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Main points

The Department of Labour administers programs and delivers services that impact Saskatchewan citizens in the workplace. This chapter focuses on two areas that the Department must manage well to achieve its objectives and fulfill its responsibilities.

First, we describe the follow-up of our 2002 audit of the Department's Occupational Health and Safety Division. The Department, through this Division, pursues different programs to help make workplaces safe. Some of these include workplace occupational health committees. Our audit recommended changes in how the Department uses occupational health committee minutes to enforce the role of committees in controlling workplace hazards. Our follow-up assessed the Department's response to our recommendations up to March 2003. The Department has introduced changes that should correct the matters that led to our recommendations.

Second, we describe our planned audit of the Department's processes to assist injured workers who seek help with their claims for compensation from the Workers' Compensation Board. The Department provides this assistance through staff called worker's advocates.

To fulfill its mandate, the Department needs to effectively provide this assistance to workers. If the Department does not, injured workers may not receive timely benefits.

We expect the Department to have processes to:

- ◆ develop its capacity to assist workers;
- ◆ manage the requests for assistance it receives; and
- ◆ monitor its performance and adjust its processes.

We plan to report the results of this audit in Volume 3 of our 2003 Report to the Legislative Assembly.

Introduction

The Department of Labour administers programs and delivers services that impact Saskatchewan citizens in the workplace. In this chapter, we focus on two areas that the Department must manage well to achieve its objectives and fulfill its responsibilities. These involve the Department's Occupational Health and Safety Division and the Office of the Worker's Advocate.

In the first part of this chapter, we describe the follow-up of our 2002 audit recommendations involving the Department's Occupational Health and Safety Division. The Department, through this Division, pursues different programs to help make workplaces safe. Some of these include workplace occupational health committees. In our audit, we assessed how the Department uses occupational health committee minutes to enforce the role of committees in controlling workplace hazards. In this chapter, we describe actions the Department has taken in response to our recommendations.

In the second part of this chapter, we describe our planned audit of the Department's processes to assist workers who seek help with their claims for compensation from the Workers' Compensation Board.

Monitoring workplace health—a follow-up

The Department of Labour uses a system of self-monitoring in workplaces to help make workplaces safe. This workplace responsibility system places the duty for creating and maintaining a safe and healthy workplace on everyone in the workplace. Each is responsible to the degree that they have the authority and duty to act. Occupational health committees are key mechanisms to promote worker involvement and shared responsibility for workplace health and safety. Working together on these committees, employers and workers participate in the identification and control of workplace hazards.

In Chapter 12 of our 2002 Spring Report, we reported the results of our audit of the Department's use of the minutes of these committees. We reported that the Department monitors occupational health committee minutes to help determine whether committees effectively carry out their role. We concluded that in 2001 the Department adequately used minutes

to enforce the role of occupational health committees, except that the Department was not consistent in its assistance and intervention to ensure that committees helped to control workplace hazards.

In our 2002 Report, we recommended that the Department:

- ◆ improve its processes to respond consistently to occupational health committees that request assistance;
- ◆ improve its processes to identify occupational health committees that do not conduct workplace safety inspections regularly; and
- ◆ take consistent action when occupational health committees in high-risk workplaces do not submit timely minutes or do not respond to repeated requests from the Department.

On October 22, 2002, the Standing Committee on Public Accounts agreed with these recommendations.

In 2003, we evaluated the Department's response to these recommendations. The following describes the steps the Department has taken up to March 2003.

Using committee minutes more effectively

Responding to requests

Occupational health committees sometimes use minutes to request the Department's assistance. In our 2002 Spring Report, we noted that the Department responded to virtually all requests for assistance that committees made through their minutes. The Department expected, and continues to expect, that it will respond to all such requests.

The Department has introduced processes that highlight committee requests for assistance and confirm that requests have been dealt with. Following the new processes should reduce the chance of a request not being addressed.

Workplace safety inspections

The Department provides guidance to occupational health committees. This guidance stresses the importance of regular inspections of the workplace. The purpose of these inspections is to identify health and safety concerns.

