

Memorandum of Understanding

Between

The Minister of Labour

And

**The Chair of the Workplace Safety and Insurance
Board**

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1. PURPOSE

1.1 Section 166 of the *Workplace Safety and Insurance Act, 1997* ("Act") requires that the Workplace Safety and Insurance Board ("Board") and the Minister of Labour ("Minister") enter into a Memorandum of Understanding ("MOU") and specifies certain matters that must be addressed. Subsection 166(5) states that the Board shall comply with the MOU.

1.2 The purposes of this MOU are to:

- Comply with section 166 of the Act;
- Set out the accountability relationship between the Board, and the (Government of Ontario) ("GO") and the Ministry as reflected in the accountability relationship established by this MOU between the Minister and the Chair on behalf of the Board;
- Clarify the roles and responsibilities of the Minister, the Deputy Minister, the Chair, the President and the Board of Directors;
- Establish the necessary management, financial, administrative, auditing and reporting arrangements that will support those responsibilities and the Board's accountability to the Minister and the GO;
- Reflect the statutory and regulatory obligations of the Board to achieve and maintain partial sufficiency and sufficiency of the insurance fund;
- Establish a framework that sets out how the Ministry and the Board will work together to fulfill their respective mandates respecting the workplace safety and insurance and occupational health and safety systems.

1.3 This MOU does not affect, modify, limit or interfere with the responsibilities of the Minister, the Board or the Chair under the Act or any other legislation. In the event of a conflict between the provisions of the MOU and the Act or such other legislation, the Act or the other statute shall prevail.

2. BOARD'S LEGAL AUTHORITY, AGENCY CLASSIFICATION AND MANDATE

2.1 The Board is a statutory corporation without share capital pursuant to subsection 159(1) of the Act and is governed by a Board of Directors whose members are appointed by the Lieutenant Governor in Council ("LGIC"). Subject to the Act, the Board has the capacity and powers of a natural person. The Corporations Act and the Not-for-Profit Corporations Act, 2010 do not apply to the Board.

2.2 The Board is a separate corporate entity from the GO established to exercise powers and perform duties under the Act. It is a public body as defined by the Public Service Act of Ontario ("PSOA") and an "arm's length" agency of the GO classified as a trust agency under the Agency Establishment and Accountability Directive ("AEAD") that reports to the Minister.

2.3 The Board's mandate is to administer and enforce the Act. It exercises its powers and

performs its duties in accordance with its statutory mandate. In particular, the Board is required to administer the insurance plan in a financially responsible and accountable manner and maintain the sufficiency of the Insurance Fund in order to carry out the following functions as specified in the Act:

- Promote health and safety in workplaces;
- Facilitate the return to work and recovery of injured workers and the re-entry into the labour market of injured workers and spouses of deceased workers through the Board's Work Re-integration Program;
- Provide compensation and other benefits to injured workers and to the survivors of deceased workers.

3. MINISTRY MANDATE

- 3.1 The Ministry's mission is to advance safe, fair and harmonious workplace practices that are essential to the social and economic well-being of the people of Ontario. The Ministry's mandate is to communicate and enforce workplace standards while encouraging greater workplace self-reliance.
- 3.2 The Ministry develops workplace insurance legislation and develops and administers and enforces labour legislation, in particular in the key areas of occupational health and safety, employment rights and responsibilities, and labour relations. In the area of occupational health and safety, the Ministry also develops, coordinates and implements strategies and programs to prevent workplace injuries and illnesses and administers and enforces occupational health and safety requirements.
- 3.3 The Ministry's mandate includes monitoring, evaluating and reporting on the performance of the workplace safety and insurance system in Ontario, and advising the Minister on the establishment of strategic directions and government priorities in respect of the system. This includes responsibility for reviewing and proposing amendments to the Act and LGIC regulations made under the Act.

4. GUIDING PRINCIPLES

- 4.1 The parties agree that they will adhere to the principles set out below in the management of their relationship.
- 4.2 The workplace safety and insurance system was established to provide a no fault compensation system for injured workers administered by a public entity and funded solely by employers in industries covered by the Act. In exercising its powers and performing its duties under the Act, the Board recognizes the fundamental principles underlying the workplace safety and insurance system.

- 4.3 The Minister recognizes that the Board is a separate, legal entity from the GO and operates as an arm's-length agency of the GO. The Minister further recognizes that the Board, the Chair and the President exercise powers and perform duties in accordance with their respective mandates under the Act and obligations under other relevant legislation. The Board's decisions respecting premium rate setting, its enforcement of employer obligations, its adjudicative decisions and the delivery of its programs and services must be made and seen by the workplace parties and the public to be made in an independent and impartial manner.
- 4.4 Although an arm's length agency, the Board acknowledges that in exercising its statutory mandate, it is accountable to the GO by reporting to the Minister. The Board recognizes that its operations must be transparent and that it will provide full accountability for the use of funds it is authorized to collect from the public, i.e., employers. In particular, the Board acknowledges its obligation to achieve increased sufficiency and reach sufficiency of the insurance fund as required by the Act and O. Reg.141/12, as amended by O. Reg 383/13, made under the Act. This includes the Board's obligation to report to the Minister on the progress of its plan to achieve sufficiency in accordance with subsection 96.1(5) of the Act.
- 4.5 The Minister and the Board shall respect their respective responsibilities in the delivery of the workplace safety and insurance system and the occupational health and safety system in Ontario, and shall ensure that in fulfilling their responsibilities, they will do so in a manner that supports and enables the other party.
- 4.6 The Minister and the Chair are committed to an independent, financially secure Board that is empowered to fulfill its statutory mandate efficiently and effectively and also to maintain a co-operative relationship that facilitates the efficient administration of the Board and fulfillment of its statutory responsibilities.
- 4.7 In particular, the Ministry and the Board are committed to a workplace health, safety and insurance system predicated on sound insurance and business principles, including:
- i) the provision of benefits and services for injured workers and survivors of deceased workers in respect of work-related injuries and fatalities, including those resulting from occupational diseases;
 - ii) the Board's obligation to achieve and maintain a sufficiently funded insurance Fund as required by the Act and O. Reg.141/12, as amended by O. Reg 383/13, made under the Act;
 - iii) a system with greater certainty, less complexity and litigation, simplified administration;
 - iv) the establishment of safe workplaces and the prevention and reduction of workplace injuries fatalities and occupational diseases.

5. ACCOUNTABILITY RELATIONSHIPS AND ROLES AND RESPONSIBILITIES

General

- 5.1 The Minister acknowledges the Board exercises powers and performs duties in accordance with its statutory mandate. The Chair acknowledges that accountability to the GO and the Minister in the exercise of its mandate is a fundamental principle to be observed in the management, administration and operations of the Board.
- 5.2 As an agency of the GO, the Board's internal systems of accountability and management control will be transparent and reflect the sound management principles and practices in the Ontario public sector. These principles and practices include ethical behaviour; excellence in management; prudent, responsible, appropriate and lawful use of its funds; value for money; insurance funds spent with due regard to economy and efficiency; high quality service to clients provided with integrity and honesty; fairness and equity, and openness and transparency in accordance with applicable legislation and "Treasury Board/Management Board of Cabinet ("TB/MBC") directives.
- 5.3 The Board's accountability to the GO and the Minister for its actions in respect of its mandate is governed by the Act, the AEAD and by this MOU. The parties recognize that compliance with this MOU ensures an effective accountability relationship and the proper functioning of the parties' responsibilities respecting the workplace safety and insurance and occupational health and safety systems in Ontario.

