



READY TO TRAIN

Prepared for Prevention



**ANNUAL
REPORT**
2014/2015





VISION STATEMENT

We envision safer, healthier workplaces where, supported by WHSC training, hazards are identified and eliminated through meaningful worker participation and full employer responsibility.

MISSION STATEMENT

Dedicated to our vision, and using our worker-to-worker delivery model, we will provide the highest quality occupational health and safety training for workers, their representatives and employers in every workplace, regardless of sector, size, location or union status.

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BOARD OF DIRECTORS

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Wayne Samuelson
WHSC President & Chair

Rhonda Kimberley-Young
WHSC Vice-President
Ontario Teachers' Federation

Lyle Hargrove
WHSC Secretary-Treasurer
Unifor

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James St. John	Central Ontario Building Trades
Andy Summers	Ontario Nurses' Association
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Gord Wilson	President Emeritus

The Workers Health & Safety Centre has never been one to sit on the sidelines. We believe in rolling up our sleeves and driving the change that's needed — in this case safer, healthier workplaces. Far too many workers still suffer injury, illness and death as a result of dangerous working conditions. When the stakes are this high we have to be ready with trusted health and safety training resources.

Many workplaces have come to rely upon WHSC training to help prepare them for their important health and safety prevention efforts. We didn't wait for laws to evolve; we listened and responded to real needs from real workplaces.

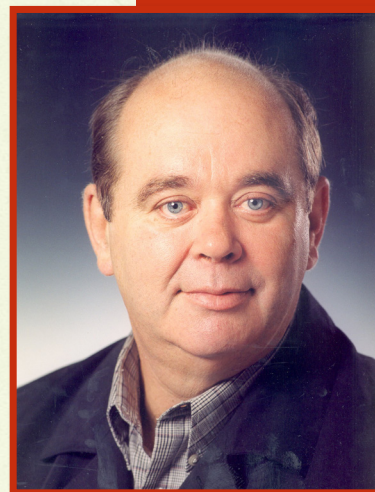
We understand all too well waiting can come with a heavy price. Too often improved health and safety laws come on the heels of workplace tragedy. This was the case with Ontario's government-appointed Expert Advisory Panel on Occupational Health & Safety. The review followed the tragic deaths of four workers who died when their swing stage snapped in two, plummeting them 13 storeys to their death. The Panel made 46 recommendations to improve Ontario's health and safety prevention and enforcement systems and help protect the most vulnerable workers.

Change has come albeit very slowly. A number of key Expert Panel recommendations were to be implemented by the end of 2011. They are still in progress, including mandatory training for health and safety reps, a revised joint health and safety committee Certification training standard, plus entry level training for construction workers and workers in other high hazard industries.

One of the Report's priority recommendations, mandatory working at heights (WAH) training, finally came into force on April 1, 2015. This potentially life-saving training is long overdue. Falls from heights are the leading cause of traumatic worker deaths and critical injuries in construction. For our part, WHSC was quick to respond to this training challenge. Our existing WAH awareness program was a foundation to build upon and is still relied upon to train those not directly using fall protection equipment like supervisors and JHSC members, but who still need to be informed. WHSC was one of the first organizations to have its training approved by the Ministry on March 13, 2015.

Equally important, the new training standard will also help those who have been trained, but whose training is deemed inadequate. And here's an important lesson. We have long argued that training standards are important because they not only ensure quality content but quality delivery. Poor training or information disguised as training does not fulfil legal requirements and fails to protect workers.

Changes brought about by the Globally-Harmonized System for communicating about workplace hazardous materials have also meant important and timely



updates to our existing WHMIS training programs. Unfortunately, these changes, like the original WHMIS training requirements, were not accompanied by a training standard. Not that we didn't make the case for one in our submission to the Ontario government's public consultations on proposed legislative changes relating to Globally-Harmonized WHMIS. I should add in our submission to the Ministry of Labour's Mining Review Panel, we also made several important recommendations regarding the immediate and pressing need for high quality, mandatory training standards. Moreover, we reminded the Ministry of the WHSC's readiness and capacity to help deliver on these standards.

As always, WHSC is committed to high quality training supported by robust and enforceable standards. This approach helps ensure providers compete on a level playing field to create a higher quality overall level of training development and delivery. Standards can provide compliance assistance and help ensure greater compliance consistency.

WHSC is also committed to prevention programs steeped in our hazard-based approach. And, our training isn't designed to simply meet legal imperatives; our training is interactive and engaging and assesses to make sure real learning takes place. Learners gain knowledge of hazards and their controls and build the skills and motivation to take preventive action. This is our gold standard.

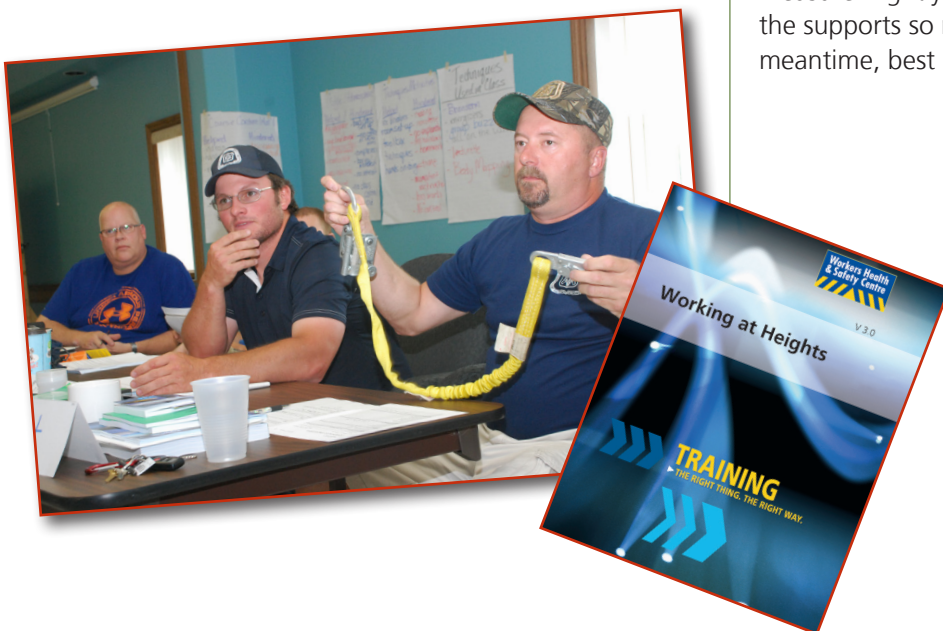
From day one, we knew the important role training played in workplace prevention efforts — helping workplace representatives build the confidence and competence to understand, but also exercise their health and safety rights and duties. As such we have often been out ahead of others identifying, developing and delivering training and information resources on emerging issues, from young and vulnerable workers, to musculoskeletal disorders, to occupational stress, mental injury and disease.

As our 2014/15 fiscal year closed, we were gearing up to meet imminent demand for working at heights training. This coming year many will rely upon WHSC's trusted, comprehensive training.

WHSC is ready to deliver what workers, their representatives and employers need, when they need it. This is our commitment. Our hope is to be in a position to provide this potentially life-saving service for years to come.

Although you will note from our Secretary-Treasurer's Report this will be no easy task. Without promised mandatory training standards, grants that keep pace with fiscal realities, and the autonomy to meet both our priorities and obligations, we will be hard pressed to support workplace prevention objectives at our current level of effectiveness.

