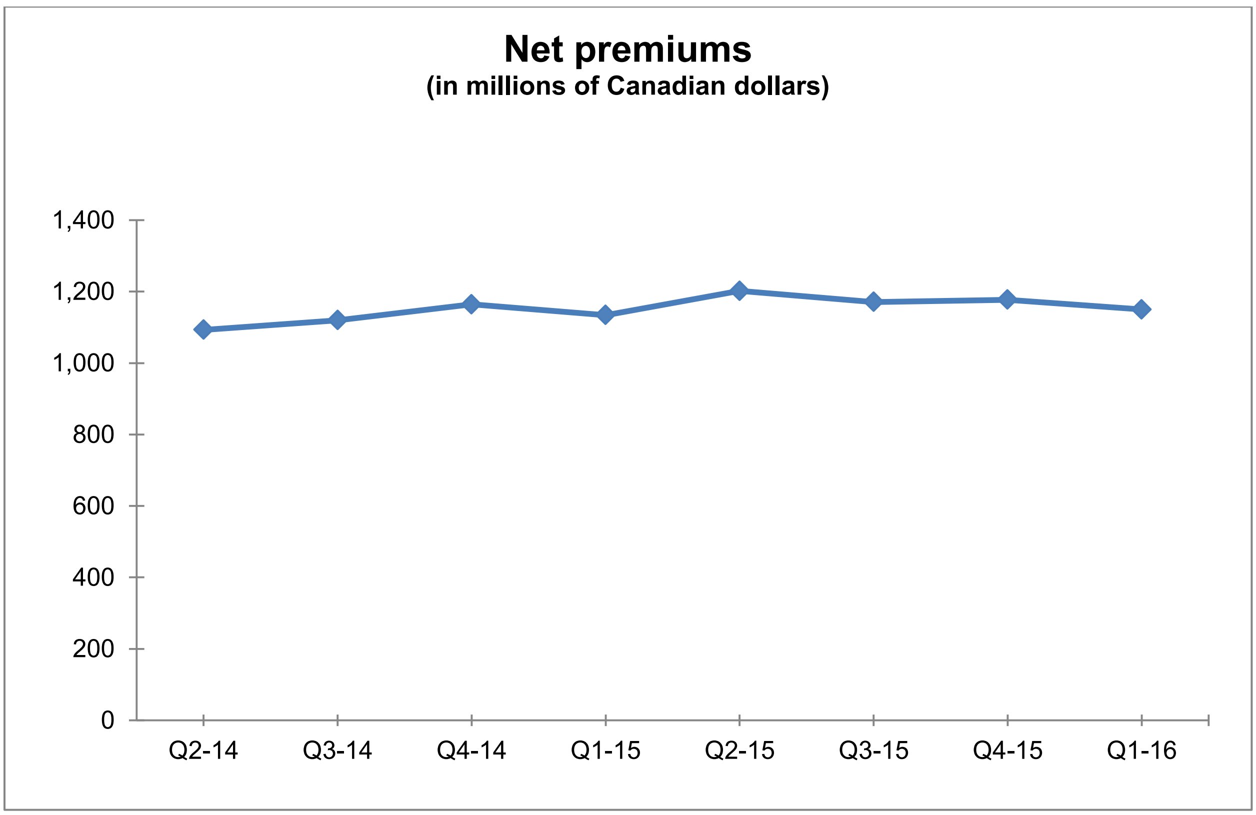
A summary of premiums for the three months ended March 31 is as follows:

	Three months ended March 31			
			Change	
(millions of Canadian dollars)	2016	2015	$	%
Schedule 1 employer premiums				
Gross Schedule 1 premiums	1,157	1,138	19	1.7
Interest and penalties	12	11	1	9.1
	1,169	1,149	20	1.7
Schedule 2 employer administration fees	21	17	4	23.5
	1,190	1,166	24	2.1
Net mandatory employer incentive programs	(40)	(32)	(8)	(25.0)
	1,150	1,134	16	1.4

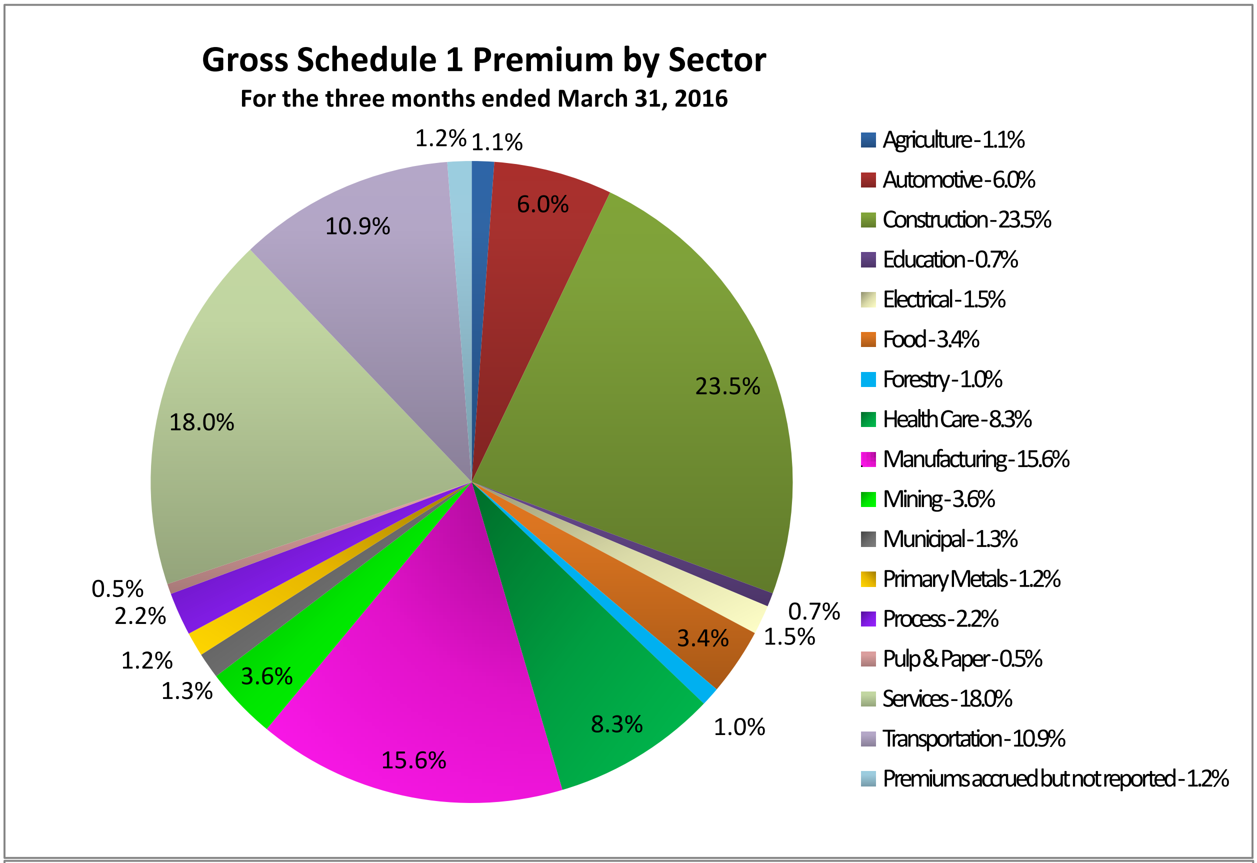
For the three months ended March 31, 2016, gross premiums increased $19 million or 1.7%, reflecting $8 million attributed to a 0.7% increase in insurable earnings and $11 million attributed to the slight increase in the realized average premium rate collected from employers in 2016 due to a favourable shift in industry sector mix.