5.4 Minister

- 5.4.1 The Minister is accountable for the Board to the GO and is responsible for reporting and responding to Cabinet and the Legislative Assembly, including its Committees on the activities, operations and performance of the Board. In particular, the Minister is accountable to Cabinet and the Legislative Assembly for the Board's fulfillment of its mandate and its compliance with applicable TB/MBC directives.
- 5.4.2 In addition to the rights and duties of the Minister as set out in the Act, the Minister is responsible for:
- (a) reviewing and commenting on the Board's annual business plan;
 - (b) ensuring that the Board, through the Chair and President is advised and consulted when significant new directions for the workplace safety and insurance system are contemplated, when the GO is considering amendments to the Act and regulations or when initiatives are taken to amend any legislation or regulations that may affect the Board, or on changes in Ministry direction; policy, legislation or regulations that may impact the Board;
 - (c) making recommendations to the Premier, relating to the appointment and reappointment of the Chair and the President (following consultation with the

Chair and the members of the Board of Directors as required by the Act}, and recommendations to Cabinet, relating to the appointment and reappointments of members of the Board of Directors, pursuant to the process established by the Act and by MBC;

- (d) determining the need for a review or audit of the Board and recommending to TB/MBC any changes to the governance or administration of the Board resulting from the review or audit;
- (e) conferring with the Board regarding the selection of the program to be reviewed (value for money audit) pursuant to section 168 of the Act;
- (f) reporting to the Minister of Finance and informing the Auditor General on the progress of the Board in achieving increased sufficiency and reaching sufficiency of the Insurance Fund as required by the Act and O. Reg. 141/12, as amended by O. Reg 383/13, made under the Act.

5.5 Chair

5.5.1 The Chair acknowledges that accountability to the GO means direct accountability to the Minister for the performance of the Board in fulfilling its mandate, and for carrying out the roles and responsibilities assigned to the Chair by the Act, the Board of Directors, applicable TB/MBC Directives and this MOU.

5.5.2 The Chair is the Ethics Executive for members of the Board of Directors except for the President and CEO, pursuant to subsection 62(1), paragraph 3, of the PSOA and subsection 2(2) of O. Reg 147/10 made under the PSOA from a member of the Board, the Chair will notify the Minister of the declaration of conflict of interest or outcome of the disclosure of wrongdoing, where appropriate.

5.5.4 The Conflict of Interest Commissioner is the Ethics Executive for the Chair pursuant to subsection 62(1), paragraph 4, of the PSOA. The Chair will notify the Minister, where appropriate, when he or she declares a conflict of interest or makes a disclosure of wrongdoing to the Integrity Commissioner, with as much information about the conflict or disclosure as may be appropriate in the circumstances. The Chair will notify the Minister, where appropriate, of the conflict or outcome of the disclosure of wrongdoing.

5.5.5 In addition to the responsibilities set out in the Act, the Chair is responsible for:

- (a) monitoring and reporting to the Minister, as requested, on the Board's activities and performance within agreed upon timelines;
- (b) ensuring timely communications with the Minister regarding any issue or event that may affect, or is reasonably expected to concern the Minister in the exercise of his/her responsibilities relating to the Board;
- (c) ensuring that the Board operates within its budget in fulfilling its mandate and achieving and maintaining partial sufficiency and sufficiency of the Insurance Fund

as required by the Act and O. Reg. 141/12, as amended by O. Reg 383/13, made under the Act;

- (d) ensuring the Board's compliance with the Act, this MOU, the PSOA and TB/MBC directives and guidelines specifically identified in Schedule 1 of this MOU as applying to the Board and that the Board delivers its services in a manner consistent with the OPS Service Directive;
- (e) ensuring that all members of the Board of Directors and all Board employees are informed of their responsibilities under the PSOA and the Board's Conflict of Interest Policy for Current and Former WSIB Employees and Members of the Board of Directors dated October 9, 2012 and are aware of their rights and obligations under the PSOA related to political activity and disclosure and investigation of wrongdoing;
- (f) reviewing with the Minister the Board's performance based results included in the Board's statement of priorities on an annual basis;
- (g) cooperating with any review or audit of the Board directed by the Minister or TB/MBC and providing the Minister and the Minister of Finance with a copy of every audit report, a copy of the agency's response to each report, and any recommendations in the report and advising the Minister annually on any outstanding audit recommendations; presentation before Cabinet, the Legislature or Committees of either, on matters affecting or pertaining to the Board;
- (h) at the request of the Minister, preparing material, attending and/or making a presentation before Cabinet, the Legislature or Committees of either, on matters affecting or pertaining to the Board;
- (i) notifying the Minister of any vacancies or upcoming vacancies in appointments to the Board of Directors and proposed competencies of a proposed board member to meet the operational needs of the WSIB.

5.6 Board of Directors

- 5.6.1 The Board of Directors has overall responsibility for governing the Board and shall exercise its powers and perform its duties in a financially responsible and accountable manner. Members of the Board of Directors shall act in good faith with a view to the best interests of the Board.
- 5.6.2 Specifically, the Board of Directors is responsible for the execution of the statutory functions of the Board, including but not limited to setting premium rates to be paid by Schedule 1 employers, establishing policies including policies concerning the premiums payable by employers under the insurance plan, reviewing and approving the annual budget, strategic plan, annual report and investment policies and setting the strategic objectives and direction of the Board.
- 5.6.3 The Board of Directors acknowledges accountability to the GO in the exercise of its mandate is a fundamental principle to be recognized in the Board's operations,

management and administration.

5.6.4 The Board of Directors acknowledges that accountability to the GO means accountability to the Minister through the Chair, for the oversight and governance of the Board, setting goals, objectives and strategic direction for the Board within its mandate, and for carrying out the roles and responsibilities assigned to it by the Act, applicable TB/MBC Directives and this MOU.

