

# REPORTER

## Mission Statements

Date: December 9, 1991

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The governors have adopted the following Mission Statement:

### **WCB Mission Statement**

Workplace safety and health is our challenge.  
Quality rehabilitation and fair compensation is our commitment.  
World leadership is our goal.

The following Divisional/Departmental mission statements have been adopted by the Executive Committee:

### **Mission Statement by Division/Department**

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#### **COMPENSATION SERVICES**

##### **Board Mission Statement**

Workplace safety and health is our challenge.  
*Quality rehabilitation and fair compensation is our commitment.*  
World leadership is our goal.

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#### **OCCUPATIONAL SAFETY AND HEALTH**

##### **Board Mission Statement**

Workplace safety and health is our challenge.  
Quality rehabilitation and fair compensation is our commitment.  
World leadership is our goal.

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## MEDICAL SERVICES DIVISION

To provide quality medical, psychological, rehabilitative and evaluative services and education in support of fair and appropriate treatment of injured workers, as well as competent and objective advice for proper claims management.

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## LEGAL SERVICES DIVISION

To provide the Workers' Compensation Board of British Columbia the full range of legal services required by the *Workers Compensation Act* and *Criminal Injury Compensation Act* through an in-house legal department and/or the retention of outside counsel.

### Legal Services – General

To provide to the Workers' Compensation Board of British Columbia a highly efficient and competent in-house legal department of barristers, solicitors and support staff to act for the W.C.B. in regard to all legal matters, including litigation, arbitration and contractual matters.

### Legal Services – Criminal Injury Compensation

To implement and administer the *Criminal Injury Compensation Act of British Columbia* by providing the highest possible level of services in the adjudication of claims, the payment of compensation, the provision of medical care, counselling, rehabilitation and other related entitlements to victims of criminal offences and persons who provide services to them.

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## INFORMATION SYSTEMS DIVISION

Through creative partnership with our clients we will:

- provide an outstanding information and technology environment that facilitates change;
- extend the range and quality of services that the Board provides to its community.

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## **ADMINISTRATIVE SERVICES DIVISION**

### **Human Resources**

To assist management and staff in achieving department and corporate goals by maximizing employee potential through proactive, consistent and effective services as defined by the Corporate Strategic Plan.

### **Community Relations**

A dynamic communications agency dedicated to proactively promoting positive understanding of the mandate, policies and procedures of the Workers' Compensation Board and its Divisions to all internal and external stakeholders.

### **Facilities**

To provide our clients (W.C.B. staff) with the best tools (furniture and equipment) in the best environment (functional buildings) to do their best to serve the employers and workers of B.C.



# REPORTER

## **W.C.B. of B.C. Investment Fund – Statement of Investment Policy**

**Date:**           **March 16, 1992**

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### **Purposes of the Fund**

The purpose of the fund is to secure the Workers' Compensation Board of British Columbia's obligation to make benefit payments to claimants without burdening employers in future years for the costs of previously incurred injuries.

### **Statement of Investment Policy**

The policy of the Workers' Compensation Board of British Columbia is to seek higher investment returns, increased safety for its investment funds and reduced volatility of investment returns through diversification into additional investment classes.

### **Scope of Investment Policy**

The purpose of this document is to clearly indicate responsibility allocation between the Investment Committee and the investment managers by:

1. Stating the total return goal of the investment fund
2. Stating the asset mix components to be used to achieve this goal
3. Stating performance benchmarks and standards for each investment management position in the W.C.B.'s investment management structure

### **Total Return Goal**

The total return goal is to be slightly higher than the total return used by the W.C.B.'s actuary in his calculations. A total fund return of the Consumer Price Index plus 2.5% over a three to five year investment horizon is the goal adopted by the Investment Committee.

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## **Asset Mix Components**

1. *Equities*: includes all qualifying equity instruments
2. *Debt Securities*: includes all qualifying debt instruments

## **Investment Committee**

An Investment Committee consisting of W.C.B. representatives plus at least two outside members will be appointed by the W.C.B.'s president and chief executive officer to carry out the above policies. The Investment Committee reports to the W.C.B.'s president and chief executive officer.

# REPORTER

## Maximum Wage Rate Adjustments

Date: May 28, 1992

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WHEREAS Section 33 of the *Workers Compensation Act* requires the Board to determine the maximum wage rate to be applicable for the following calendar year in the manner therein prescribed;

AND WHEREAS the Board is of the opinion that the sum of fifty thousand five hundred ninety-eight dollars and twenty-six cents (\$50,598.26) represents the same relationship to the sum of forty thousand dollars (\$40,000.00) as the annual average of wages and salaries in the Province of British Columbia for the year 1991 bears to the annual average of wages and salaries in the said Province for the year 1984;

AND WHEREAS the said *Act* provides that the resulting figure may be rounded to the nearest one hundred dollars (\$100.00);

THE BOARD HEREBY DETERMINES that the maximum wage rate to be applicable for the year 1993 under Section 33 of the *Workers Compensation Act* is fifty thousand six hundred dollars (\$50,600.00);

AND THAT in subsection (6) of the said section, the sum of forty-eight thousand dollars (\$48,000.00) appearing therein will be changed as at the 1st day of January, 1993, to read fifty thousand six hundred dollars (\$50,600.00).



# REPORTER

## Consumer Price Index Adjustments

**Date:**       **May 28, 1992**

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WHEREAS Section 25 of the *Workers Compensation Act* requires the Board to determine as of July 1, 1992, a ratio by comparing the Consumer Price Index for April 1992 with the Consumer Price Index for October 1991, and by applying that ratio to adjust those periodical payments of compensation referred to in subsection (2), and to adjust each dollar amount mentioned in the *Act*, except those referred to in subsection (5);

AND WHEREAS the Board is advised that the Consumer Price Index for April 1992 was 127.6 and for October 1991 was 126.5, giving a ratio of 1.00869565;

THE BOARD HEREBY DETERMINES that the ratio applicable under Section 25(1) is 1.00869565;

AND THAT all periodical payments of compensation described in Section 25(2) shall be adjusted by applying that ratio as of the 1st day of July, 1992;

AND THAT the British Columbia Regulation numbered 327/91 be repealed as of the 1st day of July, 1992;

AND THAT all dollar amounts referred to in all sections of the *Act* described in Section 25(4) shall be adjusted as follows:

Section No.	January 1, 1992 Dollar Amount	Change To	July 1, 1992 New Dollar Amount
3(5)(c)	85.78		86.53
13(2)	17,158.52		17,307.72
	3,431.74		3,461.58
17(2)	2,058.96		2,076.86
	686.33		692.30
	686.33		692.30
17(3)(a)(ii)	222.98		224.92
17(3)(c)	720.53		726.80

<b>Section No.</b>	<b>January 1, 1992 Dollar Amount</b>	<b>Change To</b>	<b>July 1, 1992 New Dollar Amount</b>
17(3)(d)	34,316.87		34,615.28
	3,431.74		3,461.58
	30,885.13		31,153.70
17(3)(e)	720.53		726.80
17(3)(f)(iii)(B)	222.98		224.92
17(3)(g)	24,021.85		24,230.74
17(3)(h)(i)	394.62		398.05
17(3)(h)(ii)	394.62		398.05
17(3)(i)(ii)	394.62		398.05
17(13)	1,715.92		1,730.84
18(1)	298.59		301.19
	92.66		93.47
22(2)	1,115.36		1,125.06
29(2)	257.37		259.61
33(5)	1,115.36		1,125.06
35(5)	153.79		155.13
71(8)	17,158.52		17,307.72
73(2)	34,316.87		34,615.28
74(3)	171,584.49		173,076.53
75(2)	34,316.87		34,615.28
75(3)	3,431.74		3,461.58
77(2)	3,431.74		3,461.58
Schedule C	720.53		726.80

AND pursuant to Section 25(4), all sections containing such dollar amounts are deemed to be amended accordingly.

# REPORTER

## W.C.B. Management Philosophy

Date: September 10, 1991

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*At the W.C.B., we are committed to creating an exemplary workplace where the values shared by all of us will result in superior quality service to our clients.*

*This means we will encourage and assist everyone to:*

*excel in all we do;  
be empowered through trust;  
be fair, impartial, honest and ethical;  
be accountable for actions and decisions;  
treat each other with respect and courtesy;  
be proactive, responsive and demonstrate a sense of urgency;  
communicate clearly, concisely, openly and effectively;  
contribute ideas for improvement;  
be innovative and creative;  
take pride in individual and team successes;  
be enthusiastic and enjoy work;  
enhance job skills;  
be tolerant of human error and learn from our mistakes;  
be concerned about value for money;  
work in a safe and healthy manner;  
be environmentally responsible;  
and be committed to fulfilling the W.C.B. mission.*

*Living by these values will ensure that services to our clients are:*

*explained clearly and simply;  
helpful, courteous and of high quality;  
regularly reviewed and measured to ensure they are fair  
and appropriate, sensitive to client needs, consistent and cost-effective.*

*Our Actions Will Reflect Our Dedication to People and Service*



## **Report and Recommendations to the Minister of Labour and Consumer Services by the Advisory Committee on the Structures of the Workers' Compensation System of British Columbia**

**Submitted On October 31, 1988**

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### **Introduction**

The modern system of workers' compensation is often described as the "historic compromise." From the workers' perspective, the right to sue a negligent employer in tort was given up in exchange for a system of no-fault wage indemnity. From the employers' perspective, there was insulation from tort liability in exchange for assuming the cost of the no-fault wage indemnities.

The fundamentals of the system are sound. Rarely in British Columbia does one hear a serious suggestion that the "historic compromise" be set aside; that the old common law be reinstated in its place. But with increasing frequency, calls for reform *within* the system are being made by the parties of interest and the public generally.

It is a useful simplification to say that the present-day system of workers' compensation has three component parts: the structures of the system; the law as reflected in the constituent statute; the policies as determined from time to time by the Workers' Compensation Board. Of course, none of the component parts operates in isolation from the others. Inevitably, each part influences or shapes the evolution of the other two. However, for purposes of study and reform, it is possible to examine the three parts in sequence.

Clearly, the logical starting point is the structures of the system. And on April 15, 1988, the Honourable Lyall Hanson, Minister of Labour and Consumer Affairs, appointed an Advisory Committee with the following terms of reference:

1. The Committee is to examine the current structure of the W.C.B. and provide recommendations to the Minister . . . as to what needs to be done to ensure that the parties of interest, i.e., employers and workers, can participate effectively in the initiation, development and approval of Workers' Compensation Board policies, programs and procedures. In making its recommendations, the Committee should identify the types of major issues which will benefit from this process and should also consider whether a specific structure should be put in place to

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carry out the process. However, it is not intended that the Committee should concern itself with the internal administrative processes of the W.C.B.

2. The Committee is to provide advice on any current issues concerning the workers' compensation system which may be referred to it by the Minister.

The Committee is substantial in size and broadly representative in membership:

Donald R. Munroe, Q.C., Barrister and Solicitor and Chairman of the Committee;

Gordon Cameron, former Vice President of Employee Relations, B.C. Forest Products Ltd.;

Oksana Exell, Director for B.C. and Yukon, Canadian Federation of Independent Business;

Ken Georgetti, President, B.C. Federation of Labour;

Robert Hallbauer, President and Chief Executive Officer, Cominco Ltd.;

Claude Heywood, Assistant Deputy Minister, Ministry of Labour and Consumer Services;

Bernice Kirk, Secretary-Treasurer, Canadian Union of Public Employees, B.C. Region;

James Matkin, President and Chief Executive Officer, Business Council of B.C.;

Jim Nielsen, Chairman, Workers' Compensation Board;

Stan Shewaga, President, Pulp, Paper and Woodworkers of Canada;

Glen Smale, Chief Executive Officer, B.C. Nurses' Union;

David Weller, President, B.C. Construction Association;

Len Werden, President, B.C. and Yukon Territory Building and Construction Trades Council.

