Institute for Work & Health

PROMOTING A CULTURE OF OCCUPATIONAL HEALTH AND SAFETY

ANNUAL REPORT 2014

2014

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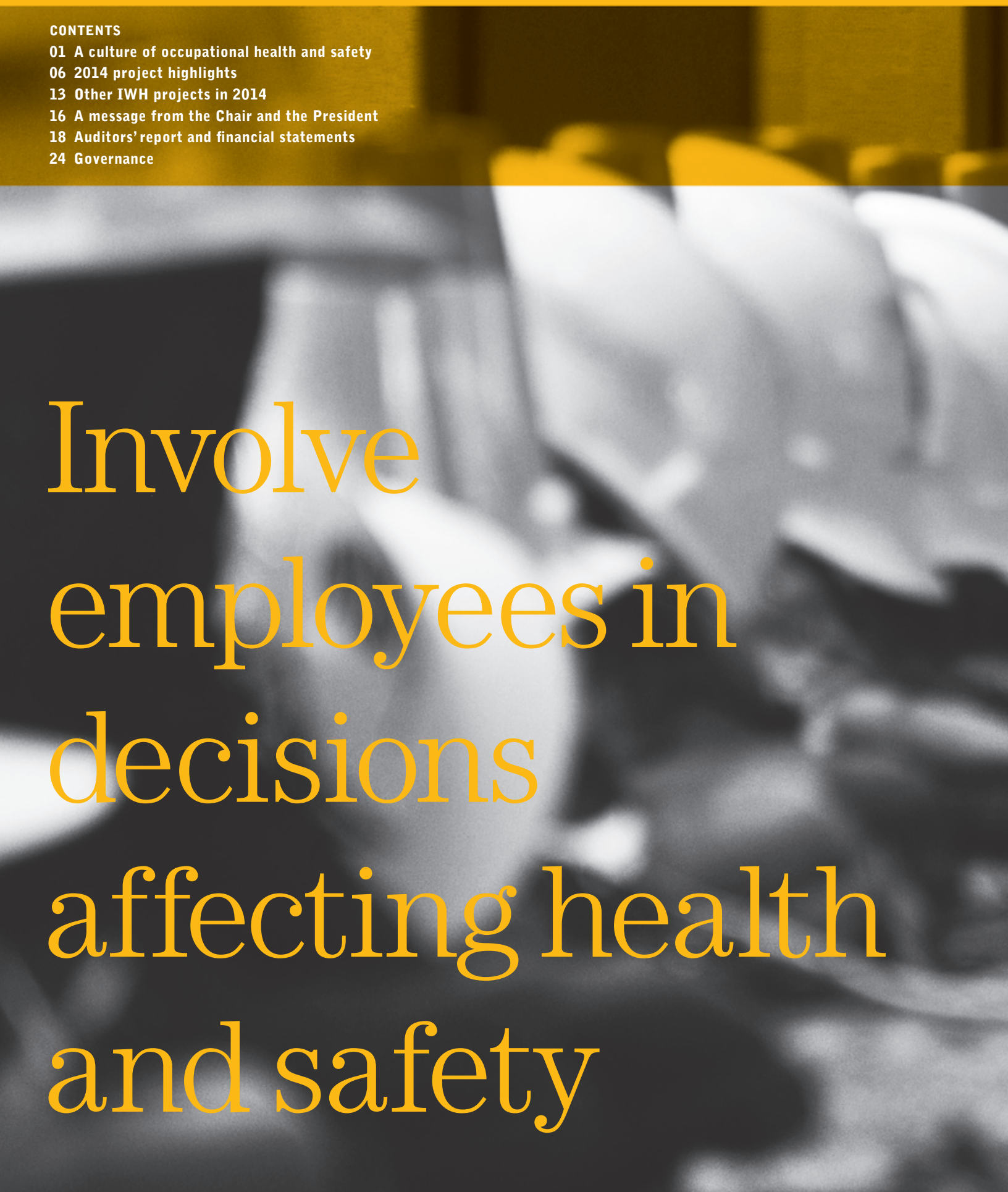
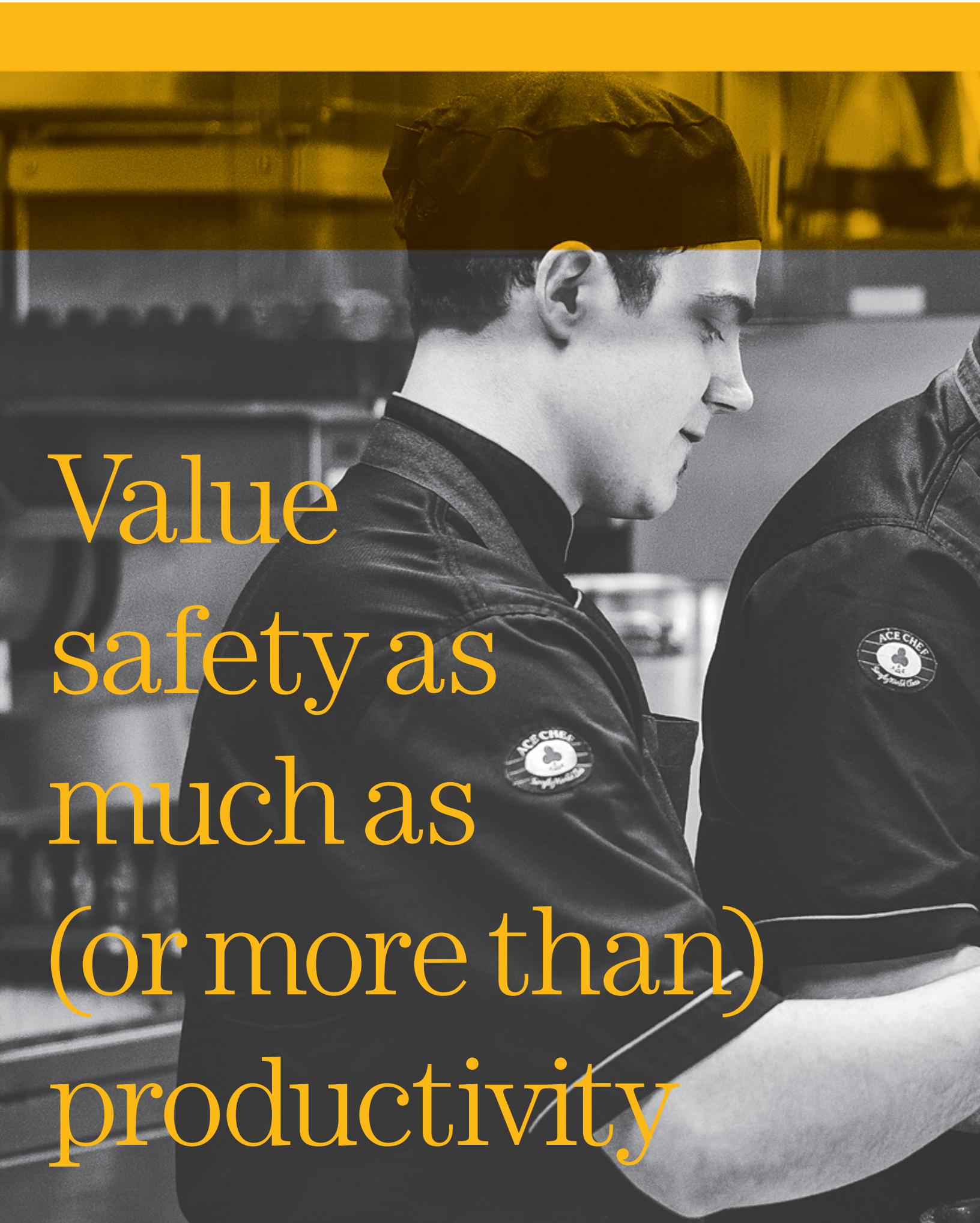
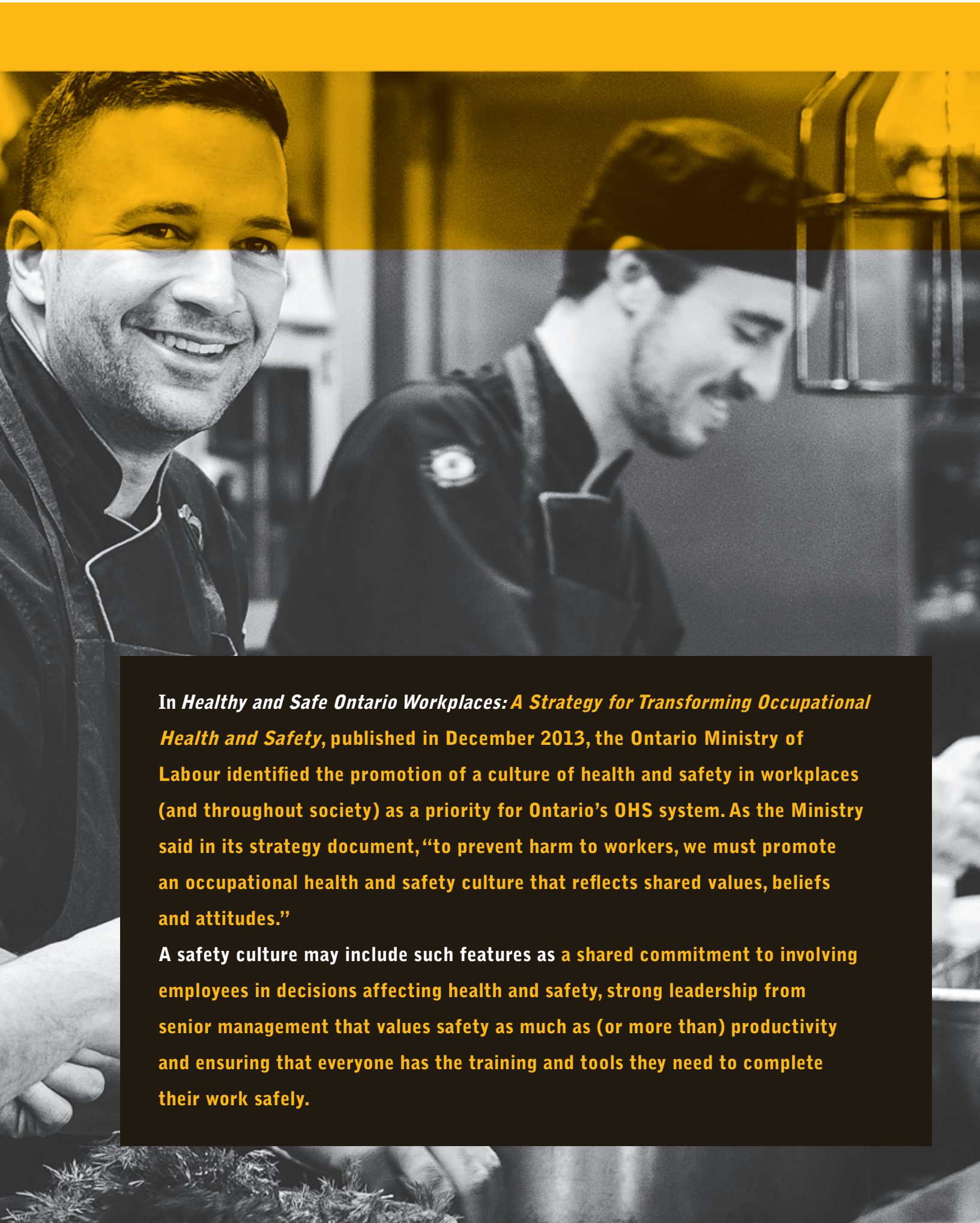