5.6.5 In addition to the rights and duties set out in the Act, the Board of Directors is responsible and accountable to the Minister for:

- a) overseeing the management of the financial and other affairs of the Board in accordance with its statutory mandate, strategic plan and business plan in an open, consistent and transparent manner;
- b) ensuring that directors have received sufficient training to carry out their duties.
- c) ensuring that stakeholders are consulted, as appropriate, on the Board's goals, objectives and strategic directions;
- d) setting the goals, objectives and strategic directions for the Board, within its mandate as set out in the Act, GO policies and this MOU;
- e) performing an assessment on a regular basis of the effectiveness of the Board of Directors as a whole and reviewing the performance of individual members, including the Chair and President;
- f) establishing performance measures, targets and management systems for monitoring and assessing the Board's performance and a performance review system for staff;
- g) directing the preparation of, and approving the Board's business plan, annual report, and other reports or reviews for submission to the Minister within the timelines set out in the Act, the AEAD or this MOU;
- h) directing the development of an appropriate risk management framework and a risk management plan and arranging for risk based reviews and audits of the Board as required;
- i) ensuring that conflict of interest rules that have been approved by the Conflict of Interest Commissioner are in place for the members of the Board of Directors and the employees of the Board;
- j) arranging for and cooperating with any review or audit and directing that corrective action on the functioning of the Board or its operations be taken if needed as recommended by any audit;
- k) ensuring that the Board operates consistently with its strategic plan and corporate business plan (AEAD);
- l) ensuring that the Board manages its affairs in compliance with applicable law and applicable TB/MBC directives;
- m) ensuring that the Board uses its funds prudently with integrity, honesty, fairness and effective controllership and only for the business of the Board based on the principle of value for money, and in compliance with applicable legislation and TB/MBC directives;

- n) establishing such committees as may be required to advise the Board of Directors on effective management (including financial management), governance or accountability procedures for the Board.

5.7 Deputy Minister

5.7.1 The Deputy Minister is accountable to the Secretary of Cabinet and the Minister for the performance of the Ministry in respect of this MOU and for carrying out the roles and responsibilities assigned to him or her by the Minister, applicable legislation and TB/MBC directives, and this MOU.

5.7.2 The Deputy Minister is responsible for the following:

- a) advising and assisting the Minister in discharging assigned ministerial responsibility for the Board and advising the Minister on fulfilling the Minister's and Ministry's assigned responsibilities under the MOU and applicable legislation and TB/MBC directives with respect to the Board;
- b) monitoring the activities of the Board on behalf of the Minister, while respecting its independence, to ensure that its mandate is being fulfilled and that it is acting in accordance with applicable government policies;
- c) consulting and meeting with the President as required to discuss issues relating to the effective discharge of the Board's mandate, matters of mutual importance and the Board's compliance with applicable TB/MBC directives;
- d) informing the Minister, the Chair and the President of all TB/MBC directives, guidelines and policies, and decisions of the GO that apply to or may affect the Board, any, conflict of interest rules and that apply to the Board and any new government directives or changes to existing directives that apply to the Board and will amend Schedule 1 accordingly;
- e) ensuring that the Board receives such information and assistance as required or requested to meet its responsibilities under the Act, other relevant legislation, applicable TB/MBC directives and this MOU;
- f) keeping the Minister and the President advised in a timely manner of issues or events that concern the Minister, the President and the Chair in the exercise of their respective responsibilities on matters of mutual importance, and on applicable directives;
- g) undertaking on behalf of the Minister, assessments of whether or not the Board is fulfilling its legislative mandate, identifying any need for corrective action and recommending to the Minister ways to resolve issues that have been identified;
- h) advising the Minister on the requirements of the AEAD, the Government Appointees Directive and other directives that apply to the Board;
- i) recommending to the Minister, as may be necessary, the evaluation or review, including a risk-based review of the Board or any of its programs, or changes to the management framework or operations of the Board, and undertaking such reviews as may be directed by the Minister or TB/MBC;
- j) ensuring that the Ministry and the Board have the capacity and systems in place for on-going risk-based management, including appropriate oversight of the

- Board;
- (k) supporting the Minister in reviewing the performance targets, measures and results of the Board, including its progress in achieving increased sufficiency and reaching sufficiency of the Insurance Fund as required by the Act and O. Reg. 141/12, as amended by O. Reg 383/13, made under the Act;
 - (l) facilitating regular briefings and consultations between the Chair and the Minister and between Ministry staff and Board staff;
 - (m) attesting to TB/MBC as required, on the Board's compliance with the mandatory accountability requirements set out in the AEAD.

5.8 **President**

- 5.8.1 The President is accountable to the Board of Directors, through the Chair, for the management and administration of the Board in a manner consistent with the directions of the Board of Directors.
- 5.8.2 For purposes of the PSOA and O.Reg. 147/10, the President serves as the Chief Executive Officer of the Board and is the Ethics Executive for employees of the Board, other than for persons appointed by the LGIC pursuant to the Act.
- 5.8.3 If the President receives a declaration of conflict of interest or a disclosure of wrongdoing from one of these persons, the President will notify the Deputy Minister, where appropriate, of the disclosure and provide as much information about the disclosure as may be appropriate in the circumstances. The President will notify the Deputy Minister, where appropriate, of any declarations of conflict of interest and the outcome of any disclosures of wrongdoing.
- 5.8.4 The Conflict of Interest Commissioner is the Ethics Executive for the President pursuant to subsection 62(1), paragraph 4, of the PSOA. The President will notify the Deputy Minister, where appropriate, when he or she declares a conflict of interest or makes a disclosure of wrongdoing to the Conflict of Interest Commissioner with as much information about the declaration or disclosure as may be appropriate in the circumstances. The President will notify the Deputy Minister, where appropriate, of any declarations of conflict of interest and the outcome of any disclosures of wrongdoing, which specifically relate to the President.
- 5.8.5 The President is responsible for the following:
- a) managing the operations of the Board in accordance with its mandate, applicable TB/MBC directives, guidelines and policies, accepted business and financial practices, this MOU and report to the Board of Directors through the Chair regarding in year performance;
 - b) supporting the Chair and the Board of Directors in meeting their responsibilities and

advising the Chair and the Board of Directors on the requirements of and compliance with the AEAD as well as other applicable TB/MBC directives; guidelines and policies and Board resolutions, by-laws, rules and policies, and keeping them informed on the implementation of policy and the operations of the Board;

- c) attesting, reporting and responding to TB/MBC and the Deputy Minister on the Board's compliance with applicable TB/MBC directives;
- d) keeping the Minister, the Deputy Minister, the Chair and Board of Directors advised on issues or events that may concern them in the exercise of their respective responsibilities, including informing them on the progress and achievement of annual performance targets and achieving increased sufficiency and reaching sufficiency for the Insurance Fund as required by the Act and O. Reg. 141/12, as amended by O. Reg 383/13, made under the Act;
- e) providing leadership, guidance and management to the Board staff, including human and financial resources management and procurement, in accordance with accepted business and financial practices, the Act, applicable TB/MBC directives, guidelines and this MOU, and ensuring staff are aware of and comply with applicable TB/MBC directives and guidelines;
- f) monitoring and reporting on the Board's in-year operational performance (including program operations) and annual performance to the Board of Directors through the Chair;
- g) developing, implementing and ongoing monitoring of an effective performance measurement and management system for the Board under the direction of the Chair and preparing for approval by the Board of Directors, a performance review system for staff and implementing the system;
- h) establishing appropriate systems and controls so that the Board operates within its approved strategic plan and corporate business plan and in compliance with the Act, this MOU and Board corporate policies;
- i) ensuring proper conduct of the financial business of the Board in accordance with applicable Ministry of Finance controllership directives, policies and guidelines.
- j) translating the goals, objectives and strategic directions of the Board into operational plans and activities in accordance with the Board's approved strategic plan and corporate business plan;
- k) applying policies and procedures so that Board funds are used with integrity, honesty and due regard to economy and efficiency, and establishing and applying a financial management framework for the Board that is transparent and demonstrates good value-for-money;
- l) ensuring that the Board has the oversight capacity and an effective oversight framework in place for monitoring its management and operations, in particular, an appropriate risk management framework and risk management plan in place as directed by the Board of Directors;
- m) establishing a system for the creation, collection, maintenance and disposal or records and of record retention of formal Board documents and for making such documents publicly available when appropriate, for complying with the *Freedom of Information and Protection of Privacy Act*;
- n) undertaking timely risk-based reviews of the Board's management and operations