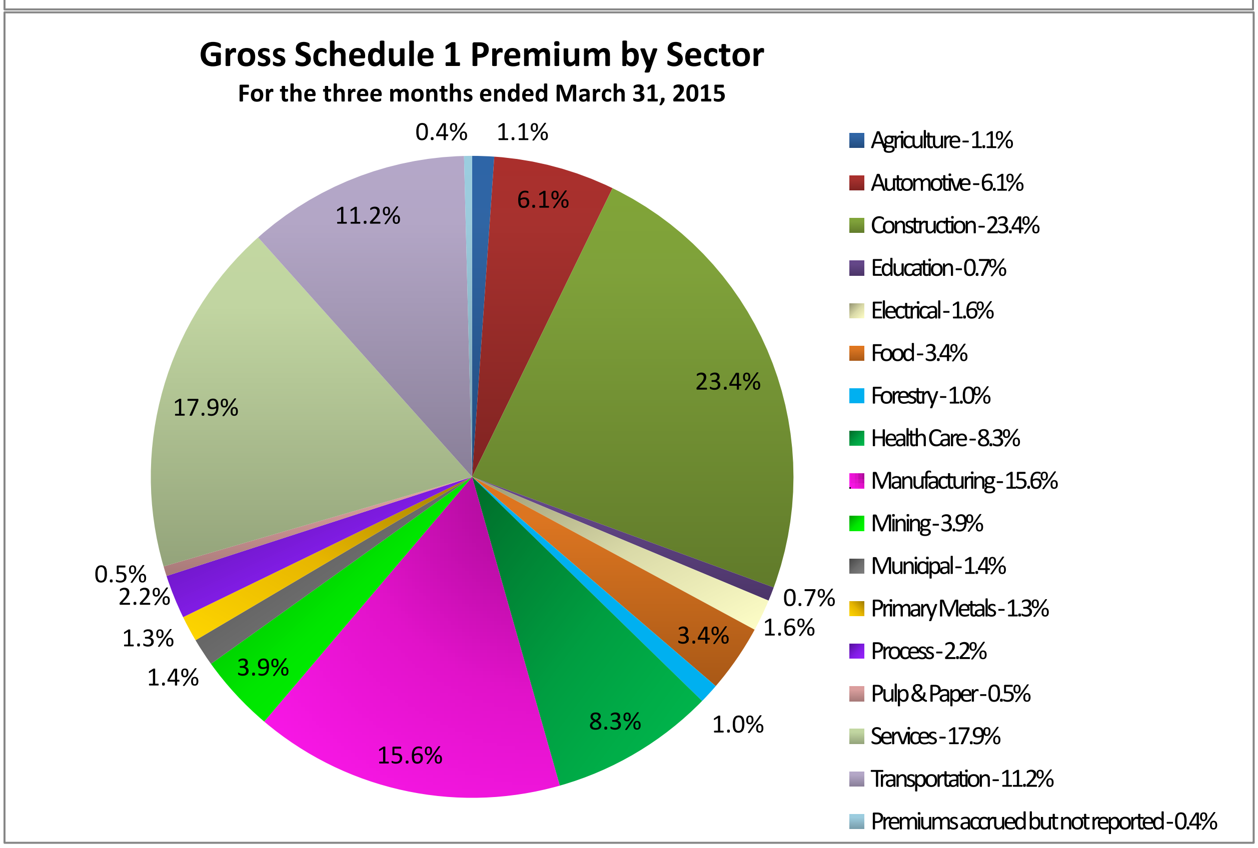
For the three months ended March 31, 2016, payouts in net mandatory employer incentive programs increased due to higher refunds available under the retrospective experience-rating programs, principally the New Experimental Experience Rating program (the "NEER"), reflecting favourable claims experience.

The following chart displays the premium revenues for the eight consecutive quarters ended March 31, 2016:



The following charts display gross premiums by sector for the three months ended March 31:





Net investment income (loss)

A summary of investment income (loss), segmented by asset class, for the three months ended March 31, is as follows:

Asset Class	Three months ended March 31							
	2016				2015			
(millions of Canadian dollars)	Investment income (loss)	Return %	Net asset value[1]	%	Investment income (loss)	Return %	Net asset value[1]	%
Public equity securities	(333)	(3.7)	9,569	36.3	766	9.1	9,466	37.2
Fixed income	83	1.4	6,447	24.4	245	4.4	6,071	23.9
Multi-asset	(56)	(0.9)	5,028	19.0	321	5.4	6,237	24.5
Real estate	15	0.8	2,241	8.5	5	0.4	1,958	7.7
Infrastructure[2]	59	4.1	1,404	5.3	9	(0.6)	682	2.7
Cash and cash equivalents	1	-	1,646	6.2	1	-	939	3.7
Other	-	-	71	0.3	-	-	72	0.3
Investment income (loss)	**(231)**	**(1.0)**	**26,406**	**100.0**	**1,347**	**6.0**	**25,425**	**100.0**
Investment expenses	(34)				(38)			
Net investment income (loss)	**(265)**				**1,309**			

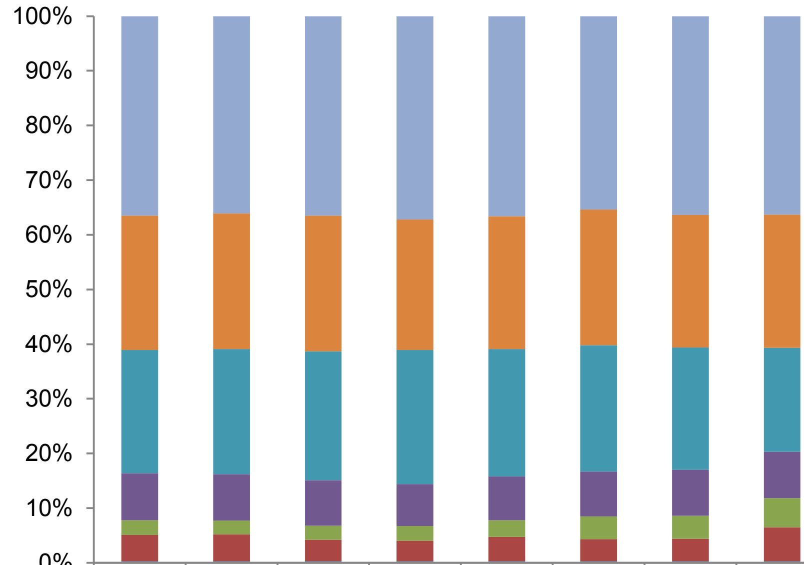
1. Total net asset value includes investment cash, investment receivables and payables, and investment derivatives.
2. The negative return in infrastructure for the three months ended March 31, 2015 reflects a valuation adjustment (reduction of $13 million) reported by the WSIB as at December 31, 2014 but not reported by the custodian. In January 2015, the valuation adjustment was reported by the custodian.