Safer, healthier workplaces — Ontario working women and men deserve no less. Consequently, as our Secretary-Treasurer rightly says, we will continue to advocate for the supports so necessary to this essential objective and meantime, best use the resources currently available to us.



Wayne Samuelson
President

We have much to be proud of as we review the 2014/15 fiscal year. After all, we completed what we committed to ... and more.

For three decades we have set goals in support of our stated mission — to develop and deliver the highest quality health and safety training to as many Ontario workplaces as possible. This year we surpassed our target goal of 172,000 person hours of training in delivering almost 175,000 person hours of training. Under the right conditions though, WHSC could do so much more.

To this end, we continue to make the case for an expanded role in fulfilling the many existing and new legal training requirements hopefully continuing to come on stream. Training plays a central role in preparing the workplace parties for their critical prevention efforts. This was clearly evident from key recommendations on training in the final report of the government-appointed Expert Advisory Panel on Occupational Health and Safety.

Many of these recommendations were to be completed by the end of 2011, including training for health and safety representatives and entry level training for construction workers. While we await training standards for both, WHSC is ready now. For instance, we presented the Ministry of Labour (MOL) with a plan to train some 200,000 representatives in small workplaces. And we have already developed a program to fill that need.

Meantime, WHSC is also working closely with building trades partners to provide mandatory MOL-approved *Working at Heights* training. With others we are developing, on a fee-for-service basis, customized training that doesn't currently exist in the system. And as the MOL works on standards for entry level construction workers, many of our constituents indicate they will insist upon using WHSC training to meet these requirements. Like us, they support comprehensive training based upon enforceable standards.

Currently, 30 per cent of all participants trained are drawn from the construction sector. This number has grown significantly of late. But as I say, we aim to reach as many workplaces as possible, *and* in as many sectors as possible.

So in addition to maintaining and growing our extensive catalogue of training, we continue to develop an incomparable delivery service. WHSC-qualified instructors have long been a key to our success. Drawn from Ontario workplaces in a variety of sectors, our instructors receive extensive training in adult education to ensure they deliver training, regardless of the topic, in an engaging and meaningful way.



Executive Director's REPORT

This is the backbone of our unique delivery model. It enables us to bring training to communities across Ontario and as requested, at individual workplaces.

We know the need exists. Reports from MOL enforcement blitzes reveal that many workplaces have yet to complete basic occupational health and safety awareness training for workers and supervisors. Chances are, other legally required training is incomplete or inadequate too.



We can help reverse this unacceptable situation and provide workplaces with the training and support they have been lacking and so desperately need to carry out their important prevention work.

While we prepare for these ongoing challenges, I am proud to communicate the highlights of our 2014/15 fiscal year. We know that much more than training is needed if workplaces are ever to become safer and healthier. Until then, WHSC training is laying the foundation for ongoing workplace prevention efforts.

Dave Killham
Executive Director

TRAINING DEVELOPMENT

The program development department maintains and develops training resources for general release and specific client needs. Our current catalogue of over 200 programs offers an impressive array of choices to unions and employers providing training to their members and workers.

During the 2014/15 fiscal year, WHSC revised or newly created 19 general release training programs available to all WHSC clients. **New programs include:**

Awareness training for supervisors: Includes basic training on the health effects of workplace hazards, hazard recognition, assessment and control; supervisor and employer duties including preparing an OHS policy and program; worker rights, functions of JHSC and representatives; role of MOL, WSIB and designated entities.

Chainsaw Operator:

Informs operators of chainsaw components, how to safely maintain and operate them, common hazards and relevant legislation. Participants will demonstrate safe operating procedures.



Globally-Harmonized WHMIS E-class: Orients participants to the changes to WHMIS resulting from global harmonization of categories, pictograms and risk phrases. This online course includes interactive content, video excerpts and a live on-line session with an instructor.

Propane for CH-02: Qualifies participants to safely connect, activate and disconnect propane torches and heaters up to 400,000 BTU/h, meeting requirements of TSSA and Fuel Industry Certificate regulation 215/01. Successful participants receive a TSSA CH-02 certificate valid for three years.

Industrial Cranes, Hoists and Rigging: Trains on legal requirements, worker rights, standards, hazards, fixtures, slings, standard material weights, hitch type and load capacity, sling angle load factor and signing. Relevant to riggers in construction and industrial crane operations, the course includes a significant practicum.

Working at Heights: Accredited by the MOL as meeting the Working at Heights training standard. Participants learn about the hazard of working at heights in the constructor

sector. The program also introduces them to the hierarchy of controls and how to apply them to work at height situations. The course reviews personal protective equipment and evaluates participant knowledge through practical assessments.

Working at Heights

Awareness: Orients participants to the hazard of working at heights in industrial worksites, reviews the applicable regulations, theories of control and the correct application of various control measures.



Young Worker Awareness Program: Designed to familiarize young workers with a range of occupational hazards and their rights, duties, roles and responsibilities as a worker. Participants explore behaviour-based and hazard-based approaches to OHS and formulate questions to evaluate the employer's ability to protect them while at work. The course intends to enable young workers to confidently request information about workplace hazards and training before performing work, or refuse work they feel is unsafe or dangerous. This project was not released as funds from the MOL for young worker training were withdrawn (See below).

Revisions to existing programs included:

Basic Certification: Revised to update information and statistics and to ensure it meets the proposed Certification 2014 standard. Currently, there is no date for implementation of the new standard.

Federal Committees and Representatives, Federal Right to Refuse Procedure, Level I - It's the Law, Level II Law

Federal: Updated several federal health and safety training resources to reflect amendments to the Canada Labour Code and its regulations including: the transfer of investigative powers, duties and functions of health and safety officers to the Minister of Labour; changes to WHMIS; definition of "danger" and steps of a work refusal.

Ontario Health and Safety Law: Expanded content on history of the law, work refusals and work stoppages, the power of co-chairs to make unilateral recommendations and employer duties with regard to workplace violence and harassment.

Stress in the Workplace: Revised to help participants identify stress hazards in their workplaces, learn about strategies that can be applied to reduce stress hazards, and explore how surveys can be used to support recommendations.

Supervisor Health and Safety Training: Extensively revised to clarify how courts define supervisors and workers and to reflect legislative and regulatory changes.

Transportation of Dangerous Goods (TDG): Revised to include changes to the **Act** and regulations. This program overviews TDG requirements so participants can assess the handling of dangerous goods in their workplace and make recommendations for improvement.

SPECIAL CLIENT PROJECTS

WHSC's program development group researched and wrote seven new training programs on a fee-for-service basis. These included:

Basic Health and Safety: Based on WHSC Basic Certification, this course helps develop a basic understanding of health and safety law, theory and application for union staff representatives who need to give guidance and support to bargaining unit members.

General Pipeline Worker: Orients participants to hazards and controls on a pipeline site, the course follows the construction process, describes the hazards and controls related to tools, processes, materials and conditions and outlines health and safety law related to pipeline projects.

Ground Disturbance: Orients participants to hazards of disturbing ground and damaging buried facilities. Reviews relevant laws, regulations, standards and guidelines, mandatory notifications, approvals and agreements and ensuring locates. Participants learn how to expose buried facilities, excavate and backfill them, and how to prevent injuries when carrying out this work.

