



Labour and Workforce Development

Draft WSIS Statement of Principles and Objectives

You may forward any comments regarding the DRAFT Statement of Principles and Objectives document to the Stakeholder Liaison Committee (SLC) Secretariat:

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The SLC Secretariat will ensure your comments are forwarded to the Stakeholder Liaison Committee.

Statement of Principles and Objectives
Governance and Accountability
For the Workplace Safety and Insurance System

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Preamble:

In 2005, after considerable consultation and deliberation by stakeholders a "Statement of Principle and Objectives (SP&O) - Governance and Accountability for the Workplace Safety and Insurance System" was approved for adoption and implementation by the then Minister of Environment and Labour, the Honourable Kerry Morash. The 2005 SP&O is the foundational document of the Workplace Safety and Insurance System (WSIS).

At the request of stakeholders, and in recognition of the ever-evolving nature of the WSIS, the SP&O was reviewed by a stakeholder working group during the summer 2009. In early 2010, in keeping with the working group recommendations, the SP&O was revised to reflect the current situation for all System partners: agencies, strategically Aligned Organizations, and other interested stakeholders (see definitions within this document). As a go forward commitment, to assure the SP&O remains up to date and current, the Statement of Principles and Objectives will be reviewed periodically.

Overall, the SP&O sets out a framework for governance and accountability that is intended to achieve coordination and alignment of effort across the agencies and other entities that make up the WSIS. The System recognizes that the SP&O supplements, but does not replace or alter, the provisions on governance and accountability found in the *Occupational Health and Safety Act* and the *Workers' Compensation Act*. Further, it recognizes and supports the independence of the Aligned Organizations with respect to their organizational mandates.

It is believed that a shared vision for the System supports and encourages partners to successfully collaborate in the advancement of WSIS priorities, and also in meeting their distinct mandates and accountabilities. Further, a fundamental principle of the SP&O is that the strategic direction of the System is informed by significant input from all Aligned Organizations, and other interested stakeholders.

It is important to stress, once again, that maintaining the independence of the various agencies and organizations that make up the System is critical. The agencies are not changing their reporting relationships, or any other accountability, but are instead looking to better coordinate key areas of focus and priority. Coordination and collaboration are fundamental principles of the WSIS.

This 2010 document is a statement of principles and objectives for renewed governance and accountability for the WSIS. It addresses the recommendations of the stakeholder working group and will be used as a basis to identify, coordinate, and where appropriate align System wide activity. It is also based on the understanding that Government will consider the role of all relevant parties in determining future direction.

1.0 Structure of the Workplace Safety and Insurance System

The WSIS consists of the organizations and stakeholders that are responsible for, or have an interest in workplace health and safety and insurance in Nova Scotia. The WSIS provides an overarching governance and accountability framework that supports the establishment and achievement of broad goals/objectives for the entire workers' compensation and occupational health and safety system and provides a formal mechanism for identifying broad System priorities where agencies and others can work together to improve the System for all.

- 1.1** The primary intent of the WSIS is to encourage, where appropriate, System integration and collaboration among the agencies, each of which is legislatively distinct and subject to its own framework of governance, management and accountability.
- 1.2** The WSIS is comprised of the four System agencies,(the Workers' Compensation Board (WCB), the Occupational Health and Safety Division (OHS), the Workers' Advisers Program (WAP), and the Workers' Compensation Appeals Tribunal (WCAT)), the Co-ordinating Committee, the Heads of Agencies Committee, the Stakeholder Liaison Committee, Aligned Organizations, the Occupational Health and Safety Advisory Council, the Workers' Compensation Board of Directors, and the Minister of Labour and Workforce Development. Attached, as Appendix A, is a diagram of the organizational structure of the WSIS System as described in this document. Appendix B is a brief synopsis of the key components of the WSIS System.

2.0 Broad Objectives for Governance and Accountability

It is agreed that a renewed system of governance and accountability should focus on the following objectives:

- 2.1** To ensure that the Board of Directors of the Workers' Compensation Board and members serving on the Occupational Health and Safety Advisory Council are representative of the stakeholders of the System.

- 2.2 To ensure that all the agencies which make up the WSIS work collaboratively to improve the System by demonstrating the values of fairness and accountability in their decision-making processes, recognizing that each agency has its own independent mandate.
- 2.3 To ensure that the values of consultation, openness and transparency are reflected in the governance and accountability of the WSIS.
- 2.4 To ensure that the agencies, which make up the WSIS work effectively to maximize coordination of services.
- 2.5 To ensure that the System encourages a more collaborative approach to resolving disputes.
- 2.6 To ensure System goals and objectives are set collaboratively and reflect System-wide opportunities
- 2.7 To ensure activity and resources are directed toward WSIS goals and objectives by holding an Annual General Meeting, where the System Coordinating Committee (see Section 3.0) will report out on activity.

