

**GOVERNANCE COUNCIL MEETING**

**JUNE 12-13, 2014**

**YELLOWKNIFE, NT**

**MINUTES**

**PRESENT:** David Tucker, Chairperson  
John Vander Velde, Vice Chairperson  
David Ritchie, Member  
Abe Theil, Member  
Jack Rowe, Member  
Arlene Hansen, Member  
Robert Gabuna, Member

Dave Grundy, President & CEO, ex officio (non-voting)  
Melanie Walters, Corporate Secretary/Senior Advisor

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*The meeting called to order at 13:34 pm, June 12, 2014.*

**1. CONSENT**

- a) Governance Council Prayer**
- b) Safety Overview and Orientation**

The President and CEO provided a safety overview and orientation for the Governance Council prior to the meeting beginning.

**c) Conflict of Interest Declarations**

The agenda item dealing with Outstanding Litigation mentions a case involving Rowe's Construction, which is a company owned by a Governance Council member. If discussion took place regarding this issue, Jack Rowe would declare a conflict of interest and abstain from the discussion.

**d) Acceptance of Agenda**

The Governance Council deferred the Prevention Services divisional presentation to the September 2014 meeting.

On a motion duly moved and seconded, the Governance Council of the Workers' Safety & Compensation Commission of the Northwest Territories and Nunavut accepted the June 2014 agenda, as amended.  
**14/06-001 - Carried**

**e) Council Concerns**

- i) A Council member visited the workers memorial site in Whitehorse. It captures the names of all workers who died in a workplace incident. The WSCC should approach the Minister and ask about having one of these in the Northwest Territories and/or Nunavut.
- ii) The Governance Advisor will meet with each member after the meetings and provide feedback based on observations throughout the meeting.

**2. CONSENT AGENDA**

**a) Approval of Minutes**

The Governance Council reviewed the minutes from its March 2014 meeting.

**b) Business Arising Out of the Minutes**

There was no business arising out of the March 2014 minutes.

On a motion duly moved and seconded, the Governance Council of the Workers' Safety & Compensation Commission of the Northwest Territories and Nunavut accepted all consent items for the June 2014 meeting.  
**14/06-002 - Carried**

### **3. EXECUTIVE REPORTS**

#### **a) Chairperson's Report**

The Chairperson's Report is intended to report on the Chairperson's broad activities in between Governance Council meetings and to apprise Governance Council Directors of significant or noteworthy information. It provided information for the period February 11, 2014 to May 21, 2014.

In addition to the activities listed in the report, the Chairperson and the President and CEO attended a meeting, as observers, of the Standing Committee on Economic Development and Infrastructure.

The Chairperson also attended the WSCC Long Service awards.

#### **b) President's Report**

The President's Report is intended to capture the pulse of the organization as viewed by the President and keep Directors apprised of significant events or achievements. It provided information for the period February 11, 2014 to May 23, 2014 on WSCC operations not covered elsewhere in Governance Council proceedings.

### **4. DECISION ITEMS**

#### **a) Audit Committee Report**

*John Vander Velde, Audit Committee Chairperson, provided the Governance Council with the Audit Committee report of its meeting held June 12, 2014.*

The Audit Committee held its meeting on Thursday, June 12, 2014. The following items were discussed:

## **Audit Committee Report cont'd**

### **Decision Items:**

#### **2013 Capital Asset Report**

At the end of 2012, the WSCC carried forward \$750,103 in capital funding from 2010 to 2012 and one pre-2010 item that was specifically approved for carry-forward to 2014.

The President approved \$850,000 worth of capital requests for 2013 and then subsequently approved an additional \$114,357 of funding requests, \$109,100 for additional office furniture and \$5,257 for window glazing both in regards to the Iqaluit office. In addition, the Governance Council approved \$167,000 for the acquisition of additional office space in Iqaluit in June 2013.

Of the initial \$850,000 request, \$250,000 is for renovations to the Yellowknife office. The other large requests were for finance leases, automated budget software, medical interactive WEB reporting and EPS on-line clearances.