In our 2002 Spring Report, we noted that the Department did not monitor whether committees carry out inspections. We found that the Department did identify committees that repeatedly reported no concerns. Because most workplaces have some health or safety concerns, this failure to report concerns can point to a committee that does not adequately inspect the workplace at regular intervals. We recommended that the Department improve how it identifies committees that do not regularly carry out inspections.

The Department has revised its processes to ensure it provides specific written guidance to committees that may not be carrying out regular inspections. The employer and the committee are warned that the absence of concerns may indicate that the committee is not adequately inspecting the workplace. After a committee has been given this specific guidance, if the committee persists in reporting no concerns, an occupational health officer is required to contact the workplace directly regarding the adequacy of internal inspections. These changes should improve the Department's performance in identifying committees that do not conduct regular inspections.

Inactive committees in high-risk workplaces

Occupational health committees sometimes submit minutes late. Sometimes they do not submit them at all. Minutes are the primary way that the Department can tell whether the self-monitoring system is functioning as it should. Thus, failure to submit minutes is a serious issue, especially for high-risk workplaces.

In our 2002 Spring Report, we noted that the Department had processes to contact occupational health committees that repeatedly failed to submit timely minutes or that did not respond to the Department's inquiries. We found that the Department was not consistent in its treatment of these committees.

The Department has changed its policies and processes to promote a more consistent response to these committees. The new processes preserve the flexibility of occupational health officers to respond to unique workplace situations. Under the changes, the Department requires occupational health officers to take specific steps unless exceptional circumstances exist. If a workplace continually fails to submit timely minutes or respond to the Department's inquiries, an occupational health officer is obliged to contact the workplace directly. The Department's changes should promote more consistent treatment of workplaces.

Summary

The Department's changes in the three areas described above will help to ensure that the self-monitoring system is working as it should. The effective functioning of this system is particularly important for high-risk workplaces. We noted that the Department's senior management does not yet receive reports that help it evaluate the effectiveness of the system. However, the Department is currently developing a number of reports through its Labour Information Network System, known as LINKS. We encourage the Department to continue to actively seek ways to monitor and evaluate the effectiveness of the system, particularly in high-risk workplaces.

The Department has introduced changes that should address the matters that led to our recommendations. In the future, the Department should be able to monitor occupational health committees more effectively using minutes.

Assisting workers to claim compensation

The Department of Labour assists injured workers who seek help with their claims for compensation from the Workers' Compensation Board (WCB). In this part, we describe the audit that our Office will complete during 2003. The audit will assess the Department's processes for assisting injured workers with their claims for compensation.

When people in Saskatchewan are injured at work, they (or their dependents) may be entitled to compensation under Saskatchewan's workers' compensation system. The system provides for financial

protection, medical benefits, and rehabilitation services for people with work-related injuries.

The WCB administers the workers' compensation system. It decides whether a worker will receive compensation for an injury, and the amount and nature of the compensation. When a worker disagrees with a decision of the WCB, the worker may have up to three opportunities to appeal the decision. The worker may appeal, in the following order, to:

1. an appeal committee within the WCB;
2. the three-member Board of the WCB; and
3. an external Medical Review Panel in situations where the worker's medical professional disagrees with the WCB Board's decision.

The Department of Labour has a role in the workers' compensation system. Under *The Workers' Compensation Act, 1979*, the Minister of Labour appoints worker's advocates to assist workers with their claims for compensation from the WCB.¹ Worker's advocates assist workers with their appeals. Because the worker's advocates are employees of the Department, they are independent of the WCB. The Department employs nine staff in this area, including six worker's advocates. For the year ending March 31, 2003, the Department expects to spend about \$538,000 to provide worker's advocate services, excluding accommodation and other administrative costs.²

Service delay

To fulfil its mandate, the Department needs to effectively manage the assistance it provides to injured workers who wish to appeal WCB decisions. If the Department does not provide adequate assistance, injured workers or their dependents may not receive timely benefits from the WCB.

