ON THE























Canada



TABLE OF CONTENTS

President's Message	4
A Story of Achievement	7
Strategic Directions	.10
A Moment of Transition	.11
Claim Processing, Early Compliance and Violation Reduction	.12
Looking to the Future	.17
Financial Summary	.18
Council of Governors	.19
HMIRC Contact	.20
LIST OF FIGURES	
Figure 1: Backlog Elimination	8
Figure 2: Claim Processing in 2010-11	.12
Figure 3: Percentage of Undertakings and Orders – Last 3 years	.13
Figure 4: Number and Percentage of MSDS Violations Corrected by Category in 2010-11.	.14
Figure 5: Average Number of Violations per Claim – Last 3 years	.14
Figure 6: Violations per Claim by Top Three Priority Categories	.16

President's Message >



First let me address myself to the managers and employees of the Hazardous Materials Information Review Commission (HMIRC) and congratulate them on a job well done.

Not every year do we get to celebrate success like we do this year. By the last quarter of 2010-11, after three years of special effort, the management and staff of the Commission eliminated the backlog of unprocessed claims that has been challenging us for more than a decade.

The backlog resulted from a success of sorts: with so many company requests for exemption from disclosure, we were unable to keep pace with the demand. Our limited resource base had to be supplemented for three years to catch up, which we did. We have also introduced changes to the claim process that should help prevent a repeat of the experience.

Aside from clearing the backlog, HMIRC has responded to claimant requests for online guidance tools and educational materials by officially launching an interactive online presentation on the HMIRC claim process called the HMIRC Multimedia Educational Tool (HMET).

With regard to workplace wellness, I would like to recognize the success of the Strong Workplace Action Team (SWAT) in identifying and consulting widely on issues in the workplace and in proposing solutions. SWAT, a working group of employees from across the Commission, has been committed to making HMIRC a workplace of choice.

Considering HMIRC's achievements last year, the managers and staff should be acknowledged for their commitment to the fulfillment of the Commission's mandate. The team effort makes for a unique contribution to national and federal priorities.

Now we can direct our minds and talents to the future. This opportunity allows us to reorient our discussion from a process-based focus on products and services to ways we can emphasize our contribution to the dialogue about how best to protect confidential business information (CBI) while contributing to broader occupational health and safety objectives. Teamwork will continue to be required to identify new ways to add public value and to deliver core outcomes within the Commission's modest budget.

The Commission's challenge will be to extend its vision beyond the immediate task of producing individual decisions. We are examining ways to make more use of the unique knowledge and expertise we have developed about hazardous materials in order to enhance the health and safety of workers.

To our current circle of stakeholders and potential claimants, I have a commitment to make. We will uphold our steadily-improving service standards and without compromising the protection of CBI while serving a wider circle of interests.

Our raison d'être continues to be as a single mechanism under federal, provincial and territorial legislation to protect the CBI of companies that supply or use hazardous materials. We will do this while ensuring that

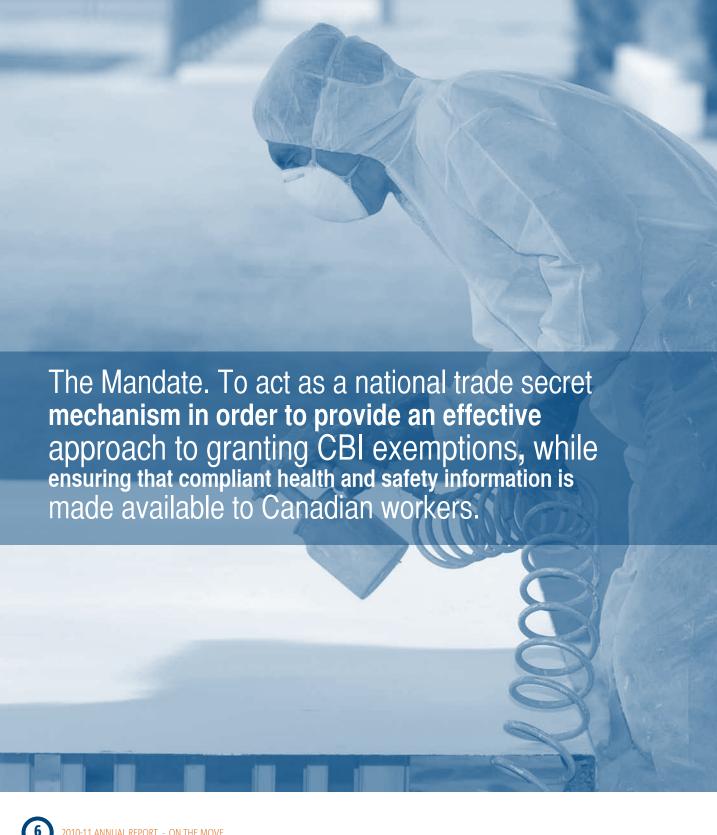
Canadian workers who handle such materials have all the information they need to do so safely.