Landscape Labourer: Discusses the tools, equipment and materials used by landscape labourers and the associated hazards. Reviews legal duties and responsibilities related to landscape work and requirements for personal protective equipment and protective methods, namely sloping and shoring. The manual includes a section on construction math.

Sewer and Water Main Work: Acquaints participants with the hazards of sewer and water main work, control

methods, employer and supervisor duties, how workers participate and relevant legal requirements.

Small Mobile Cranes: Focuses on the hazards, controls and safe work practices for cranes rated under eight tons. The course develops participant knowledge of law, hazards, worker rights and controls, develops skill in following safe work procedures and includes a significant practicum and written evaluation.

Tunnel Rescue Skills: Orients participants to the hazards of underground tunnel work, the potential for injuries and illnesses, and prepares workers to perform tunnel rescue. The course reviews laws related to underground tunnel work, CSA standards for tunnel rescue equipment, and gas detection and ventilation issues. Participants will apply knowledge about open and closed circuit systems and self-rescuers and perform several types of rescues.

TRAINING DELIVERY & OUTREACH

During 2014/15 year WHSC delivered 174,970 person hours of training to workers and workplace representatives in unionized and non-unionized workplaces across all sectors of Ontario's economy.

These training hours broke down along the following lines:

WHSC Program type	Person Hours of Training
Certification	73,341
Fee-for-service	5,180
Instructor development	8,385
Labour education	26,184
Worker training	61,880
TOTAL	174,970

Throughout the year, WHSC efforts to expand and enhance our delivery readiness and capacity included:

- Completed implementation of our Customer Relationship Management system which enables staff to contact, track and maintain new and existing clients, streamlines our ability to provide timely quotes, deliver contracts to the client and creates a seamless shipping and billing process.
- Provided several extensive instructor upgrading sessions across Ontario to ensure instructors were ready to

deliver new MOL-approved working at heights training as of April 1, 2015

- Broadened our outreach to the construction sector by encouraging greater participation of construction member organizations in our Level 1 program and instructor training sessions and through additional construction-specific program content and delivery to increase our shared capacity to service the sector.
- Provided instructor update sessions in the spring and fall to maintain and build our instructors' health and safety knowledge of WHSC programs, changes to health and safety laws, standards and policies, emerging research and significant legal decisions.
- Provided scholarships for instructor training sessions to build and maintain our long-term capacity to deliver WHSC programs.
- Offered specially-priced training in over 20 Ontario communities to raise awareness of Repetitive Strain Injury Awareness Day.
- Helped promote Day of Mourning events in more than 50 communities by providing brochures, information sheets, speakers' notes and web page promotions.
- Promoted and coordinated annual recognition of volunteer health and safety volunteers and activists by assisting with 25 events.
- Prepared and delivered 50 different health and safety presentations for constituent and professional groups on various topics always highlighting the unique and significant contribution of the WHSC.
- Participated in 14 different Ministry of Labour working groups on a number of issues including, market



metrics and service delivery, young worker initiatives, risk assessment and high hazard work. The work of some groups may ultimately support legally required training and standards such as mandatory entry level training for construction workers. However, as a small organization, this level of participation is a tremendous burden on our limited resources and can detract from our

core business of providing high quality training and information resources to clients and constituents.

- Researched and wrote submissions in response to MOL consultations on workplace health and safety prevention programs and Globally-Harmonized WHMIS. We also prepared and presented several responses to the Mining Health, Safety and Prevention Review including a submission to the review panel as a whole and presentations to two sub-committees, including one on the internal responsibility system and another focused on fatigue, the hazards that give rise to it and potential controls. All of our submissions stressed the need for quality training standards and WHSC's readiness to deliver.

Young Worker Awareness Program

After 22 years of funding a lifesaving prevention message for Ontario high school students, the Ontario government has shut down the WHSC Young Worker Awareness Program (YWAP). Our 2015/16 application to deliver YWAP through the Ministry of Labour's Occupational Health and Safety Prevention and Innovation Program was denied on the basis it supposedly did not fit the MOL's Strategic Plan. Nor was it deemed by the Ministry to offer 'value for money'.

Every year demand for this popular program outstripped its resources. Our final report to the MOL covering January 1, 2014 to March 31, 2015, conveyed YWAP achievements consistent with past years. These included:

- ⇒ Presentations to 42,797 students, in 1,721 mostly small classroom-style presentations, and delivered in some 80 communities throughout the province.
- ⇒ Outreach to students from vulnerable populations and attending alternative schools, aboriginal schools, schools for the disabled, schools in correctional facilities



and other vulnerable students through social agencies working with homeless, at-risk youth and recent immigrants to Canada.

- ⇒ Ninety-eight per cent and more of educators who booked the presentation rated the program as excellent or very good, said it helped them achieve curriculum objectives and would recommend the presentation to other schools.
- ⇒ Eighty-eight per cent of responding students said it was very important or important to attend this presentation.
- ⇒ Among other resources, each student benefited from a resource booklet, and a wallet card with helpful questions to ask their boss about workplace health and safety, and others explaining WHMIS and the worker right to refuse unsafe work.
- ⇒ Most important, each student had face-to-face access with a WHSC-trained, Ontario-qualified teacher – a trusted source, there to share their knowledge and answer student questions.
- ⇒ All of this was delivered at a cost of \$7.00/student.

Meantime, Ontario's Workplace Safety and Insurance Board reports the average cost of a single lost-time injury to be more than \$106,500 (2007 data). Cutting funds to WHSC YWAP is out of step with the province's stated commitment to prioritize the health and safety needs of vulnerable workers. We hope the government reconsiders their position and reinstates funding for this popular and proven program.

INFORMATION SERVICES

WHSC Information Services group promotes all aspects of the WHSC, particularly our training services. We also provide up-to-date health and safety information to workplace representatives to support their health and safety prevention efforts. In the last fiscal year, we:

- Expanded our communication outreach by growing email lists

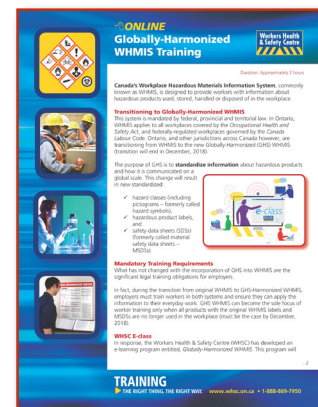
- Published a variety of electronic bulletins to meet the needs of WHSC clients, constituents and instructors
- Coordinated various web management initiatives including several updates to the FAQ section

- Promoted training opportunities including a biannual schedule of training particularly legally mandated training



- Communicated timely and relevant information through our social media platforms
- Developed materials to launch new training resources
- Collaborated with constituents to create or revise existing health, safety and environment awareness programs delivered to approximately 60,000 young workers and students, including the *Young Worker Awareness Program* and school-based programs focused on Day of Mourning and Earth Day environmental awareness. (These programs draw important links between worker and community health and sustainable workplaces and communities, all of which support young people and their aspirations as tomorrow's workers, employers and leaders.)
- Developed new information resources to communicate changes to federal laws on the right to refuse

- Communicated important legislative requirements about the transition to *Globally-Harmonized WHMIS* with new information resources



- Created new information resources to promote and support new *Working at Heights* training

- Maintained a roster of over 40 hazard bulletins, updates included those to Diesel Exhaust, Working at Heights, Shift Work and Sitting on the Job.