and cooperating with a periodic review directed by the Minister or TB/MBC pursuant to the AEAD.

6. GOVERNANCE

- 6.1 The Chair is appointed by the LGIC on the recommendation of the Premier and the members of the Board of Directors are appointed by the LGIC on the recommendation of the Minister pursuant to section 162 of the Act. The President is appointed by the LGIC on the recommendation of the Minister in consultation with the Chair pursuant to subsection of 162(2) of the Act. Pursuant to subsection 162(3) of the Act, persons appointed by the LGIC receive their remuneration, benefits and reimbursement for reasonable expenses from the Board solely in accordance with the terms and conditions of the Orders in Council issued by the LGIC.
- 6.2 The Board will have an audit committee of the Board of Directors, known as the Audit and Finance Committee, to perform such functions as:
- a) advising the Board of Directors on financial and other reporting practices and internal controls;
 - b) monitoring financial performance;
 - c) ensuring that appropriate checks and balances are in place to provide oversight with regard to the quality and integrity of financial reporting;
 - d) ensuring the fair presentation of the financial position and results of operations of the Board in accordance with International Financial Reporting Standards ("IFRS");
 - e) ensuring that appropriate systems and controls are maintained for the proper recording of transactions and assets; and
 - f) fulfilling any other responsibilities relating to financial administration as may be delegated to it by the Board of Directors.
- 6.3 Pursuant to section 169 of the Act, the Board shall prepare audited financial statements. The AEAD applies to the audit performed under subsection 169(1). In compliance with this Directive, the annual external audit must provide consolidated financial statements prepared in accordance with IFRS.
- 6.4 The financial statements must present the financial position, results of operations and changes in the financial position of the Board for its most recently completed financial year. The Chair will provide to the Minister audited financial statements and will include them as part of the Board's annual report. The Chair will also provide the Minister and the Minister of Finance with a copy of any communication of matters identified during the financial statement audit and the Board's response to the auditor's recommendations therein.
- 6.5 This paragraph applies with respect to an auditor licensed under the *Public*

Accountancy Act to be appointed by the LGIC under subsection 169(1) of the Act to audit the financial statements of the Board for each financial year. Prior to the end of the contract term for which an auditor is to be appointed to perform the audit, the Board shall provide the Minister with the recommendation of the Office of the Auditor General concerning the appointment. The Board shall also provide a report to the Minister identifying and describing any known or perceived conflicts of interest that may impede the objectivity of the recommended auditor in performing the assignment.

- 6.6 The Chair shall provide the Minister with a copy of any report from an audit of the Board conducted pursuant to paragraph 6.3 of this MOU for the Minister's review and comment before the audited financial statements are publicly released. The Board will also provide a copy of its response to the audit report and any recommendations therein. The Chair shall advise the Minister annually of any outstanding audit recommendations.
- 6.7 The Chair may request an external audit of the financial transactions or management controls of the Board at the Board's expense. Regardless of any external audit, the Minister may direct that the Board be audited pursuant to the AEAD.
- 6.8 The Ministry and the Board agree to develop performance metrics to assess the performance of programs established under their respective statutory mandates. These performance metrics; are intended to support evidence-based decision-making by the Ministry and the Board under their respective mandates. The Ministry and the Board agree to share these performance metrics with each other where specified by this agreement and where otherwise requested.
- 6.9 The Board is bound by any applicable legislation such as the *Public Sector Salary Disclosure Act, 1996*, the *Public Sector Expenses Review Act, 2009* and the *Public Sector Compensation Restraint to Protect Public Services Act, 2010*, the *Broader Public Sector Accountability Act, 2010* and any applicable TB/MBC directives, guidelines or policies or other GO policies that impose limitations, restrictions, conditions or other requirements on compensation, including reimbursement of expenses for Board staff, senior officers and members of the Board of Directors.

The *Financial Administration Act*, the *Archives and Recordkeeping Act, 2006* and the *Emergency Management and Civil Protection Act* do not apply to the Board.

- 6.10 As specified by MBC, TB/MBC Corporate Directives and Guidelines identified in Schedule 1, which is attached to and forms part of this MOU, apply to the Board. As a classified trust agency of the GO, the Board is further required to establish practices and make decisions respecting the administration of the Board that are consistent with the principles of those TB/MBC directives and guidelines that do not directly apply to it. The Board is responsible for complying with all directives, policies and guidelines to which it is subject.

Conflict of Interest

- 6.11 The Board has adopted its own conflict of interest rules, instead of the rules in the PSOA. The Board's rules are set out in the document entitled; "Conflict of Interest Policy for Current and Former WSIB Employees and Members of the Board of Directors" ("the Policy") dated October 9, 2012. The Board shall provide the Ministry with copies of its conflict of interest policies as amended from time to time.
- 6.12 Consistent with MBC's "Government Appointees" Directive (dated May 1, 2011), if the Chair, President or other member of the Board of Directors declares a conflict of interest, the declaration must be recorded in the minutes of the meetings of the Board of Directors and the Minister must be notified of the nature of the conflict.
- 6.13 The Board shall have policies and education processes in place to assist management and employees in understanding, identifying and addressing real, perceived, potential conflict of interest in a timely and comprehensive manner.
- 6.14 All members of the Board of Directors shall provide a declaration to the Chair on an annual basis confirming that they have reviewed the Board's conflict of interest policies and have complied with them.
- 6.15 The Chair shall provide a declaration to the Ministry on an annual basis confirming that all members of the Board of Directors have filed declarations of compliance by the end of the fiscal year, December 31. This declaration shall be posted on the Board's public website.

7. REPORTING REQUIREMENTS

Strategic Plan and Business Plan

- 7.1. As required by subsection 166(2) of the Act, the Board must give the Minister:
 - i) a strategic plan setting out its plans for the next five years;
 - ii) an annual statement setting out its proposed priorities for administering the Act and the Regulations; and
 - iii) an annual statement of its investment policies and goals.
- 7.2 For the purposes of paragraph 7.1(i), the Board shall prepare a comprehensive 5-year

strategic plan every three years beginning in 2017. In the years where no comprehensive strategic plan is required, the Board shall update the existing strategic plan as appropriate and extend it by one year.

