



Hazardous Materials Information  
Review Commission

Conseil de contrôle des renseignements  
relatifs aux matières dangereuses

# **Hazardous Materials Information Review Commission**

**2007-2008**

**Report on Plans and Priorities**

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Tony Clement  
Minister of Health

**Canada**

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## SECTION I – OVERVIEW

### President's Message

I am pleased to submit to Parliament, and to Canadians, the Hazardous Materials Information Review Commission's 2007–2008 Report on Plans and Priorities. It focuses on the Commission's priorities to better deliver the services and benefits the organization provides to Canadians.

The Commission's role is to manage the trade secret component of the Workplace Hazardous Material Information System (WHMIS). It operates as an independent, quasi-judicial agency established under the *Hazardous Materials Information Review Act*. The Commission protects the needs of both workers and industry—a balancing act between the rights of industry to protect its trade secrets and the rights of workers to know the health and safety impacts when using hazardous materials in the workplace. Its mandate is to grant exemptions from disclosure for bona fide trade secrets while ensuring that the documentation on the safe use of hazardous products provided to workers is accurate and complete. To ensure compliance, the Commission issues formal orders, outlining corrective measures to be taken by claimants. In 2005–2006, a total of 2,605 violations were ordered to be corrected.

Trade secret information is a critical success factor for suppliers and employers in the chemical industry. Based on information pertaining to the value of trade secrets of claims processed during the last fiscal year ending March 31, 2006, the disclosure protection mechanism administered by the Commission had a value in the order of \$624 million.

The governance of the Commission is unique in that its mandate is overseen by a tripartite stakeholder body, the Council of Governors, representing organized labour, industry, and federal, provincial and territorial governments. This 18-member Council played a key leadership role in the stakeholder consultations carried out in the renewal program initiated by the Commission early in my mandate.

The Commission has identified four priorities on which it will focus over the planning period. One of these priorities is a product of the Commission's renewal—the reintroduction of legislative amendments set out in Bill S-2 *An Act to Amend the Hazardous Materials Information Review Act*. The amendments have the unanimous support of our Council of Governors. Their enactment will bring to conclusion renewal commitments to improve service delivery while making our main program activity—Claims Exemption Process—faster, more transparent and accountable. The net result will be earlier access by workers to complete and accurate information on the safe handling of hazardous materials.

Improving our service delivery remains an ongoing priority and we continue to seek enhancements to the claims exemption process. While we have reduced the claims backlog over the past few years, our personnel is constantly challenged to keep pace with the persistent high volume of incoming claims. On the international front, HMIRC provides unique expertise and knowledge of hazard communications to various national and international working groups within the Globally Harmonized System of Classification and Labelling of Chemicals (GHS).

Our emphasis on sound resource management and effective decision-making is entirely consistent with the Government of Canada's Management Accountability Framework. This is the last Report on Plans and Priorities to be submitted under my signature as President and CEO, HMIRC. It has always been a pleasure to work with the members of the Council of Governors and Commission staff. It was their unwavering support that permitted, motivated and empowered me, as President and CEO, to pursue an ambitious agenda of renewal. In the end, we all succeeded in what we set out to do and, as a result, I leave the Commission knowing that it is valued by its stakeholders and can be considered a model for international comparisons.

I am proud of our highly qualified staff, and I am confident that their dedication, professionalism and enterprising spirit will continue to yield benefits for Canadian companies and workers. HMIRC remains committed to achieving the highest quality of service to its stakeholders, the Canadian public, and to making significant contributions to the occupational health and safety community.

Weldon Newton  
President and Chief Executive Officer

## Management Representation Statement

I submit for tabling in Parliament, the 2007–2008 *Report on Plans and Priorities* (RPP) for the Hazardous Materials Information Review Commission.

This document has been prepared based on the reporting principles contained in the *Guide for the Preparation of Part III of the 2007–2008 Estimates: Reports on Plans and Priorities and Departmental Performance Reports*.

- ▶ It adheres to the specific reporting requirements outlined in the Treasury Board Secretariat guidance;
- ▶ It is based on the department's approval Program Activity Architecture as reflected in its Management Resources and Results Structure (MRRS);
- ▶ It presents consistent, comprehensive, balanced and reliable information;
- ▶ It provides a basis of accountability for the results achieved with the resources and authorities entrusted to it; and
- ▶ It reports finances based on approved planned spending numbers from the Treasury Board Secretariat.

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Weldon Newton  
President and Chief Executive Officer

## Summary Information

### Health Portfolio Overview

The Minister of Health, through the work of the Health Portfolio, is responsible for maintaining and improving the health of Canadians. In addition to the Hazardous Materials Information Review Commission, the Portfolio also consists of Health Canada, the Public Health Agency of Canada, the Canadian Institutes of Health Research, the Patented Medicine Prices Review Board and the newly-formed Assisted Human Reproduction Canada. Each member of the Portfolio prepares its own Report on Plans and Priorities.

The Health Portfolio consists of approximately 11,400 employees and an annual budget of over \$4.5 billion. For further details on the Health Portfolio's organization, please refer to Section III—Supplementary Information, Appendix A: Health Portfolio Organizations.