A change in procedure in 2013 required that all pre-2013 capital projects which were not completed by year end but required carry-forward funding to be approved for carry-forward by Governance Council. As only \$110,094 of the \$750,103 balance of pre-2013 projects was spent by the end of the 2013 fiscal year the difference if not approved for carry-forward had to be retired. As \$531,096 was previously approved the remaining balance of \$110,091 will be retired in 2013.

In regards to project Z12-006 for \$16,052 the original submission contained an error stating the project would be complete in 2013. It was management's intention to complete the project in 2014 and management is requesting the funding to be carried-forward to 2014.

For 2013 projects a total of \$421,384 was spent by the end of 2013 resulting in \$617,785 being requested for carry-forward and \$90,200 available for reallocation in 2013, note this amount is netted with projects from pre-2013 and 2013 that overran their budgets.

## **Audit Committee Report cont'd**

On a motion duly moved and seconded, the Governance Council of the Northwest Territories and Nunavut approves to carry forward the \$617,785 in capital funding to 2014.

**14/06-003 – Carried**

On a motion duly moved and seconded, the Governance Council of the Northwest Territories and Nunavut approves to carry forward \$16,052 for project Z12-006 in capital funding to 2014.

**14/06-004 – Carried**

### **Discussion/Presentation Items:**

#### **Quarterly Internal Audit Report:**

The Internal Auditor conducted the Assessments Refundable audit and finalized the audit report on the follow-up audit of Corporate Risk Registry in the first quarter of 2014. The Internal Auditor is also actively involved in the Process Mapping project.

The Audit Committee did hold an in-camera session with the Internal Auditor.

#### **Enterprise Risk Management:**

The Audit Committee reviewed the revised risk registry based on the approach presented at the March meeting. The new registry has seven risks.

#### **Third Party Actions:**

The Audit Committee received a report of Third Party Actions to April 30, 2014.

#### **Investigations Report:**

The Audit Committee received a report on investigations activity to May 13, 2014.

## **Audit Committee Report cont'd**

### **Process Mapping Update:**

The Audit Committee directed administration to build, document and maintain process maps for key financial and operational cycles. The maps will contain identified risks and the control mechanisms that exist to address those risks. The maps will facilitate audit and review practices ensuring controls are functioning as designed and as operationally necessary. The Audit Committee reviewed the project plan which was included in the booklet. The target completion date for identified processes is October 15, 2014.

### **Investment Policy Review – Procedure for Rebalancing:**

At the June meeting, Administration was asked for clarification on the process for rebalancing asset classes within the investment portfolio. The rebalancing process is outlined in WSCC policy. All rebalancing activities are reported to the Audit Committee quarterly.

### **Information Items:**

#### **Investment Report:**

The Audit Committee discussed investment results up to April 30, 2014. Overall, the total fund returned 0.53% for the month ending April 30, 2014. The key performing asset classes over this period were Canadian equities at 2.20% and non-North American equities at 1.14%. For the year-to-date period ending April 30, 2014, the fund returned 3.80% underperforming its benchmark by 0.96%.

Performance over the long term remains strong with the fund outperforming its benchmark by 1.82% for the 4-year period ending April 30, 2014.

#### **Sole Source Awards:**

There were no sole source awards for the quarter ending March 31, 2014.

## **Audit Committee Report cont'd**

### **Q1 Financial Report:**

The Audit Committee reviewed the report for the first quarter operations, which includes budget and actual expenses to March 31, 2014.

### **Q1 Capital Asset Report:**

As of the end of the first quarter, \$159,901 of capital funds have been spent or accrued. The spending was on pre-2014 projects. Management is currently estimating that all projects but one will be either spent or requested for carry-forward to 2014. The one project that is available for reallocation in 2014 currently is Z14-016 Pitney Bowes mailroom equipment lease which does not meet the definition of a financing lease and; therefore, will be paid through operating funds.