- 7.3 Despite the paragraph 7.2, the Board shall prepare a new comprehensive 5-year strategic plan, beginning a new three-year cycle as described above, where:
- i) the Minister requests that a new comprehensive strategic plan be prepared, or
 - ii) there is a significant change in circumstances that requires a new comprehensive strategic plan.
- 7.4 For purposes of paragraph 7.1(i), the Board shall provide the strategic plan to the Minister no later than September 30 of the year prior to the year in which the plan becomes effective.
- 7.5 For purposes of paragraph 7.1(ii), the Board shall provide the annual statement to the Minister at least 30 days before the beginning of the Board's fiscal year to which it applies and for the purposes of paragraph 7.1(iii), the Board shall provide the statement to the Minister no later than December 15th of the year before which it applies.
- 7.6 In order to ensure that the Board strategies and operational plans are aligned with the Ministry's direction, representatives of the Board shall meet with the Chief Administrative Officer of the Ministry, the Chief Prevention Officer and the Assistant Deputy Ministers of Operations, and Policy and Dispute Resolution Services to review the strategic plan, described in paragraph 7.1(i), and to provide information related to the annual statement, described in paragraph 7.1(ii), immediately following approval of the plan and statement by the Board of Directors.
- 7.7 For the purposes of the AEAD, the Board's strategic plan and annual statement setting out the priorities referred to in paragraph 7.1 shall constitute the Board's annual Corporate Business Plan and Budget and shall include, at the minimum, the following components:
- i) Mandate of the Board;
 - ii) Strategic direction of the Board;
 - iii) Assessment of issues facing the Board (environmental scan);
 - iv) Resources needed to meet the Board's goals and objectives;
 - v) Proposed operating and capital expenditures, projected revenues and funding requirements;
 - vi) Performance measures, including performance goals and targets, how they will be achieved and outcomes, including those pertaining to the quality of client service and the Board's response to complaints;
 - vii) Reporting on the achievement of objectives set out in the business plan; and viii) A risk management framework and a risk management assessment and plan.

- 7.8 Further to subsection 166 (4) of the Act:
- i) For the purposes of paragraph 7.1, the Minister will advise the Board of GO priorities for inclusion in the plans and statements of the Board.
 - ii) If the Board is of the opinion that the inclusion of the government and ministry priorities in the plans of the Board would be in conflict with the best interests of the Board or the roles and responsibilities of the Board of Directors, the Board shall advise the Minister of the conflict.

Annual Report

7.9 As required by section 170 of the Act, the Board must submit an annual report to the Minister for submission to the LGIC and tabling before the Legislature. The Board shall provide the annual report to the Minister within 120 days of the Board's fiscal year end. The Chair will ensure that the annual report is posted on the Board's public website after it has been tabled in the Legislature.

7.10 The annual report of the Board will include:

- i) signed, audited financial statements prepared on a consolidated basis with audit attestation;
- ii) financial note disclosure that the consolidated financial statements of the Board include the accounts of the Board and its subsidiaries, prepared in accordance with IFRS;
- iii) performance measures, outcomes and client service assessments;
- iv) annual research priorities and research findings relating to workplace insurance matters, including the incidence of workplace injuries, fatalities and occupational disease and the promotion of occupational health and safety;
- v) any other subject specified in the statement of annual priorities; and vi) any other matter required by the AEAD.

Actuarial Valuation of the Insurance Fund

7.11 Each year, no later than September 30, the Board will provide the Minister with a copy of the report of the Board's actuaries on the actuarial valuation of the Insurance Fund for the previous year.

Sufficiency of the Insurance Fund

7.12 Pursuant to subsection 96 (2) of the Act, the Board shall maintain the Insurance Fund to pay for current and future benefits to workers employed by Schedule 1 employers

and the survivors of deceased workers; to pay the expenses of the Board and the cost of administering the Act, and to pay other required costs.

- 7.13 The Board shall maintain the sufficiency of the Insurance Fund as required by the Act and in accordance with the timelines and targets for sufficiency that are prescribed in O. Reg. 141/12, as amended by O. Reg 383/13.
- 7.14 The Board has developed and implemented the sufficiency plan required under subsection 96.1(1) of the Act and, following approval by the Board of Directors, submitted the sufficiency plan to the Minister on June 30, 2013. Thereafter, the Board shall report on the progress of the sufficiency plan and the status of the Unfunded Liability ("UFL") in its quarterly and annual reports and at such other times as the Minister may specify pursuant to subsection 96.1(5) of the Act. The Board shall also report on any other matters specified by the Minister at such times as the Minister may determine. After the review of the sufficiency plan by the Minister, the Board shall post the sufficiency plan on its public website.
- 7.15 Pursuant to subsection 96.1(3) and subject to any prescribed restrictions, the Board may revise the sufficiency plan and shall submit any revisions to the Minister. In submitting any revisions to the Minister, the Board agrees to provide a rationale for the revisions made to the sufficiency plan.
- 7.16 If the Minister determines that the Board is unlikely to meet a prescribed sufficiency requirement by the date specified in O. Reg. 141/12, as amended by O. Reg 383/13, the Minister may appoint an actuary or an auditor, as the Minister considers most appropriate, to review the sufficiency of the Insurance Fund, the Board's sufficiency plan made under subsection 96.1(1) and the WSIB's implementation of that sufficiency plan. The Board will co-operate with and give full assistance to the actuary or auditor is conducting the review.

Audit and Review Requirements

- 7.17 The Board shall refer to the Minister the selection of the appropriate program that is to be reviewed (value for money audit) under subsection 168(1) of the Act. Upon completion of the review, the Board shall submit the report to the Minister. If the Minister determines, under subsection 168(2) that a review of a particular program is required, the Minister will notify the Board of the program selected for review..
- 7.18 Pursuant to subsection 9(4) of the Auditor General Act (Ontario), the Board is subject to a periodic review and value for money audit by the Auditor General of Ontario ("AG"). In recognition that the AG is an officer of the Legislature and that the Minister is accountable for the Board in the Legislature, the Chair agrees to notify the Minister when the Board is audited by the AG and to provide the Minister with the Board's proposed

response to the audit prior to the Board submitting it to the AG.

Statement of Investment Policies and Procedures

7.19 Pursuant to subsection 166(3) of the Act, the Board shall give the Minister an annual statement of its investment policies and goals on an annual basis for review and comment.

7.20 The Board will manage its investments and its administrative expenditures so that in the event of a possible conflict between the Board's investment goals and its administrative goals, the options are fully explored and the Board of Directors makes a fully-informed decision to ensure the maximum benefit from, and for all of, the Board's assets.

If the Board of Directors makes a decision referenced above, the existence and the nature of the conflict and the resulting decision will be fully disclosed in the minutes of the Board of Directors meeting and communicated to the Minister.