For the three months ended March 31, 2016, net investment income decreased by $1,574 million over the same period last year, reflecting an overall negative return of 1.0% or net investment loss of $265 million for the first quarter.

Portfolio returns were driven by weak equity and hedge fund returns, offset by positive returns from bonds and private markets. Public equity securities and Multi-asset strategies returns were negative (3.7% and 0.9%, respectively) resulting in losses of $389 million, while positive returns in Infrastructure (4.1%), Fixed income (1.4%) and Real Estate (0.8%) offset these losses by $157 million.

The following chart displays the different components of net asset value for the eight consecutive quarters ended March 31, 2016:

Net Asset Value



	Q2-14	Q3-14	Q4-14	Q1-15	Q2-15	Q3-15	Q4-15	Q1-16
Public equity securities	36.5%	36.1%	36.5%	37.2%	36.6%	35.4%	36.4%	36.3%
Fixed income	24.6%	24.8%	24.8%	23.9%	24.3%	24.8%	24.2%	24.4%
Multi-asset	22.5%	22.9%	23.6%	24.5%	23.3%	23.1%	22.4%	19.0%
Real estate	8.6%	8.5%	8.3%	7.7%	8.0%	8.2%	8.4%	8.5%
Infrastructure	2.7%	2.5%	2.6%	2.7%	3.1%	4.2%	4.2%	5.3%
Cash and cash equivalents	4.8%	4.9%	3.9%	3.7%	4.4%	4.0%	4.1%	6.2%
Other	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%	0.3%

Benefit costs

Benefit costs consist of: (i) benefit payments to or on behalf of injured workers; (ii) claim administration costs, which represent an estimate of our administration costs necessary to support benefit programs; and (iii) the change in the actuarial valuation of our benefit liabilities, which represents an adjustment to the actuarially determined estimates for future claim costs existing at the dates of the interim consolidated statements of financial position.

A summary of benefit costs for the three months ended March 31 is as follows:

	Three months ended March 31			
			Change	
(millions of Canadian dollars)	**2016**	**2015**	**$**	**%**
Benefit payments	582	592	(10)	(1.7)
Claim administration costs	102	99	3	3.0
Change in actuarial valuation of benefit liabilities	130	62	68	100+
Total benefit costs	**814**	**753**	**61**	**8.1**

Benefit payments

Benefit payments represent cash paid during the three months ended March 31 to or on behalf of injured workers. Benefit payments are comprised of the following:

	Three months ended March 31			
			Change	
(millions of Canadian dollars)	**2016**	**2015**	**$**	**%**
Loss of earnings	206	207	(1)	(0.5)
Workers' pensions	141	147	(6)	(4.1)
Health care	121	119	2	1.7
Future economic loss	51	55	(4)	(7.3)
Survivor benefits	49	46	3	6.5
External providers	7	9	(2)	(22.2)
Non-economic loss	10	11	(1)	(9.1)
Other	(3)	(2)	(1)	(50.0)
Total benefit payments	**582**	**592**	**(10)**	**(1.7)**

A summary of the significant changes in benefit payments for the three months ended March 31, 2016 is as follows:

- Loss of earnings benefits decreased primarily due to improved claims management through better recovery and return to work outcomes, reflecting 1,378 or 6.9% fewer non-locked-in claims.
- Workers' pensions decreased reflecting the natural reduction of claims due to mortality.
- Future economic loss decreased reflecting the natural reduction in the number of claimants due to mortality or reaching age 65, the age at which these benefits cease. These programs have been discontinued.
- Survivor benefits increased reflecting annual indexation, as well as the impact of firefighter presumptive occupational diseases.
- External providers expense decreased primarily due to fewer lost-time injuries and a more targeted approach to return to work.

Claim administration costs

Claim administration costs reflect the portions of administration and other expenses and legislated obligations and funding commitments expenses allocated to benefit costs. A summary of claim administration costs for the three months ended March 31 is as follows:

	Three months ended March 31			
			Change	
(millions of Canadian dollars)	**2016**	**2015**	**$**	**%**
Allocation from administration and other expenses	97	95	2	2.1
Allocation from legislated obligations and funding commitments expenses	5	4	1	25.0
Total claim administration costs	**102**	**99**	**3**	**3.0**

For the three months ended March 31, 2016, the change was primarily attributed to higher administration and other expenses.

Change in actuarial valuation of benefit liabilities

	Three months ended March 31			
			Change	
(millions of Canadian dollars)	**2016**	**2015**	**$**	**%**
Change in actuarial valuation of benefit liabilities	130	62	68	100+

For the three months ended March 31, 2016, the change in actuarial valuation of benefit liabilities was $130 million, which includes the impact of the legislative amendment of $35 million for presumptive posttraumatic stress disorder (“PTSD”).

Change in actuarial valuation of benefit liabilities for the three months ended March 31, 2016 is detailed as follows:

(millions of Canadian dollars)	
Benefit liabilities as at December 31, 2015	**27,830**
Payments made in 2016 for prior injury years	(647)
Interest accretion[1]	327
Liabilities incurred for the 2016 injury year	411
Experience losses	4
Impact of legislative amendment[2]	35
Benefit liabilities as at March 31, 2016	**27,960**
Change in actuarial valuation of benefit liabilities	**130**

1. Accretion represents the estimated interest cost of the benefit liabilities, considering the discount rate, benefit liabilities at the beginning of the period and payments made during the period.
2. Impact of legislative amendment includes an increase of $35 million relating to PTSD. On April 5, 2016, Bill 163, *Supporting Ontario’s First Responders Act (Posttraumatic Stress Disorder), 2016* (“Bill 163”) was passed by the Legislature. This amends the *Workplace Safety and Insurance Act, 1997* with respect to first responders diagnosed with PTSD. The amendments provide that if a first responder is diagnosed with PTSD and meets specific employment and diagnostic criteria, that first responder’s PTSD is presumed to have arisen out of and in the course of his or her employment, unless the contrary is shown. In specific circumstances, the presumption will apply to first responders diagnosed with PTSD up to 24 months before the coming-in-force date, as well as those claims for which a decision is pending from either the WSIB or the Workplace Safety and Insurance Appeals Tribunal on the date the legislation comes into force.