On a motion duly moved and seconded, Governance Council of the Workers' Safety and Compensation Commission of the Northwest Territories and Nunavut accepts the report of the June 12, 2014 Audit Committee meeting.  
**14/06-005 – Carried**

### **b) Actuary's Report and 2015 Provisional Assessment Rate**

Morneau Shepell, the WSCC's actuarial firm, provides the following services to the WSCC: annual calculation of our benefits liabilities and recommendations pertaining to assessment rate setting.

The benefits liability is essential to determine our long term financial requirements. Rate setting determines the revenue requirement from employers necessary to cover the basic cost of the system annually, which includes the cost of new injuries and the operating costs of the WSCC.

Annually, Morneau Shepell provides the Governance Council with a report in June that recommends a provisional target rate for the following year. The Governance Council approves a provisional target rate which Morneau Shepell then uses to establish the assessment rates for all employer subclasses, which Governance Council then approves in September.

## **Actuary's Report and 2015 Provisional Assessment Rate cont'd**

The Governance Council received a presentation with the 2013 results as well as recommendations for the 2015 provisional rate. The provisional target rate is influenced by payroll base, operating costs, the funding policy, new injury costs and occupational diseases.

The Governance Council set a rate of \$2.05 for 2014, at this meeting they discussed in length whether or not the rate was required to remain at \$2.05 to maintain the current state of business and in the end determined it did not. The Governance Council decided the rate would change to \$2.00 for 2015. Morneau Shepell will use the \$2.00 provisional target rate to determine subclass rates.

The Governance Council discussed the pension and lifetime claims benefits provided by the WSCC. The Governance Council requested an interjurisdictional comparison to determine what benefits are provided by other jurisdictions in the same instances.

On a motion duly moved and seconded, Governance Council of the Workers' Safety and Compensation Commission of the Northwest Territories and Nunavut approved a provisional target rate of \$2.00 for 2015, and directed management and the Actuary to present subclass rates to the Governance Council at its September meeting.

**14/06-006 – Carried**

### **c) Policy 02.08 – Safe Advantage**

Prior to discussing and approving the policies submitted for this meeting, the Governance Council held a lengthy discussion about the effectiveness of the WSCC stakeholder engagement in the policy revisions. The Governance Council questioned whether or not the WSCC had done enough to seek out feedback from key stakeholders. The Governance Council suggested the WSCC be more proactive going forward especially with some of the key individuals identified for engagement.

Policy 02.08 outlines the Workers' Safety and Compensation Commission (WSCC) Safe Advantage program, including employer inclusion and program administration. The Safe Advantage program's purpose is to increase employer accountability for workplace safety.



### **Policy 02.08 – Safe Advantage cont'd**

The Comprehensive Policy Review Plan identified Policy 02.08, Safe Advantage Program, for review.

It was recommended to the Governance Council to change the number of the policy to 09.02 so it falls in with Prevention Services policies rather than assessments. This fits more accurately with the alignment of the organization.

On a motion duly moved and seconded, the Governance Council of the Workers' Safety and Compensation Commission of the Northwest Territories and Nunavut rescinded Policy 02.08 - Safe Advantage and approved Policy 09.02 – Safe Advantage, as presented.

**14/06-007 – Carried**

### **d) Policy 04.10 – Employer Cost Transfer and Relief**

The Workers' Safety and Compensation Commission (WSCC) may transfer or relieve employer costs arising from a compensable injury, disease or death. This policy provides guidance when the WSCC considers a cost transfer or relief and how it allocates costs to employers or the Workers' Protection Fund.

The Comprehensive Policy Review Plan identified Policy 04.10, Employer Cost Transfer and Relief, for review.

On a motion duly moved and seconded, the Governance Council of the Workers' Safety & Compensation Commission of the Northwest Territories and Nunavut approved Policy 04.10 – Employer Cost Transfer and Relief, as presented.

**14/06-008– Carried**

### **e) Policy 03.06 – Entitlement of Occupational Disease Claims**

The Workers' Safety and Compensation Commission (WSCC) recognizes occupational disease arise out of and during the course of employment. Workers may incur occupational disease through prolonged exposure to an agent in the employment environment.