### **The Process of Deliberations**

Upon being constituted, the Committee published a Call for Written Submissions in all daily newspapers in the province. It read in part as follows:

The Minister of Labour and Consumer Services has appointed an independent committee consisting of members from labour, management, government and the W.C.B. and chaired by Donald R. Munroe, Q.C., to provide him with recommendations regarding the structure of the W.C.B. . . .

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The committee will examine the present structures of the workers' compensation system. It will recommend the changes necessary to ensure the effective operation of the system, and the input of workers and employers in the development of policies, programs and procedures.

The committee will not address individual cases or complaints. Persons and organizations submitting briefs are asked to ensure their submissions are within the committee's mandate.

All written submissions must be received by June 20, 1988 and should be addressed to . . .

In addition, both before and after the receipt of written submissions, the chairman and other members of the Committee met with a number of individuals and groups, and among themselves, to ensure wide discussion of the issues. We have also considered reports by similar committees in other jurisdictions; the statutes in other jurisdictions; studies by the Ombudsman; studies by private organizations; academic writings. We believe that effective deliberations have been achieved.

The Committee received 45 formal written submissions. As might be expected, some dealt exclusively with subjects within our mandate; some dealt as well (in a few cases largely or even exclusively) with subjects outside our mandate. But those which addressed issues outside our mandate must not be completely ignored on that account. As we commented above, ours must be considered just the first in a sequence of reviews and reforms. Once the new structures are in place, the other component parts must be examined. We anticipate that the new Board of Governors we are recommending will spearhead the necessary reviews of the law and policies of the system.

Each of the written submissions was carefully examined for the proposals it contained and the force of reasoning with which the proposals were put forward. Beyond that, each submission was examined in light of all others. The point of this latter exercise was to identify areas of apparent consensus within the Committee's mandate. One part of our task is to recommend changes necessary to ensure the input of the parties of interest in the development of the workers' compensation system. That being so, it seemed sensible for the Committee to search out and, where appropriate, be guided by any existing common ground.

### **A New Governing Body**

It is now widely accepted that a new governing body should be constituted by statute to superintend the general direction and policies of the Workers' Compensation Board. The reasons for that view are easy to understand. The Workers' Compensation Board has great powers and obligations, the exercise and discharge of which may profoundly affect individual workers and employers. The Board is also the immediate guardian of the important social policies reflected in the legislation. It follows that the Board's officers and personnel should have regular input from the parties of interest and the public generally, and should be accountable in the usual ways in the carrying out of their duties.

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It should be observed as well that the idea of a governing board is not new. Such boards exist in other Canadian jurisdictions. It is time to introduce it into British Columbia.

The various existing models, and others, have been considered by the Committee. At the threshold is the selection of an appropriate name. While that may seem unimportant, the choice of name does say something about the role contemplated for the governing body. On the one hand, its members should not be involved in the day-to-day minutiae of the organization. Rather, the daily running of the organization should be left to the responsible officers, administrators and other personnel who will be subject to the usual accountabilities. But nor should the new governing body be merely advisory. It should exercise real control in the definition of senior executive functions; the selection and assessment of the most senior officers; the development of policies and regulations; the approval of operating and capital budgets; the approval of major programs and expenditures; the investment of monies on hand; planning for the future.

The names most commonly proposed for the new governing body are: Council of Advisors; Board of Directors; Board of Governors. In our view, the most apt designation is the last: Board of Governors.

The makeup of the Board of Governors must be addressed. In that connection, the Committee gave consideration to a number of options — inspired both by existing models and by original submissions. One model would have the Board of Governors comprised solely of persons who are not representative of any particular groups or constituencies. Another model would confine membership to persons representative of labour and management. Yet another model would see government directly represented. Still another model would require that some members have medical, actuarial or other professional qualifications. A final model would acknowledge the predominant position of labour and management, but would argue for the inclusion of a limited number of lay or public interest members.

There can be no question that workers and employers have a rightful claim to a predominant position on the Board of Governors. Workers are the intended beneficiaries of the system; for the most part, employers pay for it. Little more need be said to legitimize their claim to predominance. In the language of this Committee's terms of reference, workers and employers must be able to "... participate effectively in the initiation, development and approval of [the] policies, programs and procedures" of the workers' compensation system.

One important function of the Workers' Compensation Board is the adjudication of rights between competing parties or interests. In traditional legal terms, the Workers' Compensation Board is often required to act in a quasi-judicial capacity. Thus, while the members of the governing body must necessarily be appointed by the Lieutenant Governor in Council, the government should not itself be directly represented. Perceived as well as actual independence from the executive branch of government has long been a hallmark of our judicial and senior quasi-judicial tribunals.

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Nor do we think that professional groups should have places reserved for them on the Board of Governors. Medical or other professional advice can easily be otherwise obtained. Indeed, there is some danger that the existence of “professional governors” would result in the range of professional advice being too narrow.

The proposal of a limited number of lay or public interest governors has more merit. It is true, as we have said, that workers and employers must be accorded the greatest voice on a representative Board of Governors. However, there are good reasons why the general public interest should also be represented. In recent years, there has been a growing public demand — to which governments are now responding — for lay or public representation on self-governing bodies established by statute, including those which are self-funded. As an example, three lay persons — knowledgeable and respected members of the community — have now been appointed as benchers of the Law Society of British Columbia. No doubt, that analogy is not perfect. But for present purposes, it cannot be distinguished in principle. While the parties with the most immediate interest should hold majority sway, the broad public perspective should have a formal say.

Related to the foregoing is the realization that in both historical and modern terms, the *Workers Compensation Act* is an enormously important piece of social legislation. Certainly, the *Act* is very much concerned with occupational health and safety in individual industrial enterprises, and with claims for compensation by individual workers who have suffered job-related illnesses or injuries. But the *Act* is also the embodiment of a social principle in which society as a whole has a stake. For that reason, nobody can truly claim exclusivity of interest.

Our final observations on this point are more pragmatic. First, it is likely that a small representation of carefully chosen lay or public interest governors will be of assistance in the development of consensus among the representative governors. Second, and very frankly, our recommendation as to the makeup of the Board of Governors is a workable balance between the various conflicting viewpoints. It is a genuine attempt to acknowledge the legitimate interests of everyone concerned.

In sum, we think the Board of Governors should be comprised of thirteen voting members.\* Five should be representative of workers; five should be representative of employers. Those ten governors should be appointed prior to any of the remaining three being appointed. Their appointments should be in consultation with the recognized organizations of labour and management.

The next step should be the appointment of a chairman in consultation with the ten representative governors. Lastly, two public interest governors should be appointed in consultation with the earlier-appointed governors including the chairman. (Before leaving the composition of the Board of Governors, we note that a quorum should be defined in terms equally as representative as the board as a whole.)

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\* As will be seen, we also think that there should be two non-voting members: the occupants of the newly created offices of president/chief executive officer and chief appeal commissioner.

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Of course, all members of the Board of Governors would be appointed by Order in Council. There should be a statutory term of office of not less than four nor more than six years (appointments should be capable of renewal). Some staggering of terms is desirable to ensure continuity.

It is imperative that the governors be drawn from the most senior ranks of their organizations or callings. Adherence to that recommendation will facilitate the development of consensus, just as a lack of adherence will surely hamper such development. Beyond that, senior appointments will be necessary to give this new structure its initial credibility and momentum.

We envisage the Board of Governors being part time. It would meet at prescribed intervals, or more frequently at the call of the chairman. It would have sub-committees which would develop their own meeting schedules.

Some greater attention should be given to the role and office of the chairman of the Board of Governors. Our belief that the Board of Governors should be a part time body includes, for the time being, the chairman. While that could change (indeed, the Committee foresees that it will change), we think that the pool of individuals suitable to be the initial occupant of the office would be unnecessarily limited by a current requirement of a full time commitment. What is required at the outset is someone with diverse talents. First of all, the chairman just enjoy the confidence of the labour and management communities and must be adept at forging consensus. Second, he or she must have the skills necessary to preside at meetings of the Board of Governors; to ensure the productive operation of that body; to facilitate and monitor the implementation of that body's decisions by the subordinate officers and staff. Third, he or she must be capable of acting as public spokesperson on broad policy matters. Finally, the chairman will have to develop the appropriate relationships with government.

From the foregoing, it should be clear that the chairman will require a small staff devoted to the operation of that office.

### **A New Subordinate Structure**

The Board of Governors can be described as being *over* and in partial *substitution* for the existing organizational model. In further substitution for that model, we propose the statutory creation of two new offices. The first is the office of president and chief executive officer. The second is the office of chief appeal commissioner which would include such additional appeal commissioners as may be necessary.

(a) *President and chief executive officer*

The president/C.E.O. would be appointed by the Board of Governors as its first crucial task. The term of office and other conditions of employment of the president/C.E.O. would be a matter of negotiation and contract between him or her and the Board of Governors. The president/C.E.O. would report and be accountable exclusively to the Board of Governors.

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It would be for the Board of Governors to determine the criteria for the selection of the president/C.E.O., as well as a detailed job description for the position. However, these two observations should be recorded. First, the president/C.E.O. must have a clear commitment to the matters within the jurisdiction of the Workers' Compensation Board, and must possess strong administrative and executive skills. Second, the president/C.E.O. must have no role or involvement in the final adjudication of claims' appeals (about which more will be said below).

In consultation with the Board of Governors, the president/C.E.O. would define the future management structure of the Workers' Compensation Board. He or she would then make the appointments necessary to put the structure into working practice. This may include the appointment of vice-presidents, directors, managers, senior legal and medical counsel, etc. This structure would oversee all functions of the Workers' Compensation Board except formal claims and other appeals.

As indicated in an earlier footnote, we think it would be beneficial for the president/C.E.O. to be a non-voting member of the Board of Governors. This will facilitate the flow of advice and communications between the executive officers and the Board of Governors.

(b) *Chief appeal commissioner*

The chief appeal commissioner would also be appointed by the Board of Governors. As with the president/C.E.O., the conditions of employment would be a matter of contract. To assist in ensuring quasi-judicial independence, there should be a requirement that the contract of employment stipulate a term of office.

The chief appeal commissioner should be selected for his or her ability to fairly judge statutory and factual issues; the skill he or she is likely to bring to the conduct and supervision of quasi-judicial proceedings; generally, the credit he or she will bring to the workers' compensation system.

In this new structure, the chief appeal commissioner would be at a coordinate level in the hierarchy with the president/C.E.O. Neither would report or be accountable to the other in any respect. Each would have his or her own areas of operation. Both would be accountable directly and exclusively to the Board of Governors. (The nature of the accountability of the chief appeal commissioner will be discussed below.)

As we have intimated, the role of the chief appeal commissioner would be to ensure the proper and expeditious discharge of the Workers' Compensation Board's quasi-judicial duties. Briefly, those duties have to do with claims' appeals, assessment appeals and penalty appeals. Clearly, additional appeal commissioners will be required if cases are to be heard in a fair and timely manner. The precise number of additional appeal commissioners should be

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left to the Board of Governors in consultation with the chief appeal commissioner. The selection of the individual appeal commissioners should be made by the chief appeal commissioner according to criteria established by the Board of Governors. While the selection criteria should be consistent with those stated above for the position of chief appeal commissioner, the Board of Governors may wish to be more expansive. For example, it may prove desirable to prescribe the mix between legally trained and non-legally trained appeal commissioners.

In our view, there should be a cadre of full time appeal commissioners (including the chief appeal commissioner) with standard terms of office. However, it should be permissible for the Board of Governors to also authorize the appointment of part time or short term appeal commissioners. We do not envisage this power being exercised routinely. However, from time to time it may prove useful in the control or elimination of appeal backlogs.

The chief appeal commissioner should be empowered to establish panels to adjudicate individual cases. At the discretion of the chief appeal commissioner, a panel would consist of the chief appeal commissioner or another appeal commissioner sitting alone, or any three appeal commissioners (which may include the chief appeal commissioner). The chief appeal commissioner would preside at hearings or meetings of three-member panels of which he or she is a member. The presiding appeal commissioner at hearings or meetings of other three-member panels would be designated by the chief appeal commissioner.