We will expand our relationships by developing them both domestically and abroad. New partnerships will come about once we will have identified new and innovative ways to strengthen our value to each of them.

I want to conclude by thanking all the managers and staff of the Commission for their contributions during the year and the Council of Governors for their collaboration. I know that by working together toward a fresh vision, we will be able to make a greater contribution to the national effort at hazard classification and communications. By doing so we will demonstrate the benefits we bring to all Canadians.

Watter

Sharon A. Watts
President and CFO



A Story of Achievement >

The Hazardous Materials Information Review Commission (HMIRC) provides the mechanism in Canada to protect the confidential business information (CBI) of chemical suppliers and employers, and to ensure accurate and complete health and safety information is available to workers.

As such, the Commission makes an essential contribution to the Workplace Hazardous Materials Information System (WHMIS), Canada's safeguard against health and safety hazards in the workplace.

WHMIS was established during the late 1980s through coordinated federal, provincial and territorial legislation. The federal, provincial and territorial agencies responsible for WHMIS have set out hazard communication requirements to ensure that hazardous materials that are used, stored, handled or disposed of in the workplace are properly labelled, that Material Safety Data Sheets (MSDSs) are made available to workers and that workers receive appropriate education and training.

HMIRC was created concurrently with WHMIS, as it was determined that an exemption process was required in order to allow industry to protect CBI, while still disclosing all required health and safety information. HMIRC's role is to evaluate claims for exemption and the associated MSDSs and labels to determine whether the claims are valid, and whether the MSDSs and labels are compliant with WHMIS. An HMIRC registration number must appear on the MSDS in order for a product containing an exempted ingredient to be made legally available on the Canadian market. An exemption is limited to three years, after which the claim can be resubmitted. This claim for exemption process is essential to the functioning of WHMIS.

Review of Claim Validity

HMIRC reviews both the financial and security information contained in each claim to determine whether or not it meets the regulatory criteria for exemption from the disclosure of CBI.

HMIRC works on behalf of the federal and all provincial and territorial jurisdictions in Canada, through references in the legislation of each of these jurisdictions to HMIRC's enabling statute, the *Hazardous Materials Information Review Act* (HMIRA). In this way HMIRC is able to provide a national CBI protection mechanism through a single window that provides consistent protection for CBI while maintaining the health and safety of workers across Canada. The national consensus around HMIRC's mandate remains strong to this day.

The key stakeholders are represented on HMIRC's Council of Governors, an oversight body forming a unique national partnership. The Council's 18 members represent workers, suppliers, employers, as well as the federal, provincial, and territorial governments. As an example of this collaborative approach, amendments to the HMIRA in 2008 responded directly to issues raised by members.

Only those MSDSs for which a claimant wants to protect CBI proceed through the HMIRC exemption process. More than 80 per cent of MSDSs filed with the Commission do not comply with WHMIS requirements. The Commission reviews 100 per cent of the claims submitted to it, ensuring that the associated MSDSs are accurate and complete. HMIRC provides both economic and social benefits with respect to every claim for exemption—protecting worker health and safety while exempting CBI. In addition, a multiplier effect occurs when, after having their MSDSs verified by the Commission, claimants will often correct other MSDSs that contain the same ingredients.