Involve employees in decisions affecting health and safety

A culture of occupational health and safety (OHS) exists when a set of shared values and beliefs about health and safety in the workplace leads to sound practices for the prevention of work injury and illness.



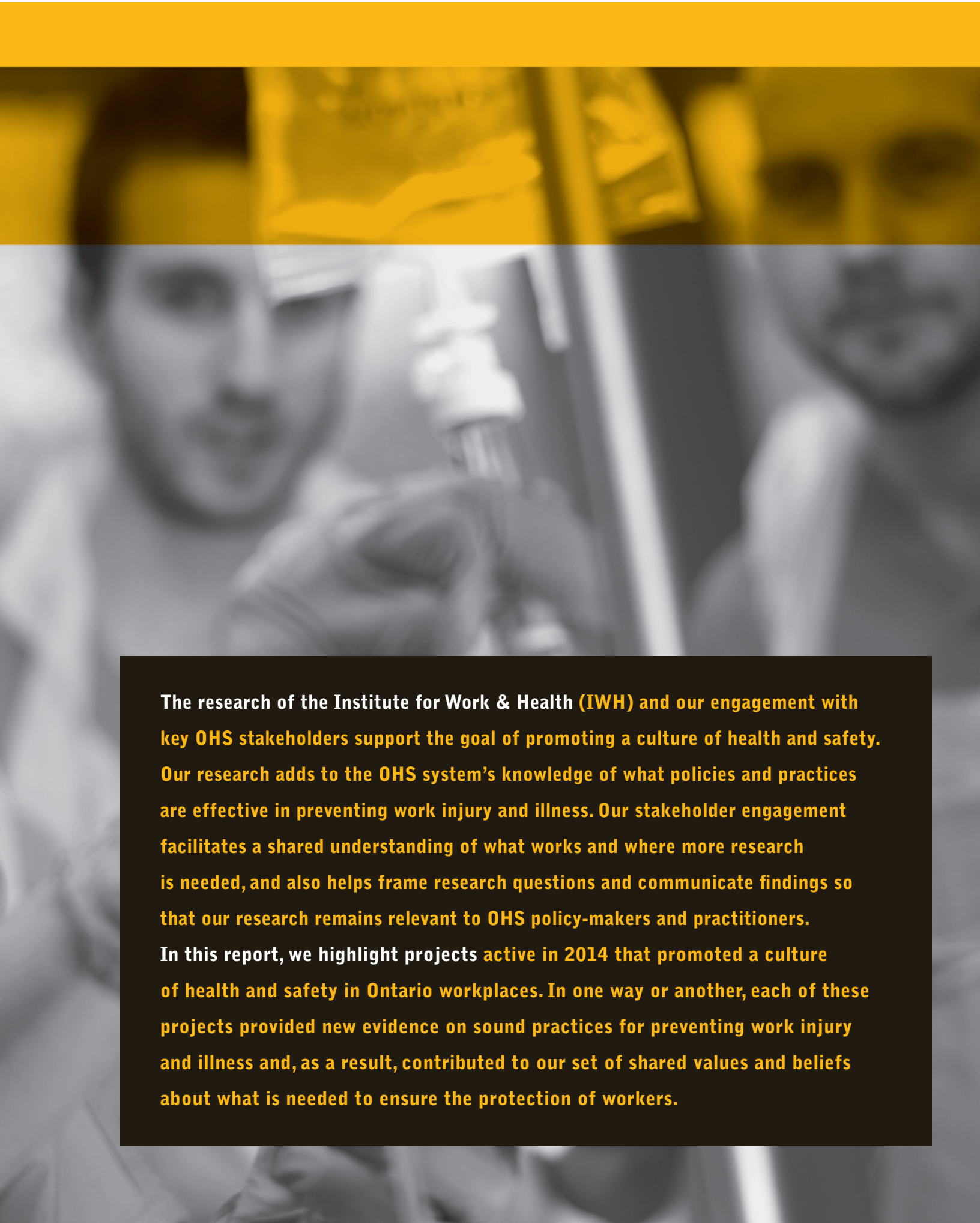
Value safety as much as (or more than) productivity



In *Healthy and Safe Ontario Workplaces: A Strategy for Transforming Occupational Health and Safety*, published in December 2013, the Ontario Ministry of Labour identified the promotion of a culture of health and safety in workplaces (and throughout society) as a priority for Ontario's OHS system. As the Ministry said in its strategy document, "to prevent harm to workers, we must promote an occupational health and safety culture that reflects shared values, beliefs and attitudes."

A safety culture may include such features as a shared commitment to involving employees in decisions affecting health and safety, strong leadership from senior management that values safety as much as (or more than) productivity and ensuring that everyone has the training and tools they need to complete their work safely.


Ensure
workers have
the training
and tools
to work safely



The research of the Institute for Work & Health (IWH) and our engagement with key OHS stakeholders support the goal of promoting a culture of health and safety. Our research adds to the OHS system's knowledge of what policies and practices are effective in preventing work injury and illness. Our stakeholder engagement facilitates a shared understanding of what works and where more research is needed, and also helps frame research questions and communicate findings so that our research remains relevant to OHS policy-makers and practitioners.