- ▶ Supported outreach programs including YWAP, RSI Awareness Day and Day of Mourning
- ▶ Researched and responded to technical inquiries from workers, workplace representatives and WHSC program developers by compiling and synthesizing this information for the inquirer.

Inquiries included:

- Analysis of new Transportation of Dangerous Goods requirements
- Overview of how other jurisdictions define “supervisor” for purposes of occupational health and safety responsibilities
- Homeowner OHS responsibilities when contracting home improvements
- Insight into the application of Globally-Harmonized WHMIS requirements
- Extensive literature review of hazards, best practices and legislative interventions for the mining environment
- Best practices for decontamination of workplace surfaces following a sewer backup
- Best practices for the management and prevention of cockroach infestations
- Recommended controls for waste anesthetic gas in a veterinarian clinic
- Hazards, potential health effects and controls associated with the cutting of Medium Density Fibreboard (MDF).

Information Services also provided coverage of:

- ⇒ Important reports, such as those prepared by the compensation boards of Manitoba and Ontario that revealed suppression of work-related injury and illness claims by employers is a real problem; and inquiry recommended changes related to an Elliot Lake mall collapse, including changes which could improve disaster response, bolster the health and safety inspectorate and ultimately improve building safety.
- ⇒ Emerging research, including an Occupational Cancer Research Centre (OCRC) project finding that almost five per cent of all lung cancers diagnosed in Canadian males each year are attributable to occupational exposure to diesel engine exhaust, and another by Toronto

researchers that found sitting for most of the workday can be extremely hazardous to your health — even with regular exercise.

- ⇒ Worker surveys that revealed for instance, 45 per cent of Canadian workers report being bullied on the job, and almost 30 per cent of Canadian adults report being sexually harassed at work, while 14 per cent say they have experienced unwanted sexual touching or other contact at work.
- ⇒ Legislative changes, including changes to the federally-regulated right to refuse, and new WHMIS requirements implemented in order to harmonize with global systems.
- ⇒ New and updated WHSC training programs, including notice of product launches such as the new WHSC *Chainsaw Operator* training program, and our Ministry-approved *Working at Heights* training program.
- ⇒ Health and safety community events, such as the 25th anniversary conference of the Occupational Health Clinics for Ontario Workers (OHCOW), a Toronto forum held to examine hazardous workplace exposures that elevate the risk for breast cancer, and of course Day of Mourning events.
- ⇒ New health and safety resources, such as OHCOW’s smartphone app to help target workplace stressors, an

upgraded Ontario e-laws website, and a new book entitled, *Pain and Prejudice*, by renowned scientist, Karen Messing that helps shine a light on occupational health and safety research gaps, especially as they relate to the suffering of low-paid workers.



- ⇒ Ministry of Labour activities, such as public consultations on a future framework for workplace health and safety prevention programs in Ontario, and significant fines and convictions under health and safety legislation, including \$400,000 in fines levied against an Ottawa-based company that supplied the swing stage platform that collapsed on December 24, 2009, resulting in the deaths of four workers.

VOLUNTEER RECOGNITION • 2014/2015

Volunteer workplace health and safety activists play a crucial role in improving working conditions. WHSC proudly supports their efforts with training and information services to help them gain competence and confidence in becoming workplace prevention leaders.

The WHSC, in conjunction with local labour councils, recognized these many contributions as part of its 19th annual Volunteer Health and Safety Recognition Campaign. Last year we acknowledged the following volunteers for their extraordinary efforts to secure safer, healthier workplaces.

Honoured Volunteers

Emmanuel Anagnostopoulos
Central Ontario Building Trades

John Ball
Peterborough & District Labour Council

Basil Boolis
Injured Workers' Consultants

Elaine Brown
Northumberland Labour Council

Rej Bruneau
Kingston & District Labour Council

Rob Buntsma
Durham Region Labour Council

Rose Burman
Brantford & District Labour Council

Janine Burrage
Barrie & District Labour Council

Chris Carpenter
Hamilton & District Labour Council

Claudette DeMaere
Waterloo Regional Labour Council

Wendy Fram, Chair, and the Mines Committee
Sudbury & District Labour Council

Mike Gibson
Oakville District Labour Council

Brian Heimbecker
Peel Regional Labour Council

Brian Hodgkins
Niagara Regional Labour Council

Steve Holmes
London & District Labour Council

Doug Jones
Toronto & York Region Labour Council

Donna Kahn
North Simcoe Muskoka & District Labour Council

Jim Locke
Peel Regional Labour Council

Joanne MacCallum
Cornwall & District Labour Council
Hawkesbury Region

John Mazara
Lindsay & District Labour Council

Don McConnell
Peterborough & District Labour Council

Michele McLeave Kennedy
Sault Ste. Marie & District Labour Council

Maria Medeiros
Guelph & District Labour Council

Kim Monette
Ottawa & District Labour Council

Kelly Morris
North Bay & District Labour Council

Dave Romanowicz
Durham Region Labour Council

Mike Shillolo
Barrie & District Labour Council

Tony Sisti
Windsor & District Labour Council

Shelley Swerdfeger
Cornwall & District Labour Council

Jordon Temple
Kenora & District Labour Council

Carol Margaret Wale
Orangeville & District Labour Council

Hannele Ylimaki
North Bay & District Labour Council

WHSC's core mandate is to provide the highest quality occupational health and safety training possible for Ontario workers, their representatives and employers. News headlines for 2014/15 certainly underscored the need for our brand of training. Seemingly a week didn't pass without word of a workplace tragedy.

Providing sustained leadership and support to Ontario workplaces though is not without its challenges. For an eighth consecutive year, WHSC's grant has been flat-lined. In a world of increasing costs, this is putting increasing financial pressure on our organization.

Fortunately, we were able to leverage existing resources and find greater operational efficiencies to offset some of this pressure. WHSC has accomplished this on several fronts.

In the last year, our information technology group maintained and improved efficiencies in our customer relationship management (CRM) system, including a major upgrade of the Course Manager interface. We also replaced, refreshed and upgraded a number of staff computers and created additional web services for the WHSC website. However, it should be noted, we were unable to replace aging WHSC servers, as our funder, the Ministry of Labour (MOL) refused to approve capital funds for this essential purpose – a situation which will need to be addressed in near future.

Using the capacity of our CRM, our printing/shipping group also implemented a seamless order fulfillment and inventory system. By fiscal year-end these changes had us well-positioned to begin a high volume print production for programs including our *Working at Heights* training. We were also able to begin printing customized versions of these resources for clients. Additionally, printing/shipping staff also took on the task of acquiring, assembling and maintaining *Working at Heights* resource kits, including fall protection equipment.

I am proud to say we were also able to sustain our front-line staff so necessary to maintaining service to constituents and clients by strategic cuts to operational budgets. In all we were able to reduce our operating costs by \$278,000, mostly through the suspension of new resources such a program videos and print publications.

Despite our best efforts to balance the budget however we were dealt a serious blow by year end, when we received notice the Ministry of Labour would be cutting WHSC's special grant of \$225,000 for the Young Worker Awareness Program. Even though this longstanding, well-regarded program was offered at a nominal cost of \$7/student, the MOL somehow determined it did not provide value for money.