3.0 System Coordinating Committee

The System Coordinating Committee is comprised of the Chair of the Workers' Compensation Board of Directors and the Deputy Minister of the Department of Labour and Workforce Development. Further, the System Coordinating Committee is supported by a secretariat staffed by the Workers' Compensation Board and the Department of Labour and Workforce Development.

Roles & Responsibilities

Generally, the role and responsibilities of Coordinating Committee include:

- 3.1 To ensure the alignment of the business planning processes and activities of the Workers' Compensation Board and the Department of Labour and Workforce Development.
- 3.2 To encourage and foster collaboration between the agencies comprising the WSIS including the WCB, WAP, OHS and WCAT and any future agencies that may be added to the System.
- 3.3 To ensure a process exists for the creation of a legislative agenda for the System. Such a process should involve a mechanism for seeking stakeholder input, consistent with the roles of the WCB Board of Directors, the OH&S

Advisory Council and the Department of Labour and Workforce Development with regards to their governing statutes and regulations.

Coordinating Committee recognizes that it is the responsibility of the WCB Board of Directors (with respect to the *Workers' Compensation Act*) and the Department of Labour and Workforce Development (with respect to the *Occupational Health and Safety Act*) to define a process for the development of legislative agenda recommendations. Coordinating Committee will report out on the status of the legislative agenda yearly at the WSIS Annual General Meeting.

- 3.4 To work in partnership with Government to determine the appropriate timing to initiate a legislative agenda process and to ensure any legislative change recommendation(s) put forward by an agency or government be coordinated and considerate of the potential implications, if any, on other agencies within the System.
- 3.5 Accountability for the WSIS process of consultations with stakeholders (distinct from consultation that takes place within the mandate of each agency). At minimum, these consultations include the WSIS Fall Stakeholder meeting and the WSIS Annual General Meeting. This requirement also includes setting the agenda for both the WSIS Annual General meeting and the WSIS Fall Stakeholder consultation, with input from the Stakeholder Liaison Committee.
- 3.6 WSIS agencies responsible for the funding of Aligned Organizations appropriately discharge that accountability through the WSIS AGM by reporting out.

4.0 Heads of Agencies Committee

- 4.1 The Heads of Agencies Committee is comprised of the respective administrative leaders of the four System agencies (OHS, WAP, WCAT and WCB). Membership would be appropriately amended if any other agencies are added to the System in the future. Generally, the mandate of the Heads of Agencies Committee is to ensure coordination in the development and implementation of the individual agency business plans and to improve overall operational collaboration among the agencies.
- 4.2 The Heads of Agencies Committee is also responsible for striking standing committees that advance WSIS goals and objectives. The Heads of Agencies Committee is accountable to the System Coordinating Committee.

5.0 Aligned Organizations of the WSIS

- 5.1 An Aligned Organization is an organization in the WSIS that is not one of the four main agencies but shares common goals and objectives with the System and is funded by the System through one of the agencies.
- 5.2 Aligned Organizations funded, either through the accident fund or by way of “levies” applied to WCB premiums, include Injured Worker Associations, Stakeholder Counsellors and Safety Associations. Each Aligned Organizations is accountable to the WSIS agency responsible for its funding and indirectly to stakeholders in the System. Currently, this does not apply to safety associations created by way of Orders in Council (OIC). Section 5.2 – 5.4 will apply to these bodies when the transitional process outlined in section 5.5 is completed.
- 5.3 In determining whether to fund or to continue to fund an Aligned Organization, WSIS agencies may consider, among other factors, the following criteria:
1. Ensure there is alignment between the goals of the Aligned Organization and the goals of the System
 2. Ensure the Aligned Organization has a distinct mandate different from other funded organizations within the System
 3. Ensure the Aligned Organization has an internal governance structure that is accountable to its WSIS funding agency and to the stakeholders of the System it serves
 4. Ensure the Aligned Organization has identified benchmarks for success to be used to monitor and evaluate its progress towards the goals and reports annually on its progress
 5. Ensure the Aligned Organization has the capacity to carry out its mandate
 6. Ensure the Aligned Organization has suitable internal Systems of financial control and management and reports annually its financial situation

Recognizing the unique characteristics of Aligned Organizations, WSIS agencies may customize, vary and/or supplement, the above criteria where necessary and appropriate. Where this is done, the WSIS agency will communicate it to the System in an open and transparent manner.