In this report, we highlight projects active in 2014 that promoted a culture of health and safety in Ontario workplaces. In one way or another, each of these projects provided new evidence on sound practices for preventing work injury and illness and, as a result, contributed to our set of shared values and beliefs about what is needed to ensure the protection of workers.

Leading indicators of OHS performance

Leading indicators are measures expected to predict future outcomes. As such, OHS leading indicators point out to the workplace parties where they can make changes to improve OHS performance before injuries or illness occur. IWH work on leading indicators of OHS performance continued in 2014, led by Senior Scientist Dr. Ben Amick, Associate Scientific Director and Senior Scientist Dr. Sheilah Hogg-Johnson, Scientist Dr. Lynda Robson and Associate Scientist Dwayne Van Eerd.

A key element of the 2014 work was evaluating the validity of the IWH Organizational Performance Metric (IWH-OPM), an eight-item tool designed to quickly assess an organization's OHS performance. The team collaborated with five health and safety associations in Ontario—Workplace Safety and Prevention Services (WSPS), Workplace Safety North (WSN), Public Services Health and Safety Association (PSHSA), Occupational Health Clinics for Ontario Workers (OHCOW) and Infrastructure Health and Safety Association (IHSA)—to contact and resurvey 630 firms that had been involved in earlier IWH-OPM research in 2009.

Using data from the Workplace Safety and Insurance Board (Ontario's workers' compensation provider), the 2014 research linked firms' 2009 IWH-OPM results to their injury claims rates three years later. The researchers found preliminary evidence that IWH-OPM scores are predictive of future workers' compensation claims rates (i.e. better scores in 2009 coincided with lower claims rates three years later).

IWH researchers also went into the field in 2014, conducting case-study research that showed higher IWH-OPM scores reflect better OHS practices in the workplace. The researchers also interviewed OHS decision-makers about their use of IWH-OPM benchmarking information to improve OHS performance.

Research on the IWH-OPM is only one part of a larger effort to measure and validate leading indicators—called the Ontario Leading Indicators Project (OLIP). The IWH-OPM is one of five measurement tools that make up the OLIP survey, and work is currently ongoing to assess whether this larger survey also has—or which parts of it also have—predictive ability when it comes to workers' compensation claims.

Other work involving the IWH-OPM and OLIP also got underway in 2014. Dr. Chris McLeod, an associate scientist at IWH and an assistant professor at the University of British Columbia School of Population and Public Health, launched a research project using the IWH-OPM in private long-term care facilities in B.C., with a plan to expand the project to include organizations in the service and manufacturing sectors. IWH Scientist Dr. Curtis Breslin is using OLIP survey data to investigate the relationship between OHS practices specifically related to new workers and firm size.

Breakthrough change in OHS performance

Dr. Lynda Robson's project on "breakthrough change"—large and intentional improvement in a workplace's rate of injury and illness—continued in 2014. The research focused on the factors critical to turning around poor OHS performance and resulted in a model of breakthrough change.

This model was illustrated in four case studies, each telling the story of a firm that went from being a poor to a good OHS performer and identifying the factors critical to its success. A clear theme emerging from the case studies is the importance of a source of OHS knowledge in supporting an OHS leader in improving health and safety in the organization.

The case studies were added to the list of IWH's evidence-based tools. They are designed to be used in workplaces as the basis for discussions and brainstorming among

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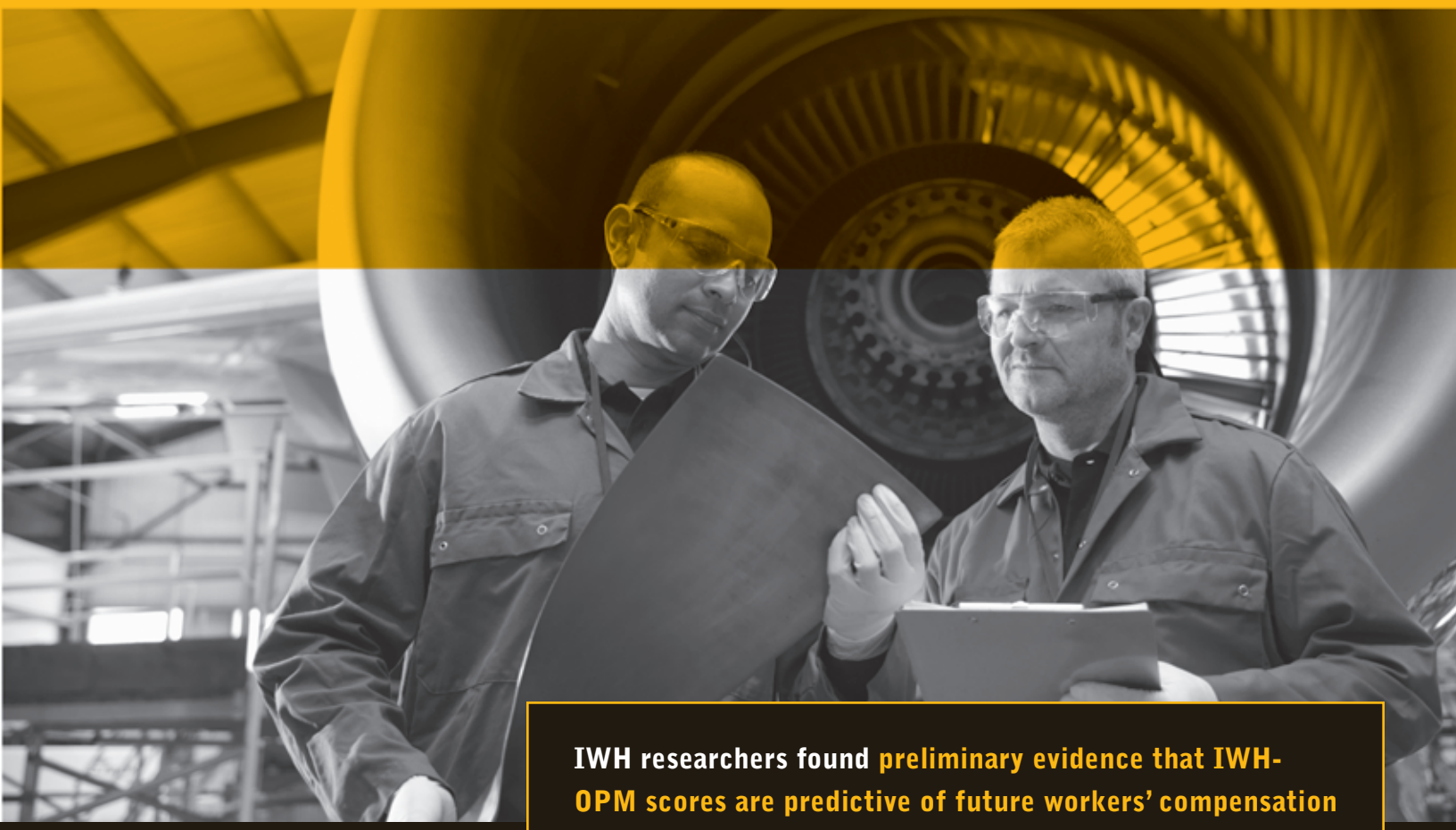
THE YEAR IN NUMBERS / PEOPLE

62 TOTAL STAFF (50 FULL-TIME, 12 PART-TIME)
38 ADJUNCT SCIENTISTS
06 PHD STUDENTS / **03** POST-DOCTORAL APPOINTMENTS
02 COMPLETED PHDs



