

BC **Forest Safety** Council

council work plan

2007 | 2011

DRAFT DECEMBER 2006



EXECUTIVE SUMMARY: THE YEAR AHEAD

For most of 2006 and all of 2007 the Council has been and will be in a major transition. We are changing our structure, our programs and how we fund and deliver services. While this transition has already begun and will continue for the next several years, 2007 is when most of the major changes will take place. As a result, this Work Plan and the focus for the coming year is all about change—changes in structure, programs and how services are delivered and funded.

The transition from development and projects to services and programs: First, in terms of activities, the Council has moved from initiatives and projects to service delivery. In 2005, the Council was all promise and projections. The structure, governance and personnel to support the Council were put in place.

In 2006 the Council focus was on raising the profile of safety within the sector and the public generally, and developing consensus around the Work Plan and establishing the Forest Safety Accord as the accepted safety constitution of our industry. The Council initiated two major projects focused on two key priorities: confident and competent workers and SAFE Companies.

As the Council enters its third year of operation, the focus is now on the implementation and delivery of services to individuals and companies.

The transition has been rapid.

In 2005, the Council delivered no services. In 2007, 82% of the resources of the Council are devoted to service delivery. Over 75% will be in two programs – Forestry Worker Development and SAFE Companies.

Transition from a developmental to a full service budget: For its first year and a half, the Council's budget was entirely drawn from the base funding provided by industry through WorkSafeBC. It was understood from the outset that this base funding of 2.2 million a year for five years would allow the Council to get started, but it would not be



sufficient to develop and sustain the full suite of safety services envisioned in the Task Force Report and required by a sector of this size and complexity. As services were developed, so also were the financing decisions required to ensure that the programs were sustainable.

The financial strategy is set out in some detail in the Work Plan, but it can be summarized as follows: The Council will deploy the base budget to sustain the structure of the Council and to support development of safety programs. As programs become services, they would be expected to be sustained through fees and contributions from users. Over time, the base budget of the Council would become an increasingly smaller percentage of the total budget of the Council.

This has now occurred. The Council's budget for 2007 is well over 6 million dollars, with the funding coming in almost equal portions from base funding, fees for service and contributions and sponsorships.

Better planning, less uncertainty: For 2007, the key programs of the Council will all have individual business plans with a three-year planning horizon, with the last two years based on assumptions developed by the management team. This has been completed for SAFE Companies, Forestry Worker Development and Forestry TruckSafe. A similar exercise is being completed for Communications and other support services.

The net result of this is to reduce the level of uncertainty around the Council's planning and to better forecast needs and requirements.

Also improved is the development of business objectives, program indicators, outcome measures and a better understanding of the risks and opportunities that must be managed in each area.

Financial accountability to specific goals and deliverables will also be improved.

Key Changes in the Work Plan: The following are several of the key changes to the Work Plan as part of the transition.