### HMIRC—Reason for Existence

The Commission provides a mechanism for protecting the trade secrets of those companies which manufacture, supply and/or use hazardous materials and to accurately inform Canadian employees who work with such materials about the intrinsic health and safety hazards.

### Financial Resources (\$ thousands)

2007-2008	2008-2009	2009-2010
3,506	3,506	3,506

### Human Resources (Full-Time Equivalent)

2007-2008	2008-2009	2009-2010
35	35	35

## Departmental Plans and Priorities

Name	Type
1. Improve services to clients and stakeholders.*	Ongoing
2. Monitor and implement changes resulting from Canada's response to the Globally Harmonized System of Classification and Labelling of Chemicals.	Previously committed
3. Operationalize the legislative amendments to the <i>Hazardous Materials Information Review Act</i> .	Previously committed
4. Enhance management excellence.	Ongoing

\* Stakeholders include partners, national and international organizations associated with hazardous materials, and the Canadian public.

## Program Activity by Strategic Outcome

(\$ thousands)

	Expected Results	Planned Spending			Contributes to the following priority
		2007-2008	2008-2009	2009-2010	
<b>Strategic Outcome:</b>	Trade secret exemptions within Workplace Hazardous Materials Information System that balance the right of industry to withhold <i>bona fide</i> confidential business information with the right of employers and workers to be provided with complete and accurate information on the health and safety hazards posed by workplace chemicals.				
Claims Exemption Process	<ul style="list-style-type: none"> <li>▶ Workers are provided with accurate information about the health and safety hazards of exposure to chemicals found in the products associated with claims for exemption.</li> <li>▶ Valid confidential business information about suppliers' and employers' hazardous products is protected.</li> <li>▶ Disputes are resolved in a fair and effective manner.</li> </ul>	<b>3,506</b>	3,506	3,506	Priorities 1, 2, 3, & 4

## Context

Labour, industry and government agree on the importance of reducing illnesses and injuries from hazardous materials in Canadian workplaces. The Workplace Hazardous Materials Information System (WHMIS), a combination of laws, regulations and procedures, was created in 1987 to help achieve this goal.

WHMIS requires suppliers—including manufacturers, importers and distributors—to provide information on the hazards of chemicals produced or used in Canadian workplaces. It requires cautionary labelling for containers of controlled (hazardous) products as designated under federal regulations and requires their suppliers to provide Material Safety Data Sheets (MSDSs).

Among the required information, each MSDS lists all hazardous ingredients in the product, any toxicological properties, the safety precautions workers need to take when using the product and first aid treatment in case of exposure. Employers must provide this MSDS information, worker training and education programs to employees.

When labour, industry and government agreed to create WHMIS, they recognized the need to balance the rights of workers and employers to have health and safety information, and chemical suppliers to protect confidential business information, such as trade secrets.

The *Hazardous Materials Information Review Act* and its regulations provide the mechanism to create that balance through the Hazardous Materials Information Review Commission (HMIRC). Our Commission is an independent agency with a quasi-judicial role that supports the WHMIS responsibilities and interests of the federal, provincial and territorial governments, workers, employers and the chemical industry.

## Mandate

The *Hazardous Materials Information Review Act* mandates our Commission to:

- ▶ register claims for trade secret exemptions and issue registry numbers;
- ▶ adjudicate and issue decisions on the validity of claims for exemption using prescribed regulatory criteria;
- ▶ make decisions on the compliance of MSDSs and labels to WHMIS requirements; and
- ▶ convene independent boards with representatives drawn from labour, suppliers or employers to hear appeals from claimants or affected parties on our decisions and orders.

## Mission

The Commission's mission is to:

- ▶ ensure a balance between industry's right to protect confidential business information and the right of employers and workers to know about the hazardous materials they deal with in the workplace;
- ▶ provide a trade secret mechanism within WHMIS; and
- ▶ resolve complaints and disputes impartially, fairly and promptly through statutory or alternate means.



## **Vision**

HMIRC has defined its vision as:

- ▶ making decisions based on both sound scientific principles and on regulations, and taking pride in being a professional quasi-judicial organization seeking creative and progressive approaches to enhancing workplace safety; and
- ▶ resolving complaints and disputes, whether under statutory mandate or not, in a manner that is impartial, fair and prompt.

## **Objectives**

The HMIRC objectives are to:

- ▶ pursue activities that achieve maximum worker health and safety benefits while minimizing impact and cost to industry standards and practices;
- ▶ improve its processes and programs by using feedback from clients and stakeholders;
- ▶ achieve established service standards consistently;
- ▶ establish a climate of effective communication to prevent disputes from occurring;
- ▶ utilize a range of mechanisms to resolve effectively the disputes that do occur;
- ▶ guide the operations of its core programs through a comprehensive policy framework, driven by input from stakeholders;
- ▶ recover costs for processing claims for trade secret exemptions according to the applicable policy;
- ▶ gain high visibility and wide recognition for the work performed; and
- ▶ ensure that its employees exhibit a client-oriented approach.