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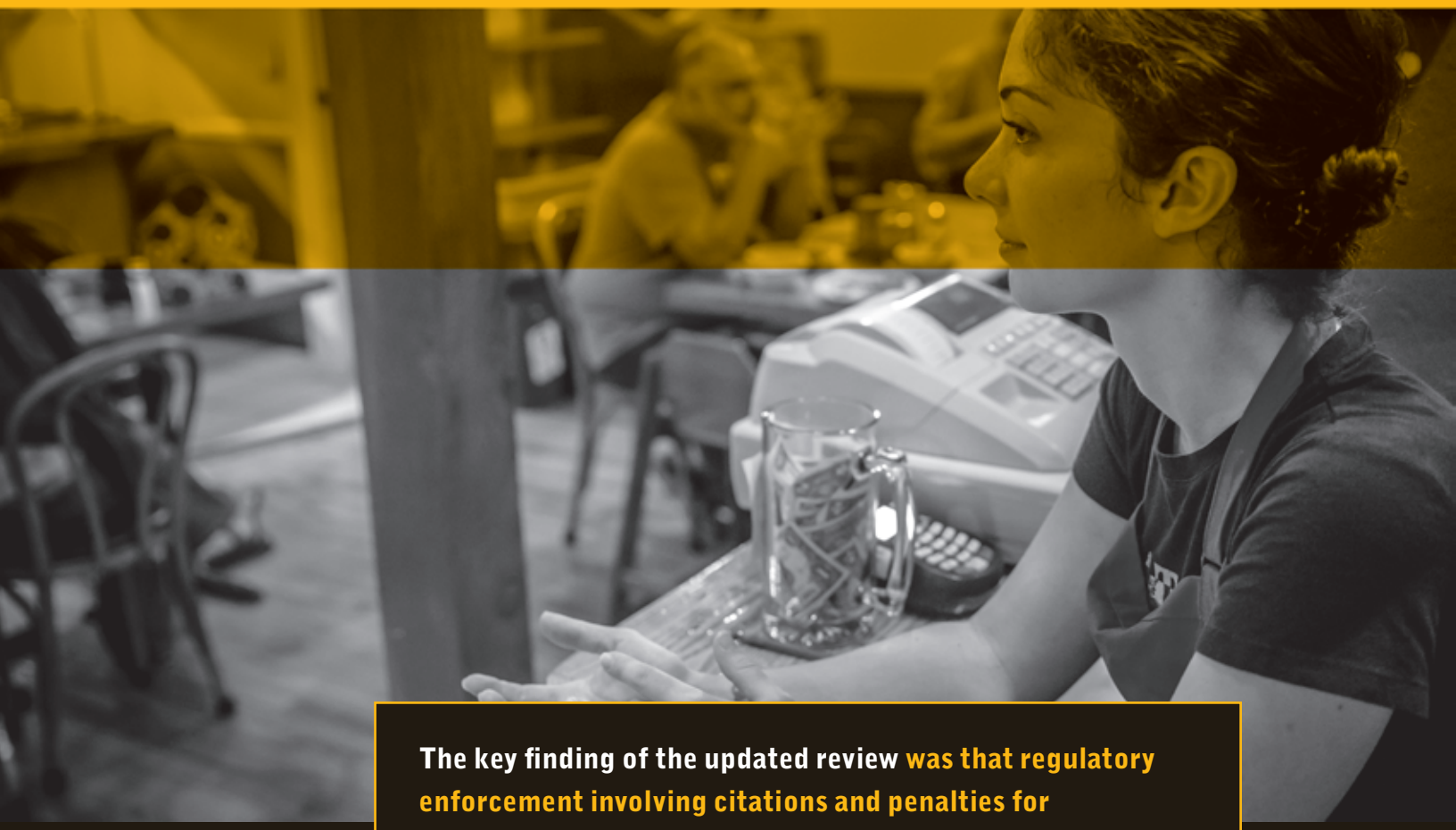
LEADING INDICATORS



The key finding of the updated review was that regulatory enforcement involving citations and penalties for infractions is associated with subsequent improvements in the health and safety outcomes of inspected workplaces.

REGULATORY ENFORCEMENT

management teams, OHS leaders and joint health and safety committees about ways to make large and sustainable improvements in health and safety.

A measure of OHS vulnerability

IWH Scientist Dr. Peter Smith has been leading research to develop and test a measure of worker OHS vulnerability that moves beyond worker characteristics to focus instead on the factors that underlie the risk of injury or illness for individual workers. In early 2014, Dr. Smith and his team tested a 64-item measure in a sample of approximately 300 workers. Based on the results of that survey, the instrument was reduced to 29 questions covering four dimensions: work hazards, workplace policies and practices, awareness of OHS issues and empowerment.

Using these dimensions, the research team defined vulnerability as arising when workers are exposed to hazards in combination with inadequate workplace policies and procedures and/or low OHS awareness and/or a workplace culture that discourages workers' participation in injury prevention. This instrument was then administered in June 2014 to 1,800 workers in Ontario and British Columbia. The results showed vulnerability is significantly more prevalent among those in non-permanent employment relationships and those working in smaller workplaces.

Work on the vulnerability measure is continuing in 2015. The survey is being readministered in both provinces to see if the mandatory awareness training that took effect in Ontario in July 2014 has had an impact on workers' perceptions of vulnerability to occupational health and safety risks.

Prevention of musculoskeletal disorders

In 2014, a team led by Dwayne Van Eerd, Director of Research Operations Emma Irvin (who also heads IWH's Systematic Review Program) and Dr. Ben Amick completed a systematic review update on the effectiveness of workplace-based intervention programs to prevent and manage musculoskeletal disorders (MSDs) of the upper extremity (i.e. hands, arms and shoulders). The review found strong evidence of a beneficial effect for workplace-based resistance exercise training programs. The team emphasized that strong research evidence is only part of evidence-based practice, which also incorporates the knowledge and experience of practitioners (e.g. occupational health and safety professionals) and end users (e.g. workers).

Systematic reviews on OHS regulatory enforcement

In 2007, IWH conducted a systematic review on the effectiveness of OHS regulatory enforcement as an incentive for firms to focus on health and safety issues. In 2013 and 2014, a team led by Senior Scientist Dr. Emile Tompa updated this review. The key finding of the updated review was that regulatory enforcement involving citations and penalties for infractions is associated with subsequent improvements in the health and safety outcomes of inspected workplaces.

A related systematic review, begun in 2014 and led by Adjunct Scientist Dr. Ellen MacEachen, is looking at the conditions and processes of enforcing OHS regulation. This review focused on challenges that inspectors face when enforcing health and safety laws in the context of workplace psychosocial health issues, non-standard work or work performed though complex supply chains.

Interventions to improve return to work

Researchers at IWH carried out a systematic review of workplace-based return-to-work (RTW) interventions in 2004. That research led to the development of our popular guide, *Seven "Principles" for Successful Return to Work*. Since the guide's publication, the research literature on RTW has grown substantially. Therefore, in partnership with the Institute for Safety, Compensation and Recovery Research (ISCRR) in Australia, IWH is updating this systematic review and broadening its

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THE YEAR IN NUMBERS / FUNDING & PROJECTS

$4,690,370 PROVINCE OF ONTARIO FUNDING
$2,364,932 RESEARCH GRANT AND OTHER FUNDING
52 ACTIVE RESEARCH PROJECTS
101 PAPERS PUBLISHED OR IN PRESS / **10** EXTERNAL GRANTS AWARDED

scope, going beyond workplace-based interventions to include system-level policy or program changes as well.

The review, led at IWH by Dr. Ben Amick and Emma Irvin, will facilitate the integration of research evidence into the development of RTW policies and programs at workplace and system levels. In doing so, it will improve the effectiveness of these policies and programs in reducing work disability, improving recovery and returning injured workers to employment. The team completed the review of the quantitative workplace-based literature in 2014. A review of the qualitative literature is beginning in 2015.

Supervisors and return to work

Whether a person successfully comes back to work after an injury often depends on his or her supervisor. The supervisor's willingness to modify the job can make a difference in whether the injured worker quickly returns to his or her prior level of productivity, or goes back on leave due to deteriorating health. Dr. Vicki Kristman led a research project conducted jointly with the U.S. Liberty Mutual Research Institute for Safety (LMRIS) to look at what shapes the willingness of supervisors to offer job accommodations. The work involved a survey completed by about 800 supervisors in Canada and the U.S. from a range of industries.

Dr. Kristman's team found that supervisors' attitudes toward accommodation are influenced in part by how they do their work and in part by factors related to the overall workplace. Supervisors who enjoy more job autonomy are more likely to support work accommodations, as are those with a more empathetic leadership style. At the organizational level, workplaces that tend to be caring and that have formal disability management policies also tend to have more supervisors who support accommodation. Dr. Kristman is now working with LMRIS to study the effectiveness of training on supervisors' support for job accommodation.

