

2001-2002 ANNUAL REPORT

# Building on *Renewal*



Hazardous Materials Information  
Review Commission

Conseil de contrôle des renseignements  
relatifs aux matières dangereuses

Canada



2001-2002 ANNUAL REPORT

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# Building on *Renewal*

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July 31, 2002

The Honourable A. Anne McLellan, P.C., M.P.  
Minister of Health  
Centre Block  
House of Commons  
Ottawa, Ontario K1A 0A6

Dear Minister:

I am pleased to submit to you the annual report of the Hazardous Materials Information Review Commission, in accordance with subsection 45(1) of the *Hazardous Materials Information Review Act*. The report covers the fiscal year ending March 31, 2002.

Yours sincerely,

Weldon Newton



# TABLE OF CONTENTS

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<b>President's Message</b> .....	1
<b>HMIRC at a Glance</b> .....	3
What the Commission Does .....	4
Our Values .....	4
2001–2002 Highlights .....	5
<b>Achievements 2001–2002</b> .....	6
MSDS Compliance .....	6
Backlog Reduction .....	7
Client Services .....	8
Claims Management .....	9
New Fee Schedule .....	10
Outreach .....	11
Client Questionnaire .....	12
Dispute Resolution .....	12
Corporate Services .....	14
Human Resources .....	14
Communication .....	15
Projects .....	16
<b>Looking to the Future</b> .....	17
<b>Governance</b> .....	18
<b>The Commission's Structure</b> .....	20
<b>Financial Statements</b> .....	21
<b>Publications</b> .....	22





# PRESIDENT'S MESSAGE

The 2001–2002 fiscal year was a year of transition for the Commission. After three years of organization renewal, our new culture is maturing, and we are experiencing the benefits of the many changes we have made.

The Commission began renewal in 1998, with a view to becoming a more client-oriented agency, committed to improving the quality and timeliness of our services at a reasonable cost to those who directly benefit from our work. While always ensuring that our regulatory decisions are based on sound scientific principles, we wanted to encourage creative and progressive approaches to making workplaces safer. We also wanted to put in place procedures that would eliminate the causes for as many complaints and disputes as possible, and help us resolve the remaining ones impartially and promptly. To achieve these goals, we created a strategic plan, our *Blueprint for Change* and its accompanying *Workplan* in co-operation with our clients and our partners in the Workplace Hazardous Materials Information System.

For the past four years, we have followed our *Workplan* — sometimes a challenging task, but always rewarding. I believe we have now realized the vision. Of the 29 action items we listed, only a handful remain awaiting regulatory and statutory approval. The rest are already in various stages of implementation, the fruit of several years of planning and systematic progress.

A great deal has been achieved in the past year. Our new fee structure has passed through the process of Treasury Board, Justice, and client

consultation and is coming into effect as this report is being written. We have introduced a credit card option for fee payments, simplifying the process both for our clients and our own accountants.

Our outreach efforts are beginning to show results, and co-operation with provincial occupational safety and health (OSH) agencies in identifying unfiled claims is growing. Changes in our screening procedures have made claim review more transparent to claimants, bringing greater openness and increasing efficiency, and the new dispute resolution process is well on the way to implementation.

Today, HMIRC is a well-performing organization. We have laid a solid legislative and administrative foundation to deliver on all *Workplan* commitments and are well positioned to meet the challenges of the future.

Some of those challenges have already presented themselves. One in particular appears to have emerged, at least in part, from the success of our renewal initiatives. Renewal gave the Commission more visibility, and made us more accessible. For the third year in a row, there has been a larger than usual number of new claims. Our annual average for years was approximately 200 claims but, since 1999, the Commission has registered more than 300 claims each year, resulting in a growing backlog. This accumulated

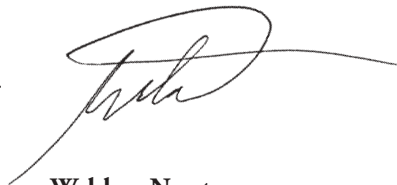


workload in the health and safety evaluation of material safety data sheets (MSDSs) requires serious attention. Last year we commenced 5-year Backlog Reduction Plan, approved by Treasury Board in the fall of 2000 and accompanied by temporary TBS funding for more staff to address the increased workload. We now have, admittedly with some difficulty, managed to recruit almost all the necessary operations and associated support staff. However, the continuing high volume of submissions, combined with staffing-related delays in implementing the 2000 Backlog Reduction Plan, has necessitated a review of that plan. It has become evident that backlog reduction objectives cannot now be achieved without modifying the Commission's resourcing requirements, and we intend to discuss this issue with Treasury Board in the coming year.

To accommodate our increased workload and additional staff, the Commission moved to larger facilities last year, while maintaining full service to clients. I am most appreciative of the efforts of our staff during this disruptive time; the move was handled smoothly and efficiently, with excellent teamwork. In addition to the office space we badly needed, the new facilities provide us with improved security for proprietary information.

We have continued to update our Web site with new information as it becomes available, and it is proving to be an excellent aid to education and efficiency. In the coming year, we plan to explore options for e-payment and e-filing, as an added convenience to claimants.

We have also commenced plans to embark on the modern comptrollership initiative in the coming year, including risk management and integrated performance measurement. At the same time, we will continue to assist with the additional legislative and regulatory changes required to complete our *Blueprint* and *Workplan* initiatives. Although we have successfully brought about the organizational renewal foreseen in those two strategic planning documents, we are finding that renewal, once started, is an ongoing process. Every achievement brings a new perspective and new challenges. In that sense, renewal will continue to shape the Commission's activities for many years to come. I am confident of the results, and I know we will continue to make an important contribution as part of the occupational health and safety community.