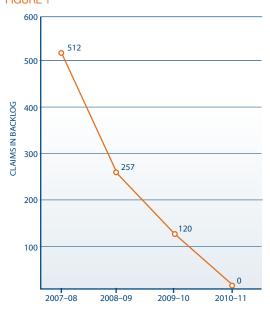
An enhanced dispute resolution process has avoided lengthy appeals that can delay the flow of information about hazards to workers. As a result, the number of appeals has been drastically reduced. In 2008, the commission had its first appeal in 10 years. There were none in 2010-11.

HMIRC aims to achieve its well-defined mandate through optimal effectiveness, efficiency, and economy, ensuring consistent decision-making. A recent emphasis on the establishment of frameworks and systems to optimize these principles aims to produce further results for Canadians. Frameworks such as the Budget Management Framework and the Strategic Partnership Framework will help HMIRC achieve these results. Also, from a system perspective, HMIRC has expanded its use of a searchable chemical ingredient database that allows for simultaneous use of HMIRC's digitized records of chemical assessments. This Data Management System (DMS) will also play an important role in information management and retention of corporate knowledge.

HMIRC's renewed focus is the outcome of a realigned and cohesive approach to integrated planning combined with the accomplishment of eliminating a longstanding backlog of claims. HMIRC received sunset funding for three fiscal years, from 2008 to 2011, to treat the significant claim processing backlog, and it successfully eliminated the backlog of 512 claims by March 31, 2011, as planned.

With the recent introduction of the HMIRC Integrated Plan to further guide its work, the Commission is now poised for new levels of achievement. The way ahead has been mapped-out in the Integrated Plan which — accompanied by the Commission's Logic Model and Evaluation Methodology — establishes a renewed, results-based accountability framework.

BACKLOG ELIMINATION FIGURE 1





Strategic Directions >

The main purpose of the Integrated Plan is HMIRC's renewal. The Plan articulates strategies to orient and give the tools to management to enable near and midterm improved results. These statements, which were introduced last year, commit the organization to:

- Enhance the quality and responsiveness of HMIRC services in order to emphasize proactive compliance with claimants' obligations
- Improve the organization, translation and dissemination of knowledge so as to better exploit and share its unique expertise on improving hazard classification and communications
- Increase partnership participation in order to work with others to better address hazard communication challenges

These strategic directions are being translated into frameworks that will guide the Commission in various areas such as information management, continuous learning, strategic partnerships and communications. The frameworks are being designed to yield benefits in effectiveness, efficiency and economy so that HMIRC – as a small agency – produces more value for Canadians through a results-based management approach. This will focus the Commission's efforts on improving regulatory approaches, policies, and procedures. By doing so, they will help to improve service quality to claimants and to HMIRC target groups by increasing support for occupational health and safety and economic competitiveness.

With the Integrated Plan and an accompanying evaluation methodology in place, the Commission is better positioned to achieve value-added results. An appropriate evaluation model, based on measurable performance indicators, will enable the Commission to track progress on its strategic directions.

Once the results derived from the renewed strategic direction are in place, the Commission aims to complete the transition to a new results-based business model. This will be achieved by doing more with the Commission's unique expertise and knowledge. By sharing more of its unique knowledge base, the changes will increase the impact of the Commission's work.

A Moment of Transition >

HMIRC has been rendering decisions on claims from industry for more than twenty years. Adjustments to the management of the claim process are currently being contemplated to promote increased effectiveness, efficiency and economy, in alignment with the Integrated Plan. Clearing the backlog allows for a sharper focus to be placed on these principles. A renewed, results-oriented outlook includes a new emphasis on proactive compliance. This strategy aims to improve the flow of information to workers, resulting in safer working conditions. Even though CBI is kept secret, the health and safety information related to the products used by workers is disclosed to protect them. Since the absence of information can have health and safety consequences, more efficient and effective information delivery should minimize delays.