- 5.4 WSIS agencies that are responsible for funding an Aligned Organization are accountable within the System for discharging these responsibilities on an ongoing basis giving due consideration to the criteria outlined above. As part of

this accountability, at the WSIS Annual General Meeting a reporting and/or sharing of information by Aligned Organizations will occur.

- 5.5 It is in the best interest of the System to apply the funding and accountability framework referenced in sections (5.2) (5.3) (5.4) when funding all safety associations. Transitioning of all safety associations to the funding/accountability framework outlined in the above sections will occur over time and reflects the gradual evolution of the System with respect to Aligned Organizations.
- 5.6 Recognizing that the transitional process described in section 5.5 will occur over a period of time, Safety Associations created by OIC as well as other organizations who share goals with the System but currently do not receive funding from it, such as Aware Nova Scotia, are invited to participate at the WSIS Annual General Meeting and in other WSIS activities/events. Such participation increases knowledge and awareness in the System and enhances opportunities for ongoing collaboration and information sharing.

6.0 Consultation with Stakeholders

- 6.1 Stakeholder consultation in WSIS has three primary purposes. First, consultation is intended to ensure that stakeholders have input into the development of WSIS goals, objectives, and the activities carried out in support of those objectives. Second, consultation is intended to hold WSIS agencies accountable for the efforts and progress they make in achieving (or advancing) WSIS objectives. Third, consultation is intended to contribute to the development and accountability for the development of the legislative agenda and related elements of the WSIS framework, including the SP&O.
- 6.2 System Coordinating Committee has the responsibility to ensure stakeholders are consulted. WSIS consultation with stakeholders is independent of agency-specific consultation. It is paramount that WSIS consultations reflect this independence.
- 6.3 Agencies that conduct specific consultations agree to do so on issues appropriate to their mandate and ensure that the consultation is consistent with the SP&O's commitment to stakeholder consultation and stakeholder involvement in governance and accountability.
- 6.4 Broad System and separate agency initiated consultations should be collaborative, accountable and responsive. In recognition of these principles, and to provide fixed opportunities for Aligned Organizations, as well as other stakeholders, to be consulted on the direction of the WSIS, each year two public meetings will be held.

- 6.5 In the Fall, the Stakeholder Consultation will be held. The Fall Stakeholder Consultation is intended to provide stakeholders an opportunity to provide input on the System strategic direction.
- 6.6 In the Spring, the Annual General Meeting will be held. The Annual General Meeting is intended to provide all parties an opportunity to report out on work done over the past year that advances the strategic direction of the WSIS. This would include the Occupational Health and Safety Division, the Workers' Advisers Program, the Workers' Compensation Appeals Tribunal, the Workers' Compensation Board, other Aligned Organizations, and other interested entities (at the discretion of the System Coordinating Committee).
- 6.7 The Coordinating Committee is responsible for the organization of the AGM and the Fall Consultation.

7.0 Stakeholder Liaison Committee

- 7.1 The System Coordinating Committee has established a Stakeholder Liaison Committee (SLC). Terms of Reference for the SLC have been set by the System Coordinating Committee. The SLC will advise Coordinating Committee on agenda topics and other important terms of engagement for the WSIS Fall Stakeholder Session and the Spring AGM. Creating the agenda for the WSIS AGM and the Fall Stakeholder consultation is the responsibility of Coordinating Committee.
- 7.2 This SLC will be co-chaired by an employer and employee representative, and have equal numbers of employer and employee representatives. It will provide advice to the System Coordinating Committee with regard to the identification of participants, the setting of agendas, and other important terms of engagement for public meetings. Terms of Reference for the SLC are included in Appendix B
- 7.3 It is agreed that the Co-Chairs of the OHS Advisory Council should be members of the SLC, along with an employer and employee representative from the WCB Board of Directors.
- 7.4 It is anticipated that the SLC will meet at a minimum of twice per year, once prior to the Spring AGM and once prior to the Fall Stakeholder Session. SLC provides advice to the System Coordinating Committee after each meeting through the Coordinating Committee Secretariat.
- 7.5 SLC will be provided with secretarial support by the System Coordinating Committee Secretariat