**Weldon Newton**

# HMIRC AT A GLANCE

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SERVING THE WORKER'S RIGHT TO KNOW AND INDUSTRY'S RIGHT TO SAFEGUARD  
CONFIDENTIAL BUSINESS INFORMATION

*The Hazardous Materials Information Review Commission (HMIRC) is an independent agency accountable to Parliament through the Minister of Health. We work with our stakeholders — industry, labour and governments — to help safeguard both workers and trade secrets in Canada's chemical industry. The Commission is part of the Workplace Hazardous Materials Information System (WHMIS), a wide array of laws, regulations and procedures that helps minimize workplace injury and illness from the use of hazardous chemicals.*

Under WHMIS, manufacturers and distributors of controlled (hazardous) products must provide information on the health and safety risks associated with their products, together with instructions for safe handling, storage, transportation, disposal and first-aid treatment. This information is conveyed by the product's mandatory material safety data sheet (MSDS) and label, which form an important part of employers' workplace education programs.

However, chemical companies have the right to keep confidential business information private. On occasion, this right may be at odds with WHMIS disclosure requirements. Industry, labour and government agreed in 1987 to a mechanism that creates an equitable balance between industry's right to protect trade secrets and the right of employers and workers to know about the hazardous materials they deal with.

## Our Mission

- **Ensure a balance between industry's right to protect confidential business information and the right of employers and workers to know about the hazardous materials they deal with in the workplace.**
- **Provide a trade secret mechanism within WHMIS.**
- **Resolve complaints and disputes impartially, fairly and promptly through statutory or alternative means.**



The *Hazardous Materials Information Review Act* and its regulations provide that mechanism through the Hazardous Materials Information Review Commission.

## WHAT THE COMMISSION DOES

If a supplier or manufacturer wishes to withhold proprietary information, such as the identity or concentration of a particular hazardous ingredient in its product, it can apply to HMIRC for limited exemption from its obligations under WHMIS to disclose this specific information.

HMIRC registers claims for exemption from disclosure of trade secrets, rules on the validity of claims, and issues decisions on the compliance of MSDSs and some labels with WHMIS legislation. We serve clients and stakeholders through three business lines: Client Services, MSDS Compliance, and Dispute Resolution.

Client Services helps suppliers and employers protect their confidential business information, by providing information about the claims process and the role of the Commission. They make sure everyone who deals with the Commission has the information they need to make the process as simple as possible. Client Services personnel register claims for exemption and ensure the security of claim-related information.

The MSDS Compliance business line is the Commission's scientific arm. Scientific evaluators review material safety data sheets associated with claims for exemption, and provide advice to the Commission's screening officers on the extent to which these documents comply with WHMIS requirements.

Screening officers, part of a separate division, rule on claim validity, based on the requirements of the *Hazardous Materials Information Review Act*. They also decide if the MSDS is in compliance; if mandatory information is missing from an MSDS or label, they issue a formal order to revise it, and follow up until the MSDS complies with regulations.

Dispute Resolution provides all parties involved in a claim with options for the prevention and resolution of disagreements and complaints. While there is an appeals process at the end of the line, it is rarely used. The Commission has incorporated in its day-to-day operations a number of features to help avoid disputes or settle them informally. We take pride in giving impartial, unbiased and prompt service that encourages the resolution of contentious issues in a fair and timely manner.

Formal appeals may relate to the compliance of an MSDS, the rejection of a claim, or to a request that confidential business information be revealed in confidence to an affected party for occupational health and safety reasons. Appeals are heard by independent boards with members nominated by industry, labour and government, to ensure that all points of view are represented.

## OUR VALUES

The Commission's approach is that everyone's interests are best served by considering the needs of workers and industry alike, and the best solution is one that protects both.

We emphasize co-operation, openness and dialogue in carrying out our mandate. We seek out creative and progressive approaches to

improve our procedures and programs. We try to offer a streamlined, competent, efficient, and timely service that is cost-effective and does not impose undue financial or paper burdens on those who deal with us. Above all, we want to be fair and consistent, and accountable for all we do.

Our clients and stakeholders represent industry, workers, employers and governments at the federal, provincial and territorial levels. We try to build relationships of trust, respect and understanding with all of them.

## 2001–2002 HIGHLIGHTS

In the past year, the Commission substantially completed its three-year renewal program to improve service delivery, increase transparency and accountability, and modernize its administration. All action items from our strategic plan (*Commission Renewal: Blueprint for Change*) are underway or fully implemented. Some long-term projects, such as our new Dispute Resolution process, are being implemented in phases that will continue into the coming fiscal year, partly due to the time required for legislative amendments.

The year's major achievements include:

- Fully established a new organizational culture of co-operation, openness and dialogue with partners and stakeholders
- Designed a new fee structure and schedule (in effect June 13, 2002)
- Introduced payment of fees by credit card
- Recruited new operations staff associated with the 2000 Backlog Reduction Plan
- Initiated a review of the 2000 Backlog Reduction Plan

- Implemented elements of new screening and dispute resolution process under administrative authority, and furthered necessary regulatory and legislative changes, still in progress
- Developed and began to implement a Communications Strategic Plan, including outreach activities with provincial Health and Safety organizations and other partners and stakeholders
- Implemented a new management structure, with a Senior Management Committee composed of six Division Directors
- Introduced new training and evaluation programs for Corporate Services staff
- Implemented new Federal Financial Information Strategy
- Initiated a Modern Comptrollership project
- Relocated to new office facilities

## Our Core Values

- **Timeliness**
- **Accessibility**
- **Transparency**
- **Quality**
- **Consistency**
- **Competence**
- **Respect**
- **Fairness**