OHS knowledge users

Knowledge transfer and exchange (KTE) is a process of exchange between researchers and stakeholders designed to make relevant research information available and accessible to stakeholders for use in practice, planning and policy-making. At IWH, KTE is integrated into the research process: stakeholders help us identify research questions that are relevant to their work and help us communicate findings in ways that are useful to policy-makers and practitioners. As well, stakeholders often help shape our research strategies and sometimes even participate as members of research teams.

The practice of KTE should also be informed by research, and Dwayne Van Eerd has led several recent projects in this area. In 2014, he examined the use of research within Ontario's OHS prevention system. This involved a survey of almost 700 OHS knowledge users, as well as interviews and focus groups.

Most of those who participated in the survey reported that using research to inform their work is important to them, and that they have the motivation and the skills to find and evaluate research. They also reported that they consistently search multiple sources for credible research to use and share. However, the responding OHS knowledge users also noted that lack of time is their greatest barrier to acquiring, assessing, adapting and applying research.

Older workers

As the average age of the Canadian workforce increases, policy-makers and employers are increasingly interested in facilitating the continued employment of older workers. Two IWH projects that began in 2014 are looking at aspects of this issue.

Associate Scientist Dr. Ivan Steenstra is leading a project to synthesize the literature on the participation of older

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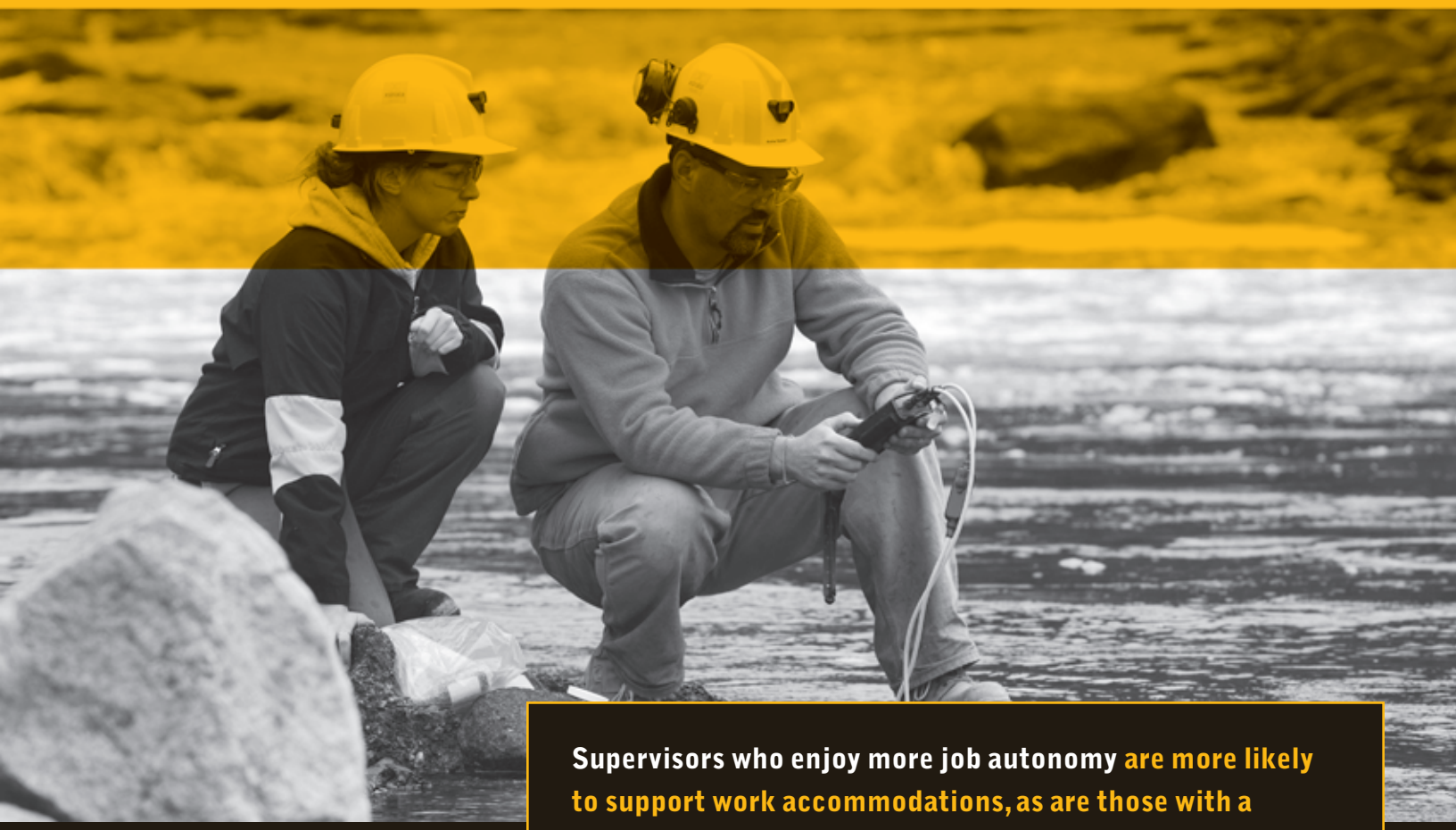
THE YEAR IN NUMBERS / STAKEHOLDER ENGAGEMENT

76 PROJECT ADVISORY COMMITTEE MEETINGS
10 FORMAL STAKEHOLDER NETWORKS
153 FORMAL STAKEHOLDER NETWORK MEMBERS



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EMPATHETIC LEADERSHIP

workers in the workforce. His aim is to identify factors that predict their likelihood of working or not after work injury, as well as interventions that would help older workers maintain employment. Work to complete this analysis is continuing into 2015.

Associate Scientific Director and Senior Scientist Dr. Monique Gignac is leading research on aging and chronic or episodic health conditions, with a focus on workers 50 to 67 years of age (the "baby boomers") with arthritis and/or diabetes compared to those with no disabling health conditions. Using a specially designed Canada-wide survey, the research is examining the extent to which staying employed is a priority among baby boomers as they age, the experiences and perceived impact of working with an episodic health condition, and the factors that hinder or facilitate working. With respect to the latter, it is looking in particular at the potential benefits of existing policies, practices and accommodations in sustaining work and whether these practices are associated with better work outcomes (e.g. fewer job disruptions, less absenteeism).

Trends in injury rates

IWH President and Senior Scientist Dr. Cameron Mustard was involved in two research projects completed in 2014 that looked at trends in injury rates. One of the studies compared trends in work-related and non-work-related injuries in Ontario over the period 2004 to 2011 by examining two sources of data: emergency department visits and self-reported injuries in the Canadian Community Health Survey. Both sets of data indicated that work-related injury rates fell by about 30 per cent. In contrast, rates of injuries caused by leisure and other non-work activities did not change.

The other study focused on trends in non-traumatic work-related musculoskeletal disorders over the same period, 2004 to 2011. It added a third source of data to the two mentioned above: lost-time workers' compensation claims. All three data sources showed a decline in the rate of work-related non-traumatic MSDs. Dr. Mustard noted that the reductions seen in the three datasets aren't necessarily proof that the incidence of MSDs are declining, as reporting or diagnostic practices might have changed over time with each of the three sources. However, the fact that the same trend is seen in all three datasets does make a compelling case that there has been a real decline in work-related MSD injury rates.

CIHR research chair on gender, work and health

Women make up nearly half of labour force participants, yet much of what we know about the relationship between working conditions and health is based on measures developed on men and frameworks of risk based on male-dominated occupations. Little is known about why work-related risk factors for disease or injury may differ for men and women.

Dr. Peter Smith is leading work at IWH to address this knowledge gap. In mid-October 2014, he launched his five-year research chair in gender, work and health, one of nine awarded by the Institute of Gender and Health at the Canadian Institutes of Health Research (CIHR). Dr. Smith's program of research is exploring how women and men differ with respect to risk of work injury, returning to work after an injury, and the relationship between job stress and chronic disease. The results of this research will help inform workplaces about how to build an OHS culture that is sensitive to potential gender differences in the relationships between work and health.