Having renewed its strategic directions, HMIRC will be updating its way of doing business by upgrading its processes and introducing further innovations. The Council of Governors has approved a roadmap to achieve this new results-based management approach with the completion of the Integrated Plan. Frameworks are being put in place to achieve these upgrades:

- by building the infrastructure (e.g. industry education, information management, finance, communications, electronic submissions, continuous learning, performance evaluation and accountability, etc.)
- by developing strategic partnerships that will leverage the Commission's knowledge and that of its partners and increase proactive compliance

HMIRC will also be finding new ways to organize, translate, and disseminate health and safety information related to hazards — valuable information that would help suppliers and/or employers prepare more accurate and complete MSDSs and labels.

In addition to clearing the backlog, HMIRC picked up the pace in 2010-11 of its shift from a responsive to a strategically-driven management mode. This approach has put the Commission on a more results-based footing.

The Challenge

The Commission's challenge will be to extend its vision beyond the immediate task of producing individual decisions. We are examining ways to make more use of the unique knowledge and expertise we have developed about hazardous materials in order to enhance the health and safety of workers.

Sharon A. Watts, President and CEO

Claims Processing, Early Compliance and Violation Reduction

CLAIM PROCESSING IN 2010-11

FIGURE 2

	Number of Claims
Claims Registered	312
Claims Processed Decisions Issued 365 Withdrawls 16	381
Claims in Queue on March 31, 2011	323

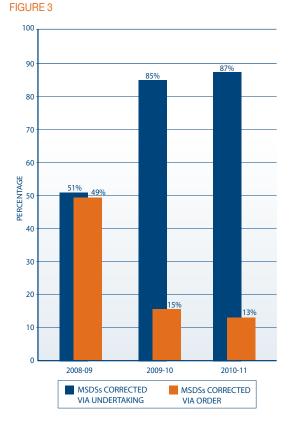
HIGHLIGHTS

- HMIRC issued 365 decisions in 2010-11
- HMIRC eliminated the backlog of claims in 2010-11, as planned

The Commission has successfully eliminated the backlog of 512 claims from 2008 and is now well positioned to manage its claim processing activities. Claim processing activities in 2010-11 are reflected in Figure 2 above which provides detail on the number of claims processed in 2010-11.

During this time, 312 new claims were registered with the Commission and 381 claims were processed by Commission staff resulting in 365 decisions and 16 withdrawals. This has left 323 claims in the queue at the end of the year. The Commission will need to actively monitor the level of claims for exemption registered in order to ensure it has the capacity to make accurate health and safety information available to workers in a timely manner.

PERCENTAGE OF UNDERTAKINGS AND ORDERS – LAST 3 YEARS



Undertakings were introduced in 2008 as a result of amendments to the HMIRA to allow claimants to voluntarily correct errors and violations in MSDS documents that they submitted in their claim. If claimants agree to the requested changes and then resubmit an approved MSDS within the period specified in the undertaking to Commission staff — a notice is published that their claim is compliant along with a list of the violations that were corrected. This effectively reduces the number of orders that the Commission issues and compliant information on health and safety is provided earlier to Canadian workers.

A review of data on undertakings in Figure 3 shows a significant number of claimants are taking advantage of this option. In 2010-11, 87% of claimants who were assessed with non-compliant MSDS documents, chose to voluntarily correct them rather than waiting for the Commission to order a change. This is reflective of an increasing trend in recent years of achieving compliance through undertakings rather than orders as shown in Figure 3. In 2008-09 the percentage of claims subject to an order was 49%. This percentage fell to 15% and 13%, respectively in the next 2 years.