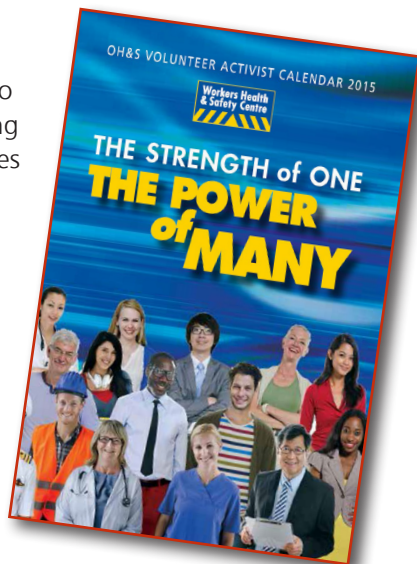


Other challenges have come with Ministry operational directives. Our Board of Directors for instance is now prevented from making financial decisions without prior MOL approval. As a result, our Auditors have classified WHSC as a government-controlled entity. Overall, this changes our accounting methodology and financial statement presentation to conform to Public Sector Accounting Standards. Most notably this affects our estimation on our Employee Future Benefits (EFB), which now has an unfunded liability of more than \$1 million.

Regardless, as a result of our efforts WHSC was able to do much to maintain WHSC training and information services in 2014/15. One need only to review the Executive Director's report to understand the breadth, scope and value of what we were able to achieve throughout the year.

If however, we are to safeguard and better yet expand this level of service WHSC needs additional financial support, not further cuts. We need autonomy to make our own decisions based on our own priorities and obligations, just as the then-Minister of Labour promised some four years ago. Finally, we also need much promised training standards.

By close of 2014/15 we began to realize the power of mandatory training standards. Working at Heights training standards are sure to drive demand, and in turn help secure quality training for construction workers at great risk. Workers in all sectors though, need high quality training.



Expanding Working at Heights training to other sectors, addressing other significant hazards with mandatory training, ushering in required training for health and safety representatives and introducing a new JHSC Certification standard would be a great start.

With these measures in place, our organization's future would be sustainable and secure. More important, we would be well positioned to continue providing the training upon which our constituents and clients have come to depend. We are Ontario's designated training centre for good reason. Since our inception we have been ready to train, and prepared for prevention. The training and information services we offer are trusted by workers and workplace representatives across this province. This trust means everything to all those connected with the WHSC. As such, we will continue to effectively manage the resources we have, make the case for increased resources and advocate for an environment that will better support WHSC success.

Financial Explanation: A final word about our 2014/15 finances. The financial statements of the Workers Health & Safety Centre have been prepared in accordance with generally accepted accounting principles for organizations of our nature. In summary, our finances break down as follows:

• Revenue	\$10,311,102
• Expenses	\$10,198,102
• Excess of revenue over expenses	\$113,000

Lyle Hargrove
Secretary-Treasurer

Financial Statements of

**WORKERS HEALTH & SAFETY CENTRE
FEDERATION OF ONTARIO**

(operating as Workers Health & Safety Centre)

March 31, 2015 and March 31, 2014



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**Auditor's
REPORT**



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Independent Auditor's Report

To the Officers and Members of
Workers Health and Safety Centre
Federation of Ontario
(Operating as Workers Health & Safety Centre)

We have audited the accompanying financial statements of Workers Health and Safety Centre Federation of Ontario, which comprise the statement of financial position as at March 31, 2015, March 31, 2014 and April 1, 2013, the statements of operations and changes in net assets and of cash flows for the years ended March 31, 2015 and 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Workers Health and Safety Centre Federation of Ontario as at March 31, 2015, March 31, 2014 and April 1, 2013 and the results of its operations and its cash flows for the years ended March 31, 2015, and March 31, 2014 in accordance with Canadian public sector accounting standards

Deloitte LLP

Chartered Professional Accountants, Chartered Accountants
Licensed Public Accountants
June 16, 2015

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

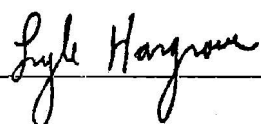
Statement of financial position
as at March 31, 2015, March 31, 2014 and April 1, 2013

	March 31, 2015	March 31, 2014 (Note 2)	April 1, 2013 (Note 2)
	\$	\$	\$
Assets			
Current assets			
Cash and cash equivalents	1,252,148	578,942	1,436,013
Accounts receivable	389,825	411,206	415,939
Prepaid expenses	27,748	26,446	29,945
	1,669,721	1,016,594	1,881,897
Severance fund (Note 3)	2,216,430	2,112,003	1,471,559
Employee future benefits fund (Notes 3 and 4)	3,642,028	4,204,317	4,138,110
Capital assets (Note 5)	509,771	964,926	750,225
	8,037,950	8,297,840	8,241,791
Liabilities			
Current liabilities			
Accounts payable and accrued charges (Note 6)	746,568	1,036,167	1,138,342
Unexpended proceeds from fundraising event	10,932	8,535	6,091
Deferred revenue and funding (Note 7)	248,693	383,218	666,685
Due to Ministry of Labour	22,042	2,969	2,969
Current portion of obligations under capital lease (Note 8)	201,594	191,880	194,014
	1,229,829	1,622,769	2,008,101
Severance reserve (Note 3)	1,616,430	1,512,003	1,471,559
Employee future benefits (Notes 3 and 4)	4,691,701	4,574,483	4,138,110
Obligations under capital lease (Note 8)	104,593	306,188	-
	7,642,553	8,015,443	7,617,770
Commitments and guarantees (Notes 10 and 14)			
Net assets (deficiency) (Note 11)			
Internally restricted net assets (deficiency)			
Invested in capital assets	203,584	466,858	556,211
Young Worker Awareness	(154,589)	(154,589)	(151,956)
Unrestricted net assets	346,402	(29,872)	219,766
	395,397	282,397	624,021
	8,037,950	8,297,840	8,241,791

Approved on behalf of the Board of Directors



President



Secretary-Treasurer

The accompanying notes to the financial statements are an integral part of this financial statement.

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)
Statement of operations and changes in net assets
for the years ended March 31, 2015 and March 31, 2014

	2015				2014			
	Invested in capital assets	Young worker awareness	Unrestricted	Total	Invested in capital assets	Young worker awareness	Unrestricted	Total
	\$	\$	\$	\$	\$	\$	\$	(Note 2) \$
Revenue								
Ministry of Labour	-	192,677	9,641,045	9,833,722	-	294,077	9,502,445	9,796,522
Fee revenue (Note 11)	-	-	298,218	298,218	-	-	270,474	270,474
Surplus retention - usage	-	-	179,162	179,162	-	-	223,213	223,213
	-	192,677	10,118,425	10,311,102	-	294,077	9,996,132	10,290,209
Expenses - schedule								
	-	192,677	10,005,425	10,198,102	-	296,710	10,335,123	10,631,833
Excess of expenses over revenue								
Net assets (deficiency), beginning of year	466,858	(154,589)	(29,872)	282,397	556,211	(151,956)	219,766	624,021
Gain on lease termination	-	-	-	-	13,046	-	(13,046)	-
Additions to capital lease	-	-	-	-	(680,701)	-	680,701	-
Capital lease repayments	191,881	-	(191,881)	-	182,634	-	(182,634)	-
Purchase of capital assets	1,187	-	(1,187)	-	899,137	-	(899,137)	-
Amortization of capital assets	(456,342)	-	456,342	-	(503,469)	-	503,469	-
Net assets (deficiency), end of year	203,584	(154,589)	346,402	395,397	466,858	(154,589)	(29,872)	282,397

The accompanying notes to the financial statements are an integral part of this financial statement.