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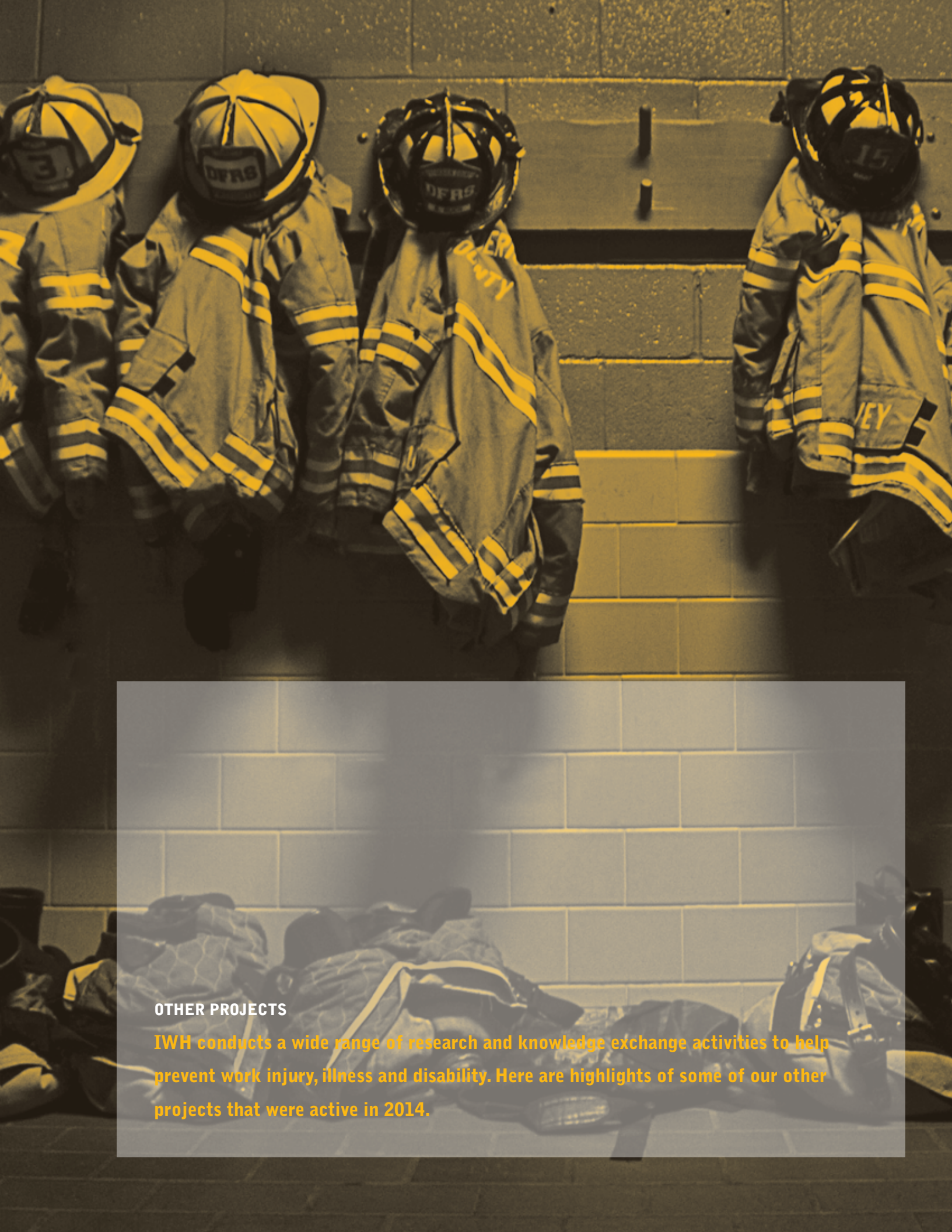
THE YEAR IN NUMBERS / COMMUNICATIONS

943,850 UNIQUE WEBSITE PAGE VIEWS DURING YEAR
658,966 UNIQUE WEBSITE USERS DURING YEAR
25,078 UNIQUE DOCUMENT DOWNLOADS DURING YEAR
4,166 *IWH NEWS* SUBSCRIBERS AT YEAR-END



OTHER PROJECTS

IWH conducts a wide range of research and knowledge exchange activities to help prevent work injury, illness and disability. Here are highlights of some of our other projects that were active in 2014.

Workers with low-back pain

If a worker hurts his or her back, many people want to know how long it will take before he or she returns to work. The worker wants to know because being off work can seem endless and lead to insecurity and anxiety. The workplace wants to know whether it should make alternate work arrangements. Compensation agencies want to know how to guide intervention decisions for early and safe RTW.

Dr. Ivan Steenstra is leading a systematic review of the research evidence on factors that predict time away from work due to low-back pain. In 2005, he led a systematic review on prognostic factors for duration on sick leave due to acute low-back pain. In 2013, he expanded the study to include subacute and chronic low-back pain, and his analysis was completed in 2014. Work is now under way to develop a handbook for RTW practitioners based on the evidence.

Strategies to support appropriate use of prescription opioids

Abuse of prescription opioids is a serious health and safety problem in North America. Globally, Canada is the second largest consumer of prescription opioids per capita, second only to the United States. Total prescription opioids consumed in Canada increased 203 per cent from 2000 to 2010, which is steeper than that observed in the U.S.

IWH Scientist Dr. Andrea Furlan began two related systematic reviews about opioid use in 2014. One is focusing on the outcomes of long-term opioid use. The other is looking at strategies to promote the appropriate use of prescription opioids. These reviews will contribute to what we know about how best to deal with this ongoing health and safety concern.

Health-related rehabilitation services

Unmet needs for rehabilitation services can result in poor outcomes for people with disabilities, including deterioration in general health status, activity limitations, participation restrictions and reduced quality of life. These negative outcomes can have broad social and financial implications for individuals, families and communities.

Dr. Andrea Furlan led a project in 2014 to systematically review the evidence on what rehabilitation service models work for different health conditions and in different resource settings. The review also looked at what types of assessment tools can be used to ensure individuals' rehabilitation needs are adequately identified. The review was commissioned by the World Health Organization in order to support the development of a guideline for health-related rehabilitation.

Centre for Research on Work Disability Policy

2014 was a year of firsts for the Centre for Research on Work Disability Policy (CRWDP), which aims to identify problems associated with the coordination and complexity of disability support programs in Canada, as well as identify approaches to improving the ability of people with disabilities to participate in the workforce. To accomplish this goal, the CRWDP is working with more than 15 research/academic organizations and more than 50 partners from across Canada.

Co-led by Dr. Emile Tompa and Dr. Ellen MacEachen, CRWDP was formally launched in February 2014, with a keynote address by then Ontario Lt. Gov. David Onley. The year also saw the launch of the Centre's website (www.crwdp.ca) and twice-yearly newsletter *Working Policy*, the publication of its first annual report and the first videos in its series of workers' stories, and the issue of its first call for research proposals.

Many research projects are now under way. They include seven seed grant projects, a scan of the international literature on the coordination of disability supports, and an examination of past efforts to coordinate such disability programs in Canada.

Use of the DASH Outcome Measure

The Disabilities of the Arm, Shoulder and Hand (DASH) Outcome Measure, published in 1996, is a 30-item self-completed questionnaire jointly developed by IWH and the American Academy of Orthopaedic Surgeons. The *Quick*DASH, published in 2005, is a shorter, 11-item version. Both are designed to measure disability and symptoms in any or multiple disorders of the upper limb.

In 2014, the DASH team, led by IWH Senior Scientist Dr. Dorcas Beaton, continued to gather information about the world-wide use of the DASH in anticipation of the tool's 20th anniversary. As of mid-2014, the DASH and *Quick*DASH had been translated into 36 languages and 16 dialects. DASH questionnaires are now available in Arabic, Hindi, Persian, Slovene and Yoruba, just to name a few examples.

The DASH has also been recommended and used by administrative bodies in Canada and beyond. Here in Canada, for example, Ontario's Workplace Safety and Insurance Board (WSIB)

operates a "Program of Care" for workers with shoulder injuries. At two points in the program—initial assessment and discharge—the program requires clinicians to complete, record and submit *Quick*DASH results to WSIB. WSIB uses these results to measure the quality of health care provided to workers with shoulder injuries and the overall outcomes of the related Program of Care.

Health-care providers and return to work

International research indicates that health-care providers play an important role in return to work, yet many struggle with the process. Pressure on consultation time, administrative challenges and limited knowledge about patients' workplaces can thwart their active engagement in return to work.