HIGHLIGHTS

- 87% of claimants chose earlier compliance through undertakings in 2010-11
- Number of orders fell from 49% in 2008-09 to 13% in 2010-11

NUMBER AND PERCENTAGE OF MSDS VIOLATIONS CORRECTED BY CATEGORY IN 2010-11 FIGURE 4

Violations Category	Number of Violations in 2010-11	%
Toxicological Properties	382	30.5
Hazardous Ingredients	267	21.3
First Aid Measures	154	12.3
Headings/Format	119	9.5
Physical Data	81	6.5
Fire or Explosion Hazard	63	5.0
Hazard Classification	61	4.9
Reactivity Data	52	4.2
Preventive Measures	30	2.4
Preperation Information	26	2.1
Product Information	16	1.3
Total	1251	100
Number of claims	365	
Average number of violations per claim	3.4	

HIGHLIGHTS

- HMIRC keeps track of all violations per category
- In 2010-11, HMIRC corrected a total of 1251 violations
- The average number of violations per claim was 3.4 in 2010-11

HMIRC keeps track of all the MSDS violations by category. HMIRC issued decisions on 365 claims in 2010-11 and identified a total of 1251 violations in the MSDSs related to those claims. The average number of violations per claim was 3.4 in 2010-11. Figure 4 shows the total number of violations per category.

AVERAGE NUMBER OF VIOLATIONS PER CLAIM - LAST 3 YEARS FIGURE 5

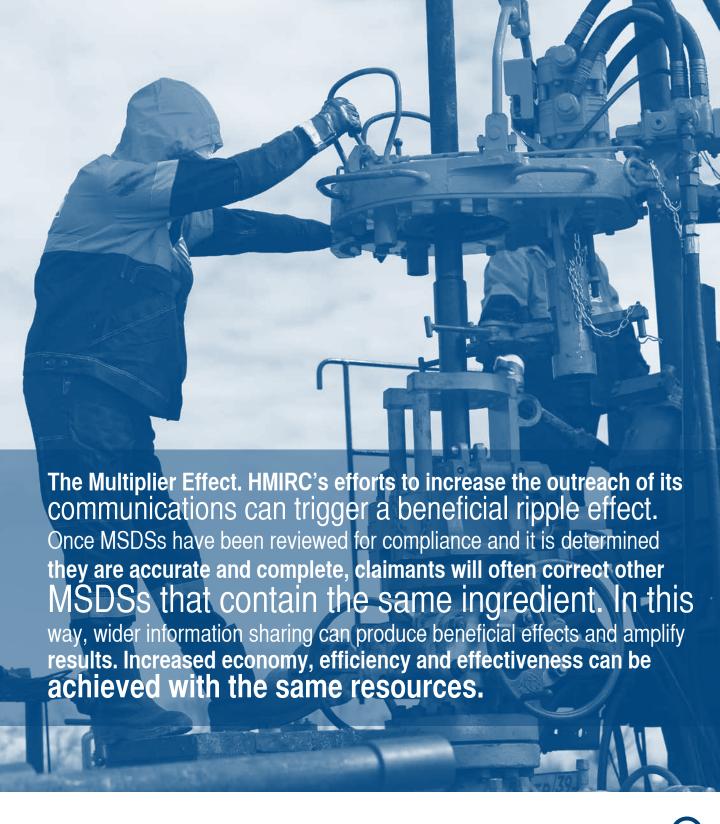


HIGHLIGHTS

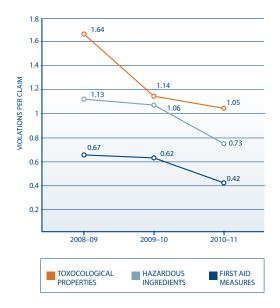
- Violations corrected through undertakings and orders
- Average number of violations per claim fell from 5.7 in 2008-09 to 3.4 in 2010-11

The Commission continues to monitor violations identified in MSDSs. Figure 5 shows the trend over the last three years: a reduction in the average number of violations per claim. Corrections made to accurately reflect hazard information on an MSDS can have significant correlation and application to other MSDSs prepared by the same claimant.

Although the number of violations corrected through undertakings and orders have dropped to 3.4 violations per claim in 2010-11, it is particularly important that they continue do so in the categories of the greatest potential impact to worker safety.