Administration and other expenses

	Three months ended March 31			
			Change	
(millions of Canadian dollars)	2016	2015	$	%
Salaries and short-term benefits	106	103	3	2.9
Long-term employee benefit plans	41	40	1	2.5
Bad debts	7	(2)	9	100+
Communications	3	2	1	50.0
Depreciation and amortization	4	1	3	100+
Equipment and maintenance	17	15	2	13.3
Facilities	8	10	(2)	(20.0)
Systems development and integration	1	1	-	-
Termination benefits	1	2	(1)	(50.0)
Other	9	7	2	28.6
	197	179	18	10.1
Claim administration costs allocated to benefit costs	(97)	(95)	(2)	(2.1)
Total administration and other expenses	**100**	**84**	**16**	**19.0**

A summary of the significant changes in administration and other expenses, before allocation to benefit costs, for the three months ended March 31, 2016 is as follows:

- Salaries and short-term benefits increased reflecting inflationary pressures and higher employee long-term disability benefit expenses.
- Bad debts increased reflecting the timing of amounts determined to be uncollectible.
- Depreciation and amortization increased reflecting the implementation of new accounts and claims management systems.

Legislated obligations and funding commitments expenses

	Three months ended March 31			
			Change	
(millions of Canadian dollars)	2016	2015	$	%
Legislated obligations				
Occupational Health and Safety Act	25	24	1	4.2
Ministry of Labour Prevention Costs	28	29	(1)	(3.4)
	53	53	-	-
Workplace Safety and Insurance Appeals Tribunal	5	5	-	-
Workplace Safety and Insurance Advisory Program	5	5	-	-
Total legislated obligations	**63**	**63**	**-**	**-**
Funding commitments				
Safety program rebates	13	15	(2)	(13.3)
Total funding commitments	**13**	**15**	**(2)**	**(13.3)**
	76	**78**	**(2)**	**(2.6)**
Claim administration costs allocated to benefit costs	(5)	(4)	(1)	(25.0)
Total legislated obligations and funding commitments	**71**	**74**	**(3)**	**(4.1)**

For the three months ended March 31, 2016, legislated obligations and funding commitments expenses, before allocation to benefit costs, decreased $2 million or 2.6%, reflecting lower safety program rebates.

3. Financial Condition

A discussion of the significant changes in our March 31, 2016 unaudited condensed interim consolidated statements of financial position.

Changes in our interim consolidated statements of financial position are as follows:

(millions of Canadian dollars)	Mar. 31 2016	Dec. 31 2015	Change $	Change %	Commentary
Assets					
Cash and cash equivalents	1,933	1,581	352	22.3	Increase primarily reflects increase in cash held for investment purposes. Refer to the condensed interim consolidated statements of cash flows for more details.
Receivables	1,465	1,614	(149)	(9.2)	Decrease reflects lower investment receivables and lower premium receivables offset by increase in surcharges on experience ratings.
Public equity securities	9,968	10,055	(87)	(0.9)	Net decline due to lower investment returns offset by transfers from Operations. Increase in derivative assets reflects changes in our currency and future positions within our Investment portfolio. Refer to Section 2 – Operating Results for details.
Bonds	6,924	6,756	168	2.5	
Derivative assets	259	68	191	100+	
Other invested assets	7,451	7,947	(496)	(6.2)	
Property, equipment and intangible assets	288	284	4	1.4	No significant changes.
Liabilities					
Payables and accruals	1,152	1,077	75	7.0	Increase in investment payables offset by decrease in refunds on experience ratings.
Derivative liabilities	49	133	(84)	(63.2)	Decrease reflects changes in our currency and futures positions within our Investment portfolio.
Long-term debt	116	116	-	-	No significant changes.
Loss of Retirement Income Fund liability	1,703	1,724	(21)	(1.2)	No significant changes.
Employee benefit plans liability	1,392	1,222	170	13.9	Increase reflects a reduction in the interest rate used for valuation.
Benefit liabilities	27,960	27,830	130	0.5	Increase reflects impact of legislative amendment relating to posttraumatic stress disorder.
Unfunded liability	(6,846)	(6,599)	(247)	(3.7)	Changes reflect total comprehensive income (loss) attributable to WSIB stakeholders.
Unfunded liability - Sufficiency Ratio basis	(6,420)	(6,984)	564	8.1%	Strengthening due to continued operating improvements resulting from growth in premium revenues and lower benefit payments.
Sufficiency Ratio	79.7%	77.9%		1.8%	

4. Reconciliation of the Unfunded Liability on a Sufficiency Ratio Basis

An explanation and discussion about the changes to the March 31, 2016 unfunded liability on a Sufficiency Ratio basis.

The Sufficiency Ratio is calculated by comparing total assets to total liabilities, with certain assets and liabilities measured on a different basis than that required under IFRS. For the purpose of the Sufficiency Ratio calculation, the amounts of total assets, as presented on the interim consolidated statements of financial position, are adjusted to reflect measurement on a going concern basis.

On a going concern basis, investment assets are valued at fair value adjusted for the unamortized gains or losses relative to the long-term expected rate of return on those assets, less the interests in those assets held by third parties (non-controlling interests). Investment gains and losses that differ from the long-term expected rate of return are amortized over a five-year period. The values of the obligations of the Employee Benefit Plans are determined through an actuarial valuation using the going concern basis, rather than the market basis.

As at March 31, 2016, the Sufficiency Ratio, as defined in *Ontario Regulation 141/12* and amended by *Ontario Regulation 338/13* (collectively, the "Sufficiency Regulation"), was 79.7% (December 31, 2015 – 77.9%). Set forth below is the reconciliation of the unfunded liability ("UFL") between the IFRS and Sufficiency Ratio basis:

(millions of Canadian dollars)	**March 31 2016**	**December 31 2015**
UFL attributable to WSIB stakeholders on an IFRS basis	6,846	6,599
Add/(Less): Adjustments per Sufficiency Regulation:		
Change in valuation of investment assets	298	981
Change in valuation of employee benefit plans liability	(695)	(465)
Change in valuation of investment assets attributable to non-controlling interests	(29)	(131)
UFL attributable to WSIB stakeholders on a Sufficiency Ratio basis	**6,420**	**6,984**
Sufficiency Ratio	**79.7%**	**77.9%**

5. Summary of Quarterly Results

A summary view of our quarterly financial performance.

Selected financial information for the eight consecutive quarters ended March 31, 2016 is as follows:

	2016	2015				2014		
(millions of Canadian dollars)	**Q1**	**Q4**	**Q3**	**Q2**	**Q1**	**Q4**	**Q3**	**Q2**
Net premiums	1,150	1,177	1,171	1,202	1,134	1,164	1,120	1,093
Net investment income (loss)	(265)	726	(528)	(308)	1,309	554	145	519
Benefit costs								
Benefit payments	582	591	574	575	592	610	586	612
Claim administration costs	102	102	99	98	99	68	100	93
Change in actuarial valuation of benefit liabilities	130	1,040	(65)	(7)	62	(153)	(216)	111
	814	1,733	608	666	753	525	470	816
Loss of Retirement Income Fund contributions	14	13	15	14	14	15	14	15
Administration and other expenses	100	120	87	115	84	131	68	84
Legislated obligations and funding commitments	71	61	62	66	74	56	72	72
Excess (deficiency) of revenues over expenses	(114)	(24)	(129)	33	1,518	991	641	625
Remeasurements of employee defined benefit plans (Other comprehensive income (loss))	(160)	(39)	15	193	(124)	34	(75)	(114)
Total comprehensive income (loss)	(274)	(63)	(114)	226	1,394	1,025	566	511
Total comprehensive income (loss) attributable to WSIB stakeholders	(247)	(148)	(57)	258	1,238	958	545	445
Other measures								
Core Earnings[1]	281	290	334	334	271	284	280	217
Return on investments (%)[2]	(1.0)	3.2	(2.1)	(1.2)	6.0	2.7	0.8	2.6
Unfunded liability[3,4]	6,846	6,599	6,451	6,394	6,652	7,890	8,848	9,393
Unfunded liability - Sufficiency Ratio basis[4]	6,420	6,984	6,584	7,331	8,105	8,697	9,366	10,286