Subject to the general supervision of the Board of Governors, and to the rules of natural justice, the appeal commissioners would determine their own practice and procedures. That is a power which normally resides in quasi-judicial tribunals. There is no reason to except the appeal commissioners from the norm in that regard.

In common with the president/C.E.O., the chief appeal commissioner would be a non-voting member of the Board of Governors. By that device, the Board of Governors will be able to ensure that its policies are clearly understood by the system's most senior adjudicators. And in that capacity, the chief appeal commissioner will be a useful resource as to the actual impact of those policies in specific cases.

### **Commentary on the Appeal Structure**

Most discussions about the appeal structure of the workers' compensation system are centred on claims' appeals. While that leaves the discussion incomplete, it is entirely understandable. Claims for compensation have the greatest consequence to the most number of people coming into contact with the system; for obvious reasons, claims for compensation are also more emotionally charged than practically all other areas of the Workers' Compensation Board's work. Certainly, it is the claims process — including appeals — which produces the greatest controversy.

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In recent years, there has been considerable debate about whether the final appellate body for disputed claims should be “internal” or “external.” While most Canadian jurisdictions have opted for the former, a couple have chosen the latter. For the past approximately 15 years in British Columbia, we have had a mixed system. The initial adjudication of claims is done by claims officers or adjudicators employed by the Workers’ Compensation Board. While there are mechanisms for internal reviews by more senior Board personnel, the first formal appeal by either a worker or an employer is to the Worker’s Compensation Review Board.

The chairman and other officers of the Review Board are appointed, employed and paid by the Ministry of Labour and Consumer Services — i.e., not by the Workers’ Compensation Board (although the Ministry’s expenditures in connection with the Review Board, as approved by the Legislature, are recoverable from the Workers’ Compensation Board). In that sense, it is an “external” review tribunal. While its position as an appellate body has lately become legally ambiguous, its function, in simple terms, is to make a finding as to whether the initial adjudication of a disputed claim was correct or incorrect.

The next and final appeal is to a quorum of the present commissioners. Under Sections 79 and 81 of the *Workers Compensation Act*, the “. . . commission . . . called the Workers’ Compensation Board” is continued with not more than five members — i.e., commissioners — one of whom is designated chairman. Under Sections 85(2) and (3), the board thus constituted is empowered to make “. . . the final disposition of an appeal relating to a claim for compensation, a rehabilitation expenditure or assessment, and decisions on the content of regulations . . .”; and “. . . decisions relating to procedure, administration and any other matter . . .” (For some purposes, the board is described as the commissioners or a quorum thereof; for others it is the chairman alone). Within the frame of the “internal vs. external” debate, the commissioners, as the final appellate body, are clearly “internal.”

In our view, the argument about whether the final appeal body for disputed claims should be “internal” or “external” has been allowed to be too self-defining — i.e., to hold out alternatives which are either black or white. The danger of permitting the debate to be defined in terms of opposing extremes is that the ultimate choice may capture the worst as well as the best of the one world. We think the structure we have proposed captures the best and avoids the worst of both worlds.

The argument most frequently made for the creation of a purely “external” tribunal of last resort is that persons exercising quasi-judicial powers must do so with an independent mind. With that proposition we agree completely. And in the context of the workers’ compensation system, that can mean two things: independence from system-generated pressures which may tend to deflect attention from the individual merits of the case under scrutiny.

To avoid both sets of pressures, we have proposed that:

1. A new governing body be established comprised of persons who are either representative of, or agreeable to, the parties of interest;
2. the chief appeal commissioner be selected and appointed by the Board of Governors, not government;

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3. the chief appeal commissioner have a contractual term of office;
  4. the chief and other appeal commissioners have no duties other than their quasi-judicial duties;
  5. the chief appeal commissioner be at a coordinate level in the hierarchy with the president/C.E.O.;
  6. the chief appeal commissioner and the president/C.E.O. have no reporting relationship, each being accountable solely to the Board of Governors.

We should add a word about the nature of the chief appeal commissioner's accountability to the Board of Governors. We do not contemplate that the chief appeal commissioner will be accountable for the decisions made in individual cases. On the contrary, the statute should be clear that such is not the case. However, the notion of quasi-judicial independence does not stand as an impediment to an accountability for the general operation of the office. It is crucial to the system as a whole that there be timely disposition of appeal cases. It follows that the Board of Governors, as the body superintending the system, should be kept abreast of developing problems in that regard, and be able to take remedial action.

Related to what we have just said is this further observation. It would make very little sense to craft with such care a new Board of Governors, and then to remove altogether from its ambit the perennially most controversial part of the system's work. We see the new Board of Governors as being key to the future direction and credibility of the system. The process for the final disposition of claims' appeals should not be completely hived off from it. The present "external" Review Board has established a useful niche. As best we can gather, the parties of interest are generally comfortable with it. Hence, we do not think it should be disturbed.\* However, we think there are sound reasons for a modified "internal" body as the last resort.

Our reasoning to this point has concentrated on the *advantages* of a modified "internal" appeal structure. To complete this comment, we point to the significant *disadvantages* of a free-floating "external" tribunal. The first has to do with the division of responsibility for policy-making, on the one hand, and adjudication, on the other. Whether one chooses an "internal" or "external" system, it is irrefutable that only one body should be making policy; further, that that body should be the Board of Governors with the advice and assistance of the executive side of the system. From the experience of at least one Canadian jurisdiction, and this strikes us as predictable, the establishment of a purely "external" tribunal of last resort sets up a competition as to where the general policy-making for claims really resides. That is counter-productive both to the work of the system and to its overall credibility.

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\* In reaching that conclusion, we have taken note of the effective working relationship which presently exists between the Workers' Compensation Board and the Review Board. We presume and have every reason to believe that that will continue.

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Our second concern with what we have termed a free-floating, purely “external” tribunal of last resort is that over time, it would become too legalistic. Admittedly, that is somewhat impressionistic. However, the collective experience of the Committee is such as to cause it to express this concern with considerable vigour. In the Committee’s view, a tendency toward excessive legalism will be checked by the structure we have proposed.

### **Section 96(2) of the Act**

It is Section 96(2) of the *Workers Compensation Act* which has generated some of the more outspoken criticism of the present structure. That provision states that:

... the board may at any time at its discretion reopen, rehear and redetermine any matter which has been dealt with by it, by an officer of the board or by the review board.

At one level, that provision must be regarded as quite innocuous — even desirable. Indeed, it is both common and necessary for senior administrative tribunals to be given a plenary power of reconsideration. But at another level, Section 96(2) has given rise to serious divisions.

It will be noted that the power of reconsideration which is conferred on the board (in effect, the present commissioners) under Section 96(2) relates not only to matters which have been dealt with by the board itself, but also to matters which have been dealt with by the Review Board. Section 91 of the *Act* is the statutory instrument by which a worker or an employer may appeal to the present commissioners against a finding of the Review Board. Section 96(2) is the statutory instrument by which the board may take such an appeal on its own motion.

Some time ago, the Workers’ Compensation Board recognized the anxieties which exist in relation to “own motion” appeals. In an effort to allay those anxieties, it published guidelines by which it proposed to govern itself in that connection. In sum, the Board said that it would only lodge “own motion” appeals on six grounds (see Decision No. 403):

1. The finding is on a matter outside the jurisdiction of the Review Board.
2. The finding conflicts with the provisions of the *Workers Compensation Act* or is otherwise based on an error of law.
3. The finding conflicts with commissioners’ earlier decisions, or a decision of a Medical Review Panel, on the same claim.
4. The finding conflicts with Board policy. Where there is no apparent policy in effect on the issue being considered by the Review Board, it would be expected that the matter would be referred back to the Board for direction and guidance.
5. The finding amounts to an “original decision” rather than a conclusion on appeal.

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6. The finding is against the overwhelming weight of the evidence.

The sixth of the above-listed grounds has caused disproportionate controversy and frustration. The Review Board generally conducts full oral hearings. Only rarely do the commissioners hold oral hearings. Understandably, there is scepticism about how the commissioners can weigh the evidence any better — or even as well — as the Review Board.

The lack of broad-based confidence in “own motion” appeals could easily be finessed by not permitting them to occur; by saying that an appeal against a finding of the Review Board can be initiated only by the worker or the employer. However, that would assume that serious issues of law and policy are always fully argued at the Review Board level; that claims issues always arise between separate parties who are likely as not to utilize existing appeal mechanisms.

Those assumptions do not stand up under scrutiny. It is common for one of the parties not to appear at hearings of the Review Board. In the result, important issues can go unargued. As regards the assumption of separate parties with the usual litigious spirit, one need only point to the circumstance of the worker and the employer being the same person.

We do not think that “own motion” appeals from findings of the Review Board are inherently bad. Rather, it is a question of control and structure. The control feature relates to the grounds for appeal and to the identity of the initiating officer. The structure relates to the institutional credibility of the body designated to hear the appeal.

With respect to the grounds for an “own motion” appeal, it is fair to observe that the interests of the system (as well as of the immediate parties) may be at stake where questions of law or policy arise, but that there is no real systemic interest in questions of fact. Thus, there is no clear justification for “own motion” appeals based on alleged factual errors, while justification does exist for “own motion” appeals based on law or policy. We therefore propose that Section 96(2) be amended to limit the grounds for “own motion” appeals against findings of the Review Board to alleged errors of law or published policy.

The initiation of such appeals would be by the president/C.E.O. We anticipate that a special sub-committee of the Board of Governors would be appointed to monitor both the process of initiation and the ultimate dispositions; generally, the ongoing relationship between the Workers’ Compensation Board and the Review Board.

We said above that the structure of the appeal body itself is also important. Without repeating any of the earlier parts of this report, we believe that our proposals concerning the new office of chief appeal commissioner will guarantee the perception as well as the reality of independence.

### **Implementation of Review Board Findings**

We commented above that the position of the Review Board as an appellate body is legally ambiguous. That comment flows from the debate surrounding the recent decision of the Supreme Court of British Columbia in *Guadagni vs. Workers’ Compensation Board* (Vancouver Registry No. A880408), and the pending appeal to the Court of Appeal.

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Without reviewing that case in detail, it is apparent that the *Workers Compensation Act* requires amendment to more clearly spell out the process of implementation of a finding by the Review Board. The particular circumstance requiring attention is where the Review Board has made a finding that a claim for compensation was wrongly rejected at the initial adjudication.

In that circumstance, periodic payments which would fall due prospectively should commence forthwith. If no appeal is taken within the time limited therefor, either by a party or pursuant to Section 96(2), retrospective payments, if any, should then be made. Section 91 prescribes a 60-day appeal period. That appears to us to be unduly long. We think that 30 days is adequate, subject to extension for good cause by the chief appeal commissioner. We also think that the prescribed appeal period (subject to extension as aforesaid) should apply not only to party-initiated appeals against findings of the Review Board, but also to appeals against such findings pursuant to Section 96(2).

But suppose that an appeal *is* lodged against the finding of the Review Board. Where that occurs, retrospective payments should be withheld until completion of the appeal, provided that the disposition of the appeal is published within 90 days of the appeal being initiated. The 90-day period should be capable of extension where: (a) a delay has been at the request of the claimant or, in the opinion of the chief appeal commissioner, has been caused by any act or neglect of the claimant; (b) in the opinion of the chief appeal commissioner, a delay is necessary due to the complexity of the case and not because of any systemic failure or default.

Payments withheld from a claimant, and ultimately determined by a panel of the appeal commissioners to be due to him or her, and any payments made to a claimant by reason of the expiry of the 90-day period aforesaid (or an extension), should bear interest. The interest should be calculated from and after the 31st day following the publication of the Review Board's finding, but otherwise in a manner prescribed by the Board of Governors. We anticipate that the Board of Governors would adopt a practice similar to that followed under the *Court Order Interest Act*.

Amounts paid out to workers or dependants should not, in the absence of fraud or misrepresentation, be recoverable.

### **Future Structural Review**

Consistent with our terms of reference, the Committee has attempted to identify and to make constructive proposals on the major structural issues now facing the workers' compensation system. We expect that our proposals, if implemented, will have the dual result of effective participation by the interested parties, and proper accountabilities by those running the system. For that reason, we also expect that our proposals, if implemented, will be reasonably durable.