# ACHIEVEMENTS 2001–2002

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## MSDS COMPLIANCE

*MSDS Compliance is the Commission's "scientific arm." Our scientific evaluators review MSDSs and some labels of products associated with claims for exemption to make sure they provide enough health and safety information to comply with WHMIS requirements. They take into account the relevant federal, provincial and territorial legislation and the latest scientific information available on the product ingredients and their known health and safety hazards. Evaluators provide advice to the Commission's screening officers, who decide whether the MSDS complies with regulations, and issue a formal order for revision if it does not.*

TABLE 1. MSDS VIOLATIONS AND CLAIMS STATISTICS

Violation Category	Number of Occurrences by Year								Total	%
	2001– 2002	2000– 2001	1999– 2000	1998– 1999	1997– 1998	1996– 1997	1995– 1996	1994– 1995		
Toxicological Properties	104	308	182	341	384	698	580	609	3 206	31.5
Hazardous Ingredients	104	452	164	301	391	716	367	238	2 733	26.9
First Aid Measures	66	116	47	72	97	114	63	113	688	6.8
Fire or Explosion Hazard	55	109	21	66	49	56	104	140	600	5.9
Hazard Classification	13	9	6	38	44	95	42	79	326	3.2
Physical Data	9	99	13	28	29	49	48	55	330	3.2
Headings	10	157	19	22	31	71	122	113	545	5.4
Preparation Information	8	35	3	20	9	14	36	35	160	1.6
Generic Chemical Identity	6	17	20	17	39	13	27	56	195	1.9
Product Information	2	81	21	15	24	36	49	48	276	2.7
Format/Wording	18	44	28	10	41	126	205	390	862	8.5
Preventive Measures	12	3	2	4	3	8	5	49	86	0.8
Reactivity Data	25	20	6	2	14	17	19	52	155	1.5
<b>Total</b>	<b>432</b>	<b>1 450</b>	<b>532</b>	<b>936</b>	<b>1 155</b>	<b>2 013</b>	<b>1 667</b>	<b>1 977</b>	<b>10 162</b>	<b>100</b>
<b>No. of Claims</b>	69	155	85	143	150	204	252	196	1 185	
<b>No. of Occurrences/Claims</b>	6.3	9.4	6.3	6.5	7.7	9.9	6.6	10.1	8.2	

### Backlog Reduction

One outcome of organizational renewal has been an increase in claim submissions. A major element of strategic planning for the Commission has been to deal with the claims backlog, which now numbers more than 900. Some 25 percent are refiled claims.

2001–2002 was the first year of implementing the 5-year Backlog Reduction Plan; a key element of this plan was recruiting and training new personnel, particularly in the MSDS Compliance Division. In addition to hiring extra screening officers and MSDS evaluators with Program Integrity Funding obtained from Treasury Board, several internal

vacancies also had to be filled. Staffing the evaluator positions has proved to be difficult, as comparatively few candidates have the necessary qualifications (a degree in biology with experience in the evaluation of hazardous chemicals and toxicology) and competition for these candidates is intense both within and outside government. The Commission made use of all possible options to fill these vacancies, including employment equity programs, job fair recruitments, deployment and internal and external competitions. A Co-op student from a university toxicology program was also hired for the first time as a proactive step for future recruitment. Most positions are now filled, and staffing will continue into the next fiscal year for the remaining positions.



The delay in staffing, the further delays that will be occasioned by the learning curve for new employees, and the significantly higher-than-estimated volume of new claims in the past three fiscal years have prompted a detailed review of the 5-year Backlog Reduction Plan.

The statistics on workload analysis and prediction needed for the review were produced by the Claims Management System, a computer application originally developed to record and track the progress of claim submissions. The review also identified and assessed new options for claim management. Inputting formulation data for each claim into a computerized database, we were able to determine the frequency of specific hazardous ingredients in the backlog of claims. This enabled us to develop priorities based on Toxicity Profile Summaries for the most frequently occurring hazardous ingredients and to adjust the unit time cost estimates for various stages of claim processing. Also, entering formulation data into the database early in the process will now greatly facilitate grouping the claims for review efficiency and increase the scope of such groupings beyond what is possible using only the criteria involved for fee purposes.

The new backlog reduction plan is still in development, but it is clear that, to reduce the volume of unprocessed claims to a reasonable level over the next five years, the Commission's resources must be increased to an output capacity of approximately 500 claims annually. Operations and Corporate Services staff will continue to work out the elements of the new plan for backlog reduction in the coming year, and undertake discussions with Treasury Board officials on options for resolving shortfalls in resources.

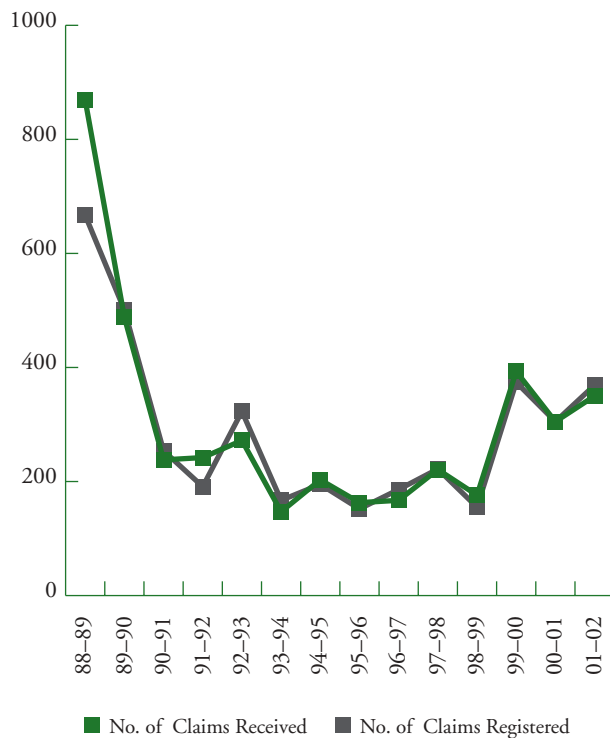
## CLIENT SERVICES

*Client Services helps suppliers and employers protect trade secrets while still meeting health- and safety-related disclosure obligations under WHMIS.*