VIOLATIONS PER CLAIM BY TOP THREE PRIORITY CATEGORIES FIGURE 6



HIGHLIGHTS

- Decrease in violations in top three categories over last 3 years
- Top three categories of violations represented 64.1% of all violations in 2010-11

Since 2008-09, the majority of violations continue to fall within the three categories of toxicological properties, hazardous ingredients, and first aid measures. In 2010-11, these three categories represented 64.1% of all violations. Although they have continued to decrease over the last three years, they warrant further monitoring due to the important nature of this information for worker health and safety.

Looking to the Future >

HMIRC's Council of Governors, management and staff are working to position the Commission as a fully-integrated, results-based and accountable organization.

The Commission is encouraging proactive compliance through heightened industry awareness and corresponding behavioural change. By translating its scientific knowledge base, HMIRC will assist claimants in meeting regulatory requirements upfront, increasing proactive compliance and the efficiency of the claim process.

Looking ahead, HMIRC will pursue strategic partnerships that are aligned with its strategic directions. With its unique expertise, understanding the limited resources available, the Commission will leverage its knowledge and experience and that of its partners to maximize the achievement of its strategic outcomes, while best allocating its resources.

The framework on Strategic Partnerships will help the Commission to identify and manage a limited number of targeted and focused partnerships. In doing so, the Commission will be guided by its strategic outcomes, selecting partners with whom strengthened relationships would pay dividends in proactive compliance and hazard communication.

In addition, the Commission is preparing for the eventual implementation of the Globally Harmonized System of Classification and Labelling of Chemicals (GHS) in Canada. Canada has played a prominent role in the development of GHS, and HMIRC has participated in domestic discussions to develop a Canadian approach to implementing GHS. Increased emphasis will be placed on this emerging initiative in the coming years as Canada moves closer to implementation.

Financial **Summary** >

Revenues and Expenses

Revenue	÷	ï	÷	ï				·	i	÷	÷	÷	÷	·	÷	ì	÷	í	ì	÷	\$485,683	3
Expenditures	ì	ì	í	ï	 	 ì	ì	ì	ì	ì	ì	ì	ì	ì	ì		ì	i	ì	\$	7,087,77	7

HR Statistics

Office of the President	÷		. 4
Operations Branch	ï	 ï	28
Corporate Services and Adjudication Branch	ï	 ï	18
Total	í	 í	48

Additional information on financial statements can be found in:

Report on Plans and Priorities (RPP) 2010-11 http://www.tbs-sct.gc.ca/rpp/2010-2011/index-eng. asp?acr=1577

Departmental Performance Report (DPR) 2009-10 http://www.tbs-sct.gc.ca/dpr-rmr/2009-2010/index-eng.asp?acr=1675



Council of Governors >

WORKERS

- » Lawrence D. Stoffman United Food & Commercial Workers Union
- » Vacant

SUPPLIERS

» Vacant

EMPLOYERS

» Sandra Neale GE Canada

GOVERNMENT OF CANADA

» Alwyn Patrick Child Human Resources and Social Development Canada

NORTHWEST TERRITORIES

» Bruce Graney Northwest/Nunavut Workers' Compensation Board

NUNAVUT

» Vacant

YUKON

» Kurt Dieckmann Yukon Workers' Compensation Health and Safety Board

BRITISH COLUMBIA

» Nancy Harwood WorkSafeBC

ALBERTA

» Dan T. Clarke Alberta Human Resources and Employment

SASKATCHEWAN & CHAIR

» Rita Coshan Saskatchewan Labour

MANITOBA

» Dennis Nikkel Manitoba Labour and Immigration

ONTARIO

» John Vander Doelen Ontario Ministry of Labour

QUEBEC

» Yves Brissette Commission de la santé et de la sécurité du travail

NEW BRUNSWICK

» Richard Blais Workplace Health, Safety and Compensation Commission of New Brunswick

NOVA SCOTIA

» Jim LeBlanc Nova Scotia Department of Environment and Labour

PRINCE EDWARD ISLAND

» George Stewart Workers' Compensation Board of Prince Edward Island

NEWFOUNDLAND & LABRADOR

» Vacant

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