At the same time, it must be appreciated that structural reform is not a one-time affair. The structures of the system must continue to evolve to meet contemporary requirements and expectations.

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While we believe that the new Board of Governors will be vigilant in that regard, it is worth emphasizing that structural reform can neither be static nor stand alone. It is conceivable that situations will arise which reveal the need for *ad hoc* adjustments. In addition, we repeat what we said near the outset: once the new structure is in place, the other component parts of the system must undergo complementary examination.

### **The Transition**

The change from the current organizational model to the proposed new structure will take a number of months. In that period, transitional or other questions may arise on which the responsible Minister or the Workers' Compensation Board may wish external advice. Against that possibility, and for the period of the transition, the Committee recommends that it remain constituted.

*Editors' note: The "Advisory Committee" report was submitted to the Minister of Labour and Consumer Services on October 31, 1988 by its chairman, Donald R. Munroe, Q.C. Its unanimous recommendations were incorporated into the Workers Compensation Amendment Act, 1989. These amendments were proclaimed effective June 3, 1991. The report is reproduced here in its original, unedited form.*

## Bylaw No. 1 of the Industrial Diseases Standing Committee

Date: August 10, 1992

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### Section 1 — Interpretation

- 1.1 **Definitions** — In this Bylaw, unless the context otherwise requires:
- (a) “Act” means the *Workers Compensation Act*, R.S.B.C. 1979, c437, as amended;
  - (b) “Board of Governors” means the Governors;
  - (c) “Governor” means any one of the individuals appointed by the Lieutenant Governor in Council under Section 81(1) of the *Act*, the President appointed under Section 84(1) and the Chief Appeal Commissioner appointed under Section 85(1)(a);
  - (d) “this Bylaw” means this BYLAW NO. 1 of the Industrial Diseases Standing Committee;
  - (e) “Committee” means the Industrial Diseases Standing Committee;
  - (f) “Committee Member” means any Governor appointed to the Industrial Diseases Standing Committee;
  - (g) “Chairman” means the Chairman of the Board of Governors;
  - (h) “Charter” means the Charter of the Committee adopted by resolution of the Board of Governors dated April 6th, 1992.
- 1.2 **Definitions in Act to Apply** — Unless otherwise indicated, all terms contained in this Bylaw which are defined in the *Act* shall have the meanings given to such terms in the *Act*.

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## Section 2 — Meetings of the Industrial Diseases Standing Committee

- 2.1 **Notice of Regular Meetings** — To ensure the availability of the Committee Members, the Chairman shall, at least fourteen (14) days prior to each regular meeting, deliver a copy of the agenda for the meeting to each Committee Member. The agenda so delivered shall constitute notice of the meeting, except that failure to deliver the agenda within the time specified shall not invalidate the meeting provided the agenda is delivered at least three (3) days prior to the meeting. Supplementary agenda items may be delivered to each Committee Member at any time prior to any regular meeting. Such supplementary agenda items may be dealt with at the regular meeting specified in the supplementary agenda unless objected to by any Committee Member, in which case consideration of the supplementary agenda item shall be deferred to the next regular meeting of the Committee.
- 2.2 **Agenda and Supporting Materials** — The agenda for a regular meeting shall be set by the Chairman, and:
- (a) shall describe the date, time and place of the regular meeting;
  - (b) shall be sufficiently descriptive of the matters to be decided that the Committee Members will be able to identify the matters without disclosing any information which, for reasons of confidentiality, is not to be disclosed to persons other than the Committee Members;
  - (c) shall be accompanied by supporting materials relating to the matters set out in the agenda whenever possible; and
  - (d) shall contain the proposed schedule of regular meetings for the following two (2) meetings.
- 2.3 **Distribution of Supporting Materials** — If it has not been possible to distribute all of the supporting materials with an agenda for a regular meeting, all such supporting materials shall be distributed to each Committee Member at least twenty-four (24) hours prior to the regular meeting unless all Committee Members present at such meeting consent to the distribution of particular material at the meeting.
- 2.4 **Special Meetings** — The Chairman may call a special meeting of the Committee Members at any place in British Columbia that the Chairman decides, by delivering written notice to each Committee Member at least

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twenty-four (24) hours prior to the special meeting; and the written notice shall include the date, time, place and purpose of the special meeting. It is recognized that a special meeting will be called only in unusual or unique circumstances which require early attention and discussion by the Committee. No resolutions pertaining to business raised at a special meeting shall be passed at such special meeting but rather shall be tabled for the next ensuing regular meeting of the Committee.

- 2.5 **Postponement or Cancellation** — Subject to the *Industrial Diseases Standing Committee Charter*, the Chairman may, with the unanimous consent of the Committee Members, postpone or cancel a meeting of the Committee by delivering written notice to each Committee Member of the postponement or cancellation at least twenty-four (24) hours prior to the scheduled time for the meeting.
- 2.6 **Participation by Telephone** — A Committee Member may participate in a meeting of the Committee by means of such telephone or other communications facilities as permit all persons participating in the meeting to hear each other, and a Committee Member participating in a meeting by such means is deemed to be present at the meeting and shall be counted in the quorum.
- 2.7 **Quorum** — A quorum of the Committee shall consist of one worker representative Governor and one employer representative Governor appointed under the Charter of the Committee and either the public interest Governor so appointed or the Chairman. No business shall be conducted by the Committee unless a quorum is present.

### **Section 3 — Conduct of Meetings**

- 3.1 **Chairman to Preside** — The Chairman shall preside at all meetings of the Committee and, subject to this Bylaw, shall decide the order of business and rules of order to be followed, with due regard for the views of the Committee Members.
- 3.2 **Robert's Rules of Order** — The Chairman may, in resolving procedural disputes, if necessary, refer to *Robert's Rules of Order*, 1990 Edition which shall govern where applicable and not inconsistent with the *Act* or this Bylaw. The Chairman's decision on the interpretation of such Rules of Order shall govern.
- 3.3 **Matters To Be Decided** — Unless otherwise agreed by all Committee Members present, only matters set out in the agenda for a meeting shall be decided at that meeting.

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- 3.4 **New Business** — A Committee Member may raise, as “new business,” a matter not set out in the agenda for a regular meeting and the Chairman shall place the matter on the agenda for one of the next two regular meetings of the Committee.
  - 3.5 **Vacancy** — Subject to Section 2.7 a vacancy in the membership of the Committee Members does not impair the right of the other Committee Members to act.

#### **Section 4 — Resolutions and Voting**

- 4.1 **How Matters To Be Decided** — At meetings of the Committee every matter shall be decided by resolution duly moved, seconded and carried by a majority of the votes cast by Committee Members present and entitled to vote.
- 4.2 **Personal Vote Only** — No Committee Member may vote on behalf of any other Committee Member.
- 4.3 **Chairman Non-voting Member** — The Chairman shall not vote at meetings of the Committee.
- 4.4 **Voting** — Voting shall be by show of hands on the resolution. The Chairman shall declare to the meeting the decision on every matter in accordance with the results of the show of hands and that decision shall be entered in the minutes of the meeting.
- 4.5 **Equality of Votes** — In the event of an equality of votes on any matter, such matter shall be referred to the Board of Governors.
- 4.6 **Recording of Votes** — A Committee Member who is present at a meeting of the Committee, including a Committee Member deemed to be present under Section 2.6, shall be deemed to have consented to any resolution passed or action taken at that meeting unless the Committee Member dissented on the matter and requests that a written record of his or her dissent be entered into the minutes of the meeting either at the meeting or by written notice to the Chairman within two (2) business days after the meeting.

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## **Section 5 — Conflicts of Interest**

- 5.1 **Conflict of Interest** — Provisions dealing with Conflicts of Interest that are adopted by the Governors as applicable to any Governor, including Bylaws No. 2 and 3 of the Board of Governors, shall apply to each Committee Member.

## **Section 6 — Minutes**

- 6.1 **Minutes To Be Taken** — Minutes shall be kept of all meetings of the Committee in accordance with the Industrial Diseases Standing Committee Charter, page 2 item 6.
- 6.2 **Preservation of Minutes** — Original copies of minutes of all meetings of the Committee shall be retained by the Office of the Board of Governors in the manner directed by the Chairman.
- 6.3 **Copies to Governors** — Copies of minutes of all meetings of the Committee shall be forwarded to each Governor.

## **Section 7 — Chairman Designate**

- 7.1 **Chairman May Designate** — The Chairman may designate the Committee Member representative of the public interest to act in the Chairman's place during the Chairman's temporary absence, and while so acting the designated Committee Member shall have the power and authority of the Chairman with respect to Committee matters. Such designated Committee Member shall retain their right to vote while so acting.

## **Section 8 — Delivery**

- 8.1 **Method of Delivery** — All agendas, supporting materials for meetings, notices, statements and other documents in writing required or permitted under this Bylaw to be delivered to Committee Members may be mailed, postage prepaid, addressed to a Committee Member or may be delivered to a Committee Member either personally or by leaving it at his or her usual place of business or residential address, or may be sent by telegram, telex, facsimile or other method of transmitting visually recorded messages.

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## Section 9 — Remuneration

- 9.1 **Remuneration** — Remuneration of Committee Members shall be as set out in Section 11 of Bylaw No. 3 of the Board of Governors.

## Section 10 — Committee Records

- 10.1 **Preservation of Supporting Materials** — The Chairman may direct that copies of all supporting materials relating to the matters dealt with by the Committee including, but not limited to, the following;

- (a) correspondence;
- (b) research papers;
- (c) position papers;
- (d) legal, medical and other opinions;
- (e) historical and other records;

(hereinafter called “Committee Records”) be maintained in such manner, and in such places as he may deem appropriate.

- 10.2 **Access to Supporting Materials** — Any Committee member may have such access to Committee Records as may be reasonably necessary for the conduct of Committee business. The Committee may, subject to any laws of general application, adopt rules and procedures with respect to access to Committee Records by persons other than Committee Members.

## Section 11 — Secretariat to the Industrial Diseases Standing Committee

- 11.1 **Establishment of the Secretariat** — A secretariat of Workers’ Compensation Board personnel (the “Secretariat”) shall be constituted to assist the Committee in fulfilling its duties and responsibilities.

- 11.2 **Role of the Secretariat** — The Secretariat shall generally assist the Committee in fulfilling its duties and responsibilities, including but not limited to the following:

- (a) drafting and organizing meeting agendas and supporting documentation;

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- (b) maintaining Committee Records;
  - (c) producing reports, commentary, or other advice as may be within its expertise and as may be requested by the Committee.
- 11.3 **Direction to the Secretariat** — The Committee shall have authority to provide direction and instructions to the Secretariat on matters within the mandate of the Committee. The Secretariat shall, from time to time, provide a report to the Vice-President, Compensation Services as to the nature and conduct of its activities.
- 11.4 **Staffing of the Secretariat** — Members of the Secretariat shall be appointed by and shall report to the Vice-President, Compensation Services. Members so appointed may include a staff member or members knowledgeable in the administration of industrial disease claims and such support or administrative staff as may be necessary to carry out the functions assigned to the Secretariat.

## Section 12 — Operating Procedures

- 12.1 **General Intent** — This section sets out in general terms the manner in which the Committee intends to conduct its review of Schedule B of the *Act* and of those industrial diseases designated or recognized by regulation of general application and to fulfill its other responsibilities provided for in the Charter of the Committee.
- 12.2 **Principles** — The Committee will, to the best of its ability when dealing with persons interested in the compensation system including the medical community and those responsible for administering the *Act* (the “Interested Parties”), operate in a fashion which is participatory, consultative, open, accessible, comprehensive and fair, with a view to fostering the greatest possible confidence in its recommendations.
- 12.3 **Prioritization** — The Committee may, based on such information as it considers appropriate, including information from Interested Parties, establish priorities for dealing with specific items of its mandate. In particular, items that may arise infrequently and which generate little concern to the Interested Parties may be dealt with in a more summary fashion than those items which arise with greater frequency and which generate greater concern or controversy.