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Statement of cash flows

for the years ended March 31, 2015 and March 31, 2014

	2015	2014
	\$	\$
Operating activities		
Excess of expenses over revenues	113,000	(341,624)
Items not affecting cash		
Amortization of capital assets	456,342	503,469
Severance reserve	104,427	40,444
Employee future benefits	117,218	436,373
Gain on termination of capital lease	-	(13,046)
Deferred revenue and funding recognized (Note 7)	(594,989)	(725,183)
	195,998	(99,567)
Changes in non-cash operating working capital items (Note 12)	(248,050)	(91,499)
	(52,052)	(191,066)
Investing activities		
Severance fund	(104,427)	(640,444)
Purchase of capital assets	(1,187)	(899,137)
	(105,614)	(1,539,581)
Financing activities		
Funding and revenue received in advance (Note 7)	460,464	441,717
Employee future benefits fund	562,289	(66,207)
Additions to capital leases	-	680,700
Capital lease repayments	(191,881)	(182,634)
	830,872	873,576
Net cash inflow (outflow)	673,206	(857,071)
Cash and cash equivalents, beginning of year	578,942	1,436,013
Cash and cash equivalents, end of year	1,252,148	578,942
Supplementary cash flow information		
Interest paid	22,534	31,780

The accompanying notes to the financial statements are an integral part of this financial statement.

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Notes to the financial statements

March 31, 2015

1. Incorporation and purpose of the Centre

The Workers Health and Safety Centre Federation of Ontario (the "Centre") was incorporated by letters patent issued under the Ontario Corporations Act and was established to carry on safety education and training programs.

Funding, subject to annual review, for the Centre was the responsibility of the Workplace Safety and Insurance Board ("WSIB") which was established by the Province of Ontario, until March 31, 2012. Effective April 1, 2012, the Centre is now funded, subject to annual review, by the Ministry of Labour ("MOL").

The Centre had accepted an assignment by the MOL to act as the manager of a special project, the Young Worker Awareness Project. The MOL has provided additional funding for this project for the year ended March 31, 2015. This project is not part of the general operating budget of the Centre.

2. Adoption of a financial reporting framework

During the year, as a result of a re-assessment of control based on communication with its major funder, the Centre adopted Public sector accounting standards including PS 4200 to PS 4270 for government not-for-profit organizations (the "new standards").

The Centre adopted the requirements of this financial reporting framework effective April 1, 2013. These are the Centre's first financial statements prepared in accordance with this framework and the transitional provisions of Section 2125 - First-time adoption by government organizations ("PS 2125") have been applied. The date of transition to the new standards is April 1, 2013 and the Centre has prepared and presented an opening Balance sheet at the date of transition to the new standards. This opening Balance sheet is the starting point for the Centre's accounting under the new standards. In its opening Balance sheet, under the recommendations of PS 2125, the Centre:

- (a) Recognized all assets and liabilities the recognition of which is required by the new standards;
- (b) Did not recognize items as assets or liabilities if the new standards do not permit such recognition
- (c) Reclassified items that it recognized previously as one type of asset or liability, but are recognized as a different type of asset or liability under the standards; and
- (d) Applied the new standards in measuring all recognized assets and liabilities.

In accordance with the requirements of PS 2125, the accounting policies set out in Note 3 have been consistently applied to all years presented and adjustments resulting from the adoption of the new standards have been applied retrospectively, excluding where optional exemptions and mandatory exceptions available under PS 2125 have been applied.

The following exemption and exception were used at the date of transition to the new framework:

Optional exemption

Discount rate

The Centre did not apply the discount rate, with reference to its cost of borrowing, to the date of transition as the Centre elected to apply the rate to the date of the current valuation, March 31, 2015.

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Notes to the financial statements

March 31, 2015

2. Adoption of a new financial framework (continued)

Mandatory exception

The estimates made by the Centre under Part III - Canadian Accounting Standards for Not for Profit organizations ("ASNPOs") were not revised for the application of the new standards, except where necessary to reflect any differences in accounting policy or where there was objective evidence that those estimates were in error. As a result the Centre has not used hindsight to revise estimates.

Reconciliation of net assets and excess of revenue over expenses

The Centre issued financial statements for the year ended March 31, 2013 using ASNPOs. The adoption of the new standards had no impact on the balance sheets as at March 31, 2014 and April 1, 2013 or on the Statement of revenue and expenses and changes in fund balances for the year ended March 31, 2014.

3. Significant accounting policies

Basis of presentation

These financial statements have been prepared by management in accordance with Canadian public sector accounting standards ("PSAS"). Significant accounting policies are summarized below.

Fund accounting

The Unrestricted Fund records general funding, investing, programming and administrative activities and reports on unrestricted resources available for immediate use.

The Young Workers Awareness Fund records restricted funds arising from funding, programming and administrative activities associated with the Young Workers Awareness program of WHSC.

The Invested in Capital Assets Fund records capital assets purchased, less related costs.

Financial instruments

The Centre has classified each of its financial instruments into the following accounting categories:

Asset/Liability	Measurement
Cash and cash equivalents	Fair value
Accounts receivable	Amortized cost
Severance fund assets	Fair value
Employee future benefits fund assets	Fair value
Accounts payable and accrued charges	Amortized cost
Due to Ministry of Labour	Amortized cost

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Notes to the financial statements

March 31, 2015

3. Significant accounting policies (continued)

Under PS 3450, all financial instruments, are included on the Balance sheet and are measured either at fair value or amortized cost based on the characteristics of the instrument and the Centre' accounting policy choices.

Financial instruments measured at fair value are initially recognized at cost and subsequently carried at fair value. Unrealized changes in fair value are recognized in the Statement of re-measurement gains and losses until they are realized, when they are transferred to the Statement of revenue and expenses. Transaction costs related to financial instruments in the fair value category are expensed as incurred.

Where a decline in fair value is determined to be other than temporary, the amount of the loss is removed from accumulated re-measurement gains and losses, and recognized in the Statement of revenue and expenses. On sale or disposal, the amount held in accumulated re-measurement gains and losses associated with that instrument is removed from the fund balance and recognized in the Statement of revenue and expenses.

Financial instruments measured at amortized cost are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method, less any impairment losses on financial assets. Transaction costs related to financial instruments in the amortized cost category are added to the carrying value of the instrument.

Write-downs on financial assets in the amortized cost category are recognized when the amount of a loss is known with sufficient precision, and there is no realistic prospect of recovery. Financial assets are then written down to net recoverable value with the write-down being recognized in the Statement of revenue and expenses.

Severance fund

The Severance reserve represents amounts due to employees upon termination. A severance fund is segregated and is invested in interest bearing accounts, which are stated at fair value.

Employee future benefits

The Centre accounts for the costs of providing retirement and other post-employment benefits to its employees on an accrual basis as entitlements are earned by employees through service. Actuarial determinations are periodically used to estimate the liability and current expense for these programs. The employee future benefits fund is appropriated in support of the future employee benefit liability and is invested in interest bearing accounts, which are stated at fair value.

Capital assets

The MOL has mandated the use of a standard amortization policy for Designated Entities, including the Centre. The policy uses the straight-line method at annual rates applicable to each capital asset class as follows:

Furniture and equipment	20%
Computer equipment and software	33 1/3%
Leasehold improvements	Lower of the number of years remaining on the lease or 10 years
Assets under capital lease	Lower of the lease term, economic life of the asset or 40 years

The remaining lease term used for the purpose of calculating amortization on leasehold improvements has been deemed to be 5 years.