## **Role of the Commission**

If a supplier or employer wants to withhold information that it believes to be a trade secret, it must file a claim with the Commission for exemption from its WHMIS obligations to disclose this information. Our screening officers review these claims against requirements that are set out in federal regulations relating to chemical suppliers and employers under federal jurisdiction, or in provincial or territorial regulations relating to employers under their jurisdiction. Then, the screening officers rule on the validity of the claims. This process involves communication to avoid or resolve disputes.

As part of this claim review process, our scientific evaluators play a key health and safety role. They review all the information provided on the MSDSs and labels associated with a claim for exemption to make certain that they provide appropriate health and safety information and guidance to comply with WHMIS requirements, based on the *Hazardous Products Act*, the *Canada Labour Code*, the *Controlled Products Regulations* and provincial and territorial occupational health and safety legislation. This helps ensure that workers are informed of the hazards of exposure to chemicals found in products associated with claims for exemption. When our scientific evaluators identify missing or incorrect information, they provide advice to screening officers who ultimately issue formal orders requiring the necessary changes.

The Commission also convenes independent boards to hear appeals from claimants or affected parties challenging our decisions and orders.

### **Values and operating principles**

The Commission recognizes that continuous improvement is critical in order to remain relevant and to provide effective and efficient performance and service quality. We have identified the values and operating principles that foster continuous improvement in our operations.

**FAIRNESS**—in our ability to provide services and to perform statutory functions.

**TIMELINESS**—in our ability to provide services within established and reasonable time frames.

**ACCESSIBILITY** and **TRANSPARENCY**—in our ability to provide information and services simply and clearly and with policies and procedures that are understandable to everyone.

**ACCOUNTABILITY**—in our ability to propose legislative approaches only when they meet rigorous cost-benefit analysis and to be accountable for programs and the impact of decisions, while providing services in a manner that is cost-effective for everyone involved.

**QUALITY** and **CONSISTENCY**—in our ability to render accurate, relevant, dependable, understandable, predictable and error-free decisions, while ensuring consistent, firm enforcement of the regulations.

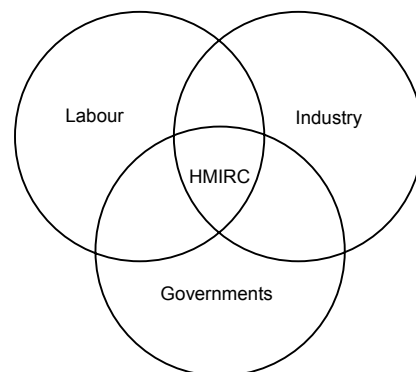
**COMPETENCY** and **RESPECT**—in our ability to provide services based on a high level of skill, knowledge, scientific and technical competence, and to demonstrate respect and professionalism to everyone who comes into contact with the Commission.

**SECURITY** and **CONFIDENTIALITY**—in our ability to store and handle the trade secrets of our claimants.

### **A model partnership of key stakeholders across all jurisdictions**

HMIRC deals with many WHMIS stakeholders:

- ▶ labour organizations and workers;
- ▶ suppliers in the chemical industry;
- ▶ employers with workplace WHMIS programs; and
- ▶ federal, provincial and territorial government agencies with WHMIS responsibilities.



As an independent agency, the Commission is a model of industry, labour and government consultation, consensus and cooperation. Our adjudicative efforts must result in a fair balance between the right of workers to know and the right of suppliers and employers to safeguard confidential business information. We make a tangible contribution to worker health and safety and are a strategic partner to industry and employers. Our work also supports the federal, provincial and territorial governments in the delivery of their occupational safety and

health regulatory activities, making the Commission one of very few adjudicative bodies that represent multiple levels of government in Canada.

### **Governance structure**

The Commission's governance structure is one of collaboration. The Council of Governors consists of 18 members representing key stakeholders across all jurisdictions. It provides strategic advice and guidance to the Commission and makes recommendations to the Minister of Health. The Commission President and Chief Executive Officer supervises and directs the work of the agency. He is accountable to Parliament through the Minister of Health.

For a further detailed structure, please refer to Section III – Supplementary Information, Appendix B: HMIRC's Organization.

### **Departmental Priorities**

The Commission has identified four priorities on which it will focus over the next three years.

- ▶ **Priority 1:** Improve services to clients and stakeholders.
- ▶ **Priority 2:** Monitor and implement changes resulting from Canada's response to the Globally Harmonized System of Classification and Labelling of Chemicals.
- ▶ **Priority 3:** Operationalize the legislative amendments to the *Hazardous Materials Information Review Act*.
- ▶ **Priority 4:** Enhance management excellence.

These priorities are consistent with HMIRC's Management Accountability, Risk and Audit Framework and Human Resources Plan.