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- 12.4 **Public Documents** — In keeping with the principles provided for in Section 12.2, the Committee shall provide to any Interested Party upon request in writing to the Committee copies of:
- (a) the Constituting Resolution and Charter of the Committee;
  - (b) the Bylaws of the Committee;
  - (c) notice of an address where correspondence or other written communications may be directed to the Committee;
  - (d) such other documents as the Committee may designate from time to time.
- 12.5 **Notice** — In keeping with the principles provided for in Section 12.2, the Committee shall provide written notice, in such manner and at such times as it shall consider appropriate, sufficient to communicate to Interested Parties the dates, times, locations, and subject matters of public hearings or other public forums at which Committee business is being conducted. Failure to provide any notice to Interested Parties shall not invalidate any proceedings of the Committee.
- 12.6 **Initial Input** — In order to facilitate the prioritization of its business the Committee may, in such form as it shall consider appropriate, invite submissions from Interested Parties as to which matters under consideration by the Committee are of concern to them and whether they may wish to make further submissions relative to those matters at a subsequent date when detailed consideration to such matters is being given by the Committee. The Committee may also establish a list of Interested Parties who require all or only some of the notices provided for in Section 12.5.
- 12.7 **Submissions Upon Request** — The Committee may, in such fashion as it shall consider appropriate, invite individual or all Interested Parties to submit information to the Committee including but not limited to position papers, ergonomic or other reports or studies, written submissions and the like, relevant to the mandate of the Committee.
- 12.8 **Other Submissions** — Any Interested Party may at any time make written submission to the Committee on matters within the mandate of the Committee. The Committee shall take those submissions into consideration in fulfilling its mandate.

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12.9 **Public Hearings** — Subject to approval of the Governors for funding the Committee may at such times and in such manner as it considers appropriate arrange for the conduct of public hearings into matters within the mandate of the Committee. Such public hearings shall be conducted by such Committee Members as shall be designated at a regular meeting of the Committee. Notice in writing as to the date, time, location and subject matter of a public hearing shall be given in such manner as the Committee shall consider necessary to communicate to Interested Parties the holding of such hearing. The Committee may, prior to the holding of any such public hearing, publish rules of conduct and procedure that shall apply at such public hearing related to matters including but not limited to:

- (a) time limitations for submissions;
- (b) subject matter for submissions;
- (c) which Interested Party or Interested Parties may make submissions; and
- (d) rules of order.

Such rules of conduct shall reflect the principles provided for in Section 12.2.

12.10 **Medical Support** — The Committee shall, in fulfilling its mandate, and in particular in assessing the relationship between a particular industry or industrial process and a particular industrial disease, consider all medical research and medical opinion as may be provided to the Committee by Interested Parties and by experts, expert panels, medical researchers or other qualified persons, whether such information has been requested by or on behalf of the Committee or not. The Committee shall ensure that the Occupational Safety and Health Division of the Workers' Compensation Board is consulted on all matters related to the content of the Committee's recommendations.

12.11 **Independent Research** — Subject to approval of the Governors for funding, the Committee may commission independent research projects, constitute expert panels, retain the advice of consultants, or use any other mechanism which the Committee considers necessary to fulfill its mandate.

12.12 **Research Standards** — Subject to the principles provided for in Section 12.2, the Committee may establish minimum acceptable methodological standards for any research that the Committee may rely upon in making recommendations to the Board of Governors.

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- 12.13 **Recommendations** — Any recommendations which the Committee may make to the Board of Governors shall be based on sound scientific and medical knowledge. The Committee shall gather such information as it considers necessary from, among others, the sources referred to in this Section, and shall at a regular meeting designated for that purpose consider whether a recommendation should be made to the Board of Governors relative to a disease that is or could be provided for in Schedule B of the *Act*, a disease that is or could be designated or recognized by regulation, or a policy that is or could be related thereto. A recommendation to the Board of Governors shall be in such form as the Committee shall determine. A recommendation may also state whether it is a unanimous or a majority recommendation of the Committee. A recommendation shall whenever possible make reference to any source materials relied upon by the Committee in making such recommendation, by citation, or by such other means as shall be sufficient to identify such source materials. The timing of any recommendations to the Board of Governors shall be determined by the Committee from time to time at regular meetings.
- 12.14 **Final Decisions** — The Board of Governors are responsible for making the final decisions on matters related to statutory provisions and policy on industrial diseases.
- 12.15 **Related Issues** — The Committee in fulfilling its mandate may consider policy or legislative issues which are related to industrial diseases. The Committee may resolve to make recommendations to the Board of Governors on such related issues. Such issues may include a consideration of Schedule D of the *Act* (Non-Traumatic Hearing Loss) and suggested statutory amendments to Schedule D or otherwise.
- 12.16 **Publication of Recommendations** — Recommendations of the Committee shall be presented to the Board of Governors prior to their publication. Publication of recommendations of the Committee shall be at the discretion of the Board of Governors.

## Section 13 — Bylaws

- 13.1 **Amendment of Bylaws** — The Committee may, from time to time, present to the Board of Governors for approval amendments or additions to this Bylaw for the more effective fulfilling of its mandate.

# REPORTER

## Workers' Compensation Board of British Columbia Internal Audit and Evaluation Department Charter

Date: August 10, 1992

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This charter states the mandate, mission, purpose, authority, and responsibilities of the Internal Audit and Evaluation Department.

### **Mandate**

The mandate of the Internal Audit and Evaluation Department is to carry out internal audits and program evaluations within the Workers' Compensation Board of British Columbia.

### **Mission Statement**

The mission of the Internal Audit and Evaluation Department is to provide assurance to the president and Board of Governors as to the efficiency, effectiveness and economy of internal management policies, procedures, practices and controls, and the efficiency and effectiveness of Board programs, and to act as a catalyst for innovation and improved service to our clients.

### **Purpose**

The purpose of the Internal Audit and Evaluation Department is to provide a periodic, systematic, independent review and appraisal of W.C.B. operations, programs, and activities and to report findings and make recommendations to management and the Board of Governors.

All Internal Audit activities are to be conducted in compliance with the Code of Ethics and the Standards for the Professional Practice of Internal Auditing as promulgated by the Institute of Internal Auditors.

All Program Evaluation activities are to be conducted in accordance with standards adapted for the Board from those developed by the Office of the Comptroller General, Treasury Board of Canada.

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## Authority

The department, in the performance of audits and evaluations and with strict accountability for safekeeping and confidentiality, has authorized access to all manual and electronic records, personnel, and physical properties of the Board.

The director, Internal Audit and Evaluation, shall report to the president and chief executive officer on a regular basis with the Governors' Financial Standing Committee providing oversight responsibility for the department.

Internal Audit and Evaluation is a staff function that has no direct authority for the operations, programs and activities under review. The performance of these reviews does not in any way relieve management of assigned responsibilities.

## Responsibilities

Internal Audit and Evaluation is responsible for assessing and evaluating major functions, programs, activities, and control systems at the Board and for advising management concerning their operational effectiveness and efficiency. Responsibilities include, but are not restricted to:

- a) Reviewing the reliability, integrity, and adequacy of financial and management controls and information.
- b) Reviewing the adequacy of corporate data and information systems.
- c) Evaluating programs to assess their results and the effectiveness of their design and implementation.
- d) Conducting evaluations of efficiency and economy in the use of resources.
- e) Determining the extent of compliance with internal policies, procedures and regulations, the provisions of the *Workers Compensation Act* of B.C., and other applicable legislative or regulatory agency's requirements.
- f) Ascertaining the adequacy of protection afforded funds, physical assets and information and, if necessary, conducting investigations into potential defalcations.
- g) Performing special reviews requested by executive management or the Board of Governors.

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- h) Liaising with the auditor general of B.C. to co-ordinate audit efforts through the sharing of analyses, working papers and reports.

*Editors' note: This Charter was approved by the Governors' Financial Standing Committee on August 10, 1992.*



# REPORTER

## Workers' Compensation Board of British Columbia Internal Audit and Evaluation Department Charter Terms of Reference

Date: August 10, 1992

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## Department

### Mission Statement

The Mission of the Internal Audit and Evaluation Department is to provide assurance to the president and Board of Governors as to the efficiency, effectiveness and economy of internal management policies, procedures, practices and controls, and the efficiency and effectiveness of Board programs, and to act as a catalyst for innovation and improved service to our clients.

### Charter

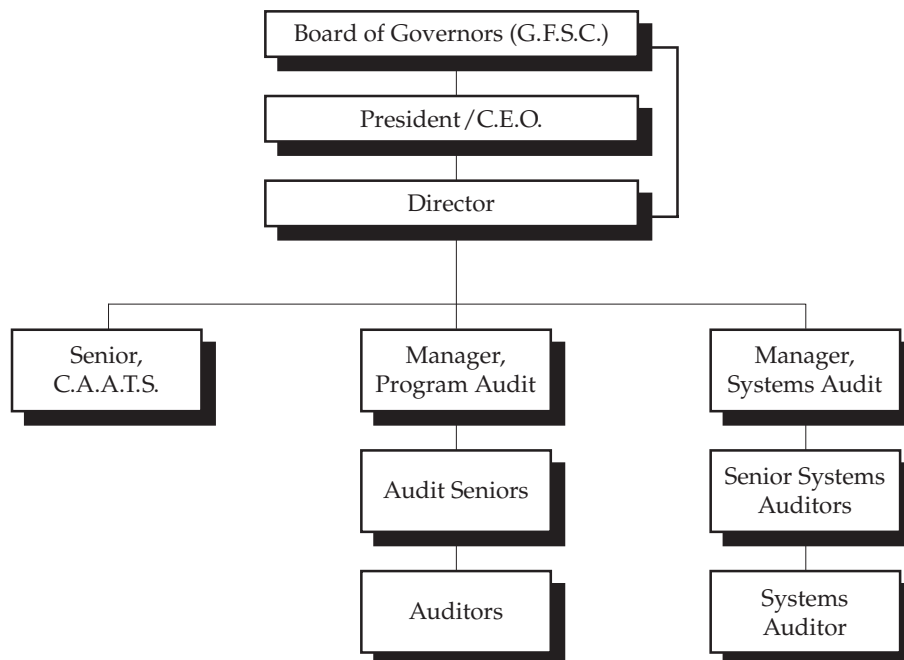
The *Internal Audit Charter*, including the mandate and terms of reference, was last revised in 1984.

Program Evaluation is a new function in the Workers' Compensation Board of B.C. to be introduced in 1992.

A revised charter for the Department will be tabled for discussion and confirmation at the next scheduled meeting of the Governors' Financial Standing Committee. It will include the mandate and terms of reference for both Internal Audit and Program Evaluation.

The charter will now be subject to periodic review by this Committee.

### Organization and Structure



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There is in addition a secretarial position as well as a co-op student position in the department. The program evaluation positions have yet to be approved and are therefore have not been included on the organization chart.

## **Reporting**

As shown in the organization chart presented above, the director of the Internal Audit and Evaluation Department reports directly to the president/C.E.O. on a regular, operational basis. This is supplemented by the direct access to the Governors' Financial Standing Committee (with regularly scheduled meetings to be held every second month) to ensure the objectivity and independence of both the internal audit and the program evaluation functions.

## **Internal Audit**

### **Definition**

Internal auditing is defined as "an independent appraisal activity established within an organization as a service to the organization. It is a control which functions by examining and evaluating the adequacy and effectiveness of other controls." Internal Audit (I.A.) performs a staff function and as such has *no* authority over any Board operations or line personnel.

### **Objective**

The objective of internal audit is defined as "to assist members of the organization in the effective discharge of their responsibilities. To this end, internal audit furnishes them with analyses, appraisals, recommendations, counsel and information concerning the activities reviewed. The audit objective includes promoting effective control at reasonable cost."

*The definitions quoted above were both taken from the Institute of Internal Auditors' "Standards For The Professional Practice of Internal Auditing."*

### **Role and Scope of Activities**

The role of Internal Audit is to provide a systematic, independent review and appraisal of all Board operations, including administrative activities, for the purpose of advising management on the efficiency, economy and effectiveness of internal management practices and controls.