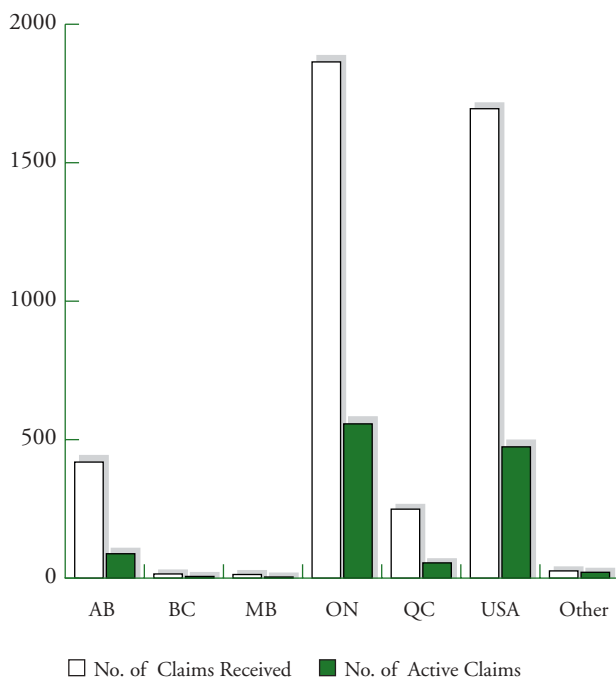
*We register claims for exemption, issue registry numbers, and ensure the security of claim information. Claim registration allows a company to import or sell their product while the Commission is reviewing the claim and making its decisions. We also provide information and guidance to suppliers, distributors, producers, employers and other stakeholders about regulatory requirements and the Commission's mandate and procedures.*

*At this time, the Commission deals with about 120 separate companies, many of which have numerous products on which they wish to claim exemptions. Approximately 40 percent of claims submissions come from the United States.*

## Claims Received and Registered by Year (Cumulative)



## Geographic Origin of Claims



## Claims Management

Despite delays in staffing operational positions, and a continued high level of claim submissions, the Commission surpassed its claim processing targets last year. A total of 350 new claims were received and 369 were registered\*, respectively 15 percent and 21 percent above the previous year's totals of 305 in both categories, and well above the 300-claim target. Client Services also dealt with some 200 inquiries during the past year.

The computer system used to register, record, track, manage and analyze claims was completely rebuilt with new software in 1999–2000. It is now providing the greater flexibility and capacity the Commission requires to handle its workload. Further improvements are identified and added on an ongoing basis.

A number of renewal initiatives have progressed through the design, consultation, testing and approval stages and have now reached implementation. To make claim processing more transparent and efficient, advice documents prepared by the MSDS Compliance Division have been shared with claimants for some time now, and a pre-assessment process has been established. Pre-assessment is part of a voluntary MSDS compliance program for claimants, in which they have an opportunity to remedy obvious technical shortcomings in an MSDS before formal review by a screening officer. In addition, the preliminary steps have been taken for the legislative amendments necessary to permit a compliance measures agreement and a procedure for issuing a draft order to claimants.

*\* Because of the time involved in processing, 19 claims filed in the last days of fiscal year 2000–2001 were registered in fiscal 2001–2002.*



One factor that, in the past, has often slowed the processing of claims is lack of complete information about the products/substances in question at the time a claim is filed. HMIRC has explored the option of requiring a statement of 100 percent of the composition of any product on which a claim is being made; however, enforcement would require an amendment to the regulations. We have now asked claimants to provide this information voluntarily, and so far the voluntary approach is working well.

### **Client Services Standards**

- **Respond to phone inquiries within 48 hours**
- **Respond to written inquiries within a week**
- **Complete pre-registration check and register claims within seven days of receipt, provided all necessary information is included**
- **On special request, register claims within 48 hours, if submission is in order**

**Note: These standards represent maximum allowable times. In most cases, we are able to provide speedier service.**

### **New Fee Schedule**

When Treasury Board published its new cost recovery policy in 1997 and updated it in 1998, HMIRC initiated a review of its fee structure, which was no longer congruent with government policy, particularly in terms of charges that relate to services for the public benefit. A new fee schedule successfully made its way through a process of development, claimant feedback, revision and approval by the Council of Governors, and was submitted to Treasury Board.

After Treasury Board approval, new fee regulations were drafted with the aid of the Department of Justice. There followed a formal submission to Treasury Board; the Minister of Health granted approval, as did the President of Treasury Board, and by the end of the fiscal year the new regulations were published in the *Canada Gazette* for public comment. The new fee structure came into force on June 13, 2002.

The new system is simple to administer, since it replaces the previous complicated groupings with one flat rate. It also reduces the amount of fees paid by claimants, on the basis that many aspects of claim registration and review benefit the public, rather than the claimants. The fee for refiled claims (renewal of exemptions on previously accepted claims on which the time has expired) is reduced, as is the amount of supporting information required, and the fee reduction for small business has been retained. Claimants may provide the required information in any form or format. For convenience, a new and simpler *Application for a Claim for Exemption* will be posted on the Web site.