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Notes to the financial statements

March 31, 2015

3. Significant accounting policies (continued)

Deferred revenue and funding

Amounts received in advance have been deferred to be recognized as revenue, if related to operations, at the time the Centre performs the funded operating activity. Amounts relating to Capital assets are amortized to revenue at the amortization rates applicable to the corresponding capital assets.

Net assets invested in capital assets

The Centre accounts for its investment in capital assets as internally restricted net assets. Amounts are transferred between the Unrestricted Net Assets and the Internally Restricted Investment in Capital Assets for amortization, additions to capital assets and capital lease obligations.

Revenue recognition

Revenue from MOL is recognized in accordance with approved funding entitlements for each fiscal year. Fee revenue is recognized as fees are earned through the delivery of related programs.

Use of estimates

The preparation of the Centre's financial statements in accordance with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts in the financial statements and accompanying notes. Due to inherent uncertainty in making estimates, actual results could differ from those estimates. Balances which require some degree of estimation are:

- Accounts receivable (allowance for doubtful accounts);
- Accounts payable and accrued liabilities (accrual estimates);
- Capital assets (amortization rates);
- Employee future benefits (actuarial assumptions); and
- Deferred recoveries and funding (recognition performance).

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Notes to the financial statements

March 31, 2015

4. Employee future benefits

The Centre provides supplemental hospital, extended health care (including prescription drugs), vision care and dental benefits on a post-retirement basis to its employees.

Information about the plans, which represent contractual obligations of the Centre, is as follows:

	March 31, 2015	March 31, 2014 (Note 2)
	\$	\$
Accrued post-retirement benefit cost		
Accrued post-retirement benefit obligation, beginning of year	7,072,616	5,776,810
Current service cost	255,644	165,285
Interest cost	266,909	257,092
Adjustment for change in accounting standards (Note 2)	(447,113)	-
Actuarial loss on accrued on post-retirement obligation	1,087,520	1,071,637
Benefits paid	(210,410)	(198,208)
Accrued post-retirement benefit obligation, end of year	8,025,166	7,072,616
Unamortized actuarial losses	(3,333,465)	(2,498,133)
	4,691,701	4,574,483
Plan assets	3,642,028	4,204,317
Accrued post-retirement benefit obligation, in excess of plan assets	1,049,673	370,166
Net periodic post-retirement benefit cost		
Current service cost for benefits earned during the year	255,644	165,285
Interest cost on accrued post-retirement benefit obligation	266,909	257,092
Net amortization or deferral	252,188	212,204
Net periodic post-retirement benefit cost	774,741	634,581

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Notes to the financial statements

March 31, 2015

4. Employee future benefits (continued)

The significant actuarial assumptions adopted in estimating the Centre's accrued benefit amounts are as follows:

	March 31, 2015	March 31, 2014 (Note 2)	April 1, 2014 (Note 2)
	%	%	%
Discount rate per return	3.70%	4.50%	4.40%
Rate of increase in future benefits			
Supplementary hospital and prescriptions drugs	2.00%	2.00%	7.30%
Extended health care, dental care and other benefits:			
Health trend rates - 0.00% per annum in 2015 grading up to 3.70% per annum in 2023 (2014 - 4.50%) (2013 - 4.50%)			
Dental trend rates - 0.00% per annum in 2015 grading up to 3.00% per annum in 2020 (2014 - 3.00%) (2013 - 4.5%)			

The most recent full actuarial valuation was performed as at March 31, 2015 for the year then ended.

5. Capital assets

		March 31, 2015		
	Amortization rate	Cost	Accumulated amortization	Net book value
		\$	\$	\$
Furniture	20%	812,143	787,392	24,751
Computer equipment	33.33%	4,406,847	4,222,602	184,245
Leasehold improvements	Lease term	558,747	558,747	-
Equipment - capital lease	Lease term	680,701	379,926	300,775
		6,458,438	5,948,667	509,771

		March 31, 2014 (Note 2)		
	Amortization rate	Cost	Accumulated amortization	Net book value
		\$	\$	\$
Furniture	20%	812,143	757,839	54,304
Computer equipment	33.33%	4,405,661	3,986,609	419,052
Leasehold improvements	Lease term	558,747	557,915	832
Equipment - capital lease	Lease term	680,701	189,963	490,738
		6,457,252	5,492,326	964,926

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Notes to the financial statements

March 31, 2015

5. Capital assets (continued)

			April 1, 2014 (Note 2)	
	Amortization rate	Cost	Accumulated amortization	Net book value
		\$	\$	\$
Furniture	20%	812,143	720,984	91,159
Computer equipment	33.33%	4,187,224	3,735,104	452,120
Leasehold improvements	Lease term	558,747	532,769	25,978
Equipment - capital lease	Lease term	1,161,111	980,143	180,968
		6,719,225	5,969,000	750,225

6. Accounts payable and accrued charges and contingent liabilities

Included in accounts payable and accrued liabilities are government remittances payable of \$929 (2014 - \$Nil) (2013 - \$Nil).

7. Deferred revenue and funding

	March 31, 2015				March 31, 2014			
	WSIB surplus retention		Deferred revenue	Total	WSIB surplus retention		Deferred revenue	Total
	Capital	Operating			Capital	Operating		
	\$	\$	\$	\$	\$	\$	\$	\$
Balance - beginning of year	300,530	-	82,688	383,218	523,743	-	142,942	666,685
Funding and revenue received in advance	-	-	460,464	460,464	-	-	441,717	441,717
Recognized in revenue	(179,161)	-	(415,828)	(594,989)	(223,213)	-	(501,971)	(725,184)
Balance - end of year	121,369	-	127,324	248,693	300,530	-	82,688	383,218

8. Obligations under capital lease

The Centre has obligations under capital lease as follows:

	March 31, 2015	March 31, 2014 (Note 2)	April 1, 2014 (Note 2)
	\$	\$	\$
Printing equipment lease agreement in the amount of \$947,999 repayable in semi-annual installments of \$135,428, including interest calculated at 5%, and maintenance charges of \$28,221 per payment			
Total amount of future minimum lease payments	406,285	677,143	286,689
Maintenance charges and interest included in installments	100,099	179,075	92,675
	306,187	498,068	194,014
Current portion	201,594	191,880	194,014
	104,593	306,188	-

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Notes to the financial statements

March 31, 2015

9. Certification delivery

The Government of Ontario revised the Occupational Health and Safety Act in November 1992, requiring employers to provide certification training for members of their health and safety committees. As a result, the Centre began to offer certification courses in May 1993. The program is expected to be self-financed such that fees collected will cover expenses related to certification deliveries. Any excesses of fee revenue over expenses are to be carried forward to subsequent years for this program.

10. Commitments and contingencies

(a) Commitments

The Centre leases its head office and satellite locations under operating leases. Minimum lease payments annually to the end of the leases are:

	\$
2016	123,221
2017	75,569
2018	53,531
2019	8,588
	<u>260,909</u>

(b) Contingencies

The Centre must comply with the *2012 Standards for Designated Entities* in order to be eligible for funding by the MOL. Section 1.2(c) of these standards states that upon dissolution of the Centre, all of its remaining assets after payment of its liabilities revert to the MOL. If this situation were to occur, there are additional severance provisions in the employment contracts for all non-bargaining unit staff that would be payable. These amounts would add an additional \$759,000 (approximately) to the severance liability. Management does not consider it likely that this event will occur, and no amounts related to these severance provisions have been included in the financial statements.