In 2014, IWH Scientist Dr. Agnieszka Kosny began a study that is exploring the interaction between physicians and workers' compensation boards during the RTW process in four Canadian jurisdictions: British Columbia, Manitoba, Ontario, and Newfoundland and Labrador. Through interviews with senior policy-makers, health-care providers and workers' compensation case managers, the research is examining how the role of health-care providers in RTW can be enhanced, and the benefits and challenges of various approaches used to facilitate their engagement.

The union effect and OHS outcomes

A team led by Dr. Ben Amick and Dr. Sheilah Hogg-Johnson is studying the relationship between unionization and OHS outcomes in the Industrial-Commercial-Institutional (ICI) sector of Ontario's construction industry. The first phase of the work, which involved linking workers' compensation data with information on contractors' union status, was completed in 2014. With controls in place for firm size, firm complexity and a number of other factors, the results indicated a higher rate of no-lost-time claims but a lower rate of lost-time claims in unionized firms compared to non-unionized firms.

The team has begun a second phase of this research. It involves a survey of OHS practices in both unionized and non-unionized ICI firms in an effort to uncover the factors underlying the observed differences in claims rates.

Shift schedule changes and injury risk

Evidence shows that people working evening, night or rotating shifts face a higher risk of work-related injury than those who work days. Dr. Imelda Wong, a Mustard post-doctoral fellow at IWH, led a study completed in 2014 that looked at injury risk among people who change from working day jobs to working non-standard shifts, or vice-versa.

Using data from Statistics Canada's Survey of Labour and Income Dynamics, Dr. Wong and her team found that the risk of work injury is even greater (compared to those working non-standard shifts) among workers who change from day work to shift work or those who change from working non-standard shifts to working a regular day schedule. Results suggested that this heightened risk is sustained over time for women, but not for men.

Evidence in context for occupational health and safety

Work on an innovative method for synthesizing scientific knowledge and tailoring its use in specific provincial and local contexts is being developed and tested by project co-leads Emma Irvin of IWH and Dr. Stephen Bornstein of Memorial University's SafetyNet Centre for Occupational Health & Safety Research. The new method combines features of an approach used by the Contextualized Health Research Synthesis Program at the Newfoundland and Labrador Centre for Applied Health Research with the systematic review methods and synthesis reports pioneered by the Systematic Review Program at IWH.

The project, which got underway in 2014, will produce a handbook on the approach. Based on a topic selected by a Stakeholder Advisory Panel in Manitoba, the approach will then be used to contextualize synthesized research evidence that takes into account Manitoba's specific resources, capacities and challenges. The approach will also be shared with users in Newfoundland and Labrador and Ontario through a set of end-of-project dissemination strategies.

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THE YEAR IN NUMBERS / SOCIAL MEDIA & MEDIA

1,406 TWITTER FOLLOWERS AT YEAR-END / **1,004** LINKEDIN FOLLOWERS AT YEAR-END

5,630 YOUTUBE VIDEO VIEWS DURING YEAR

215 MEDIA MENTIONS (WEBSITE, PRINT, RADIO/TV) DURING YEAR

Our research provides new knowledge to the prevention system about what policies and practices are effective in preventing work injury and illness.

A message from the Chair and the President

The mission of the Institute for Work & Health is to promote, protect and improve the safety and health of working people by conducting actionable research that is valued by employers, workers and policy-makers.

One theme of the Institute's research program is to document the influence of occupational health and safety policies and practices on the prevention of work-related injuries, illness and disability. This evidence contributes to shared values and beliefs about what is needed to protect workers, thus promoting a culture of health and safety.

Our research on leading indicators of OHS performance is most directly connected to promoting a culture of health and safety. For example, the eight-item IWH Organizational Performance Metric, part of the Ontario Leading Indicators Project, includes questions about the extent to which everyone in the organization values safety improvement, and the extent to which the organization considers safety at least as important as production and quality in the way work is done. The Institute is working with Ontario's sector-based health and safety associations to help workplaces use results from the IWH-OPM to improve their OHS practices.

More generally, our research provides new knowledge to the prevention system about what policies and practices are effective in preventing work injury and illness. As well, our engagement with key OHS stakeholders facilitates a shared understanding of what works and where more research is needed. It also helps us frame research questions and communicate findings so that our research remains relevant to OHS policy-makers and practitioners.

In this report, we highlight projects active in 2014 that promoted a culture of health and safety in Ontario workplaces.

We are pleased to note the addition of Norman Rees as a new member of the Institute's Board of Directors in 2014. Mr. Rees served as chief financial officer of Public Health Ontario from the agency's founding in 2008 until his retirement in 2013.

As always, we express our appreciation for the professionalism and dedication of the staff at IWH. Their enthusiasm, hard work and belief in the ability of research to help create safer and healthier workplaces is critical to the Institute's success.

We also gratefully acknowledge the core funding we receive from the Province of Ontario—an indication of its own support for the contribution of research evidence to the promotion and development of a culture of health and safety in Ontario workplaces and society at large.

Jerry Garcia
Chair, Board of Directors (2014)
Institute for Work & Health

Dr. Cameron Mustard
President and Senior Scientist
Institute for Work & Health

Independent Auditors' Report

To the Directors of the
Institute for Work & Health

We have audited the accompanying financial statements of the Institute for Work & Health, which comprise the balance sheet as at December 31, 2014, the statements of operations, net assets and cash flow for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Directors' responsibility

The Board of Directors is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Institute for Work & Health as at December 31, 2014, and the results of its operations and its cash flow for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Stern Cohen LLP

Chartered Professional Accountants
Chartered Accountants
Licensed Public Accountants
Toronto, Canada
April 13, 2015

Statement of Operations

For the year ended December 31,	2014 $	2013 $
Revenue		
Ontario Ministry of Labour	4,690,370	4,690,370
Grant revenue (Note 6a)	2,177,580	2,542,147
Other	171,051	163,766
Investment income (Note 6b)	16,301	40,761
	7,055,302	7,437,044
Expenses		
Salaries and benefits	5,695,306	6,021,369
Travel	91,114	123,969
Supplies and service	79,555	100,700
Occupancy costs	635,540	620,382
Equipment and maintenance	95,439	120,932
Publication and mailing	61,002	73,528
Voice and data communications	31,281	40,878
Staff training	30,084	41,507
Professional services	252,577	142,815
Other	44,850	53,021
Amortization of capital assets	60,204	56,735
	7,076,952	7,395,836
Excess (deficiency) of revenues over expenses for the year	(21,650)	41,208

See accompanying notes.

Statement of Net Assets

For the year ended December 31,			2014 $	2013 $
	Invested in capital assets $	Unrestricted $	Total $	Total $
		(Note 6c)		
Beginning of year	115,789	718,956	834,745	793,537
Excess (deficiency) of revenue over expenses for the year	(60,204)	38,554	(21,650)	41,208
Investment in capital assets	35,440	(35,440)	—	—
End of year	91,025	722,070	813,095	834,745

See accompanying notes.

Statement of Cash Flow

For the year ended December 31,	2014 $	2013 $
Operating activities		
Excess (deficiency) of revenue over expenses for the year	(21,650)	41,208
Items not involving cash		
Amortization of capital assets	60,204	56,735
Decrease (increase) in interest receivable	7,402	(9,829)
Adjustment to fair value of short-term investments	5,630	(9,712)
Working capital from operations	51,586	78,402
Net change in non-cash working capital balances related to operations		
Accounts receivable	(48,541)	265,114
Prepaid expenses and deposits	4,179	37,735
Accounts payable	(170,851)	31,757
Deferred revenue	(112,355)	51,310
Cash from (required by) operations	(275,982)	464,318
Investing activities		
Purchase of capital assets	(35,440)	(97,143)
Short-term investments	370,652	(671,204)
	335,212	(768,347)
Change in cash during the year	59,230	(304,029)
Cash beginning of year	255,615	559,644
Cash end of year	314,845	255,615

See accompanying notes.