Our quarterly revenues and expenses are impacted by a number of trends and recurring factors such as seasonality as well as general economic and market conditions. Our premium revenues are also impacted by insurable earnings, which rise and fall with the employment levels in the industries we insure. The decline in net investment income in the first quarter reflects the decline in global equities markets and the higher Canadian dollar, which led to currency losses on foreign assets offset by stronger Canadian performance on the strength of the resource sector.

1. Core Earnings is calculated as total comprehensive income (loss), excluding the impacts of net investment income (loss), change in actuarial valuation and any items that are considered as material and exceptional in nature. See Section 8 – Non-IFRS Financial Measure.
2. Return on investments is calculated as the change in the fair value of the total investment portfolio, taking into account capital contributions and withdrawals, prior to investment expenses.
3. Unfunded liability represents the deficiency of net assets attributable to WSIB stakeholders as at the end of the reporting period. The total deficiency of assets of $4,084 million as at March 31, 2016 (December 31, 2015 – $3,797 million) is allocated between the WSIB stakeholders and the non-controlling interests (“NCI”) on the basis of their proportionate interests in the net assets of the WSIB. NCI represent the proportionate interest of the net assets and total comprehensive income of subsidiaries in which the WSIB directly or indirectly owns less than 100% interest. NCI of $2,762 million as at March 31, 2016 (December 31, 2015 – $2,802 million) excludes benefit liabilities since the holders of NCI, the WSIB Employees’ Pension Plan and other investors are not liable for those obligations. The proportionate share of the total deficiency of assets attributable to WSIB stakeholders as at March 31, 2016 was $6,846 million (December 31, 2015 – $6,599 million) which includes benefit liabilities. Refer to the interim consolidated statements of financial position for further details.
4. Refer to Section 4 – Reconciliation of the Unfunded Liability on a Sufficiency Ratio Basis for further details.

6. Outlook for the year ending December 31, 2016

The outlook for our business for the year ending December 31, 2016.

Original 2016 Expectation	Current 2016 Outlook
Premiums. Modest increase reflecting an assumed 1.2% increase in employment growth and a 1.3% increase in average wages, partially offset by $22 million of higher net mandatory employer incentive programs expense. While average premium rates in 2016 are anticipated to remain unchanged from the prior year, employers continue to contribute towards retiring the unfunded liability.	*Premiums.* No significant change.
Net investment income. We anticipate a 5.25% return on assets, consistent with our long-term planning assumption.	*Net investment income*. No change.
Benefit payments. Benefit payments are anticipated to be $2.3 billion in 2016, approximating the level of benefit payments in 2015.	*Benefit payments.* Although no significant changes are anticipated, we caution readers that the level of benefit payments may rise as legislative changes have introduced new types of compensable claims.
Administration and other expenses. We anticipate an increase in 2016 reflecting increases for information technology costs and higher new systems development and integration expenses as a result of our transformational efforts.	*Administration and other expenses.* Modest increase reflecting higher short-term employee benefit rates and higher information technology costs.
Legislated obligations. We anticipate $300 million in 2016, an increase of $17 million or 6.0% reflecting an increase in safety program rebates.	*Legislated obligations*. No significant change.
Unfunded liability. We anticipate a decrease, based on current funding and benefit levels, and as measured under current accounting and actuarial standards as a result of continued operational excellence.	*Unfunded liability.* No significant change.

7. Internal Control over Financial Reporting

A statement of responsibilities regarding internal control over financial reporting.

Management is responsible for the accuracy, integrity and objectivity of the interim consolidated financial statements within reasonable limits of materiality. The WSIB's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of interim consolidated financial statements for external purposes in accordance with IFRS. Management is also responsible for the preparation and presentation of additional financial information included in the annual report and ensuring its consistency with the interim consolidated financial statements.

8. Non-IFRS Financial Measure

A definition of our non-IFRS financial measure.