#### **Priority 1: Improve services to clients and stakeholders.**

As an organization with only one program activity, the claims exemption process, the capacity to process claims for exemption as efficiently as possible, directly impacts the service that can be provided to clients and stakeholders. This is why the Commission is committed to continuous improvement of the decision-making process. The management of the claims exemption process comes with different challenges. A first and ongoing challenge is to forecast the number of claims for exemption that chemical manufacturers, importers and suppliers will file with the Commission for review and decision. While the backlog of claims awaiting processing has been reduced over the past four years, unforeseen high volumes of new claims would pose serious challenges to the Commission's ability to keep the number of claims awaiting processing at a reasonable level. Changes related to initiatives such as the GHS combined with other potential legislative changes might also have an impact on the number of claims received and processed.

In recent years, the Commission struggled with recruitment and retention of health and safety evaluators. This has been a significant contributor to the claims backlog. The Commission

depends on skilled staff in scientific fields such as toxicology to review claims and MSDSs. The Human Resources Plan has identified recruitment and retention as key areas of intervention for the Commission over the planning period and the Plan will be a useful tool in managing these issues.

The Commission is validating its business processes through a comprehensive review of its scientific, evidence-based approach to the claims review process. Following this validation, HMIRC will identify potential areas for improvements and determine appropriate actions.

In concert with the resource review, the Commission continues to move forward in the development of business tools to improve the efficiency of the process. Specifically, the Commission seeks proactive and early intervention with claimants regarding their MSDS's requirements, in an effort to improve MSDSs' content prior to their submission to the Commission. The Commission also intends to review and enhance current practices to solicit client feedback.

Harmonized relations with our claimants ensure dialogue and sharing of information and often result in faster and more efficient decision-making, which is beneficial to both claimants — suppliers and employers — and workers. Consequently, HMIRC reiterates its ongoing commitment to maintain transparent and professional relations with clientele. Of particular importance is the Commission's practice of providing more extensive guidance and directions to individuals and companies that are new to Canada's regulatory requirements and WHMIS framework.

As an organization with a diverse stakeholder base and a very specific mandate, HMIRC is aware of the importance of communicating its role to its occupational safety and health partners and those in related fields. It has been HMIRC's experience that there are many methods to contact potential claimants and stakeholders — trade shows are one such outreach opportunity that allows the Commission contact with specific audiences involved with workplace health and safety. Such activities, as well as enhancements to the HMIRC web site, are some of the key outreach activities planned by the Commission over the next three years.

Maintaining and promoting stronger relationships with its Health Portfolio partners, as well as with other federal departments and agencies with related health and safety mandates, is a priority. The Commission wishes to build stronger links to organizations that have WHMIS-related mandates, and will maintain stakeholder liaison efforts with industry, labour and provincial/territorial occupational health and safety agencies.

## **Priority 2: Monitor and implement changes resulting from Canada's response to the Globally Harmonized System of Classification and Labelling of Chemicals.**

The GHS is an international initiative to harmonize approaches to classification and hazard communication. The international community has agreed that countries should make the necessary changes to their own legislation and processes to complement the international efforts to make the system operational by 2008.

Through GHS, the international community expects to:

- ▶ enhance the protection of humans and the environment by providing an internationally comprehensive system for hazard communication;
- ▶ reduce the need for duplicative testing and evaluation of hazardous chemicals;
- ▶ eliminate the barriers to international trade in chemicals whose hazards have been properly assessed and identified on an international basis;
- ▶ provide a recognized framework for those countries not having an existing system; and
- ▶ promote regulatory efficiency, facilitate compliance, and provide better and more consistent information.

Since 2004, Canada has carried out technical consultations with parties affected by the implementation of the GHS through multi-stakeholder sectoral working groups. A summary of the results of those consultations, entitled *Comparison of Sector Interim Recommendations or Preferred Options*, is available on the Health Canada website.

HMIRC plays several roles in regard to the GHS. As a stakeholder in this international initiative, HMIRC provides expertise and knowledge of classification and hazard communication as well as representing the unique centre of knowledge as Canada's trade secret mechanism within WHMIS. This knowledge is imparted through the Commission's membership on a number of GHS committees, national working groups and technical sub-committees. Since Canadian requirements for classification and labelling are fundamental to the review of MSDSs associated with claims for exemption, the Commission must also monitor the GHS and its specific impacts on its own activities.

While many international GHS issues are being addressed, trade secret protection mechanisms are not intended to be standardized. However, classification and hazard communication are key elements of HMIRC's reviews and therefore, although the GHS may not have impacts specific to the trade secret exemption process, there may be important operational impacts on the MSDS review process and related standards. The GHS may also require legislative amendments to the Commission's enabling statute.

Although the nature and scope of those impacts are not clearly defined at this point, GHS implementation will likely result in significant work and training on the part of the Commission in an effort to accommodate the new requirements for hazard communication in MSDSs and labels.

Our focus over the next three years will be to ensure that we can be responsive to the impending changes and to maintain Canada's international presence. We will continue to work with other Canadian governmental agencies and to communicate the benefits of the Canadian WHMIS model. In an effort to better understand the international front, the Commission will develop a comparative framework depicting national trade secret protection mechanisms in GHS participating countries in relation to the Canadian model. More generally, the Commission will monitor and explore the impact of emerging issues to ensure that we understand their implications.