8.0 Occupational Health and Safety Advisory Council

- 8.1 The Occupational Health and Safety Advisory Council (the Council) has a direct advisory role to the Minister of Labour and Workforce Development on Occupational Health and Safety matters. In that role, the Council contributes to the legislative agenda on matters relating to the *Occupational Health and Safety Act*.
- 8.2 The Council will also continue to have an advisory role on prevention to the WCB Board of Directors and will be involved in other WSIS activity through membership on the SLC.
- 8.3 The Council will meet twice each year with the System Coordinating Committee to discuss prevention initiatives and proposals to enhance collaboration with regards to prevention and occupational health and safety within the province.
- 8.4 It is agreed that the current agreement between the WCB and the Council, where the Chair of the WCB Board of Directors attends a Council Meeting once a year and the Co-Chairs of the Council attend a WCB Board of Directors Meeting once a year to provide updates and promote cooperation and input, especially on prevention matters, should be continued.

9.0 Workers Compensation Board of Directors

- 9.1 The Workers' Compensation Board is an independent agency operating at arm's length from the government of the Province of Nova Scotia as well as a member agency of the WSIS. The Board of Directors of the WCB is a stakeholder representative Board appointed by the Governor in Council in accordance with and having the governance authority set out in the *Workers' Compensation Act*.
- 9.2 In addition to meeting the requirements established by law, the Board of Directors is accountable to provide effective stewardship and strategic leadership for the WCB.

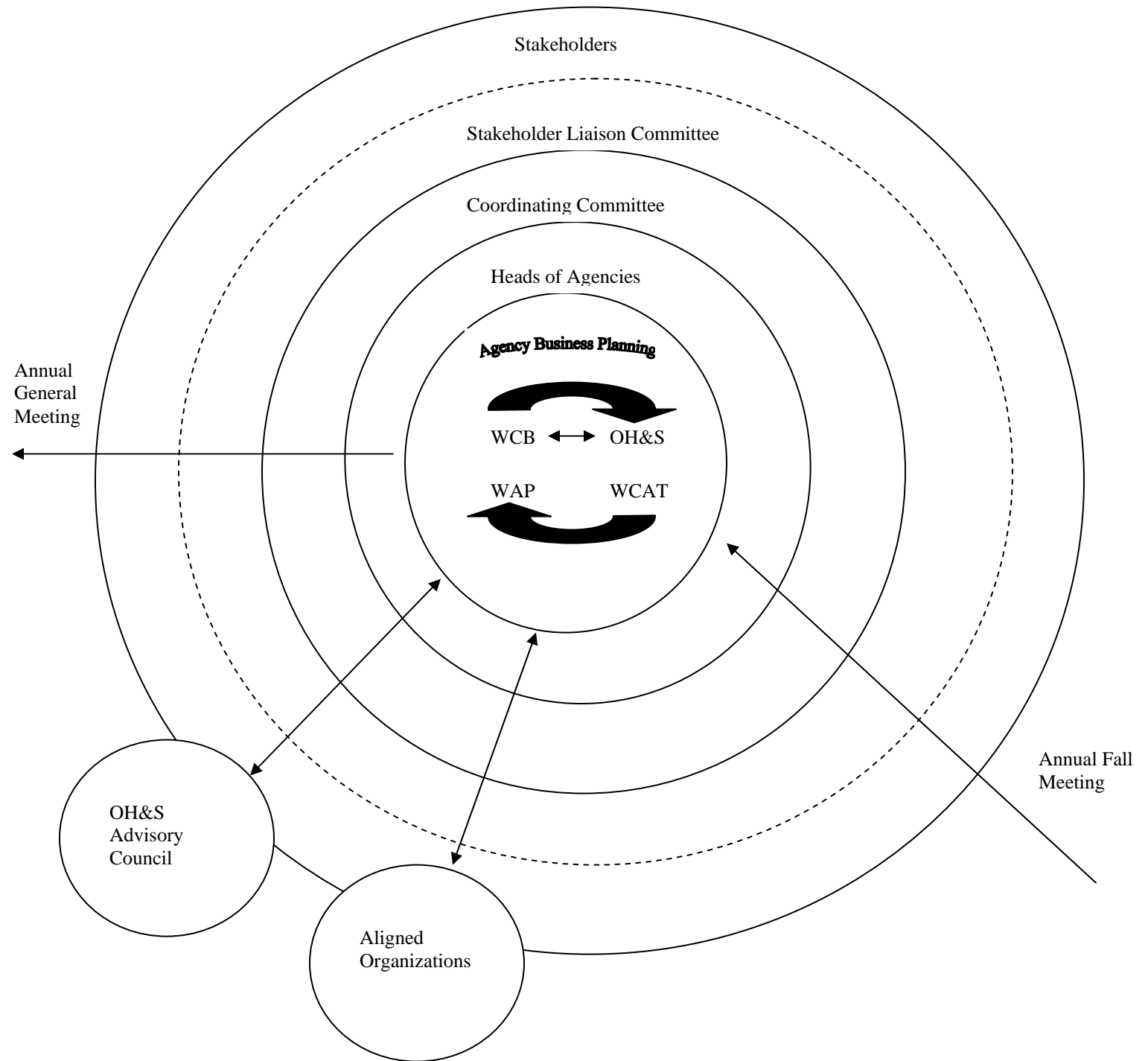
10.0 Role of the Minister of Labour and Workforce Development