### **Policy 03.06 – Entitlement of Occupational Disease Claims cont'd**

Unlike injuries, time usually elapses between exposure to the cause and development of the disease. Cases of acute exposure to infectious disease will be handled according to Policy 03.03, Arising out of and During the Course of Employment.

On a motion duly moved and seconded, the Governance Council of the Workers' Safety & Compensation Commission of the Northwest Territories and Nunavut approved Policy 03.06 – Entitlement of Occupational Disease Claims, as presented.

**14/06-009– Carried**

### **f) Policy 03.02 - Entitlement**

The Workers' Safety and Compensation Commission (WSCC) determines a worker's entitlement to compensation according to the evidence provided by the worker and employer, their representatives and the worker's health care providers.

The Comprehensive Policy Review Plan identified Policy 03.02, Entitlement, for review.

The Governance Council asked where the firefighter presumption comes from and this does come from legislation and the firefighter regulations.

On a motion duly moved and seconded, the Governance Council of the Workers' Safety & Compensation Commission of the Northwest Territories and Nunavut approved Policy 03.02 - Entitlement, as presented.

**14/06-010– Carried**

**g) Policy 03.03 – Arising Out of and During the Course of Employment**

The Workers' Safety and Compensation Commission (WSCC) compensates a worker for injuries, diseases or death arising out of and during the course of employment. "Arising Out of" refers to what caused the injury, disease or death and "During the Course of" refers to the time and place of the injury, disease or death and its connection to the worker's employment.

The WSCC reviews each claim to determine the facts, circumstances, and work-relatedness of the injury, disease or death.

The Comprehensive Policy Review Plan identified Policy 03.03, Arising Out of and During the Course of Employment, for review.

On a motion duly moved and seconded, the Governance Council of the Workers' Safety & Compensation Commission of the Northwest Territories and Nunavut approved Policy 03.03 – Arising Out of and During the Course of Employment, as presented.

**14/06-011– Carried**

**h) Policy 03.07 – Calculation of Temporary Compensation**

The Workers' Safety and Compensation Commission provides temporary compensation benefits to workers temporarily disabled as a result of a work-related injury or disease.

This policy explains how the WSCC calculates temporary compensation.

The Comprehensive Policy Review Plan identified Policy 03.07, Calculation of Temporary Compensation, for review.

On a motion duly moved and seconded, the Governance Council of the Workers' Safety & Compensation Commission of the Northwest Territories and Nunavut approved Policy 03.07 – Calculation of Temporary Compensation, as presented.

**14/06-012– Carried**

**i) Policy 11.02 – Reporting an Injury, Disease or Death**

Workers, employers and health care providers are all responsible to report workplace injuries to the Workers' Safety and Compensation Commission (WSCC). This policy outlines each party's responsibilities, ensuring the timely and effective adjudication of workers' claims.

The Comprehensive Policy Review Plan identified Policy 11.02, Reporting an Injury, for review.

On a motion duly moved and seconded, the Governance Council of the Workers' Safety & Compensation Commission of the Northwest Territories and Nunavut approved Policy 11.02 – Reporting an Injury, Disease or Death, as presented.

**14/06-013– Carried**

**j) NWT /NU Permanent Impairment Rating Guide**

The WSCC Administration recommended the elimination of the NWT and Nunavut Permanent Impairment (PMI) Rating Guide and adoption of the most recent version of the American Medical Association's (AMA) Guides to the Evaluation of Permanent Impairment.

The current NWT and Nunavut Permanent Medical Impairment (PMI) Guide (Guide) developed in 1997, has undergone several significant additions and revisions since 1999. The Guide is a hybrid of the original Canadian Bell's Tables (adopted by most WCB's in the 1960s and 1970s) with enhancements from other Canadian jurisdictions and relevant sections of the American Medical Association's (AMA) Guides to the Evaluation of Permanent Impairment (4th Edition, 1993).