8. ADMINISTRATIVE ARRANGEMENTS

8.1 The Board is responsible for the provision of its own administrative and organizational support services, such as financial administration, human resources services, telecommunications services, internal audit, accommodation and communications and marketing. The Board shall acquire and maintain its own Information Management and Information Technology infrastructure.

8.2 Under subsection 159(3) of the Act, the Board may employ such persons as it considers necessary for its purposes. Board staff are employees of the Board pursuant to subsection 159(3) of the Act and are accountable to the Chair and the President. Employees of the Board are public servants under the PSOA and are subject to those parts of the PSOA relating to conflict of interest, political activity and the mechanisms for disclosures of wrongdoing.

Pursuant to subsection 1(1) of the *Crown Employees Collective Bargaining Act, 1993* (CECBA), employees of the Board are Crown employees for the purposes of the CECBA.

8.3 The Board is responsible for the provision of its own legal services. The Board shall employ or retain, as appropriate, its own legal counsel. For greater certainty, lawyers employed by the Board are its employees and are not employees of the Ministry of the Attorney General. The Board's retention of private sector counsel is not subject to the Ministry of the Attorney General's "Operating Policy on Acquiring and Using Legal Services".

- 8.4 The Chair, President and members of the Board of Directors are appointed by the LGIC pursuant to subsection 162(1) of the Act. The Board of Directors may delegate in writing a power or duty of the Board to a member of the Board of Directors or to an officer or employee of the Board pursuant to section 164 of the Act and may impose conditions and limitations on the delegation.
- 8.5 The Board's formal process for responding to complaints about the quality of services received by its clients is separate from any statutory authority to reconsider and hear appeals of the Board's adjudicative decisions. This process will be consistent with the customer/client service quality provisions in the AEAD. The Board shall establish and administer customer service standards that are consistent with the OPS Service Directive and the OPS Common Service Standards.
- 8.6 It is acknowledged that the Board has established the Fair Practices Commission as an independent, neutral and confidential organizational ombudsman to address complaints about the quality and fairness of services received by workers, employers and service providers consistent with the GO's service quality standards

8.7 Procurement (Acquisition of Goods, Consulting and Non-Consulting Services)

- 8.7.1 The Board is subject to the TB/MBC Procurement Directive and Procurement Directive on Advertising, Media, and Public Relations and Creative Communication.

In acquiring supplies, equipment or services, the Board is required to comply with the TB/MBC Procurement Directive, dated October 2012, as it applies to "Other Included Entities", as defined in that Directive, as may be amended from time to time. The Board shall ensure that its procurement policies, processes and procedures do not conflict with the mandatory sections which apply to "Other Included Entities". Where the Directive does not require an open competitive procurement process; the Board shall use a process that promotes the best value for money.

- 8.7.2 The Board is subject to Ontario's Trade Agreements (OTAs) and must ensure that its procurement policy reflects the requirements of the OTAs as appropriate. The Trade Agreements apply to the acquisition of goods valued at over \$25,000 and services and construction valued at over \$100,000.
- 8.7.3 The President shall ensure that the Board administers its record management system, including the development of appropriate policies related to information security, consistent with the principles contained in TB/MBC Management of Recorded Information Directive, Information and Information Technology Directive, Information and Information Technology Security Directive, the *Archives and Record Keeping Act, 2006*, and other relevant legislation and directives.

8.8. Third Party Agreements

- 8.8.1 Pursuant to section 159 of the Act, the Board is a body corporate that has the powers of a natural person which includes the legal capacity to enter into contracts.

The Board is authorized to enter into inter-jurisdictional agreements and information sharing agreements as specified in section 159. Pursuant to subsection 159(12) of the Act information sharing agreements between the Board and any party, other than the Ministry, are subject to LGIC approval. The Board agrees to provide the Ministry with any necessary information and documentation by the deadline specified by the Ministry in order to facilitate the Ministry's submission of proposed information sharing agreements to Cabinet for LGIC approval.

- 8.8.2 In order to administer the affairs of the Board and fulfill its statutory mandate, the Board has entered into agreements with third parties, including but not limited to, commercial agreements for the supply of goods and services, insurance coverage and professional or expert assistance as well as agreements with other governments or governmental entities as authorized pursuant to section 159.
- 8.8.3 Further to subsections 159 (7)- (11) of the Act and consistent with section 11 of this MOU (Information Exchange and Consultations), to assist the Minister in achieving consistency in intra-governmental and inter-governmental affairs, the Chair will advise the Minister prior to the Board entering into formal negotiations with respect to an agreement to which those subsections apply. In addition, prior to the Board seeking LGIC approval of an agreement subject to subsections 159(8) and (9), the Chair shall provide a copy of the final agreement to the Minister for the Minister's review.

8.9 Liability Insurance

- 8.9.1 Pursuant to subsection 179(2) of the Act, the Board and not the Crown is liable for acts or omissions referred to in subsection 179(1) done or omitted by a person described in paragraph 1, 4, 5, or 6 of subsection (1). The Board is not covered by any of the Government of Ontario's insurance policies or its self-insurance program known as the General and Road Liability Protection Program. The Board shall obtain its own insurance for purposes of any liability it may have pursuant to subsection 179(2).
- 8.9.2 The Board has and shall maintain adequate and appropriate insurance coverage that would be necessary and appropriate for a prudent person in the business of the Board. The Board shall regularly review its insurance coverage and may change its coverage from time to time as it may determine to be appropriate.

8.10 Intellectual Property

- 8.10.1 The Board shall manage its intellectual property in a manner consistent with the principles set out in the Managing, Distributing and Pricing government Information (Intellectual Property) Directive. In particular, the Board shall,
- a) manage intellectual property assets efficiently, effectively and consistently; (b) make intellectual property available for use outside the Board when such use conforms to the mandate of the Board or the purpose of the intellectual property;
 - c) provide access to intellectual property fairly and equitably; and
 - d) protect intellectual property through its development and lifespan.

The President is responsible for ensuring that the legal, financial and other interests of the Board or the GO in intellectual property are protected in any contract that the Board may enter into with a third party that involves the creation of intellectual property

8.11 Other Legislation

- 8.11.1 The Board, though not yet designated under the *Emergency Management and Civil Protection Act* ("EMPCA"), will adopt standards respecting emergency management and business continuity during an emergency that are consistent with the MBC's Ontario Public Service Emergency Management and Security Directive and its Business Continuity Planning/Continuity of Operations Planning Operating Policy. The Board will ensure that its emergency management and business continuity plans are consistent with the Ministry's Emergency Plan mandated by the EMPCA, including the Ministry's Business Continuity Plan. Therefore, the Board and the Ministry agree to develop and maintain necessary mutual arrangements as may be required to ensure continuity of the Board's services in the event of an emergency as defined in the EMCPA.
- 8.11.2. The Chair is the "Head" of the WSIB for the purposes of the *Freedom of Information and Protection of Privacy Act*. Where the Board reports a privacy breach to the Information and Privacy Commissioner, the Chair or delegate shall inform the Deputy Minister and provide such information about the breach, as may be appropriate in the circumstances.