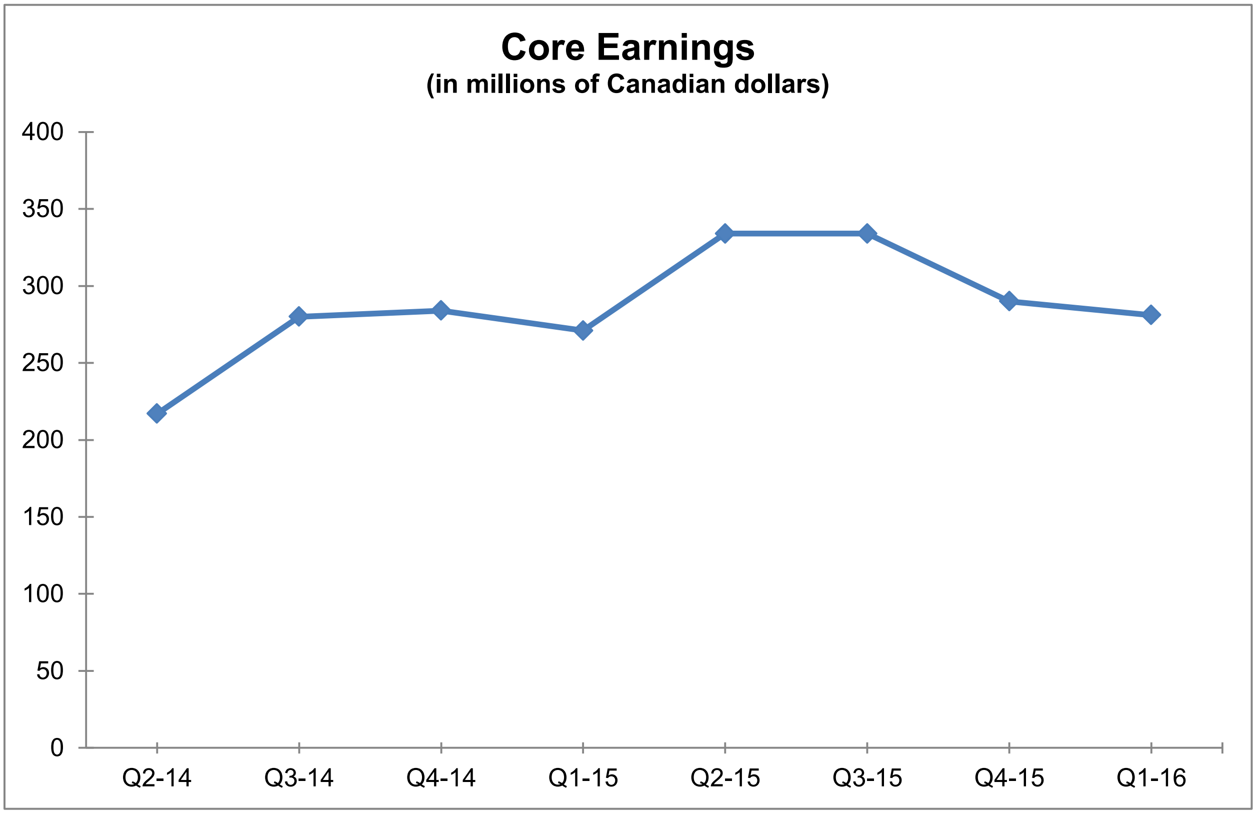
Core Earnings

The WSIB utilizes "Core Earnings," a non-IFRS financial measure, to help stakeholders better understand our underlying operating performance. This measure is relevant in how we manage our operations and offers a consistent methodology in evaluating our underlying performance. Core Earnings are defined as total comprehensive income (loss), excluding the impacts of net investment income (loss), change in actuarial valuation and any items that are considered as material and exceptional in nature. This measure does not have any standard meaning prescribed by IFRS and is not necessarily comparable to similarly titled measures of other organizations.

Set forth below is the reconciliation of Core Earnings and total comprehensive income (loss), the most directly comparable financial measure calculated and presented consistent with IFRS:

	Three months ended March 31	
(millions of Canadian dollars)	**2016**	**2015**
Total comprehensive income (loss) for the period	(274)	1,394
Add/(Less): Net investment income (loss)	265	(1,309)
Add/(Less): Change in actuarial valuation of benefit liabilities	130	62
Add/(Less): Change in actuarial valuation of employee benefit plans	160	124
Core Earnings	**281**	**271**

The following chart displays core earnings for the eight consecutive quarters ended March 31, 2016:



9. Forward-looking Statements

Caution regarding forward-looking statements.

This MD&A contains “forward-looking statements,” within the meaning of applicable Canadian securities laws. Forward-looking statements can be identified by the use of words such as “anticipates,” or “believes,” “budget,” “estimates,” “expects,” or “is expected,” “forecasts,” “intends,” “plans,” “scheduled,” or variations of such words and phrases or state that certain actions, events or results “could,” “may,” “might,” “will,” or “would,” be taken, occur or be achieved. These forward-looking statements are based on current expectations, various assumptions and analyses, expected future developments and other factors we believe are appropriate in the circumstances. These forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in our forward-looking statements.

We believe that the expectations represented by our forward-looking statements are reasonable, yet there can be no assurance that such expectations will prove to be correct. The purpose of the forward-looking statements is to provide the reader with a description of management’s expectations regarding our anticipated financial performance and may not be appropriate for other purposes. Furthermore, unless otherwise stated, the forward-looking statements contained in this report are made as of the date of this report and we do not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable legislation or regulation.

WORKPLACE SAFETY AND INSURANCE BOARD

Condensed Interim Consolidated Statements of Financial Position
Unaudited (millions of Canadian dollars)

	Note	March 31 2016	December 31 2015
Assets			
Cash and cash equivalents	4	1,933	1,581
Receivables	3	1,465	1,614
Public equity securities	4	9,968	10,055
Bonds	4	6,924	6,756
Derivative assets	4	259	68
Other invested assets	4	7,451	7,947
Property, equipment and intangible assets		288	284
Total assets		**28,288**	**28,305**
Liabilities			
Payables and accruals		1,152	1,077
Derivative liabilities	4	49	133
Long-term debt		116	116
Loss of Retirement Income Fund liability		1,703	1,724
Employee benefit plans liability	5	1,392	1,222
Benefit liabilities	6	27,960	27,830
Total liabilities		**32,372**	**32,102**
Deficiency of assets			
Unfunded liability attributable to WSIB stakeholders		(6,846)	(6,599)
Non-controlling interests		2,762	2,802
Total deficiency of assets		**(4,084)**	**(3,797)**
Total liabilities and deficiency of assets		**28,288**	**28,305**

Commitments and contingent liabilities (note 7)

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

WORKPLACE SAFETY AND INSURANCE BOARD

Condensed Interim Consolidated Statements of Comprehensive Income
Unaudited (millions of Canadian dollars)

		Three months ended March 31	
	Note	**2016**	**2015**
Revenues			
Premiums		1,190	1,166
Net mandatory employer incentive programs		(40)	(32)
		1,150	1,134
Net investment income (loss)			
Investment income (loss)	4	(231)	1,347
Investment expenses	4	(34)	(38)
Total net investment income (loss)		(265)	1,309
Total revenues		**885**	**2,443**
Expenses			
Benefit costs			
Benefit payments		582	592
Claim administration costs		102	99
Change in actuarial valuation of benefit liabilities		130	62
		814	753
Loss of Retirement Income Fund contributions		14	14
Administration and other expenses		100	84
Legislated obligations and funding commitments		71	74
Total expenses		**999**	**925**
Excess (deficiency) of revenues over expenses		**(114)**	**1,518**
Other comprehensive loss			
Remeasurements of employee defined benefit plans	5	(160)	(124)
Total comprehensive income (loss)		**(274)**	**1,394**

	Three months ended March 31	
	2016	**2015**
Excess (deficiency) of revenues over expenses attributable to:		
WSIB stakeholders	(87)	1,362
Non-controlling interests	(27)	156
	(114)	**1,518**
Total comprehensive income (loss) attributable to:		
WSIB stakeholders	(247)	1,238
Non-controlling interests	(27)	156
	(274)	**1,394**

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

WORKPLACE SAFETY AND INSURANCE BOARD

Condensed Interim Consolidated Statements of Changes in Deficiency of Assets
Unaudited (millions of Canadian dollars)

		Deficiency of assets		
	Note	**Unfunded liability attributable to WSIB stakeholders**	**Non-controlling interests**	**Total**
Balance as at December 31, 2014		(7,890)	2,644	(5,246)
Excess of revenues over expenses		1,362	156	1,518
Remeasurements of employee defined benefit plans	5	(124)	-	(124)
Change in ownership share in investments		-	(3)	(3)
Balance as at March 31, 2015		(6,652)	2,797	(3,855)
Deficiency of revenues over expenses		(116)	(4)	(120)
Remeasurements of employee defined benefit plans		169	-	169
Change in ownership share in investments		-	9	9
Balance as at December 31, 2015		(6,599)	2,802	(3,797)
Deficiency of revenues over expenses		(87)	(27)	(114)
Remeasurements of employee defined benefit plans	5	(160)	-	(160)
Change in ownership share in investments		-	(13)	(13)
Balance as at March 31, 2016		**(6,846)**	**2,762**	**(4,084)**

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

WORKPLACE SAFETY AND INSURANCE BOARD

Condensed Interim Consolidated Statements of Cash Flows
Unaudited (millions of Canadian dollars)