In October 2001, we introduced a credit card option for fee payments, simplifying the process both for our clients and our own accountants and eliminating currency conversion problems for foreign clients.

During 2001, Client Services recorded net payments of \$860,000 through cheques and credit cards.

### **Claimants' Comments on New Fee Schedule**

***"We agree with the...concepts that are the foundation of this proposal. Simplifying the fee structure with a flat rate system and fee reductions for refiled claims represent significant improvements..."***

***"It is much simpler to use [and] understand, and is fair to all users."***

***"For our company, this new fee schedule will have a positive impact. Being a small company,...it is important to have a user-friendly system."***

***"The cost reduction may have an impact on whether our parent company chooses to market a product in Canada. Overall, a definite improvement."***

***"A great step in the right direction."***

***"I am pleasantly surprised with the public/private split, and think the revisions are very good for small business."***

### **Outreach**

In April 2001, the Vice-President, Operations, visited WHMIS coordinators and other occupational safety and health (OSH) staff in Manitoba, Saskatchewan, Alberta and British Columbia to discuss co-operation in detecting unfiled claims. Later in the year, similar trips covered Ontario, Quebec and the Maritime provinces. If information about a controlled (hazardous) substance is omitted from a product's MSDS without a claim being filed, the worker's right to know about the hazards he or she is dealing with has been compromised. However, detection of unfiled claims is not within the Commission's mandate; it is the responsibility of the provincial/territorial OSH agencies. Good working relationships with these agencies, therefore, are essential. The meetings helped Commission staff to gain more understanding of the issues and challenges OSH agencies face, and to gauge the demand for any support services from the Commission in the provinces.

The Commission has produced a field reference tool to assist provincial inspectors in detecting and reporting indicators of unregistered trade secrets and proprietary information in the Hazardous Ingredients section of MSDSs. The document was revised with comments from the provinces to make it more user-friendly, and some referrals from the provinces have been received.





Commission representatives also attended HAZMAT, CLC and IAPA conferences in 2002 to maintain currency with industry health and safety developments and inform participants about HMIRC services. The Commission has acquired a customized display stand for use at such events, to establish a presence and provide a means of exhibiting and distributing informative material.

In addition to participating in events directly related to serving Canadian stakeholders, the Commission has provided support for the Canadian delegation involved in international discussions on global harmonization of requirements for communicating chemical hazards. In 2001, HMIRC representatives were asked to accompany the Canadian delegation to one of those meetings, where we presented the Canadian experience with trade secret exemption mechanisms and commented on draft documents.

## Client Questionnaire

The Client Services questionnaire initiated in the last quarter of 2000–2001 was continued last year. Survey questionnaires are sent each month to companies that have filed claims, to obtain feedback on their level of satisfaction with information obtained from Client Services and from the Web site, on whether they thought their claim was handled promptly and efficiently, and how they rate the service provided overall. Numerous supportive comments have been received, and 84 percent of respondents indicated a satisfaction level of 8 or better on a scale of 10.

## Samples of Client Feedback

***“Your staff is very friendly and helpful. I actually enjoy working with them! They have answered all my questions promptly and very professionally...”***

***“I will be taking on a new position... There are several areas of responsibility that I’ll be glad to be rid of, but dealing with the HMIRC is not one of them.”***

***“In the four years that I have been involved with the HMIRC, I have seen a move to more co-operation, which benefits industry, labour and government.”***

## DISPUTE RESOLUTION

***Dispute Resolution provides all parties involved in a claim with a range of options for dealing with issues that arise from decisions and orders of the Commission. It supplements and works in conjunction with the appeals process by attempting to identify and resolve problems before an appeal becomes necessary. Our success is demonstrated by the fact that no appeals have been filed in the past two years. When it becomes necessary, the Commission convenes tripartite boards with representatives from industry, labour and government, to confirm, vary or rescind the decisions or orders being appealed.***

Although serious disputes and appeals do not figure largely in the Commission's work, when they do occur, they can be both lengthy and costly. In the interests of achieving our ultimate goal, to promote the health and safety of Canadian workers, we have streamlined our procedures and become more transparent and accessible in all respects. This effort included a new conceptual framework for Dispute Resolution (DR) developed in 2000–2001. The DR team was active last year preparing the new process for implementation and putting some features into practice. The key goals of the new framework are:

- To prevent or minimize disputes
- When disputes arise, to identify them quickly and resolve them in an expeditious, cost-effective, fair and open manner, recognizing that appeals are not always the best remedy
- To provide parties with options for resolving disputes in a non-adversarial, collaborative and informal atmosphere, particularly in the case of scientific issues

The new DR framework spans two business lines. As well as dealing with dispute resolution proper, i.e. the formal appeals procedure, it makes changes in the claims process to reduce the incidence of disputes and appeals at their source by making MSDS review more transparent and consultative.

Meetings with the Justice Department took place to sort the components of the new framework into those that require statutory amendments, those that require regulatory amendments, and those that fall under the Commission's administrative authority. Of the latter, several initiatives at the Client Services end have already been put into practice.

We have implemented feedback mechanisms throughout the claims process, both to help eliminate misunderstandings and disputes, and to improve our own performance. New guidelines and manuals ensure a standardized approach at all stages (and serve as a training tool), procedures now ensure improved contact with clients, and clients are provided with more information. A voluntary MSDS pre-screening process (to identify any obvious deficiencies and enable the claimant to correct them before formal screening begins) is in place, and awaiting staff resources for implementation.



The advice document prepared for the screening officer by scientific evaluators has been shared with claimants for two years as a pilot project, and continues to be provided under the new DR framework. Some 75 percent of claimants respond to the advice document, and of those, about a third require some level of discussion with the screening officer. Discussions take place in person or by phone and so far, very few issues have been difficult to resolve. We are turning our attention next to developing guidelines for facilitated discussion to deal with more contentious issues, and to refining our training programs and tools, as well as setting up procedures for monitoring and evaluating performance.