9. FINANCIAL ARRANGEMENTS

- 9.1 Under the Act, the Board has the legal authority to raise funds directly from employers and invest these funds in accordance with the investment rules for pension funds set out in the *Pension Benefits Act*. The Board's revenue is derived from premiums paid by Schedule 1 employers, administrative fees paid by Schedule 2 employers, investment income, penalties and interest charged. The Board does not receive any funds from the GO.

9.2 Pursuant to applicable law where the Board is required to do so, the Board will charge and collect the Harmonized Sales Tax. The Board will receive any rebates it may be entitled to directly from the Government of Canada.

9.3 The Board will submit to the Ministry of Finance its salary information according to the *Public Sector Salary Disclosure Act, 1996*.

9.4 Real Property

9.4.1 The AEAD requires prior TB/MBC and Cabinet approval to establish or incorporate subsidiaries of existing agencies and to acquire a controlling interest in a subsidiary corporation. The Board is exempted from the application of this requirement where, as a matter of prudent investment practice, the subsidiary is established exclusively for investment purposes.

Where a direct or indirect investment relates to an investment in real property, which includes a disposition of real property, the exemption only applies if the real property is not to be occupied by the Board or a subsidiary thereof.

For purposes of this paragraph, "subsidiary" means a non-operating corporation whose shares are wholly owned by the Board. For greater certainty, a "non-operating corporation" means a corporation that is a passive entity holding the investment and does not undertake any active business nor has any employees.

The exemption is conditional on the Board of Directors being accountable and responsible for the Board's:

- i) incorporation and use of subsidiary corporations, participation in joint ventures, syndicates, partnerships or other entities and acquisition of a controlling interest in subsidiary corporations;
- ii) recording of detailed information as to all holdings; and
- iii) providing any information respecting the Board's interest in these entities to the Minister, the Minister of Finance or TB/MBC on request.

9.4.2 The Minister and the Board agree that for the purposes of subsection 159(6) of the Act, approval of the LGIC is required for the acquisition or disposal of real property only if the Board occupies or intends to occupy the real property either directly or indirectly. For greater certainty, LGIC approval is not required where the Board acquires or disposes of real property exclusively for investment purposes.

9.4.3 Prior to the end of every calendar year, the Board shall provide the Ministry with an

inventory of its leasehold and other real property interests. This inventory shall identify the following: (i) all real property which is owned or leased by the Board for its own (i.e. occupancy) purposes and such other information regarding those real property interests as the Minister may request; and (ii) any new leasehold interests and renewals/extensions into which the Board will enter in the prospective year.

- 9.4.4 The Board shall inform the Ministry when it intends to enter into a new leasehold interest or renew or extend an existing leasehold interest (for occupancy purposes) either through the annual submission of its real property inventory, or as necessary in writing.
- 9.4.5 The Board shall implement and maintain corporate policies and procedures, regarding the acquisition and disposition of real property by the Board which are approved by the Board of Directors. These policies and procedures shall be consistent with the intent and policy and operational principles of MBC's 2013 Realty Directive.

9.5 Costs of OHSA Administration and Enforcement

- 9.5.1 Section 22 of the OHSA allows the GO to recover from the Board an amount up to the full cost of administering the OHSA, known as a "legislated obligation". The Board will pay the full annual cost of administering the OHSA. The Ministry will advise the Board of monthly payments that the Board will make upon approval of a new Order in Council each year.
- 9.5.2 For the Board's forecasting and planning purposes:
- I. the Ministry shall advise the Board each year of the Ministry's initial forecast of the full cost of administering the OHSA, including estimated costs relating to OHSA administration, the Workplace Safety and Insurance Advisory Program administration, the OWA, the OEA and the WSIAT; and
 - II. the Ministry shall provide the Board with quarterly financial forecasts.

The Board shall not disclose the information described in section 9, except the information to which the Ministry specifically consents for the purposes of enabling the Board to develop and publish the Board's annual business plan.

If the Board receives an access request under Part II of the FIPPA for the information described in paragraphs 9.5.1 and 9.5.2 of this agreement, the Board agrees that it will transfer the request to the Ministry within fifteen (15) days of receipt of the request.

- 9.5.3 Under subsection 173(6) of the Act, the operating costs of the Workplace Safety and Insurance Appeals Tribunal (WSIAT) are expenses of the Board. The Minister requires:

- (i) The Chair of the WSIAT to submit an annual business plan for the Minister's review and approval; and
 - (ii) The Ministry to review the submission to ensure there is coherence in the strategic outcomes and consistency in the business assumptions dealing with dispute resolution, adjudication and appeals of claims under the Act.
- 9.5.4 Under subsection 176(3) of the Act, the Board pays the full costs incurred by the Office of the Employer Adviser (OEA) and the Office of the Worker Adviser (OWA) in performing their functions. The budgets of the OEA and the OWA are developed as part of the Ministry's results-based planning process approved by Treasury Board.

10. PROMOTION OF OCCUPATIONAL HEALTH AND SAFETY AND PREVENTION OF WORKPLACE INJURIES AND FATALITIES

- 10.1 Pursuant to its statutory mandate "to promote health and safety in workplaces", the Board recognizes that it is a key partner in the occupational health and safety system. The relationship between the partners in the occupational health and safety, system is premised on the common goal of establishing safe workplaces in the province, promoting health and safety in workplaces, and preventing or reducing workplace injuries and occupational disease.
- 10.2 The Ministry and the Board shall fulfill their respective mandates to prevent injury and occupational disease and promote occupational health and safety in a manner that is consistent and collaborative with the other party.
- 10.3 Pursuant to sections 82 and 83 of the WSIA, the Board may develop experience rating, merit-based and other incentive programs to encourage the prevention and reduction of workplace injuries and occupational disease and return to work.
- 10.4 When requested to do so by the Board, the Ministry will, in a timely manner, provide advice and information to the Board, regarding the development, implementation, and administration of incentive programs established under the OHSA by the Ministry. When requested to do so by the Ministry, the Board will, in a timely manner, provide advice and information to the Ministry, regarding the development, implementation and ongoing administration of experience rating and other Board incentive programs established under the WSIA.
- 10.5 The Board agrees to inform and consult with the Ministry if it intends to fund research relevant to the Ministry's mandate. The Board agrees to share the results of this research with the Ministry.

11. INFORMATION EXCHANGE AND CONSULTATIONS

11.1 INFORMATION EXCHANGE

11.1.1 The Minister and the Chair recognize that timely and accurate information exchange and effective consultation are essential to discharging their respective responsibilities and in particular are critical for:

- i) the Minister's overall accountability for the Board in the Legislative Assembly;
- ii) the Minister's awareness of significant financial or policy issues relating to the Board's operations;
- iii) the effective exercise and coordination of their respective mandates to promote health and safety in workplaces;
- iv) the Board's capacity to align its corporate policy and operational initiatives with the strategic direction of the GO and the Ministry, and to conduct annual budget planning;
- v) the Minister's responsibility for taking legislative and regulatory changes to Cabinet, while providing the Board with sufficient notice of pending legislative change; and
- vi) the Chair to be kept informed of GO and Ministry initiatives and broad policy directions that may affect the Board's mandate and functions.