The Pain Disorder section was added to the Guide in 2008 at the direction of the Governance Council to remedy a legal requirement to compensate for permanent physiological pain disorders. The PMI rating schedule adopted for these pain disorders created a schedule of ratings without integration of relativity to

## **NWT/NU Permanent Impairment Rating Guide cont'd**

impairment where the percentage of impairment is not in line with the functional impairment and there is no objective way to assess these. The current rating schedule for these pain disorders provides the highest ratings of any Canadian jurisdiction (a maximum of 50% whole person impairment compared to 6% provided by the jurisdiction with the next highest rating schedule) and is the area of greatest misalignment amongst Canadian rating guides.

The WSCC presently awards a permanent impairment rating for psychological pain disorders between 0 – 50%. Using AMA (6th Edition) the award is 0 – 3%. Only six editions of the AMA Guidelines have been produced over a fifty-three year period. The AMA (6th Edition) shows considerable refinement in rating methodology to minimize inter-rater variability introduced by medical judgment. This is relevant because two independent raters using the current NWT and Nunavut Rating Guide or the AMA (4th Edition) may not end up with the same numerical values in ratings due to the wider ranges of PMI ratings in the schedules for various scenarios. For example when the rating range is 10% - 15% in the schedule, different raters may arrive at 11% or 13% when given the same PMI examination findings. The AMA (6th Edition) is more detailed and refined to eliminate this variability and provides a comprehensive, relative value based integration of impairment ratings for anatomical and functional impairments.

On a motion duly moved and seconded, the Governance Council of the Workers' Safety & Compensation Commission of the Northwest Territories and Nunavut approved Administrations recommendation to eliminate the NWT and Nunavut Permanent Impairment Rating Guide and adopt the most recent version of the American Medical Association's Guides to the Evaluation of Permanent Impairment.

**14/06-014– Carried**

### **k) Long Term Funding for NTFL and NSA**

On April 20, 2007, the Workers' Safety and Compensation Commission (WSCC) signed a three-year Contribution Agreement with the Northern Construction Safety Association, now known as the Northern Safety Association (NSA) for the

### **Long term Funding for NTFL and NSA cont'd**

delivery of safety courses requiring certification. The contribution agreement for 2007 was \$235,000, 2008 and 2009 was \$310,000 with an increase to \$332,000 in 2010.

In December 2007, the Governance Council (GC) approved an interim contribution of \$186,000 to fund the “groundwork” of the Return-to-Work (RTW) training program to be carried out by the Northern Territories Federation of Labour (NTFL) beginning in 2008.

The GC later approved the 2009 and 2010 contribution agreement in the amount of \$375,000 to continue these courses. At the November 2010 meeting, the GC approved two years of funding for the NSA at \$400,000 per year and the NTFL at \$350,000 per year providing certain conditions were met. At the March 2012 GC meeting, after receiving presentations from the NTFL and NSA, the GC approved two more years of funding at the rate of \$400,000 per year for the NSA and \$350,000 for the NTFL. That agreement ends on Dec 31, 2014.

The partnerships over the years have grown and the WSCC sees where they can grow even further. With the WSCC divesting itself of training and asking different partners from across the north to fill the void, it makes sense that a long term commitment be made to these organizations in order that they too can grow in this sector.

Each organization will complete a strategic plan of activities for the next 3 years which will be in line with the WSCC strategic plan.

On a motion duly moved and seconded, the Governance Council of the Workers’ Safety & Compensation Commission of the Northwest Territories and Nunavut approved current annual funding levels for the NTFL and the NSA through until December 31, 2019.

**14/06-015– Carried**

### **l) Governance First Principles**

At the request of the Governance Council, the Governance Advisor prepared a document for review regarding possible first principles.

The purpose of governance first principles is to promote good governance by providing a foundation for GC decision-making. Governance first principles: Strike a balance between stakeholder needs and/or expectations and the GC's governance and regulatory obligations; and, Guard against decisions that may be difficult to defend over the long term.