### **Priority 3: Operationalize the legislative amendments to the *Hazardous Materials Information Review Act*.**

The Commission is in the process of making amendments to the *Hazardous Materials Information Review Act* and its Regulations. These amendments are the final stage of a comprehensive renewal program undertaken by the Commission in the late 1990s. These amendments were reintroduced in the Senate as Bill S-2 in April 2006, following the last federal election. The House Standing Committee on Health completed its examination of the Bill on January 31, 2007 and it was carried by unanimous consent. On February 1, 2007, the Bill was reported back to the House of Commons, with no amendment, for 3<sup>rd</sup> and final reading.

The amendments will reduce the time required to review claims for exemption from disclosure of confidential information, speed up the correction of the information workers need in order to handle hazardous materials safely and expedite and improve the appeals process. They will have significant impact on the way claimants will file claims with the Commission and on the efficiency of the claims exemption process given the new streamlining measures, the faster means for claimants to comply with health and safety standards and the provision of a mechanism by which the Commission can participate in the appeals process and expedite the hearing process.

The Commission anticipates Royal Assent of Bill S-2 in the spring of 2007, after which the efforts will be concentrated on making consequential amendments to the regulations and diligently moving toward implementing the changes.

As mentioned in the previous section, other legislative changes could significantly impact on the workload demands. In addition to the amendments to the *Hazardous Materials Information Review Act*, changes may arise from other sources such as the GHS. These potential changes will be a challenge for the Commission as there is little dedicated capacity in the areas of policy and regulatory affairs. This lack of capacity has been identified as a risk in the Commission's Human Resources Plan and actions have been proposed to mitigate it.

### **Priority 4: Enhance management excellence.**

As a small organization with a limited budget, the Commission is highly focused on service delivery. Over the past number of years we have worked to develop a coherent, integrated approach to strategic and business planning that also includes human resource planning. The Commission works collaboratively with its Health Portfolio partners, particularly Health Canada, on portfolio and government management issues.

In a government environment that constantly strives to improve service and accountability to the Canadian public by implementing new management initiatives such as the Treasury Board Policy Suite Renewal, the Federal Accountability Act, and the Public Service Modernization Act, the Commission is challenged to appropriately address these initiatives while delivering its program activity – Claims Exemption Process. These management initiatives are resource intensive demanding a tremendous level of work that greatly impacts the Commission's limited resource capacity.

To respond appropriately to these initiatives, while maintaining service delivery, HMIRC will continue to build strategic partnerships by collaborating and networking horizontally with other departments. These actions will allow the Commission to, when necessary, stay responsive as well as access and use interdepartmental resources and expertise through such vehicles as Memoranda of Understanding. Further, as requirements from these initiatives increase and new requirements are introduced, HMIRC must continue to refine its performance management systems and monitor performance more than ever before.

In the next year, the Commission will move forward with actions to improve both program and management performance monitoring and reporting. A major component of the performance management system will be the development of tools and practices to provide timely monitoring and reporting. Performance management systems focus on the development of sound and practical performance agreements for management cadres and ensure alignment with the business and human resources goals and priorities. Through the Treasury Board Secretariat Management, Resources, and Results Structure (MRRS)'s initiative, HMIRC will continue to strengthen its expenditure management system and use it as its management and reporting tool, with an increased focus on effectiveness and efficiency. The Commission's performance measurement framework is an essential tool in the monitoring of results and improvements to the quality and completeness of incoming claims and, therefore, our processing efficiencies.

Key to delivering on its mandate is HMIRC's ability to build and maintain workforce capacity. Because of its size, complexity and speciality, it is critical the Commission staff vacancies in a timely and expeditious manner to ensure appropriate capacity, continuity and corporate memory. The Commission's Human Resources Plan identifies key human resource challenges and management priorities for the coming years and serves as a guide for management decision-making and risk management, particularly in the areas of Recruitment and Retention, Workload Management, and Continuous Learning.

## **Link to the Government of Canada Outcome areas**

Canada places the health of its population high on the list of key priorities for Canadians. Canada's public health system exists to safeguard and improve the health of Canadians. The responsibility for public health is spread across federal, provincial and territorial governments. An essential part of any occupational health and safety program is ensuring that those employed in workplaces requiring the use of hazardous materials have the information they need to use those materials in a safe manner to minimize any risk of injury and any threat to their health either in the short term or in the long term. This is particularly applicable to the Commission's mandate where we deliver the WHMIS trade secret exemption mechanism on behalf of the federal government but also on behalf of the provinces and territories. The Commission's work supports improved occupational health and safety for Canadian workers, a key element to achieving a healthy Canadian population.

## SECTION II – ANALYSIS OF PROGRAM ACTIVITIES BY STRATEGIC OUTCOME

### Analysis by Program Activity

**Strategic Outcome** Trade secret exemptions within WHMIS that balance the right of industry to withhold *bona fide* confidential business information with the right of employers and workers to be provided with complete and accurate information on the health and safety hazards posed by workplace chemicals.