	Three months ended March 31	
	2016	**2015**
Operating activities:		
Total comprehensive income (loss)	(274)	1,394
Adjustments:		
Depreciation and amortization of property, equipment and intangible assets	4	3
Changes in fair value of investments	403	(1,310)
Changes in fair value of investment properties	10	15
Dividend income from public equity securities	(81)	(64)
Income from joint ventures	(18)	(8)
Interest income	(56)	(51)
Interest expense	2	4
Total comprehensive loss after adjustments	(10)	(17)
Changes in non-cash balances related to operations:		
Receivables, excluding those related to investing activities	(1)	(54)
Payables and accruals, excluding those related to investing and financing activities	(89)	(68)
Loss of Retirement Income Fund liability	(21)	77
Employee benefit plans liability	170	136
Benefit liabilities	130	62
Total changes in non-cash balances related to operations	189	153
Net cash provided by operating activities	**179**	**136**
Investing activities:		
Dividends received from public equity securities and joint ventures	79	68
Interest received	32	32
Purchases of property, equipment and intangible assets	(8)	(17)
Purchases of investments	(3,015)	(3,434)
Proceeds on sales and maturities of investments	3,106	3,087
Net additions to investment properties	(6)	(6)
Acquisitions of joint ventures	(1)	(5)
Net cash provided (required) by investing activities	**187**	**(275)**
Financing activities:		
Proceeds on dispositions of non-controlling interests	1	15
Distributions paid by subsidiaries to non-controlling interests	(14)	(18)
Net issue of debt	1	-
Interest paid on debt	(2)	(3)
Net cash required by financing activities	**(14)**	**(6)**
Net increase (decrease) in cash and cash equivalents	**352**	**(145)**
Cash and cash equivalents, beginning of period	1,581	1,473
Cash and cash equivalents, end of period	**1,933**	**1,328**

The accompanying notes form an integral part of these condensed interim consolidated financial statements.

Unaudited (millions of Canadian dollars)

1. Nature of Operations

The Workplace Safety and Insurance Board (the "WSIB") is a statutory corporation created by an Act of the Ontario Legislature in 1914 and domiciled in the Province of Ontario (the "Province"). As a trust agency of the Government of Ontario (as classified in the Agency and Appointments Directive), the WSIB is responsible for administering the Workplace Safety and Insurance Act, 1997 (Ontario) (the "WSIA"), which establishes a no-fault insurance scheme that provides benefits to workers who experience workplace injuries or illnesses.

The WSIB promotes workplace health and safety in the Province and provides a workplace compensation system for Ontario-based employers and workers. The WSIB is funded entirely by employer premiums and does not receive any government funding or assistance. Revenues are also earned from a diversified investment portfolio held to meet future obligations on existing claims.

The WSIB's registered office is located at 200 Front Street West, Toronto, Ontario, M5V 3J1.

2. Statement of Compliance

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting, using accounting policies consistent with International Financial Reporting Standards ("IFRS"), which have been adopted by the Accounting Standards Board of Canada as Canadian generally accepted accounting principles for public interest entities.

These condensed interim consolidated financial statements were authorized for issuance by the WSIB's Board of Directors on June 23, 2016.

3. Receivables

Receivables are comprised of the following:

	March 31 2016	**December 31 2015**
Premiums receivable	220	259
Less: Allowance for doubtful accounts	(90)	(92)
	130	167
Accrued premiums receivable	483	507
	613	674
Employer incentive programs surcharges	404	353
Other assets	45	35
Accounts receivable	1,062	1,062
Investment receivables	403	552
Total receivables	**1,465**	**1,614**

Schedule 1 employer premiums are assessed and are receivable when employers report their insurable earnings for the current year. For employers who have not reported, premiums are estimated and included in the accrued premiums receivable.

Unaudited (millions of Canadian dollars)

4. Invested Assets and Net Investment Income

Invested assets

The following provides a summary of the nature of the invested assets by investment strategy:

	Public equities	Fixed income	Multi-asset	Real estate	Infra-structure	Other	Mar. 31 2016	Dec. 31 2015
Public equity securities	**9,528**	**-**	**440**	**-**	**-**	**-**	**9,968**	**10,055**
Bonds	**-**	**6,390**	**534**	**-**	**-**	**-**	**6,924**	**6,756**
Derivative assets	**45**	**-**	**182**	**4**	**28**	**-**	**259**	**68**
Alternative investments[1]	-	-	3,767	435	1,247	71	5,520	6,024
Investment properties	-	-	-	1,357	-	-	1,357	1,361
Joint ventures	-	-	-	445	129	-	574	562
Other invested assets	**-**	**-**	**3,767**	**2,237**	**1,376**	**71**	**7,451**	**7,947**

1. Alternative investments include private market investments, pooled funds and annuities.

Net investment income (loss)

Net investment income (loss) is as follows:

	Three months ended March 31	
	2016	**2015**
Public equity securities	(468)	992
Bonds	62	297
Alternative investments	(405)	602
Investment properties	5	(2)
Income from joint ventures	18	8
Derivatives	542	(467)
Cash and cash equivalents	1	1
Less: Income (loss) attributable to Loss of Retirement Income Fund	14	(84)
Investment income (loss)	**(231)**	**1,347**
Less: Investment expenses	(34)	(38)
Net investment income (loss)	**(265)**	**1,309**

Unaudited (millions of Canadian dollars)

Net investment income (loss), including income from cash and cash equivalents and derivatives, for the three months ended March 31 is comprised of the following:

	Three months ended March 31	
	2016	**2015**
Net gains (losses) on financial instruments	(403)	1,310
Interest and dividend income	135	115
Income (loss) from investment properties	5	(2)
Income from joint ventures	18	8
Less: Income (loss) attributable to Loss of Retirement Income Fund	14	(84)
Investment income (loss)	**(231)**	**1,347**
Less: Investment expenses	(34)	(38)
Net investment income (loss)	**(265)**	**1,309**

Fair value measurement and disclosures

The table below provides a general description of the valuation methods used for fair value measurements.

Hierarchy level	Valuation method
Level 1	Fair value is measured as the closing bid price for identical assets in an active public market at the reporting date.
Level 2	Where bid prices in an active public market are not available, observable inputs are used to estimate fair value using a market approach or an income approach. When using a market approach, fair value is estimated by adjusting the market price of a similar asset or liability, using inputs such as quoted interest or currency rates. Estimated fair value using an income approach is based on fixed future cash flows discounted using market interest rates for similar assets or liabilities.
Level 3	*Alternative investments* The fair value of alternative investments in real estate entities is estimated using valuations of the underlying investment properties, with the same methods as noted below for investment properties. *Investment properties* Fair values of investment properties are estimated based on valuations performed by qualified appraisers. The valuations of the investment properties are primarily based on discounted expected future cash flows of each property, using discount and terminal capitalization rates reflective of the characteristics, location and market of the property. The future cash flows are based on, among other things, rental income from current leases and assumptions about rental income from future leases reflecting current conditions, less future cash outflows relating to such current and future leases.