The Governance Council will review these on an annual basis to ensure decisions are in line with the principles.

On a motion duly moved and seconded, the Governance Council of the Workers' Safety & Compensation Commission of the Northwest Territories and Nunavut adopted the governance first principles with respect to its fiduciary duty, stewardship, strategic focus and accountability and transparency to stakeholders, as presented.

**14/06-016 - Carried**

### **m) Working on Wellness Partnership**

The WSCC Administration recommended entering into a partnership with the Workplace Wellness initiative. This partnership benefits WSCC employees and the Workers' Safety & Compensation Commission, as the employer. The program is designed to contribute to the reduction of preventable cancers and other chronic diseases through implementing workplace wellness programs that will enhance our employees (and our partners employees) existing health and wellness initiatives.

Societal health issues are a current and emerging challenge for all WCB's across Canada. These issues increase the risk of injury and prolong disability. Psychological injuries, workplace violence, various types of stress and chronic illness are all challenges for prevention and compensation.

## **Working on Wellness Partnership cont'd**

A tentative start date for this partnership is July 2014. There are no direct financial obligations to the WSCC.

The Governance Council wondered if this initiative was reaching out to Nunavut and in particular the Government of Nunavut (GN). Administration will ask the lead person on this project to contact the GN and speak with them about the partnership.

On a motion duly moved and seconded, the Governance Council of the Workers' Safety & Compensation Commission of the Northwest Territories and Nunavut approves Administrations request to become a Working on Wellness partner.

**14/06-017 - Carried**

## **5. DISCUSSION/PRESENTATION ITEMS**

### **a) Comprehensive Policy Review Plan**

The Comprehensive Policy Review Plan (CPRP) sets out the WSCC's five-year policy review schedule. As policy issues emerge, the CPRP can be updated by Administration. In addition to the actions taken by Administration, the Governance Council may specifically direct Administration to action a policy earlier than proposed in the CPRP. Administration commits to reporting the quarterly status of the CPRP to the Governance Council.

This item was previously an annual decision item, which did not keep the Governance Council connected with the policy review process or the upcoming stakeholder engagement. This item was changed to a quarterly discussion item to keep the Governance Council apprised of policy activity.



## **b) Q1 Performance Report**

The Quarterly Performance Report provides a snap shot of actions the Workers' Safety and Compensation Commission (WSCC) is taking to achieve its goals. The report indicates whether the WSCC is successfully delivering against the Corporate Plan and achieving progress towards its Vision and Mission. For each available performance measure, the WSCC indicates whether it is on track, lagging or off track from the targeted goal.

Every month, operational units provide updates on their key performance indicators, including a review of key initiatives for that month.

## **c) Outstanding Litigation and Appeals Tribunal Decisions**

In carrying out its mandate, the WSCC is sometimes required to enforce its legal rights in court, clarify its legal obligations and responsibilities, defend its decisions, and hold people and companies liable for non-compliance with legislation such as the *Safety Act*.

This report contained:

- Outstanding non-third party litigation involving the WSCC,
- Prosecutions commenced by the WSCC,
- Short term contracts for legal services, and
- Appeals Tribunal decisions released between February 1, 2014 and April 30, 2014.

## **d) Divisional Presentation – Prevention Services**

This agenda item was deferred to the September 2014 meeting.

## **e) Divisional Presentation – Stakeholder Services**

*The Governance Council welcomed the Leadership Team from Stakeholder Services.*

This divisional presentation focused on the Stakeholder Services division which includes Employer Services, Medical Services, Claims Services, and Investigations.

#### **f) WSCC Human Resources Talent Management Strategy Proposal**

Human Resources (HR) has evolved in reaction to significant changes in the way organizations set and accomplish their goals. HR viewed traditionally as a compliance driven function of an organization is now viewed as a strategic enabler for the business.