The appeal process itself has been significantly modified. New elements include a simplified procedure for appointing appeal board members, longer appointments to provide continuity and to address training issues, and a procedural manual covering all aspects of the process. In addition, a Commission official would be permitted to participate in an appeal hearing to clarify technical information in the findings of a screening officer.

Some aspects of these changes require statutory or regulatory reform, and work is continuing on advancing the amendments that will be required to complete the new process. A number of amendments are also sought to streamline the regulations and to bring them into line with government-wide changes intended to modernize legislation.

## **CORPORATE SERVICES**

*Corporate Services is the Commission's behind-the-scenes "fourth business line." We may not be visible to the outside world, but we make much of HMIRC's visible activity possible. We are responsible for strategic planning, internal and external communications, information technology, and the Commission's human resources needs. We provide administrative support, manage the records, the finances and facilities, and oversee the comprehensive security program that safeguards trade secret information on the Commission's premises. And we play a leading role in managing major projects that cut across business lines — for instance, shepherding the statutory and regulatory changes that emerged from renewal through the approvals process.*

## **Human Resources**

The Human Resources function assumed increased importance at the Commission in the past year, as HMIRC dealt with a shortage of personnel to deliver on its mandate. Key director-level positions were staffed for Client Services, Screening, MSDS Compliance, Corporate Services, Regulatory Affairs and

Appeals, and Communications, to provide leadership and continuity for renewal. Three new positions in IT, HR and Finance were created with the assistance of Treasury Board funding, in addition to the new scientific staff recruited over the course of the year and the position of Regulatory Affairs and Appeals Director. The new full-time financial officer and informatics officer positions will improve the interface with our service providers at Health Canada, and at the same time reduce our dependence on them.

We have also implemented a new corporate training policy and procedures. Training and orientation have emerged as significant priorities for the Commission. We want to ensure that existing staff members can maintain their productivity and performance while implementing the changes stemming from renewal. We also need to help the growing number of new employees to adopt renewal values and increase their ability to respond to client needs. More attention has also been turned to management training and development, and to succession planning, since staff turnover in a small agency has significant impact.

## **Communication**

Given the Commission's dual role in protecting both trade secrets and worker health and safety, effective and proactive communication is critical to our success. In the last year, we developed a strategic plan for communications that integrates and builds on the successful communication tactics we have employed since the start of our renewal program.

Being a relatively small agency, the Commission lacks the capacity to undertake resource-intensive communications approaches such as an extensive

advertising campaign. Accordingly, we will continue to develop our communications program based on an up-to-date and relevant Web site as our primary communications vehicle. Targeted outreach and other communications tactics will be used to stimulate interest, drawing current and potential clients and stakeholders in Canada, as well as current and potential industry clients in the U.S., to the HMIRC Web site. Although the Commission does not advertise its services, we make efforts to ensure that we are included in the contact lists published in trade magazines, so that members of the industry are continually reminded of our services. We will also continue ongoing efforts to gather feedback from clients, such as through the client satisfaction survey form, e-mail comments and questions received through the Web site, and periodic dialogue workshops with stakeholders, along the lines of our successful "Dialogue 2000." The plan also addresses better contact with Canadian workers and U.S. companies, which already submit 40 percent of the claims we register.

The Commission's bilingual Web site, launched in March 2000 after extensive client consultation, is continually updated with new information, HMIRC documents, instructions for filing claims and appeals, and related links. The site also features e-mail access with automatic acknowledgement, basic search capabilities, and a "What's New" page to keep visitors abreast of recent developments at the Commission. A link to our site is included in Health Canada's new portal site. We have also been successful in negotiating additional links to our site from industry sites, such as that of the Canadian Chemical Producers Association, as well as increasing the number of links from our site to other related Web pages.





The Web site has been very well received and has achieved a great deal with limited resources. It was praised in the Official Languages Commissioner's 2000–2001 report for language accessibility, praised for accessibility to persons with disabilities, cited as a model for other departments, and showcased at several government workshops.

Most important, reaction from users shows that it is an increasingly relevant and helpful tool for claimants and the public. Many claimants have let us know that the Web site is their primary reference when making a claim. The number of weekly visits to the site has grown by about a third in the last year, from 538 in the first week of April 2001 to 845 in the last week of March 2002. The site recorded more than 44,000 visits in the fiscal year, with the most common use being to view and download HMIRC publications.

## Projects

By the April 1, 2001, deadline, HMIRC became fully compliant with the government-wide Financial Information Strategy — an initiative to enhance decision making and accountability, and to improve organizational performance through the strategic use of financial and non-financial performance information. We have also implemented new monitoring tools for accurate tracking and reporting of progress on *Workplan* projects.

As the Commission's offices could not accommodate the additional staff it now requires, HMIRC moved to new premises, where some reconstruction was carried out to strengthen security. The relocation in September 2001 was carried out efficiently and without disrupting service to clients. To further improve productivity at the new location, we completed an ergonomics review and ensured that all personnel have the optimum working tools and a safe environment.

Work proceeded on a number of proposals for legislative and regulatory reform that will enable the Commission to complete its renewal initiatives. The fee structure project is now finished; ongoing projects include elements of the Dispute Resolution process.

Corporate Services continues to work with the Small Agencies Administrators Network, which helps smooth the way for agencies like HMIRC in meeting federal requirements for such initiatives as the government Financial Information Strategy, or dealing with modern comptrollership issues. We have initiated a modern comptrollership project at the Commission, and implementing this wide-ranging management approach will be a priority in the coming year.