**Program Activity Name:** Claims Exemption Process

#### Financial Resources (\$ thousands)

2007-2008	2008-2009	2009-2010
3,506	3,506	3,506

#### Human Resources (Full-Time Equivalent)

2007-2008	2008-2009	2009-2010
35	35	35

#### Program Activity Description

Under this activity, HMIRC registers claims for exemption received from a supplier or employer who wishes to withhold confidential business information, decides on the validity of the claim, adjudicates and issues decisions on the compliance of the material safety data sheet or label to which the claim relates, and administers an appeal process to these decisions.

As mentioned in Section I, the Commission has identified four priorities.

- ▶ **Priority 1:** Improve services to clients and stakeholders.
- ▶ **Priority 2:** Monitor and implement changes resulting from Canada's response to the Globally Harmonized System of Classification and Labelling of Chemicals.
- ▶ **Priority 3:** Operationalize the legislative amendments to the *Hazardous Materials Information Review Act*.
- ▶ **Priority 4:** Enhance management excellence.

HMIRC's only program activity —Claims Exemption Process —and the expected results associated with this activity link to each of its four priorities. The claims exemption process



renders impartial decisions, based on scientific evidence-based review findings, in a manner that ensures confidentiality of information while providing accurate information to workers. The Commission is constantly looking at ways to improve its process and works closely with claimants to increase their understanding of this process and associated requirements, and to minimize the need for formal appeals. The first three priorities will allow HMIRC to further improve its process and the quality of the information provided. The fourth priority will result in improved management tools to support program delivery.

The expected results of the Claims Exemption Process program activity and the proposed performance indicators to measure achievement of those results are detailed in the table below.

Expected Results	Performance Indicators
<ul style="list-style-type: none"> <li>▶ Workers are provided with accurate information about the health and safety hazards of exposure to chemicals found in the products associated with claims for exemption.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Percentage of claims processed for which corrections were required on associated MSDSs</li> <li>▶ Average length of time from the start of review to publication in the <i>Canada Gazette</i></li> </ul>
<ul style="list-style-type: none"> <li>▶ Valid confidential business information about suppliers' and employers' hazardous products is protected.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Number of decisions on claim validity issued</li> <li>▶ Percentage of claims for which validity was not upheld by the screening officer's decision</li> </ul>
<ul style="list-style-type: none"> <li>▶ Disputes are resolved in a fair and effective manner.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Percentage of disputes resolved</li> </ul>

**Key Program:** Claims Processing

**Financial Resources (\$ thousands)**

2007-2008	2008-2009	2009-2010
3,331	3,331	3,331

**Key Program Description**

Under this sub-activity, HMIRC registers the claims that enable companies to sell, distribute and/or use their product while the claim is being processed. The validity of the claim for exemption is subsequently determined based on the *Hazardous Materials Information Review Regulations* criteria, and the material safety data sheet is evaluated to ensure compliance with WHMIS requirements. Decisions are issued by the screening officer and published in the *Canada Gazette*.

## Performance Measurement Strategy

The expected results for Claims Processing focus on the balance sought by the Commission – workers right to accurate information versus industry’s right to protect trade secrets. Through the registration of claims, the Commission seeks to ensure a speedy process that both minimizes disruption to business and ensures the protection of confidential business information. Through the review of the claims and associated MSDSs and labels, the Commission aims to ensure a speedy, fair and impartial review of the information provided to workers on the health and safety hazards of those products associated with the claim for exemption.

The expected results of the Claims Processing sub-activity and proposed performance indicators to measure achievement of those results are detailed in the table below.

Expected Results	Performance Indicators
<ul style="list-style-type: none"> <li>▶ Manufacturers can import, distribute and sell products.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Number of claims registered</li> <li>▶ Elapsed time between receipt of claim and registration</li> <li>▶ Number of complaints from claimants about delays</li> </ul>
<ul style="list-style-type: none"> <li>▶ MSDSs comply with legislation.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Number of violations found on MSDSs by type</li> <li>▶ Average number of violations per claims processed</li> <li>▶ Extent to which claimants have complied with orders within the 75 calendar days allowed</li> </ul>

**Key Program:** Dispute Prevention/Appeals

### Financial Resources (\$ thousands)

2007-2008	2008-2009	2009-2010
175	175	175

### Key Program Description

Under this sub-activity, HMIRC administers an appeal process. Claimants have 45 days to launch an appeal once the decision on a claim exemption is published in the *Canada Gazette*. An independent tripartite board is then convened to hear the appeal and render a decision. The Commission is also responsible for a dispute prevention process that works in conjunction with the appeals process by identifying and resolving problems and complaints, where possible, before an appeal becomes necessary.