The WSCC initiated development of a Talent Management strategy in 2014, which will allow for strategic alignment of HR and WSCC corporate goals. A number of actions will be initiated in 2014 and Talent Management strategy will allow for alignment with the new corporate direction from 2015-2018.

Fulfilling a request made from the President, HR has developed a proposal that includes the following:

- A WSCC Talent Management Model
- An improved Safety Program
- Recruitment Strategy
- Succession Plan
- Secondment Program
- Individual Employee Development Plans
- Retention Strategy
- Total Rewards Program

The Governance Council will receive an update on the progress of these initiatives at the March 2015 meeting.

#### **g) Small Business Merit/Demerit Programs**

The Safe Advantage program is a merit/demerit program which was first implemented in the 2007/08 year. Inclusion is mandatory for employers with an average assessment over \$40,000.00.

The program was designed after review of several existing programs in place in other jurisdictions across Canada. The Governance Council requested Administration to research options for a merit/demerit program for small employers.

Several provincial counterparts have existing programs that provide incentives or penalties to employers based on meeting various requirements.

In the existing Safe Advantage program, based on the employers benchmark cost level, there are some smaller employers in the program that would receive at most a \$1000- \$1200 refund.

For administration to oversee a program that evaluates all employers in the format that Safe Advantage does would be very time consuming and costly. Balancing the potential refund and the cost to the employers to implement their safety program to achieve those refunds could have a negative impact on the program because it will not add up on the spreadsheet. The value must be placed on the cost savings of not injuring workers and damaging property.

Several of the existing provincial programs use an OHS Safety audit program such as COR. While the cost of the program is borne entirely by the employer, the cost to administer for the WSCC to maintain is limited to administration and the changes required for tracking it in CAAPs. The onsite components are performed by the external audit entity.

Two programs from other jurisdictions that appear to be best suited for this situation are:

Alberta - Partners in Injury Reduction: Using 3 methods to reward employer, COR certification, improving performance, and maintaining industry leadership. Each has an incentive for achieving or maintaining that measurement. There is no punitive measure in this program.

Worksafe BC - Experience Rating: An option which appears to be straight forward is the Worksafe BC approach using experience rating versus that specific industry class and rebates or surcharges applied depending on whether an employer is over or under.

The WSCC will complete an evaluation of the financial impacts of the two programs and will report findings to the Governance Council at the December 2014 meeting.

#### **h) COR Return to Work Portion/WSCC Administrative Savings**

The Governance Council requested information on what would be required to use the COR audit as an alternative to the Safe Advantage verification, and the administrative cost saving of doing so.

The WSCC completes a verification of the information provided in the Safe Advantage Management Practices Questionnaire on a 3 year cycle, with the provision of doing it at any time concern arises.

A thorough comparison of the Safe Advantage Management Practices Questionnaire (MPQ) and the Alberta Construction Safety Association Health and Safety Standard Audit Document (COR audit) was performed. Section One: Prevention aligns 98% and Section Two: Return to Work/Claims Management aligns 10%. The gap is largely related to the lack of Return to Work (RTW) requirements in the COR audit.

Prevention Services and Stakeholder Services met with the Northern Safety Association to discuss options to include a Return to Work portion in place of the MPQ Section Two to the COR audit.

The changes to recognize the COR audit in place of the Safe Advantage MPQ can be accomplished. It is recommended the WSCC use a phased in approach over the 3 year life of the COR audit (each COR employer is audited at least every 3 years), as the revised audit would need to be performed for every employer requiring a verification and the cost is understood to be \$2,500.00 plus expenses.

As each employer is audited by the revised COR audit, the WSCC would recognize it. At the end of the 3-year phase in period all COR employers would have been audited by the new requirements and be able to submit it in place of the verification. The importance of this aspect is that no additional cost would be borne by the employers to initiate this change in procedure.

The Governance Council commented they do like the way the WSCC is going with this initiative.

**i) Possible Services Transferred to NTFL and NSA**

The WSCC has provided training courses as a routine aspect of Prevention Services delivery of services. An internal audit and the legal advisor confirmed the concerns identified by the Governance Council and President regarding a conflict due to the same person training and regulating those acquiring the training.