# LOOKING TO THE FUTURE

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*The Commission's core responsibilities relate to protecting the chemical industry's trade secrets, while ensuring that this protection does not compromise worker health and safety. Workplace health and safety is not the domain of any one entity; it involves the efforts of workers, their employers, suppliers, and the federal and provincial/territorial governments. To maximize its program benefits, HMIRC will continue to develop and nurture partnerships, both with those who rely on our expertise, and those who share our goals under WHMIS.*

Reduction of the claims backlog will remain a priority for some years to come, as will the issue of ensuring that the Commission has sufficient resources to deliver on its mandate. It is expected that the level of claims submissions will remain high, given the Commission's new visibility and continuing efforts to identify unfiled claims with our OSH partners.

Based on our new communications strategic plan, we will implement various communications tactics as resources allow. In addition to our Web site, outreach has become an important focus, to educate chemical companies about the need to file claims if they wish to protect trade secrets, and to inform them about the Commission's services and procedures. A particular need has been identified to extend information to U.S. companies who wish to export products to Canada. The U.S. market already makes up 40 percent of the Commission's clients, with no outreach program in place; however, these companies

are least aware of the Canadian requirements and procedures. We have targeted a number of U.S. industry conferences next year for Commission participation.

We plan to continue improving our Web site with more information to assist claimants. We are also looking at the feasibility of introducing e-payment and e-filing of claims, although these present some challenges in terms of security and currency conversion. Also on the drawing board are advanced security and search capabilities, Internet forums, and a list of common MSDS errors.

Finally, the Commission will continue to implement the remaining elements of its renewal agenda once they have progressed through the legislative and regulatory change process. We are, for instance, exploring attestation for claim validity, to make it easier for claimants to demonstrate that certain information pertaining to their products is a legitimate trade secret.



# GOVERNANCE

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*There has been discussion in the past two years of a change in the Commission's reporting relationships and departmental alignment, but these discussions have now been terminated. HMIRC remains within the portfolio of the Minister of Health.*

A Council of Governors, representing industry, labour, and the federal, provincial and territorial governments, presides over the Commission. As well as overseeing the work of the Commission, the Council makes recommendations to the Minister of Health on matters such as changes to policies, procedures and fees.

The President and Chief Executive Officer is appointed by the Governor in Council, and supervises and directs the Commission's day-to-day work. The President is accountable to the Council of Governors and to the Minister of Health.

The Vice-President of Operations directs the work of the MSDS Compliance and Client Services business lines. The Vice-President of Corporate Services and Adjudication directs the work of the Dispute Resolution business line and Corporate Services.

In the past year, the Commission has revised its management committee structure. To improve work flow and communication among Divisions, a new Senior Management Committee (SMC) was created to bring together the six Division Directors. SMC deals with day-to-day management issues, and helps coordinate the tasks that cut across Division and Branch boundaries. Executive Committee consists of the two Vice-Presidents and the Commission's President and Chief Executive Officer, and deals with long-term strategic and policy matters.

## **COUNCIL OF GOVERNORS**

### **Workers**

Mr. Lawrence D. Stoffman  
Canadian Labour Congress

### **Suppliers**

Mr. Gordon Lloyd  
Canadian Chemical Producers' Association

### **Employers**

Dr. David S. Sheppard  
3M Canada Company

### **Government of Canada**

Mr. Gerry Blanchard  
Human Resources Development Canada

### **British Columbia**

Mr. Allan Luck  
Workers' Compensation Board of  
British Columbia

### **Alberta**

Mr. Dan T. Clarke  
Alberta Human Resources and Employment

### **Saskatchewan**

Dr. Fayek Kelada  
Saskatchewan Labour

### **Manitoba and Chair**

Mr. Geoffrey Bawden  
Government Services

### **Ontario**

Dr. Ed McCloskey  
Ministry of Labour

### **Quebec**

Mr. Yves Brissette  
Commission de la santé et de la sécurité  
du travail du Québec