## Performance Measurement Strategy

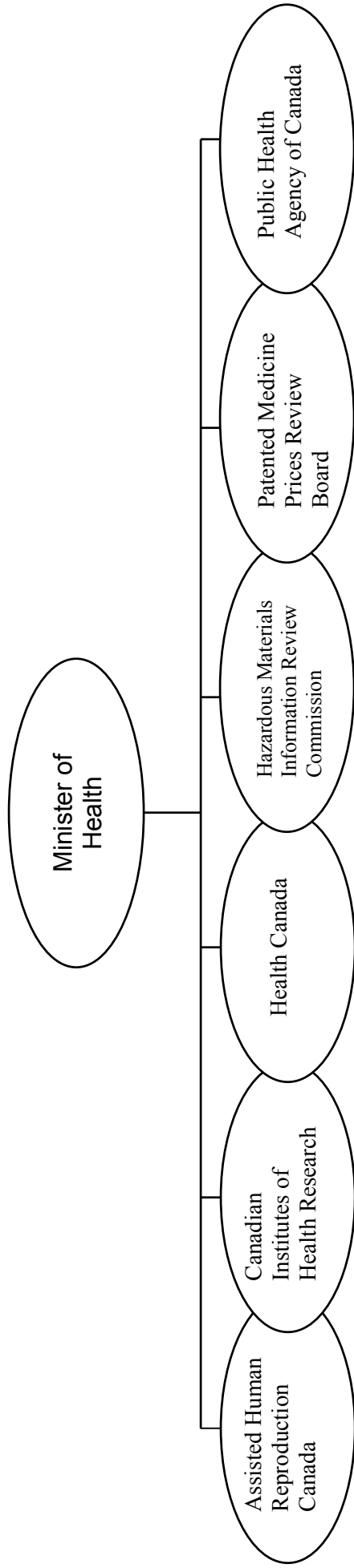
The expected results for dispute prevention/appeals focus on the two desired characteristics of the Commission's dispute resolution process. First, that the handling of disputes or appeals is achieved in a fair and effective manner which will provide claimants some flexibility in the approach they choose to resolve issues. Second, that decisions resulting from the dispute resolution process be impartial and evidence-based.

The expected results of the dispute prevention/appeals sub-activity and proposed performance indicators to measure achievement of those results are detailed in the table below.

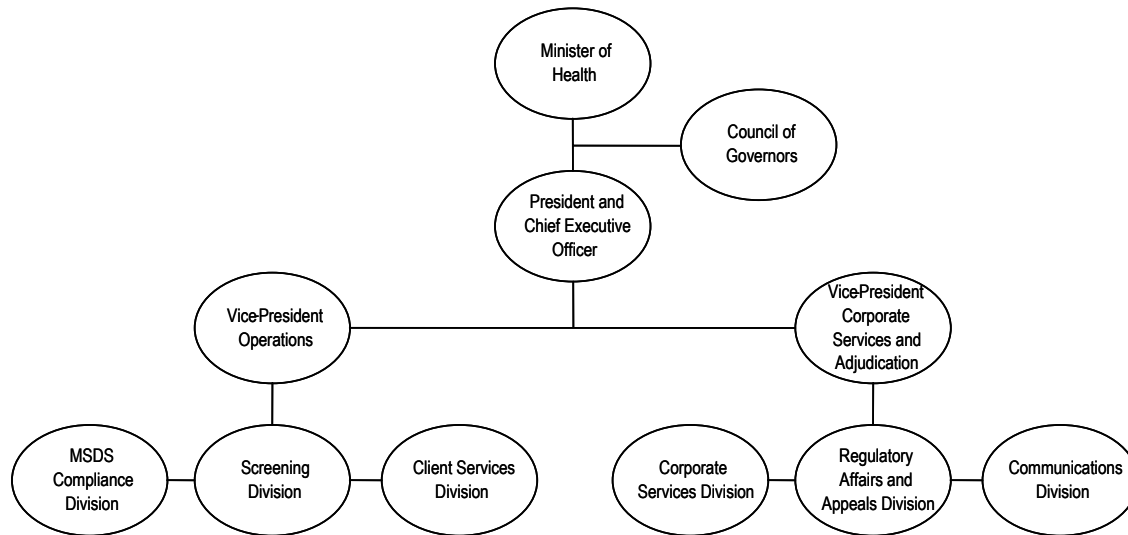
<b>Expected Results</b>	<b>Performance Indicators</b>
<ul style="list-style-type: none"><li>▶ Resolution of issues raised during the information exchange phase of claims processing (i.e. dispute prevention)</li></ul>	<ul style="list-style-type: none"><li>▶ Number of issues raised and resolved</li></ul>
<ul style="list-style-type: none"><li>▶ Appeal decisions</li></ul>	<ul style="list-style-type: none"><li>▶ Number of appeals/decisions</li><li>▶ Number of screening officer's decisions varied or rescinded by appeal board's decisions</li></ul>

# SECTION III – SUPPLEMENTARY INFORMATION

## Appendix A: Health Portfolio Organization



## Appendix B: Organizational Information



The Council of Governors constitutes the key element of the Commission's governance structure, acts as an advisory body and provides strategic advice and guidance to the Commission. The Council consists of 18 members: two representing workers, one representing suppliers and one representing employers, one representing the federal government, and between four and 13 representing the provincial and territorial governments. Each governor is appointed by the Governor in Council for up to three years. The Council is headed by a chairperson chosen by the governors for a term of one year. The Council is responsible for making various recommendations to the Minister of Health, including changes to the regulations related to the Commission's fee structure, the procedures for reviewing claims for exemption and the appeal procedures.