- 10.1 The WSIS includes the Minister of Labour and Workforce Development.
- 10.2 The Minister is responsible for fulfilling the key responsibilities under the legislation, and for bringing forward legislative and regulatory proposals for the System upon the recommendation of the System Coordinating Committee.

- 10.3 The Minister is responsible for making recommendations to the Governor in Council on appointments to the Board from the nominees that are supported by employer and employee stakeholder associations and that are vetted by the Department of Labour and Workforce Development screening committee.
- 10.4 The Minister receives recommendations for legislative change from the System Coordinating Committee who in turn receives advice from the WCB Board of Directors and the OHS Advisory Council. Ultimately, the Minister is responsible for introducing a System legislative agenda for consideration by government.

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Appendix A: Workplace Safety and Insurance System Structure



Appendix B: Key Components of the WSIS

1. Minister Responsible:

Elected member of the Executive Council, responsible to the Legislature on matters relating to the Occupational Health and Safety and the Workers' Compensation Act and their administration.

2. NS Department of Labour and Workforce Development Occupational Health and Safety Division

Reporting to the Deputy Minister of Labour and Workforce Development. The authority and responsibilities of the Director and Division staff are established in the Occupational Health and Safety Act.

3. Workers' Advisers Program

Reporting to the Deputy Minister of Labour and Workforce Development, the authority and power of the Program is established in the Workers' Compensation Act.

4. Workers' Compensation Appeal Tribunal

A quasi-judicial body that determines appeals in the Workers' Compensation system. WCAT is responsible to the Minister of Justice. The Tribunal's authority and role are defined in the Workers' Compensation Act, and have been subject to further expansion by the Supreme Court of Canada.

5. Workers' Compensation Board of Nova Scotia

The Workers' Compensation Board is an independent agency of the Province of Nova Scotia. Funded entirely by the employers of Nova Scotia, the WCB provides workplace injury insurance to Nova Scotia workers. The authority and responsibilities of the Chief Executive Officer and staff are established in the Workers Compensation Act

5. Workers' Compensation Board of Directors

A stakeholder representative board that has stewardship responsibilities for injury prevention and the operations of the insurance program for individuals injured as a result of their employment. The Workers' Compensation Board receives its authority from the Workers Compensation Act.

6. Occupational Health and Safety Advisory Council

A stakeholder representative advisory group to the Minister of Environment and Labour on matters related to the Occupational Health and Safety Act and the state of health and safety in NS. It also has an advisory role to the WCB Board of Directors on prevention. The Advisory Council is created under the authority of the Occupational Health and Safety Act.

7. System Coordinating Committee

An advisory committee to the Minister Labour and Workforce Development comprised of the Chair of the Workers' Compensation Board and the Deputy Minister of Labour and Workforce Development. The Committee has a mandate that includes coordinating recommendations on legislation and overall system goals and opportunities for coordination.

8. Stakeholder Liaison Committee

This Committee, comprised of ten stakeholder nominated representatives, co-chaired by an employer and employee representative, is accountable to the System Coordinating Committee. The SLC will advise Coordinating Committee on agenda topics and other important terms of engagement for the WSIS Fall Stakeholder Session and the Spring AGM. It is agreed that the Co-Chairs of the OHS Advisory Council should be members of the SLC along with an employer and employee representative from the WCB Board of Directors. The SLC serves at the discretion of the System Coordinating Committee and may be asked for advice on any and all WSIS consultation and engagement with stakeholders.

9. Heads of Agencies Committee

The Heads of Agencies Committee is made up of the respective leaders of the four agencies that make up the system (OHS, WAP, WCAT and WCB). It is agreed that the mandate of the Heads of Agencies Committee is to oversee the coordinated implementation of the plans developed by each agency and in particular to improve collaboration among the agencies. The Heads of Agencies Committee can strike sub-committees and working groups to resource WSIS initiatives.