11. Net assets

Net assets utilized in the Centre's capital assets and Young Workers' Awareness program are considered to be internally restricted. In 2013, the Centre's Board of Directors approved removing the internal restriction on the Certification Delivery fund and the balance of \$1,840,308 was transferred to the Unrestricted fund. The 2015 and 2014 results of Certification Delivery operations are included in the Unrestricted fund.

Unrestricted net assets are utilized in support of general operations. Under the Centre's funding arrangements with MOL, certain governance, business planning, performance agreements and reporting requirements may apply to the Centre's ability to retain all of its accumulated unrestricted net assets. In the view of management, the Centre is in compliance with these requirements.

Effective April 1, 2013, an interim MOL surplus recovery policy has been implemented. Under the policy, any accumulated surplus can be recovered by the MOL. The amount of accumulated surplus that can be retained by the Centre cannot exceed 6% of the current year's total revenue. Any excess above the 6% threshold will automatically be recovered by MOL. Any surplus funds retained are to be separately accounted for as Deferred funding and directed to MOL approved expenses.

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Notes to the financial statements

March 31, 2015

11. Net assets (continued)

The Centre sought and obtained approval from the WSIB for the use of \$1,453,000 of the accumulated surplus as at December 31, 2009, and \$95,000 of the Unrestricted fund balance as at December 31, 2010, amounts which reduced the accumulated surplus at each respective period end below the 6% threshold. As at March 31, 2015, The Centre has expended all \$1,548,000 (\$1,548,000 - March 31, 2014) of these funds on approved activities. Final approval from the WSIB relating to the use of funds has not yet been received. For the purposes of preparing these financial statements management has assumed the WSIB will approve of the use of the Unrestricted fund balance.

12. Changes in non-cash operating working capital items

	2015	2014
	\$	\$
Accounts receivable	21,381	4,733
Prepaid expenses	(1,302)	3,499
Accounts payable and accrued charges	(289,599)	(102,175)
Due to Ministry of Labour	19,073	-
Unexpended proceeds from fundraising event	2,397	2,444
	(248,050)	(91,499)

13. Recovered costs

The recovered costs include the following:

	2015	2014
	\$	\$
Course and registration fees	1,053,152	1,165,417
Interest earned	37,199	67,991
Miscellaneous	12,990	1,862
	1,103,341	1,235,270

14. Guarantees

In the normal course of business, the Centre enters into agreements that meet the definition of a guarantee. The Centre's primary guarantees subject to disclosure requirements are as follows:

- The Centre has provided indemnities under lease agreements for various operating facilities. Under the terms of these agreements, the Centre agrees to indemnify the counterparties for various items including, but not limited to, all liabilities, loss, suits, and damages arising during, on or after, the term of the agreement. The maximum amount of any potential future payment cannot be reasonably estimated.
- Indemnity has been provided to all directors and/or officers of the Centre for various items including, but not limited to, all costs to settle suits or actions due to association with the Centre, subject to certain restrictions. The Centre has purchased directors' and officers' liability insurance to mitigate the cost of any potential future suits or actions. The term of the indemnification is not explicitly defined, but is limited to the period over which the indemnified party served as a director or officer of the Centre. The maximum amount of any potential future payment cannot be reasonably estimated.

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)

Notes to the financial statements

March 31, 2015

14. Guarantees (continued)

- (c) In the normal course of business, the Centre has entered into agreements that include indemnities in favour of third parties, such as purchase and sale agreements, confidentiality agreements, engagement letters with advisors and consultants, outsourcing agreements, leasing contracts, information technology agreements and service agreements. These indemnification agreements may require the Centre to compensate counterparties for losses incurred by the counterparties as a result of breaches in representation and regulations or as a result of litigation claims or statutory sanctions that may be suffered by the counterparty as a consequence of the transaction. The term of these indemnities are not explicitly defined and the maximum amount of any potential reimbursements cannot be estimated.

The nature of these indemnification agreements prevents the Centre from making a reasonable estimate of the maximum exposure due to the difficulties in assessing the amount of liability which stems from the unpredictability of future events and the unlimited coverage offered to counterparties. Historically, the Centre has not made any significant payments under such or similar indemnification agreements and therefore no amount has been accrued in the balance sheet with respect to these agreements.

15. Financial instrument risks

The Centre manages financial risks associated with financial instruments as summarized below:

- Credit risk is the possibility that other parties may default on their financial obligations. The Centre manages its credit risk through proactive collection policies.
- Interest rate risk is the risk that the fair value of financial instruments will fluctuate due to changes in market interest rates. The Centre manages this risk by investing in short term instruments, which limits exposure to this risk.

Workers Health and Safety Centre Federation of Ontario

(Operating as Workers Health & Safety Centre)
Schedule of expenses and recovered costs
for the years ended March 31, 2015 and 2014

	2015			2014		
	Operating	Young Worker Awareness	Total	Operating	Young Worker Awareness	Total
	\$	\$	\$	\$	\$	\$
Amortization	456,342	-	456,342	503,469	-	503,469
Association Fees	2,771	-	2,771	1,967	-	1,967
Bad Debt Expense	8,437	-	8,437	7,257	-	7,257
Bank Service Charges and Interest	56,748	-	56,748	66,855	-	66,855
Communications	15,646	-	15,646	67,879	-	67,879
Directors	1,805	-	1,805	1,302	-	1,302
Employee Benefits	2,547,852	-	2,547,852	2,826,274	-	2,826,274
Equipment rental and Maintenance	314,485	-	314,485	282,050	-	282,050
Gain on termination of lease	-	-	-	(13,046)	-	(13,046)
Harmonized Sales Tax	25,099	-	25,099	26,367	-	26,367
Information Services	265	-	265	1,830	-	1,830
Insurance	29,985	-	29,985	27,612	-	27,612
Meeting Costs	52,858	-	52,858	67,322	-	67,322
Occupancy Costs	552,391	-	552,391	551,470	-	551,470
Postage	29,103	-	29,103	29,499	-	29,499
Professional Fees and Outside Consultants	75,810	-	75,810	145,241	-	145,241
Public Training	403,108	-	403,108	499,581	-	499,581
Safety Promotion	12,383	-	12,383	12,399	-	12,399
Staff Courses and Seminars	15,267	-	15,267	10,963	12,852	23,815
Staff Salaries	5,937,653	167,670	6,105,323	5,842,406	187,515	6,029,921
Subscriptions and Reference	9,748	-	9,748	12,520	-	12,520
Supplies and Sundry Services	46,614	7,838	54,452	41,498	75,918	117,416
Telecommunications	126,603	-	126,603	126,662	-	126,662
Travel and Vehicle Costs	387,793	17,169	404,962	431,016	20,425	451,441
	11,108,766	192,677	11,301,443	11,570,393	296,710	11,867,103
Less recovered costs (Note 13)	(1,103,341)	-	(1,103,341)	(1,235,270)	-	(1,235,270)
	10,005,425	192,677	10,198,102	10,335,123	296,710	10,631,833

The accompanying notes to the financial statements are an integral part of this financial statement.



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