Most Council members concurrently represent other occupational health and safety organizations, and thus are part of the existing multi-jurisdictional occupational health and safety network.

The President and CEO is appointed by the Governor in Council and has the authority and responsibility to supervise and direct the organization's work on a day-to-day basis. The President is accountable to Parliament through the Minister of Health.

The Vice-President of Operations directs the work of the MSDS Compliance, Screening and Client Services divisions.

The Vice-President of Corporate Services and Adjudication directs the work of the Corporate Services, Regulatory Affairs and Appeals, and Communications divisions.

## Appendix C: Departmental links to the Government of Canada Outcomes

2007-2008					
(\$ thousands)	Budgetary			Total Main Estimates	Total Planned Spending
	Operating	Gross	Net		
<b>Strategic Outcome:</b> Trade secret exemptions within WHMIS that balance the right of industry to withhold <i>bona fide</i> confidential business information with the right of employers and workers to be provided with complete and accurate information on the health and safety hazards posed by workplace chemicals.					
Claims Exemption Process	3,506	3,506	3,506	3,506	<b>3,506</b>
<b>Total</b>	<b>3,506</b>	<b>3,506</b>	<b>3,506</b>	<b>3,506</b>	<b>3,506</b>

Claims Exemption Process contributes to the achievement of the Government of Canada’s “Healthy Canadians” outcome.

**Table 1: Departmental Planned Spending Table and Full-time Equivalents**

(\$ thousands)	Forecast Spending 2006-2007	<b>Planned Spending 2007-2008</b>	Planned Spending 2008-2009	Planned Spending 2009-2010
Claims Exemption Process	3,512	<b>3,506</b>	3,506	3,506
Budgetary Main Estimates (gross)	3,512	<b>3,506</b>	3,506	3,506
<b>Total Main Estimates</b>	3,512	<b>3,506</b>	3,506	3,506
Adjustments				
Supplementary Estimates				
Operating budget carry forward	145			
Other				
Treasury Board Vote 15	61			
Employee Benefit Plan (EBP)	12			
<i>Total Adjustments</i>	218			
<b>Total Planned Spending</b>	3,730	<b>3,506</b>	3,506	3,506
Total Planned Spending	3,730	<b>3,506</b>	3,506	3,506
Less: Non-responsible revenue	(570)	<b>(570)</b>	(570)	(570)
Plus: Cost of services received without charge	743	<b>723</b>	723	723
<b>Total Departmental Spending</b>	3,903	<b>3,659</b>	3,659	3,659
<b>Full-time Equivalents</b>	35	<b>35</b>	35	35

**Table 2: Voted and Statutory Items listed in Main Estimates**

(\$ thousands)

Vote or Statutory Item	Truncated Vote or Statutory Wording	2007-2008 Main Estimates	2006-2007 Main Estimates
25	Program expenditures	3,024	3,019
(S)	Contributions to employee benefit plans	482	493
	Total Department or Agency	3,506	3,512

The difference between the 2007-2008 and 2006-2007 Main Estimates results from the collective agreement funding.

**Table 3: Services Received Without Charge**

(\$ thousands)	2007-2008
Accommodation provided by Public Works and Government Services Canada	541
Contributions covering employers' share of employees' insurance premiums and expenditures paid by Treasury Board of Canada Secretariat (excluding revolving funds)	182
Salary and associated expenditures of legal services provided by the Department of Justice Canada	-
<b>Total 2007-2008 Services received without charge</b>	<b>723</b>

**Table 4: Sources of Non-Respendable Revenue**

(\$ thousands)	Forecast Revenue 2006-2007	Planned Revenue 2007-2008	Planned Revenue 2008-2009	Planned Revenue 2009-2010
Claims Exemption Process				
Claim Registration Fees	570	570	570	570
<b>Total Non-Respendable Revenue</b>	570	570	570	570

These are estimated revenues for fees paid by Canadian and international chemical manufacturers and distributors for the registration and review of claims for exemption under WHMIS and its related legislation.



**Table 5: Resource Requirement by Sector**

2007-2008		
(\$ thousands)	Claims Exemption Process	<b>Total Planned Spending</b>
Claims Processing	3,331	<b>3,331</b>
Dispute Prevention / Appeals	175	<b>175</b>
<b>Total</b>	<b>3,506</b>	<b>3,506</b>

The resources requirement for corporate services are included in the Claims Processing and Dispute Prevention/Appeals resource requirement.

## **SECTION IV – OTHER ITEMS OF INTEREST**

### **For further information:**

**Mail:** Hazardous Materials Information Review Commission  
427 Laurier Avenue West, 7th floor  
Ottawa, Ontario  
K1A 1M3

**Telephone:** 613.993.4331

**Facsimile:** 613.993.5016

**Web site:** [www.hmirc-ccrmd.gc.ca](http://www.hmirc-ccrmd.gc.ca)

**E-mail:** [hmirc-ccrmd@hc-sc.gc.ca](mailto:hmirc-ccrmd@hc-sc.gc.ca)