Balance Sheet

For the year ended December 31,	2014 $	2013 $
Assets		
Current assets		
Cash	314,845	255,615
Short-term investments (Note 2)	1,071,870	1,448,152
Accounts receivable (Note 3)	503,680	462,541
Prepaid expenses and deposits	107,938	112,117
	1,998,333	2,278,425
Capital assets (Note 4)	91,025	115,789
	2,089,358	2,394,214
Liabilities		
Current liabilities		
Accounts payable	222,863	393,714
Deferred revenue (Note 5)	1,053,400	1,165,755
	1,276,263	1,559,469
Net assets		
Invested in capital assets	91,025	115,789
Unrestricted	722,070	718,956
	813,095	834,745
	2,089,358	2,394,21

Other information (Note 6)
See accompanying notes.

Approved on behalf of the Board:

Director

Director

Notes to Financial Statements

The Institute for Work & Health was incorporated without share capital on December 20, 1989 as a not-for-profit organization.

The Institute is an independent, not-for-profit research organization with a mission to promote, protect and improve the safety and health of working people by conducting actionable research that is valued by employers, workers and policy-makers.

The Institute is predominantly funded by the Ontario Ministry of Labour (MOL) up to the Institute's approved MOL budget. Other revenues are generated through research activities and certain interest earned.

1. Significant accounting policies

These financial statements were prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

(A) CAPITAL ASSETS

Capital assets are stated at cost. Amortization is recorded at rates calculated to charge the cost of the assets to operations over their estimated useful lives. Maintenance and repairs are charged to operations as incurred. Gains and losses on disposals are calculated on the remaining net book value at the time of disposal and included in income.

Amortization is charged to operations on a straight line basis over the following periods:

Furniture and fixtures — 5 years
Computer equipment — 3 years
Leaseholds — term of the lease

The Institute has a policy to derecognize capital assets when fully amortized.

(B) REVENUE RECOGNITION

The Institute follows the deferral method of accounting for contributions. Restricted contributions, which are contributions subject to externally imposed criteria that specify the purpose for which the contribution can be used, are recognized as revenue in the year in which related expenses are incurred. Unrestricted contributions, which include contributions from the MOL, are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

Revenue in excess of expenditures from fee-for-service contracts is recognized at the completion of the contract.

Investment income from interest and dividends is recognized on an accrual basis, and changes in fair value of investments are recognized in excess of revenue over expenses.

(C) SHORT-TERM INVESTMENTS

Short-term investments are recorded at fair value.

(D) USE OF ESTIMATES

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires the Institute to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenditures during the year. Actual results could differ from these estimates.

(E) FINANCIAL INSTRUMENTS

The Institute's financial instruments consist of cash, short-term investments, accounts receivable, accounts payable and deferred revenue. The Institute has elected to measure all financial instruments, other than investments, at cost or amortized cost.

2. Short-term investments

	2014 $	2013 $
Guaranteed Investment Certificates	810,168	1,041,893
Money Market Mutual Fund	261,702	406,259
	1,071,870	1,448,152

The Guaranteed Investment Certificates earn an average interest of 1.89% and mature at various dates between 2015 and 2017.

3. Accounts receivable

	2014 $	2013 $
Foundation for Research and Education in Work and Health Studies	108,933	138,974
Other	394,747	323,567
	503,680	462,541

4. Capital assets

	Cost $	Accumulated amortization $	Net 2014 $	Net 2013 $
Furniture and fixtures	19,126	5,738	13,388	20,040
Computer equipment	248,090	178,750	69,340	95,749
Leaseholds	9,051	754	8,297	—
	276,267	185,242	91,025	115,789

5. Deferred revenue

The Institute records restricted contributions as deferred revenue until they are expended for the purpose of the contribution.

	2014 $	2013 $
Opening balance — deferred revenue	1,165,755	1,114,445
Less: revenue recognized	(2,177,580)	(2,542,147)
Add: current year funding received	2,065,225	2,593,457
Ending balance — deferred revenue	1,053,400	1,165,755

The details of the deferred revenue balance are as follows:

	2014 $	2013 $
Canadian Arthritis Network	8,450	17,241
Canadian Institutes of Health Research	514,987	543,138
Workers Compensation Board — Manitoba	79,912	42,995
WorkSafeBC	4,171	26,225
Ministry of Labour Supplemental	—	161,371
World Health Organization	62,473	97,968
Ministry of Labour Research Opportunities Program	160,259	—
Workplace Safety and Insurance Board — Research Advisory Committee	40,949	209,608
Other	182,199	67,209
	1,053,400	1,165,755

6. Other information

(A) GRANT REVENUE

	2014 $	2013 $
Canadian Arthritis Network	8,791	48,433
Canadian Institutes of Health Research	1,126,366	793,336
Cancer Care Ontario	94,832	—
Foundation for Research and Education in Work and Health Studies	85,733	76,922
Harvard University	968	26,791
Memorial University	29,206	—
Ontario Chiropractic Association	—	6,559
Ontario Construction Secretariat	69,471	67,165
Ontario Ministry of Labour — Research Advisory Committee	23,937	—
Ontario Ministry of Labour — Research Opportunity Program	57,711	—
Ministry of Labour Supplemental	198,105	693,629
Social Sciences and Humanities Research Council	—	15,522
Workers Compensation Board — Manitoba	71,375	23,382
WorkSafeBC	22,054	84,501
World Health Organization	35,494	—
Workplace Safety and Insurance Board — Research Advisory Committee	336,288	685,417
Other	17,249	20,490
	2,177,580	2,542,147

(B) RECONCILIATION OF INVESTMENT INCOME

The investment income of the Institute includes the following:

	2014 $	2013 $
Interest	21,931	31,049
Gain (loss) on adjustment to fair value	(5,630)	9,712
Total	16,301	40,761

(C) UNRESTRICTED NET ASSETS

Unrestricted net assets are not subject to any conditions that require they be maintained permanently as endowments or that otherwise restrict their use.

	2014 $	2013 $
Total assets	2,089,358	2,394,214
Invested in capital assets	(91,025)	(115,789)
	1,998,333	2,278,425
Liabilities	(1,276,263)	(1,559,469)
Unrestricted net assets	722,070	718,956

(D) PENSION

For those employees of the Institute who are members of the Healthcare of Ontario Pension Plan, a multi-employer defined benefit pension plan, the Institute made $338,662 in contributions to the Plan during the year (2013 – $324,954).

(E) COMMITMENTS

The Institute is committed under a lease for premises that expires July 31, 2019, with annual rents, exclusive of operating costs, as follows:

	$
2015	267,000
2016	279,000
2017	302,000
2018	302,000
2019	176,000
	1,326,000

(F) FINANCIAL INSTRUMENTS

It is management's opinion that the Institute is not exposed to significant interest rate, currency, market or credit risks arising from these financial instruments.

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TFH Canada Inc.

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President and Senior Scientist
Institute for Work & Health

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(as of September 2014)
Former Chief Financial Officer
Public Health Ontario

Emily Spieler
Edwin Hadley
Professor of Law
Northeastern University
(Boston)

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Workers' Compensation
Boards of Canada

Gordon Vala-Webb
National Director
Innovation and Information
McMillan LLP

The Institute for Work & Health (IWH) is an independent, not-for-profit research organization. Our mission is to promote, protect and improve the safety and health of working people by conducting actionable research that is valued by employers, workers and policy-makers.

Since 1990, we have been providing research results and producing evidence-based products to inform those involved in preventing, treating and managing work-related injury and illness. We also train and mentor the next generation of work and health researchers.

Along with research, knowledge transfer and exchange is a core business of the Institute. IWH commits significant resources to put research findings into the hands of our key audiences. We achieve this through an exchange of information and ongoing dialogue with our audiences. This approach ensures that research information is both relevant and applicable to their decision-making.

Our primary funder is the Province of Ontario. Our scientists also receive external peer-reviewed grant funding from major granting agencies.

The Institute has formal affiliations with four universities: McMaster University, University of Toronto, University of Waterloo and York University. Because of our association with the university community and our access to key data sources, IWH has become a respected advanced training centre. We routinely host international scientists. In addition, graduate students and fellows from Canada and abroad are also associated with IWH. They receive guidance and mentoring from scientific staff, and participate in projects, which gives them first-hand experience and vital connections to the work and health research community.

Institute for Work & Health

Research Excellence Advancing Employee Health

481 University Avenue, Suite 800
Toronto, Ontario, Canada M5G 2E9
T: 416.927.2027 F: 416.927.4167
E: info@iwh.on.ca

www.iwh.on.ca