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The scope of Internal Audit activities includes all aspects of Board operations. Internal Audit assesses and expresses an opinion on:

- The adequacy of all management and financial controls including planning, financial management, personnel management, information processing and other administrative support functions;
- The adequacy of corporate data and information systems; the integrity, controls and security including, but not limited to, design, development, implementation, operation and procedures;
- The adequacy of protection afforded Board funds and assets (and if necessary conducts investigations on potential misappropriations and defalcations);
- The extent of compliance with legislative and regulatory agency's requirements and Board policies and procedures.

### **Professionalism**

Internal Auditing is a discipline, governed by an Institute, with accepted Standards for Professional Practice, a Statement of Responsibilities and a Code of Ethics. It is a policy of the Department to meet or exceed all Institute requirements.

### **Skill Mix/Training**

The Internal Audit staff consists of professionals and specialists assigned by their area of expertise, e.g. the senior auditor responsible for financial audit is a chartered accountant. Other qualifications range from M.B.A.'s with engineering degrees to a B.Sc. in computing science.

All audit staff are expected to maintain their designations/certifications and level of expertise through continuing professional development. All present staff have either achieved or are in the process of attaining certification as internal auditors or systems auditors. In addition, audit staff, regardless of their area of specialization are required to complete elements of the claims adjudicator training program provided by the Training and Education Center.

The auditors-in-charge of Claims Payment audits have an average of 2.5 years experience in the review of claims. The Information Systems auditors have an average of 15 years experience in information systems development and processing.

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## Types of Audits

Audits performed by the Department have been classified in to one of the four following groups:

- Financial/Operational
- Claims Payment
- Information Systems
- Special/Ad-hoc

*Financial/Operational Audits:* Financial audits review the flow of financial information and its reliability and accuracy. Operational audits involve the evaluation of operating controls and the identification of inefficient or ineffective practices. A regular cycle of Financial/Operational audits has been put in place.

*Claims (Payment) Audits:* review benefit payments to ensure accuracy of calculation, compliance with Board policy, and efficiency of the payment process. Payment audits have been concentrated in the Claims area over the course of 1990/91 due to the high absolute dollars expended in this area.

*Information Systems Audits:* involve review of new systems development, data resource management, systems maintenance, methodology and standards, security and control. Our role has been limited to assessing the adequacy of internal controls and the integrity of data due to internal resource constraints.

*Special (or Ad Hoc) Audits:* are reviews which were not placed on the schedule as a result of the normal Department's planning process. These could include audits requested by senior management or investigations resulting from misappropriations or defalcations.

## Internal Audit Focus

I.A. conducts audits throughout the year that focus on evaluating the adequacy of the Board's system of internal control and compliance. Accounting, financial, and operating divisions, departments, and systems are reviewed on a cyclical basis to determine whether these areas are properly controlled and are functioning in line with management's objectives.

The areas selected for audit are derived from I.A.'s inventory of auditable activities; a comprehensive list of areas that are subject to audit. Priority for audit is determined through the use of specific evaluation criteria developed to identify areas of audit concern. The criteria includes: prior audit findings, size of the entity, risk of loss, time since last audit, financial significance, management's concerns, and presence of compensating controls.

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## External Audit

Internal auditing differs from external auditing in scope, reach and purpose. Our external auditor, the auditor general of B.C., performs the attest audit function with the objective of rendering an opinion on the fairness of the Board's financial statements. I.A. liaises with the auditor general of B.C. to coordinate audit efforts through the sharing of analyses, working papers, and reports.

## Audit Planning

Audit plans are prepared annually for one- and three-year periods. Audit coverage is designed to afford maximal protection and minimize risk to the Board. Planning at this stage involves comparing and assigning available audit resources to the high priority areas of audit concern as identified earlier in the process.

The long-term plan is currently based on an overall six-year cycle for very high and high risk areas. Within the plan, entities are stratified into cycles of one to six years, depending on the level of risk. For example, unit Claims Payment audits are on a two-year cycle starting every third year. The audit plan will be submitted annually to the president and the Governors' Financial Standing Committee for approval.

## Audit Process

The major phases of an internal audit are:

- planning
- fieldwork
- debriefing
- reporting
- follow-up

The responsible director (auditee) will normally be notified prior to the commencement of an audit in his/her area. The scope and objectives of the project are discussed with the director and, where applicable, the manager involved. Audit findings are discussed upon the completion of fieldwork with the manager. The director will receive a written draft audit report summarizing the auditor's observations and recommendations. The director, after having the opportunity to review the content of the report, will reply to the recommendations within three weeks, explaining the action taken or to be taken.

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The final audit report is issued to the appropriate vice-president with copies to the president/C.E.O., the Governors' Financial Standing Committee, and the directors involved. Any differences between I.A. and the auditee director will normally be resolved before the final report is issued. A follow-up of the audit recommendations will be completed, where appropriate, six to nine months after issuance of the final report. Matters of a minor nature will be reported in a management letter to the auditee and will not be included in the final report.

### **Next Steps**

- Stabilize and complete the current cycle of financial and compliance audits.
- Develop a methodology and approach for Value for Money (V.F.M.) audits within the context of the Board's operations.
- Co-ordinate the audit and program evaluation activities and explore integration.
- Follow-up the Department's 1990 Internal Review.

## **Program Evaluation**

### **Definition**

Program Evaluation is defined as "the periodic application of systematic research methods to assess the results of a program and the effectiveness of the program's design and implementation."

### **Objective**

The objective of program evaluation is "to provide W.C.B. senior management with credible, objective, timely and relevant information on the performance of their programs and to ensure that information is used for the cost-effective and accountable management of programs."

*The definition and objective quoted above were adapted from documents published by the Office of the Comptroller General, Treasury Board of Canada.*

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## **Role and Scope of Activities**

The role of Program Evaluation is to provide a systematic and objective review and assessment of all Board programs for the purpose of advising management on the effectiveness of programs in meeting their objectives.

Program Evaluation assesses and reports on:

- the extent to which programs continue to be relevant to the stated priorities and perceived needs of the W.C.B.
- the extent to which programs are effective in meeting their objectives, within budget and without causing significant unwanted results
- whether programs are implemented and delivered in the most appropriate, efficient and cost-effective manner, relative to alternative approaches, to meet their objectives.

All W.C.B. activities that deliver programs are subject to evaluation.

## **Professionalism**

There is currently no organization parallel to the Institute of Internal Auditors for program evaluators. The only national body that exists is the Canadian Evaluation Society. It has discussed setting standards for evaluations and evaluators; however, none have yet been established.

The federal Office of the Comptroller General within Treasury Board issued *Working Standards for the Evaluation of Programs in Federal Departments and Agencies* in 1991 to assess the performance of departments in evaluating and reviewing their programs as to efficiency and effectiveness. These standards have been adapted to fit the requirements of the W.C.B.

## **Skill Mix/Training**

Program Evaluation staff should consist of professionals and specialists with experience in the program evaluation field or related areas such as planning, policy development and analysis, and performance measurement, and with degrees in social sciences, economics, statistics or M.B.A./M.P.A.

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## **Program Evaluation Focus**

Evaluations focus on program evaluation components. A “program evaluation component” is an activity or group of activities that has a common objective or set of objectives. Once components have been defined, they should be evaluated on a cyclical basis to ensure they meet the needs of management. Criteria to assess the need for evaluation should include: the strategic requirements of the Board and its clientele, the impact of the program on the overall effectiveness of the Board, the impact of the program on its clientele, and the size and complexity of the program.

Program evaluation staff should be involved in the design of all new or significantly modified programs to assist in defining objectives and intended impacts, and to ensure that appropriate data will be collected for evaluation of the program at a future time.

## **Types of Evaluations**

The level of effort expended on an evaluation will vary from component to component. It should be commensurate with the importance and budget of the component and reflect the requirements of senior management in terms of scope and timing.

## **Program Evaluation Planning**

Program evaluation plans should be prepared annually for one- and three-year periods.

The program evaluation plan will be submitted annually to the president and the Governors’ Financial Standing Committee for approval.

The long-term plan will be established after our analysis of the program components.

## **Program Evaluation Process**

For established programs, the three major phases of evaluation are:

- evaluation assessment, which constitutes the planning phase for a subsequent evaluation study
- evaluation study, which formally examines specific evaluation issues to examine whether a program is doing what it was supposed to do and working in the way it was intended to work
- follow-up, to ensure study results are implemented.

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For new programs or programs undergoing significant redesign, an evaluation framework should be prepared. It describes how the program is intended to work, identifies potential evaluation issues for a future evaluation study, describes the information required to address those issues and assigns responsibility for the collection of those data.

### **Next Steps**

The Department is proceeding with the following:

- approval of the Program Evaluation Terms of Reference
- finalization and approval of the Program Evaluation Manual
- development and approval of a Program Evaluation Plan and budget.

Once these basics are in place, the Department will then proceed to staff the function.

*Editors' note: This document was presented to the Governors' Financial Standing Committee on August 10, 1992.*

## Appeal Division Annual Report

**Date:** June 26, 1992

**Chief Appeal Commissioner, Connie Munro**

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*Editors' note: The following is the complete Annual Report of the Appeal Division submitted to the Board of Governors on June 26, 1992.*

I am pleased to present to the Board of Governors the first annual report of the Appeal Division. The period covered in this report included three major accomplishments:

- (a) the creation of the Appeal Division;
- (b) the elimination of a large backlog of appeals; and,
- (c) the establishment of a process for providing decisions on new appeals within 90 days of their commencement unless a longer period is necessary because of an act or omission of the appellant or because of the complexity of the matter under appeal.

The central focus of the Appeal Division in achieving these goals has been the provision of fair and equitable decisions on individual appeals. The appeal commissioners have provided written reasons for all decisions, signed by the appeal commissioners who made the decision. Many oral hearings were held, as well as three public hearings on issues of general importance beyond the particular claims. A number of Appeal Division decisions were published in the *Workers' Compensation Reporter*, to provide guidance to the workers' compensation community and the Board with respect to the interpretation of the *Workers Compensation Act* and the policy of the governors.

The creation of the Appeal Division involved bringing together many individuals from diverse backgrounds, with the common goal of building a new appeal body to meet the legislative mandate provided by Bill 27 (the *Workers Compensation Amendment Act, 1989*). In fulfilling its quasi-judicial function, the Appeal Division has striven to provide quality decisions in a fair and timely manner. I am pleased with the accomplishments of the Appeal Division in its first year of serving the workers and employers of British Columbia.

Connie Munro  
Chief Appeal Commissioner



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*Appeal Division Annual Report (pages 639 to 686) is not currently available in Acrobat PDF (portable document format).*



## Workers' Compensation Board of British Columbia Grants and Awards Policy

Date: October 26, 1992

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### INTRODUCTION

Grants and Awards are specifically authorized in Section 71(4) of the *Workers Compensation Act* which provides for educational programs relating to the Board's general operations and responsibilities, and for that purpose may provide rewards for bravery in rescuing or attempting to rescue a worker from serious injury or death. The Board may also undertake or support research in matters relating to the Board's responsibilities under the *Act*.

Without excluding rewards for bravery, the primary purpose of this program is to encourage the development of new ideas and proposals to prevent occupational injury and disease amongst workers in B.C. For those workers who sustain an occupational injury or disease, it will encourage the development of improved methods of treatment and rehabilitation.

The Board prefers, but is not limited to, the funding of research, education and training activities which have a direct influence on the health and safety of workers coming under its jurisdiction.