11.1.2 The Board, at the request of the Minister or the Deputy Minister, shall supply specific data and other information that may be required from time to time for the purpose of administering Ministry legislation.

11.1.3 Prior to meetings of the Board of Directors, the Board will provide the Minister with notice of Board meetings. The Board will provide the Minister with the minutes of the meeting (subsequent to approval by the Board of Directors) and notification of any Board decisions.

11.1.4 Consistent with the Minister and Chair's agreement that the timely exchange of accurate information regarding financial matters, program operations, policy issues, research findings or related strategies is an important part of information exchange, Ministry and Board staff will share information with each other in a timely fashion and will meet as required to discuss matters or issues that are of interest to, or require the

other's attention, including, but not limited to those that may:

- i) have significant impact on clients or stakeholders;
- ii) have a significant financial or operational impact on the workplace health, safety and insurance system;
- iii) raise questions in the Legislature;
- iv) require reports to Cabinet, any committee or sub-committee of Cabinet, or other relevant government agencies;
- v) raise questions in the media.

11.2 CONSULTATIONS

11.2.1 The Minister will consult with the Board on proposals to amend the Act and proposals regarding LGIC made regulations. The Board will consult with the Minister regarding any proposed Board made regulations under the Act prior to the Board of Directors approving the regulation. The Minister will provide information on proposed amendments to the OHS Act and regulations made under that Act as may be appropriate. The Ministry will also consult with the Board on the proposed coming into force date for proposed legislative and regulatory amendments in order to facilitate the Board's implementation of any proposed amendments.

11.2.2 Prior to the public release of any Board policy proposals that could require legislation or regulatory amendments, the Board will consult on and review the policy proposals with the Minister. Prior to the public release of any consultation/discussion papers by the Board, the Board will provide a copy of the paper to the Minister.

11.2.3 Pursuant to section 183 of the Act, the Board may make regulations under the WSIA with the approval of the LGIC. Following approval by the Board of Directors, the Board shall submit any proposed regulations to the Minister for a decision to recommend approval by the LGIC.

11.2.4 The Minister and the Chair may establish a working group composed of representatives from the Board, the Ministry and other system partners, as required to assist in addressing specific matters concerning financial, policy and governance through consultation and information sharing.

12. COMMUNICATIONS AND MARKETING; ISSUES MANAGEMENT

12.1 The Ministry and the Board will consult on one another's communication and marketing strategies and publications and co-operate to ensure consistent and coordinated communications to stakeholders and the public.

12.2 The Board shall give the Minister notice and a consultation plan with supporting materials sufficiently in advance of stakeholder consultations. The Board will share the

outcomes of the consultations with the Minister as soon as possible after the consultations are completed.

13. EFFECTIVE DATE, TERM, REVIEW AND AMENDMENT

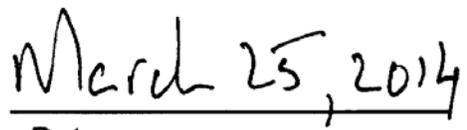
- 13.1 This MOU to be executed by the Minister and the Chair on behalf of the Board becomes effective on the date when they both have signed it (the "Effective Date"). It shall remain in effect for a period of five (5) years from that date unless earlier amended or replaced. If not amended or replaced, this MOU must be renewed or revised before it expires. It shall remain in effect until superseded by a new MOU that is executed by the parties.
- 13.2 Either the Minister or the Chair may initiate amendments to this MOU in writing to the other. This MOU and any revisions to it must be approved by the Board of Directors and the Minister. The MOU may only be replaced or amended in writing, with the signed approval of the Minister and the Chair.
- 13.3 This MOU shall be reviewed upon the written request of either party. A full review of this MOU will be conducted immediately in the event of a significant change to the Board's mandate, powers or governance structure as a result of an amendment to the Act.
- 13.4 Pursuant to the requirements of the AEAD, this MOU is to be in effect for not more than five years from the date it is signed by the Minister of Labour. In the event of an appointment of a new Minister or Chair, the MOU must be affirmed by the Minister and the Chair for continuance, or alternatively, the MOU may be revised. A copy of the letter of affirmation between the Minister and Chair must be provided to the Secretary of the Management Board of Cabinet within six months of the new Minister of Chair commencing his or her position.

14. SIGNATURES

This Memorandum of Understanding has been signed by the Minister and the Chair on behalf of the Board as of the Effective Date.



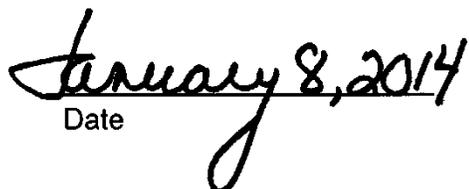
The Honourable Yasir Naqvi
Ministry of Labour



Date



Elizabeth Wittmer
Chair, Workplace Safety and Insurance Board



Date

SCHEDULE 1

APPLICATION OF MANAGEMENT BOARD OF CABINET DIRECTIVES AND GUIDELINES

Pursuant to paragraph 6.10 of this MOU, the Board is subject to the following MBC Directives and Guidelines:

MBC Directives

- i) Agency Establishment and Accountability
- ii) Government Appointees
- iii) Accountability Directive
- iv) Enhancing Privacy: Computer Matching of Personal Information v)
Freedom of Information and Privacy
- vi) Advertising Content Directive
- vii) Procurement Directive on Advertising, Media and Public Relations and Creative Communication
- viii) Procurement Directive
- ix) Travel, Meal and Hospitality Expenses Directive
- x) Disclosure of Wrongdoing Directive (Management Board of Cabinet, August 20, 2007)
- xi) Ontario Public Service Emergency Management and Security Directive and Business Continuity Planning/Continuity of Operations Planning Operating Policy (The Board is subject to these Directives only after it is designated under the *Emergency Management and Civil Protection Act*.)
- xii) Perquisites Directive
- xiii) Corporate Policy on Protection of Personal Information Directive
- xv) French Language Services Directive
- xvi) Proposed Crown Right and Intellectual Property Right Directive
- xvii) Visual Identity Directive
- xviii) 2013 Realty Directive (as reflected in paragraph 9.4.5)

MBC Guidelines

- Guide to Multiple Formats for Communications
- Guidelines for Implementing the Procurement Provisions of the *Ontarians with Disabilities Act, 2001*
- OPS Service Standards

The Board is not expressly subject to the following guidelines but it agrees to make policies that are consistent with their intent and principles:

- Business Recordkeeping
- Employment Policy
- Attendance Management
- OHS and Workplace Harassment and Violence