### **Nova Scotia**

Mr. Jim LeBlanc  
Nova Scotia Environment & Labour

### **New Brunswick**

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

### **Prince Edward Island**

Mr. George Stewart  
Workers Compensation Board

### **Newfoundland and Labrador**

Mr. Sean Casey  
Department of Labour

### **Yukon**

Mr. Rob McClure  
Workers' Compensation Health and Safety Board

### **Northwest Territories**

Vacant

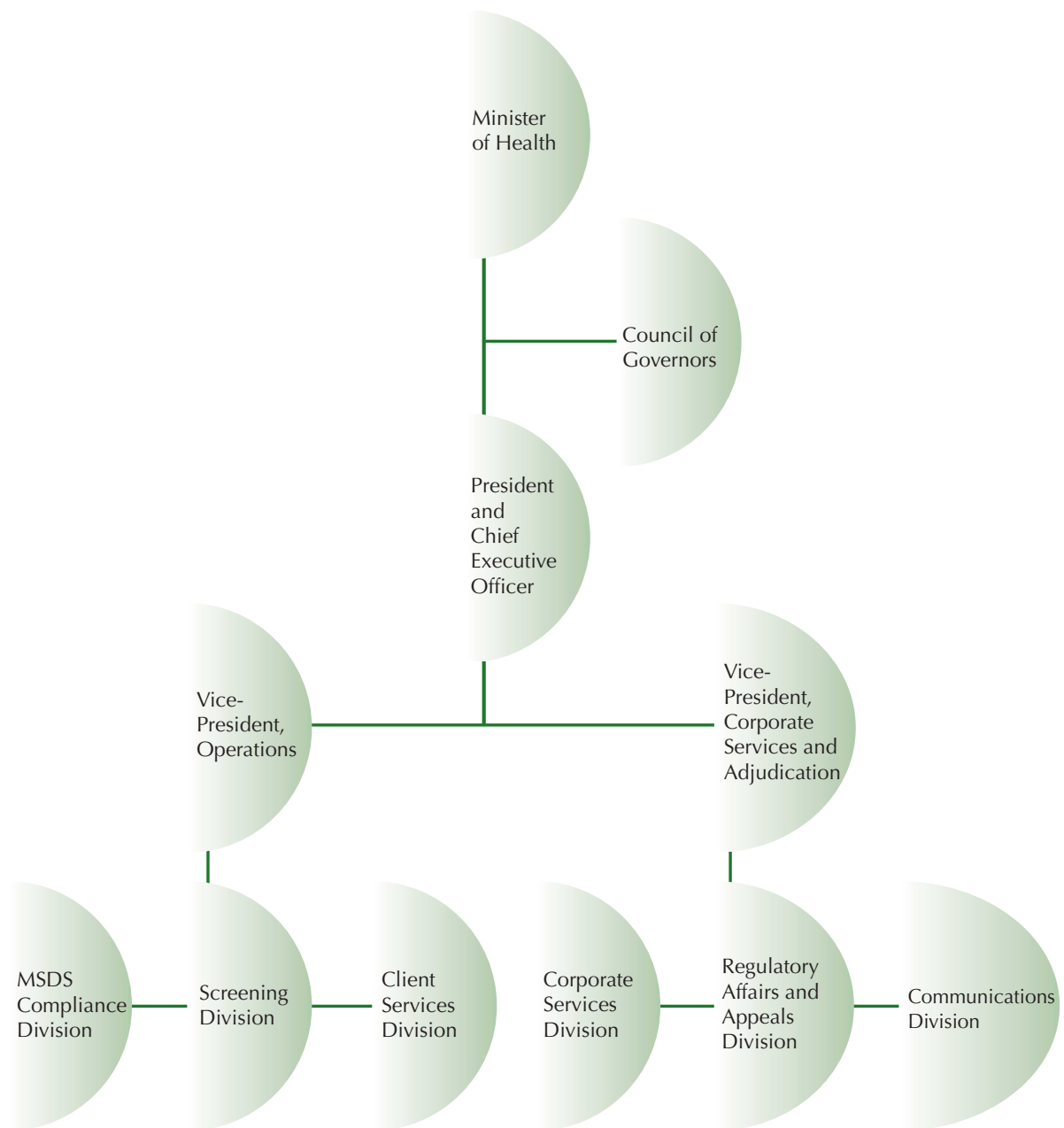
### **Nunavut**

Vacant



# THE COMMISSION'S STRUCTURE

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# FINANCIAL STATEMENTS

## Revenue (in thousands of dollars)

Revenue from claims for exemption	800
Revenue from appeals	0
<b>Total revenue</b>	<b>800</b>

## Expenditures (in thousands of dollars)

Salary and wages	1 673
Operating costs	653
Minor capital costs	314
<b>Total expenditures</b>	<b>2 640</b>

## Human Resources

## Full-time equivalent staff

Office of the President	2
Operations Branch	20
Corporate Services and Adjudication Branch	12
<b>Total</b>	<b>34</b>

## Cost of Program for 2000–2001 (in thousands of dollars)

Commission Operating Costs	Other Costs*	Total Program Costs	Revenue	% Costs Recovered
2 640	917	3 557	800	23

\*Includes the following:

Accommodation received from Public

Works and Government Services Canada 500

Employee benefits, covering the employer's  
share of insurance premiums and costs  
paid by Treasury Board Secretariat

417

**Total 917**



# PUBLICATIONS

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## HMIRC OPERATIONS

The following HMIRC publications describe the Commission's operations and assist clients in filing applications. They are available from the Commission's Web site in various formats for downloading or on-screen viewing. Hard copies may also be requested from the Hazardous Materials Information Review Commission, 427 Laurier Avenue West, 7th floor, Ottawa, Ontario K1A 1M3  
Tel: (613) 993-4331  
Fax: (613) 993-4686.

Annual Reports, 1988 to 2002

Report on Plans and Priorities 2000 to 2003

Departmental Performance Reports 1998 to 2001

*Commission Renewal: Blueprint for Change*  
(strategic plan)

*Workplan* (operational plan based on the *Blueprint for Change*)

Information Bulletins 1, 2, 3 and 4

*Application for a Claim for Exemption*

*A Guide to Completing an Application for a Claim for Exemption*

Guidelines for Toxicological Summary Requirements

*Statement of Appeal* Form 1

## LAWS AND REGULATIONS

The following laws and regulations form the regulatory framework within which the Commission carries out its mission. All the documents can be found on our Web site (select **Links**, then **Legislation**). Printed copies may be obtained from public libraries or purchased from booksellers that carry government publications. Copies can also be ordered from Canadian Government Publishing, Ottawa, Ontario K1A 0S9  
Tel: 1 800 635-7943 or (819) 956-4800.

*Hazardous Materials Information Review Act*

*Regulations Amending the Hazardous Materials Information Review Regulations*

*Hazardous Materials Information Review Regulations*

*Hazardous Materials Information Review Act Appeal Board Procedures and Regulations*

*Hazardous Products Act*

*Controlled Products Regulations*

*Canada Labour Code — Part II*

*Canada Occupational Safety and Health Regulations*

Provincial and Territorial Occupational Safety and Health Acts and Regulations



PLEASE VISIT OUR WEB SITE AT [WWW.HMIRC-CCRMD.GC.CA](http://WWW.HMIRC-CCRMD.GC.CA)