### I GRANTS

#### A Purposes

The W.C.B. will consider granting financial support for the following purposes which are consistent with the W.C.B. mission and priorities of the governors:

- 1) Educational or training programs related to occupational safety and health, rehabilitation and compensation in B.C., *or*
- 2) Research programs or projects related to occupational safety and health, rehabilitation and compensation in B.C., *or*

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- 3) Position grants or scholarships to support personnel at educational or research institutions, including teaching hospitals, and organized groups representing workers or employers, benefiting occupational safety and health, rehabilitation and compensation of workers in B.C., *or*
  - 4) Specific equipment necessary for research into occupational safety and health, rehabilitation and compensation, *or*
  - 5) Workshops or symposia to be held in B.C. which are directly related to occupational safety and health, rehabilitation and compensation and symposia forming part of major inter provincial, national or international congresses to be held in Canada which are directly related to B.C. occupational safety and health, rehabilitation and compensation, *or*
  - 6) Core funding for research or educational or training or teaching programs at post-secondary level related to occupational hygiene, occupational safety, occupational disease, or injury and rehabilitation, *or*
  - 7) Other programs or projects of exceptional benefit to the activities or responsibilities of the W.C.B. A request for funds approaching or exceeding the W.C.B. budget for grants and awards will be included in this category.

Where a need for any of the above activities is apparent to the W.C.B. or where the need is made apparent to the W.C.B. by outside sources, the W.C.B. may publicize the need for or request proposals for carrying out the activity in question. When received, such proposals will be treated as applications under this Grants and Awards Policy.

## **B Eligibility**

Applications from the following will be considered:

- 1) Universities, teaching hospitals, technical schools, research centres and other institutions of post-secondary education, including faculties and departments within such institutions, *or*
- 2) Individuals having recognized professional qualifications and experience in the field appropriate to the proposal and who hold academic appointment at a Canadian university, *or*
- 3) Other applicants including organized groups representing workers or employers presenting proposals which offer substantial direct benefits to the activities or responsibilities of the W.C.B.

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## **C Initial Application for Financial Support**

The Board is prepared to receive a “letter of intent” from an applicant who is unsure of the Board’s interest in funding a project or program. The letter should be submitted to the Office of the President, administrative assistant to the president, and include a brief description of the proposal, its benefit to the workers of B.C., and an estimate of the total funding to be requested. The Board will indicate to the applicant, within six weeks of receipt of the letter, its level of interest in the proposal, so that the applicant can then decide on whether to proceed with an application.

The initial application for a first-time grant must be received by the W.C.B. before August 1 in the calendar year prior to the year of the grant requirement. Applications received after that date will not be considered unless they are for amounts less than \$2,000 and the W.C.B.’s budget for financial support has not been exceeded.

Applications must be submitted to the Office of the President, administrative assistant to the president.

Incomplete applications may not receive full consideration. In order to be considered complete, applications must include:

### **1) For Educational and Training Programs**

- a) statement of purpose
  - i) short-term objectives
  - ii) long-term objectives
- b) documentation of need
- c) proposed course curriculum
- d) method of evaluating progress during the program and at completion of the program
- e) appendices
  - i) applicable literature references
  - ii) job descriptions
  - iii) curriculum vitae of each professional working in or for the program
  - iv) detailed budget proposal broken down into quarters, or, where more appropriate, semesters
  - v) alternate sources of financial support considered or asked to partially support program

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- vi) approval of the head of the faculty, university or other employing institution

## 2) For Research Projects or Programs

A program is a research project or series of research projects lasting two years or more.

- a) statement of purpose
  - i) short-term objectives
  - ii) long-term objectives
- b) description and definition of problem
- c) documentation of need
- d) method or design description
- e) method of evaluating progress during the project and at completion of the project
- f) appendices
  - i) applicable literature references
  - ii) forms and questionnaires to be used in the project
  - iii) letters of support from worker and management representatives when workers are to be studied
  - iv) job descriptions of positions to be funded
  - v) curriculum vitae of each professional working in or for the project
  - vi) detailed budget proposal broken down according to personnel, equipment and services
  - vii) alternate source of financial support considered or asked to partially support program
  - viii) approval of the head of the faculty, university or other employing institution
- g) where human subjects are involved in the research which requires exposure to a hazard, the W.C.B. will require evidence of ethical approval of the research project by the ethics committee or head of the institution

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h) confidentiality of information

The Board requires a commitment from the applicant, that where a study requires the gathering of personal or confidential information from workers or a workplace, that information will be held in confidence by the researchers and will only be released to other parties:

- i) with the informed consent of the individual subject, or
  - ii) in the case of a work process with the informed consent of the owner, or
  - iii) as required by law.
- i) The Board recognizes that data gathered by researchers and the original report is owned by them. Data from an unpublished report will be quoted in its entirety or in part only with the consent of the author. The Board may however publish a summary of the report. Data from reports published in a scientific or trade journal or book will be quoted by the Board, but will include a reference to the source of the original publication.

**3) For Position Grants or Scholarships**

- a) statement of purpose
- b) documentation of need
- c) job description for position being supported and/or course curriculum for scholarship grant
- d) budget proposal, including benefit plans and any personal income which the holder of such a grant or scholarship may generate directly from the position being funded
- e) alternate sources of financial support considered or asked to partially support program
- f) approval of the head of the department, faculty or other employing organization

**4) For Specific Equipment**

*Note:* Any single item of equipment valued at less than \$20,000 and used in an educational or training program or a research project for which financial support is also being requested may be included in the grant application for

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that program or project. All other equipment, i.e., any single item of equipment valued at over \$20,000 and any equipment not to be used in an educational or training program or a research project for which financial support is also being requested requires a separate application.

- a) statement of purpose
- b) documentation of need
- c) technical data sheet
- d) the name and address of:
  - i) manufacturer
  - ii) supplier
  - iii) source of separate maintenance and repair service
- e) who will operate the equipment
- f) who will be responsible for its maintenance and safe operation
- g) budget proposal, including
  - i) capital cost
  - ii) delivery and installation cost
  - iii) maintenance and servicing cost
- h) alternate sources of financial support considered or asked to partially support program
- i) approval of the head of the department or faculty

**5) For Workshops or Symposia**

- a) statement of purpose
- b) documentation of need
- c) brief biographies of the person responsible for organizing the event and of the major speakers
- d) description of the size and background of the expected audience or participants

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- e) budget proposal, including total funds required and the amount requested from the W.C.B.
  - f) alternate sources of financial support considered or asked to partially support program
  - g) names of the other organizations expected to support the event

## **D Applications for Renewals of Financial Support**

Financial support will normally be granted for a period of time not to exceed one year. Multi-year programs will receive special consideration by the Board of Governors. Renewal requests may be considered for educational or training programs, research programs and position grants or scholarships. Such requests must, however, be received by the W.C.B. before September 1 in the calendar year prior to the year for which the renewed grant is required.

Incomplete applications may not receive full consideration. In order to be considered complete, renewal applications must include:

### **1) For Educational or Training Programs**

- a) a detailed course curriculum and progress report, including number of graduates
- b) an estimate of the date at which the W.C.B. funding will no longer be needed
- c) a comparison of the proposed and estimated actual budget of the current year up to June 1 and a detailed budget proposal for the next year for which funding is requested
- d) approval of the head of the faculty, university, or other employing organization

### **2) For Research Projects**

- a) an interim progress report
- b) an estimate of the date at which the W.C.B. will not be requested to supply further financial support for the project
- c) an estimate of the date of completion of the final report

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- d) a comparison of the proposed and estimated actual budget of the current year up to June 1 and a detailed budget proposal for the next year for which funding is requested
  - e) approval of the head of the faculty, university or other employing organization

### 3) For Position Grants or Scholarships

- a) a report on the activities and performance of the incumbent of the position or scholarship-holder for the preceding year
- b) documentation of need for the continuation of the grant or scholarship
- c) any intended change in the job description or course curriculum since the previous application
- d) a comparison of the proposed and estimated actual budget of the current year up to June 1 and a detailed budget proposal for the next year for which funding is requested
- e) approval of the head of the department or faculty

## E Assessment and Approval of Applications

Applications will be assessed on a competitive basis with preference being given to B.C. applicants where other qualifications and merits are substantially equal. The assessment criteria used will include the relevance of the proposal to the W.C.B.'s responsibilities under the *Act*, in particular, to the improvement of occupational safety and health, improvements in the management, rehabilitation and compensation of injured workers, the significance of the progress already achieved in the solution of the particular problem, the technical merit of the proposal, the competence of the applicant, and the cost to the W.C.B. and the likely return to industry on the investment. To assist the W.C.B. in its assessment, W.C.B. representatives may interview applicants or visit the educational or research facilities proposed to be used. The W.C.B. may also send applications for funding to experts of its own choice for evaluation.

The W.C.B. will make the details of individual applications available to the public after September 1 of the year submitted on request and will invite and evaluate submissions by interested parties before approving or rejecting the application in question.

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Assessment of grants and approval for submission to the W.C.B.'s Executive Committee will be by:

- 1) Director of Medical Services Department
- 2) Director of Research and Standards Department
- 3) Director of Occupational Health Department
- 4) Controller
- 5) Where applicable, the director with special interest in the subject under consideration

The Executive Committee will make the final decision on the approval of grants with the exception of the following items which will be submitted to the Board of Governors for final approval:

- 1) Grants over \$250,000
- 2) Grants payable over a period longer than one year

The Board of Governors will be provided with a list of funding requests and decisions of the Executive Committee, as soon as they are completed.

Funding will be available to successful applicants on March 1 of the year funding is due, or any subsequent date specified by the applicant and agreed to by the Board.

## **F Terms and Conditions of Financial Support**

Where an application for financial support is approved, the W.C.B.'s Legal Services Department will draw up an agreement between the W.C.B. and the organization employing the applicant. The terms and conditions of the agreement may vary according to the purpose for which financial support is to be granted. Generally, however, the following terms and conditions will apply:

- 1) Financial support shall not be used to cover routine overheads and administrative costs, office furniture, interest on loans, entertainment or other costs not solely and directly related to the purpose for which funding has been granted, unless otherwise specified in the agreement
- 2) Any commitment incurred by the grantee in excess of the financial support agreed upon by the W.C.B. will not be the responsibility of the W.C.B.
- 3) The grantee will indemnify the W.C.B. against any claim arising out of a program or project for which the W.C.B. has provided financial support, except where that claim is covered by the B.C. *Workers Compensation Act*

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- 4) Individuals paid from W.C.B. funding will not be regarded as W.C.B. employees
  - 5) Any substantial change to the original proposal, for example, the budget, a substantial change in scope, character or activities, a change in a program or project director, or primary investigator, or an extension or postponement of a project or program, must be approved by the W.C.B.
  - 6) Statements of disbursements must be provided throughout a program or project at intervals described in the agreement, but not exceeding one year, with a final statement of disbursements to be provided at the end of the program or project
  - 7) Disbursement of funds are subject to financial and operational audit by the W.C.B. at any time during or after completion of a program or project. Where the program or project terminates earlier than anticipated or where for any other reason funds are left unspent, such funds will be returned to the W.C.B. by the grantee.
  - 8) An interim report on progress against the planned program is required at intervals described in the agreement, but not exceeding one year
  - 9) A final report will be required in all cases and the W.C.B. may withhold a proportion of the funding until satisfied that the terms of the original agreement have been met. The W.C.B. may send the final report to experts of its own choice for evaluation.
  - 10) It is expected that the findings of a research project or program will be published in a recognized scientific journal

## **G Budget**

The annual budget for grants and awards will be one half of one percent (0.5%) of the W.C.B.'s net administrative budget. The W.C.B. may consider exceeding the annual budget where a program or project of exceptional benefit to the activities or responsibilities of the W.C.B. is received.

## **H Evaluation and Implementation**

The results and findings of all funded activities will be reviewed by the:

- 1) Director of Medical Services Department
- 2) Director of Research and Standards Department

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- 3) Director of Occupational Health Department
  - 4) Controller
  - 5) Where applicable, the director with special interest in the subject being reviewed

and they will prepare a report to the Executive Committee detailing the results which the funded activity has achieved and the actions which the W.C.B. should take as a result.

## **II BRAVERY AWARDS**

### **A Purpose**

To provide public recognition for acts of bravery in which the rescuer risked his or her life or personal safety to save a person who is covered under the *Workers Compensation Act* from serious injury or death.