During the three months ended March 31, 2016 and the year ended December 31, 2015, there were no changes in the levels of classification of financial instruments. Transfers between levels within the hierarchy are recognized at the end of the reporting period.

Unaudited (millions of Canadian dollars)

The following table provides the fair value hierarchy classifications for assets and liabilities:

	March 31, 2016				December 31, 2015			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets and liabilities measured at fair value								
Cash and cash equivalents[1]	716	1,217	-	1,933	624	957	-	1,581
Public equity securities	9,925	43	-	9,968	10,011	44	-	10,055
Bonds	-	6,924	-	6,924	-	6,756	-	6,756
Alternative investments	-	5,085	435	5,520	-	5,604	420	6,024
Investment properties	-	-	1,357	1,357	-	-	1,361	1,361
Derivative assets	-	259	-	259	-	68	-	68
Derivative liabilities	-	(49)	-	(49)	-	(133)	-	(133)
Liabilities for which fair value is disclosed								
Long-term debt[2]	-	(128)	-	(128)	-	(128)	-	(128)

1. Cash and cash equivalents include cash of $716 and short-term money market securities of $1,217 (December 31, 2015 – $624 and $957, respectively).
2. Carrying amount as at March 31, 2016 was $116 (December 31, 2015 – $116).

Alternative investments in real estate entities (Level 3 fair value measurements)

The table below provides a reconciliation of the fair value of alternative investments in real estate entities:

	March 31 2016	December 31 2015
Balance, beginning of period	420	372
Purchases	31	68
Sales	-	(41)
Net gains (losses) recognized in net investment income (loss)	(16)	21
Balance, end of period	**435**	**420**

The following discount and terminal capitalization rates were used in the discounted cash flow estimates of fair value:

	March 31 2016	December 31 2015
Real estate entities		
Discount rates	5.3% - 7.3%	5.3% - 7.3%
Terminal capitalization rates	4.5% - 6.8%	4.5% - 6.8%

Unaudited (millions of Canadian dollars)

	Increase (decrease) in the fair value of real estate entities	
Change in assumption	**March 31 2016**	**December 31 2015**
50 basis point increase in the discount rate and terminal capitalization rate	(37)	(36)
50 basis point decrease in the discount rate and terminal capitalization rate	45	45
5 percent increase in the expected future cash flows of underlying properties	19	19
5 percent decrease in the expected future cash flows of underlying properties	(19)	(19)

Investment properties (Level 3 fair value measurements)

The table below provides a reconciliation of the fair value of investment properties:

	March 31 2016	**December 31 2015**
Balance, beginning of period	1,361	1,194
Asset acquisitions	2	146
Capital expenditures	4	49
Net losses from changes in fair value	(10)	(24)
Disposals	-	(4)
Balance, end of period	**1,357**	**1,361**

5. Employee Benefit Plans

Remeasurements of the employee defined benefit plans recognized in other comprehensive loss are as follows:

	Three months ended March 31	
	2016	**2015**
Actuarial losses arising from changes in financial assumptions	106	249
Actuarial losses arising from demographic and other experience	-	5
Deficiency (excess) of actual return on plan assets over interest income	54	(130)
Total remeasurements of employee defined benefit plans	**160**	**124**

Employee benefit plans liability

The employee benefit plans liability is comprised of the following:

	March 31 2016	**December 31 2015**
Present value of wholly or partly funded obligations	3,368	3,243
Present value of unfunded obligations	760	736
Total present value of obligations	4,128	3,979
Fair value of plan assets	(2,736)	(2,757)
Employee benefit plans liability	**1,392**	**1,222**

Unaudited (millions of Canadian dollars)

6. Benefit Liabilities

Benefit liabilities are comprised of the following:

	March 31 2016	December 31 2015
Loss of earnings	9,193	9,096
Workers' pensions	6,520	6,587
Health care	3,987	3,938
Survivor benefits	2,878	2,860
Future economic loss	1,465	1,502
External providers	190	184
Non-economic loss	293	291
Long latency occupational diseases	2,149	2,137
Posttraumatic stress disorder	35	-
Claim administration costs	1,250	1,235
Benefit liabilities	**27,960**	**27,830**

A summary of the changes in benefit liabilities is as follows:

	March 31 2016	December 31 2015
Benefit liabilities, beginning of period	27,830	26,800
Benefit costs	814	3,760
Benefit costs paid during the period	(684)	(2,730)
Benefit liabilities, end of period	**27,960**	**27,830**

7. Commitments and Contingent Liabilities

Investment commitments

The WSIB had the following commitments related to its investment portfolio:

	March 31 2016	December 31 2015
Real estate, multi-asset and infrastructure investments	1,565	1,322
Investments in joint ventures	110	110
Purchases or development of investment properties	7	7
	1,682	**1,439**

Legislated obligations and funding commitments

Known commitments related to legislated obligations and funding commitments as at March 31, 2016 are approximately $254 for the period from April 1, 2016 to March 31, 2017.

Legal actions

The WSIB is engaged in various legal proceedings and claims that have arisen in the ordinary course of business, the outcome of which is subject to future resolution. Based on information currently known to the WSIB, management believes the probable ultimate resolution of all existing legal proceedings and claims will not have a material effect on the WSIB's financial position.

8. Related Party Transactions

Government of Ontario and related entities

The WSIB is a trust agency of the Government of Ontario, responsible for administering the WSIA. As such, the WSIB is considered a government-related entity and is provided partial exemptions under IFRS from its disclosure of transactions with the Government of Ontario and its controlled ministries, agencies, and Crown corporations.

Pursuant to the WSIA, the WSIB is required to reimburse the Government of Ontario for all administrative costs of the Occupational Health and Safety Act. The WSIB is also required to fund costs associated with the Ministry of Labour's prevention activities, the Workplace Safety and Insurance Appeals Tribunal and the offices of each of the Worker and Employer Adviser. These reimbursements and associated amounts charged to employers are determined and approved by the Minister of Labour. The WSIB also provides grant funding to carry on investigations, research and training. The total funding provided under these legislated obligations and funding commitments for the three months ended March 31, 2016 was $63 (2015 – $63).

The WSIB is required to reimburse the Ministry of Health and Long-Term Care ("MOHLTC") for physicians' fees for services to injured workers, as well as an administrative fee to the MOHLTC. Amounts paid to the MOHLTC for physicians' fees and administrative services for the three months ended March 31, 2016 was $9 (2015 – $9).

In addition to legislated obligations and workplace health and safety expenses, which the WSIB collectively presents in legislated obligations and funding commitments expenses, the condensed interim consolidated financial statements include amounts resulting from transactions conducted in the normal course of operations with various controlled ministries, agencies, and Crown corporations of the Government of Ontario.

Included in investments are $1,578 of marketable fixed income securities issued by the Government of Ontario and related entities (December 31, 2015 – $1,515).

Post-employment benefit plans

The WSIB's two employee defined benefit pension plans and other long-term employee benefit plans, which include life insurance, dental and extended health coverage, are considered related parties. Note 5 provides details of transactions with these post-employment benefit plans.