The WSCC currently only teaches the Supervisor Safety Course (SSC) from the industrial side. There are existing training providers that deliver a similar course. The WSCC delivery of this training course is scheduled to end by 2014. There will be a hand off period to follow during which WSCC will co-teach or mentor training providers who elect to use the WSCC developed course. As part of that transfer process WSCC will offer assistance to get the instructors familiar with the course such as joint presentation on initial offerings, and a course the potential trainers can take to get acquainted with the materials and delivery methods. At present there is no legislated requirement for the SSC although it has been required as a result of a workplace incident in some instances.

There is no current non-WSCC Territorial provider of Mine Rescue training. The WSCC mining unit provides it on an as and when needed basis. Prevention is seeking opportunities with potential training providers to develop this capacity outside the WSCC. Prevention is discussing with mining partners further opportunities to provide access to the oversight of the mining supervisor certificate outside the WSCC.

Legislation will be reviewed to determine if changes are possible to allow the blasting certificate to be administered outside the WSCC.

The WSCC is reviewing the COR audit to do a comparison of what components of the Safe Advantage verification it addresses. Once complete WSCC will meet with the NSA to see if there is a potential to have other items not currently in COR added to ensure all components are covered, at which point WSCC would accept the COR audit in place of the applicable components of Safe Advantage (Management Practices Questionnaire, Return to Work, and verification). If this is not possible WSCC will look into revisions to the forms and verification process to address the overlap.

**j) Process for Advising Industry how to Access Training from the Mine Training Society**

Prevention Services was requested to identify how industry could access training from the Mine Training Society.

Prevention Services will coordinate regular updates from the Mine Training Society at Prevention tailgates, including scheduling of training.

The WSCC provide information on the website linking potential clients to the Mine Training Society.

The WSCC will provide dates of future training events on our social media sites. Prevention Services employees will identify the Mine Training Society as a source of developed workers to industry.

Future meetings will identify other potential areas of indoctrination training and could be used as a mechanism for preparing workers to enter the field.

**k) Director Recruitment Framework**

At the March 2014 meeting, the Governance Council discussed the membership and ways to effectively recruit new members. At the time, the GC asked the Governance Advisor to look into strategies for recruitment and also succession planning.

The Governance Council agreed to implement a director profiling process so that the required competencies will be identified in good time for their communication to and consideration by the Minister. The matrix will be completed by each current Governance Council member which outlines the current skill sets of the council.

**l) CEO Succession Planning**

Appointment of the CEO is a responsibility of the Governance Council. Currently, there is not a succession plan in place to appoint and new CEO, should one be needed.

## **CEO Succession Planning cont'd**

The Governance Council agreed a plan should be in place and asked the Governance Advisor to look into options for this. The Governance Council provided feedback into the recommended process. The Governance Advisor will provide a formalized process at the September 2014 meeting.

### **m) Governance Council Work plan**

The Governance Council requested a more formalized work plan to ensure they are meeting their responsibilities. The Governance Advisor and Internal Auditor identified all areas the Governance Council is responsible for. The Governance Council will begin implementing the work plan at the September meeting. They will review on an annual basis to ensure it is still capturing the responsibilities of the council.

## **NEXT MEETING**

The Governance Council reviewed the agendas and corporate planning calendar for the September 2014 meeting. The meeting will take place September 11-12, 2014 in Yellowknife, NT.

## **6. IN CAMERA SESSION**

- a) President and CEO Salary Increment**
- b) Meeting Evaluation**

## 7. ADJOURNMENT

*There being no further business to discuss, the meeting adjourned at 15:30 pm on June 13, 2014.*

On a motion duly moved and seconded, the Governance Council of the Workers' Safety & Compensation Commission of the Northwest Territories and Nunavut adjourned its June 12-13, 2014 meeting in Yellowknife, NT.

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*Date*

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*Chairperson*

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*Date*

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*Corporate Secretary*