### **B Eligibility**

- 1) Anyone is eligible for this award, except:
  - the rescuer should not be the cause of the emergency,
  - the actions were voluntary, and
  - the rescuer was not employed as a member of a rescue team.
- 2) The rescue attempt does not have to be successful to be eligible
- 3) The rescuer does not have to be a worker
- 4) Nominations for the award must be made within one year of the act of bravery

### **C Award Categories**

Gold  
Silver  
Bronze

Each award in the “colour” designated is in the form of a medallion set in a small wooden stand and accompanied by a framed parchment award recording the date and brief description of the incident.

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## D Criteria for Deciding on the Level of Award Are as Follows:

- 1) **Gold medallion** — “For exceptional service in alleviating severe suffering or for rescue activities; to include particular circumstances when the personal hazard was extreme and obvious, involving risk of serious personal injury or death; there could be no turning back, yet the provocation to abandon the attempt was obviously great.”
- 2) **Silver medallion** — “For exemplary service in alleviating suffering or for rescue activities, at the risk of serious personal injury or death, under circumstances where, once the attempt was undertaken there was considerable hazard involved even though the attempt could be abandoned.”
- 3) **Bronze medallion** — “For service beyond the call of duty, in alleviating suffering or for rescue activities, at the risk of serious injury, under circumstances where the attempt could be abandoned without undue risk.”

## E Nominations

- 1) Nominations for the award may be made by anyone
- 2) Nominations should be accompanied by a completed copy of the “Bravery Award Report Form” — see Appendix A
- 3) Nominations should be submitted to the vice-president, Occupational Safety and Health

## F Assessment and Approval

- 1) Following receipt of a nomination, the vice-president, Occupational Safety and Health will arrange for an investigation of the incident in question
- 2) The director, Field Services Department, Occupational Safety and Health Division will provide a recommendation to the committee described below on the level of award to be made
- 3) Assessment and approval of awards will be made by a committee of three, appointed as follows:
  - a) a worker member nominated by the B.C. Federation of Labour
  - b) an employer member nominated by the Business Council of B.C.
  - c) A W.C.B. member nominated by the president and chief executive officer of the W.C.B.

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### III HEALTH AND SAFETY INNOVATION AWARDS

#### A Purpose

The Health and Safety Innovation Awards Program is intended to recognize and encourage innovation in occupational health and safety, and also to have an educational value in the dissemination of ideas on the prevention of injuries and occupational diseases.

#### B Eligibility

- 1) The innovation may be any kind of invention, device, system, program or idea, which is original, or at least original in this province, or which involves a new or different use or modification
- 2) The innovation should be likely to solve or alleviate a problem of occupational disease or injury in this province
- 3) The innovation should be of a kind that is usable at places of employment other than the one at which it is originated
- 4) The innovation should be available for copying, use or adaptation by others
- 5) The first four conditions are the basic requirements. When those conditions are satisfied, the W.C.B. will consider whether an award should be made. In exercising this discretion, other factors may be considered.
- 6) An award might be made to an employer, a worker, or any other person or organization that develops the innovation. The person or organization must not be in the business of producing or distributing the particular kind of innovation, or having a commercial interest in its promotion.
- 7) Where an innovation emanates from a manufacturer or distributor of safety supplies, or emanates from an employer who has produced the innovation as a product in the ordinary course of business, that would not be covered by this awards program. In such cases the W.C.B. might consider whether it should assist in some other way in making the innovation known.
- 8) Members and employees of the W.C.B. and any other government agency concerned with occupational health and safety and members of their immediate families are not eligible

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## **C Type of Award**

An award might be of a certificate and/or cash. A payment may be made if personal expense has been incurred in producing the innovation which cannot be recovered in other ways.

## **D Timing**

Normally an award would be made after there has been successful use of the innovation.

## **E Nominations**

- 1) The initiative in suggesting an award to the W.C.B. can come from any source. The person who has produced the innovation might wish to notify the W.C.B., or the W.C.B. might be notified by any employer, worker, trade union or employers' association; or the initiative may be taken by an officer of the W.C.B. who identifies the innovation.
- 2) Nominations should be submitted to the vice-president, Occupational Safety and Health

## **F Assessment and Approval**

- 1) Following receipt of a nomination, the vice-president, Occupational Safety and Health will arrange for such investigation of the nomination as deemed necessary
- 2) Following investigation, the vice-president, Occupational Safety and Health will submit the nomination to the W.C.B.'s Executive Committee with a recommendation for approval or disapproval of the nomination
- 3) The Executive Committee will make the final decision on the approval and the form of award to be made

## **IV GOVERNOR APPROVAL**

This policy document setting out the WORKERS' COMPENSATION BOARD OF BRITISH COLUMBIA GRANTS AND AWARDS POLICY has been approved by the governors of the Workers' Compensation Board on October 26, 1992.

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# Appendix A — Bravery Award Report Form

**Date:**            **October 26, 1992**

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	<b>Bravery Award Nominee</b>	<b>Name of Rescued Worker</b>
Name ( <i>in full</i> )	_____	_____
Home Address	_____	_____
Telephone	(Home) _____ (Work) _____	(Home) _____ (Work) _____
Occupation	_____	_____
Employer ( <i>name and firm no.</i> )	_____	_____
Employer Address	_____	_____
Union and Local ( <i>if any</i> )	_____	_____
W.C.B. Claim No. ( <i>if any</i> )	_____	_____

	<b>Nominated By</b>	<b>Witness</b>
Name	_____	_____
Home Address	_____	_____
Employer ( <i>name and firm no.</i> )	_____	_____
Occupation	_____	_____
Telephone	_____	_____

**Employer Contact (*for arranging presentation*)**

Name	_____	
Address	_____	
	_____	Telephone _____
Position	_____	

**Rescue Incident**

Date of Incident \_\_\_\_\_ Time of Incident \_\_\_\_\_

Work Location \_\_\_\_\_

Location in Plant or Site \_\_\_\_\_

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## Narrative Report

On a supplementary page or pages, prepare a narrative report of the entire rescue incident. This report must be objective, concise but complete — and should, if appropriate — be accompanied by sketches and photographs.

The narrative report should include:

1. The events leading up to the rescue attempt.
2. A description and assessment of the danger to which the rescued worker was exposed.
3. A description and assessment of the danger to which the nominee was exposed.
4. The specific actions taken by the nominee in the rescue or attempted rescue.
5. Evidence to support the “YES” or “NO” answers given on this form.
6. What other persons were involved in the rescue or attempted rescue.
7. Which of the actions reported are supported by witnesses — give details.
8. Whether or not the actions of the nominee could better be classified as rendering assistance rather than life saving.

Prior to submitting this report, it is essential that the investigating officer check to ensure that the report is complete and accurate. Any observations which the investigating officer feels are relevant and any conclusions which are arrived at as a result of the investigation should be included in the narrative report.

### **Note:**

Upon completion, the bravery award report form along with the narrative report are to be forwarded immediately to the vice-president, Occupational Safety and Health.

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Investigating Occupational Safety Officer

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W.C.B. Office

Report Date: \_\_\_\_\_

# REPORTER

## Consumer Price Index Adjustments

**Date:** December 9, 1992

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WHEREAS Section 25 of the *Workers Compensation Act* requires the Board to determine as of January 1, 1993, a ratio by comparing the Consumer Price Index for October 1992 with the Consumer Price Index for April 1992, and by applying that ratio to adjust those periodical payments of compensation referred to in subsection (2), and to adjust each dollar amount mentioned in the *Act*, except those referred to in subsection (5);

AND WHEREAS the Board is advised that the Consumer Price Index for October 1992 was 128.5 and for April 1992 was 127.6, giving a ratio of 1.00705329;

THE BOARD HEREBY DETERMINES that the ratio applicable under section 25(1) is 1.00705329;

AND THAT all periodical payments of compensation described in Section 25(2) shall be adjusted by applying that ratio as of the 1st day of January, 1993;

AND THAT the British Columbia Regulation numbered 205/92 be repealed as of the 1st day of January, 1993;

AND THAT all dollar amounts referred to in all sections of the *Act* described in section 25(4) shall be adjusted as follows:

Section No.	July 1, 1992 Dollar Amount	Change To	January 1, 1993 New Dollar Amount
3(5)(c)	86.53		87.14
13(2)	17,307.72		17,429.80
	3,461.58		3,486.00
17(2)	2,076.86		2,091.51
	692.30		697.18
	692.30		697.18
17(3)(a)(ii)	224.92		226.51
17(3)(c)	726.80		731.93
17(3)(d)	34,615.28		34,859.43

<b>Section No.</b>	<b>July 1, 1992 Dollar Amount</b>	<b>Change To</b>	<b>January 1, 1993 New Dollar Amount</b>
	3,461.58		3,486.00
	31,153.70		31,373.43
17(3)(e)	726.80		731.93
17(3)(f)(iii)(B)	224.92		226.51
17(3)(g)	24,230.74		24,401.65
17(3)(h)(i)	398.05		400.86
17(3)(h)(ii)	398.05		400.86
17(3)(i)(ii)	398.05		400.86
17(13)	1,730.84		1,743.05
18(1)	301.19		303.31
	93.47		94.13
22(2)	1,125.06		1,133.00
29(2)	259.61		261.44
33(5)	1,125.06		1,133.00
35(5)	155.13		156.22
71(8)	17,307.72		17,429.80
73(2)	34,615.28		34,859.43
74(3)	173,076.53		174,297.29
75(2)	34,615.28		34,859.43
75(3)	3,461.58		3,486.00
77(2)	3,461.58		3,486.00
Schedule C	726.80		731.93

AND pursuant to Section 25(4), all sections containing such dollar amounts are deemed to be amended accordingly.

# REPORTER

## Consumer Price Index Adjustments (formerly *ad hoc*)

**Date:** December 16, 1992

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Section 25 of the *Workers Compensation Act* provides for most of the dollar figures in the *Act* to be adjusted by the Board every six months according to changes in the Consumer Price Index.

Apart from the figures in the *Act*, the policies of the governors contain various dollar allowances or amounts. The former practice was that these amounts would be adjusted on an *ad hoc* basis. The last adjustment took place on March 1, 1991.

On August 10, 1992, the governors decided to increase these amounts as of January 1, 1993 (July 1, 1993, for clothing allowances). In some cases, a new fixed amount has been specified; in others, the Consumer Price Index ratios that have been determined under Section 25 since March 1, 1991, are being applied.

As a result of the governors' decision, the rates set out below will be effective as of January 1, 1993.

(The bracketed references are to the *Rehabilitation Services and Claims Manual*.)

### Personal Care Allowances (#80.20)

The previous amounts have been increased by the Consumer Price Index ratios determined since March 1991. The new amounts are:

	Daily	Monthly
Level 1	\$11.40	\$ 342.99
Level 2	19.40	600.09
Level 3	28.89	866.74
Level 4	37.37	1,123.85
Level 5	46.11	1,381.21

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### **Independence and Home Maintenance Allowances (#81.00)**

The previous monthly amount of \$171 has been increased by the Consumer Price Index ratios determined since March 1991. The new amount is \$181.30.

### **Kilometre Allowance (#82.20)**

The rate is increased from 27 cents per mile to 26 cents per kilometre.

### **Meal Allowance (#83.20)**

The allowance is increased from a daily total of \$34.00 to:

Breakfast	\$ 8.50
Lunch	10.50
Dinner	18.00
TOTAL	<u>37.00</u>

### **Subsistence Allowance for Workers Electing Not to Stay at the Board's Rehabilitation Residence (#83.20)**

The daily rate is increased from \$12.00 to \$15.00.

### **Cost Shifting between Classes (#114.11)**

The Board interprets the word "substantial" in Section 10(8) to mean a specific dollar amount.

The previous amount of \$29,950.00 has been increased by the Consumer Price Index ratios determined since March 1, 1991. The new amount will be \$31,753.91.

### **Future Adjustments**

The governors' decision provides that all the above amounts will in future be adjusted on January 1 of each year by the Consumer Price Index ratios determined for that January 1 and the previous July 1. The first such adjustment will be on January 1, 1994.