In Saskatchewan, workers who seek assistance from the Department are waiting an unreasonable length of time to receive assistance. During April 2003, the Department assisted workers who had waited 25 months for

¹ Section 161(3).

² Saskatchewan Finance, *Estimates 2002-03*.

help with their appeal.³ This delay, and the resulting backlog of workers seeking assistance, is a long-standing problem.⁴

It is unclear the extent to which the delay in service in Saskatchewan stems from within the Department. However, it is clearly important for the Department to effectively manage the assistance it provides to workers.

Our audit and criteria

In 2003, we will assess whether the Department of Labour has adequate processes to assist workers (or their dependants) who seek help with their claims for compensation from the WCB. We will examine the processes used by the Department at August 31, 2003.

Our criteria describe the key processes that we expect the Department to use to assist injured workers. To identify the criteria, we reviewed relevant literature, reports of other auditors, and the practices of worker's advocates in other jurisdictions. The Department of Labour agreed with these criteria.

The criteria are summarized in the Exhibit and described in additional detail in the following section.

Exhibit—Audit criteria

To assist workers with their claims for compensation from the Workers' Compensation Board, the Department should:

1. Develop capacity to assist
 - 1.1 ensure staff have appropriate knowledge and skills
 - 1.2 establish timely access to key information
 - 1.3 seek necessary financial resources
 - 1.4 allocate resources to maximize capacity
2. Manage requests for assistance
 - 2.1 set expectations for providing assistance
 - 2.2 determine eligibility of requests for assistance
 - 2.3 assign requests to expedite assistance

³ Source: Department of Labour.

⁴ See, for example, the Committee of Review's *2001 Report*, which traced the existence of the same problem back to the mid-1980s.

3. Monitor performance and adjust processes
 - 3.1 analyze performance
 - 3.2 modify processes to improve performance

Our expectations for assisting workers with their claims

Develop capacity to assist

We expect the Department to develop its capacity to assist workers. Documenting the necessary competencies would help the Department to hire and retain staff with those competencies. We anticipate that the Department would also provide relevant training to the staff to meet present and future needs.

To provide assistance, the Department requires information from workers, the WCB, and medical professionals. We anticipate that the Department monitors whether it has timely access to this information. Assigning responsibility for monitoring access to information would enable problems to be addressed promptly.

The Department requires resources to provide timely assistance to injured workers. We anticipate that the Department would estimate the resources it needs to help workers with new requests for assistance, as well as to clear any backlog of outstanding requests for help. We expect the Department to have a plan to carry out its mandate even if it does not immediately receive the resources it needs. We expect the Department to allocate its resources to maximize its ability to assist workers.

Manage requests for assistance

We expect the Department to effectively manage the requests for assistance it receives from workers. We expect the Department to clearly tell its staff the steps that it expects them to take to provide assistance. We anticipate that the Department would also set out the level of performance it expects.

When the Department receives requests for assistance, we expect it to decide whether the requests are eligible for assistance. To evaluate requests consistently, we expect the Department to use eligibility criteria.

Then we expect the Department to assign eligible requests to its staff so as to provide assistance as quickly and effectively as possible. This means the Department would consider how it can organize and assign requests. For example, the Department might decide it can provide optimum assistance by assigning requests based on the type of injury.

Monitor performance and adjust processes

We expect the Department to monitor how well it provides assistance to injured workers. To do this, senior management would regularly analyze performance reports that compare results to planned levels of service (targets). For example, the performance reports could show the proportion of workers who did not receive assistance within target time frames.

We anticipate that if the Department's performance does not meet its service expectations, the Department will identify the main reasons. The Department would then actively revise its processes or work with other agencies to remove barriers to better service. We expect the Department would promptly inform staff of any new processes and the reasons for the change.

Next steps

We will use the criteria described in this chapter to carry out our audit of the Department's processes to assist workers who seek help with their claims from the WCB. We plan to report the results of this audit in Volume 3 of our 2003 Report to the Legislative Assembly.

Selected resources

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