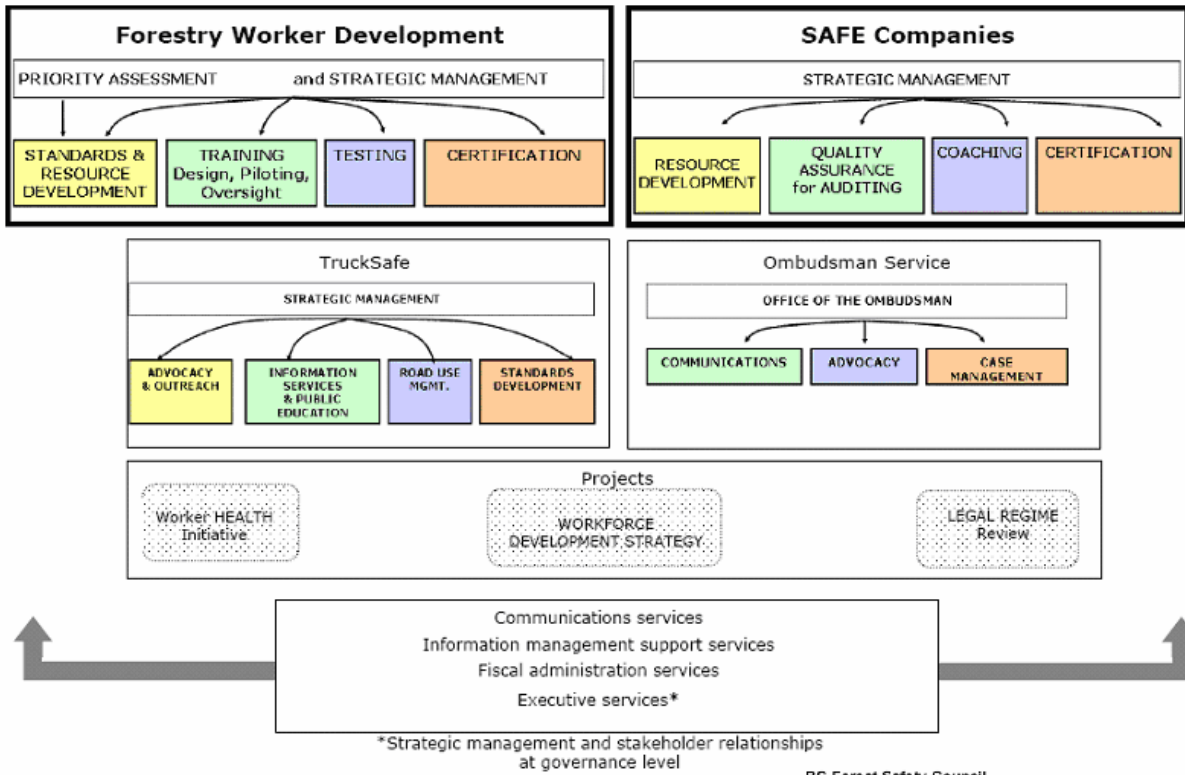


- The two major projects, Forestry Worker Development and SAFE Companies have their own business plans and are being treated as **separate profit-and-loss business centres** within Council operations.
- **Faller Certification** is now embedded within the broader Worker Development Program, as one of several training and certification programs, and is no longer considered a stand alone project.
- **Safety Advocates**, a developing project in 2006, is now part of the ongoing operations of the SAFE Companies program.
- **Transition from developmental phase into steady-state delivery** will be complete in 2007 for SAFE Companies. For Forestry Worker Development, this transition will be complete by 2008.
- **The Ombudsman** is now an on-going program.
- **Information architecture, database creation, and administrative infrastructure for ongoing database management** will be complete in 2007 and will support data collection and registrations for all Council activities, including worker certifications, requalification (to higher standard), SAFE Companies registrations, certification renewals, quality assurance and non-compliance investigations.
- **Benchmarking and better information** will be a key focus of the Council in 2007. The Council will create a multi-faceted **BC Forest Safety Index** to show progress in creating a culture of safety and eliminating fatalities and injuries—in the context of industry activity and other changes that have occurred within the forestry sector and general indicators with the Province potentially affecting safety.
- **Developing projects** will continue at a lower level of activity with continued work on logger/driver health issues (including fatigue management and the use of substances) and on workforce development.

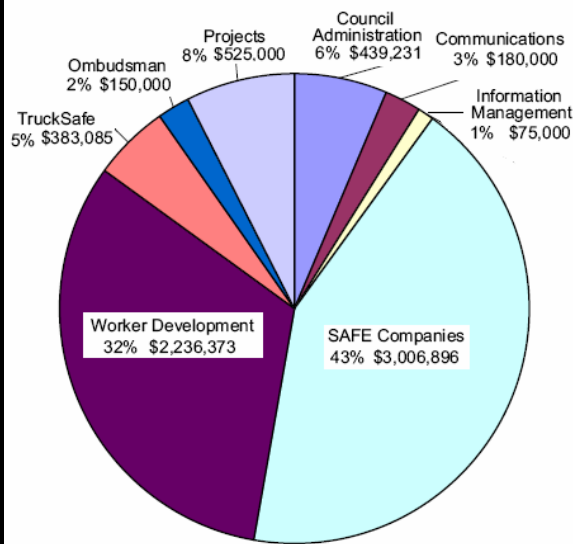
The following tables provide a summary overview of the Council's activities, expenditures and revenues.



Council SERVICES AT A GLANCE: Overview of Programs & Current Projects



BC Forest Safety Council Expenditures by Program



2007

BC Forest Safety Council Sources of Revenue

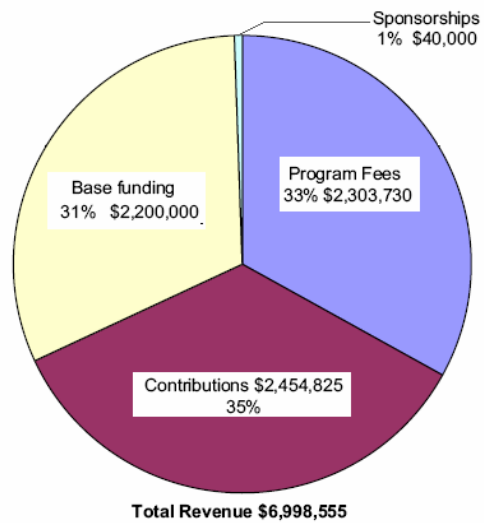




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INTRODUCTION

A WORK PLAN FOR 2007–2011

This Work Plan updates the March 2006 summary of the Council's 5-year plan, and builds on the Council's first two years of operation (2005-06). It is reviewed and approved by the Council's Board of Directors and then made available to industry stakeholders, government agencies and ministries. It is a public document, and suggestions and recommendations are welcome. Used as a tool to focus the Council's activities and manage its resources, the Work Plan is always a work in progress, as new information and program outcomes suggest necessary adaptations.

MANDATE & VISION

The Council's mandate is as straight forward as it is challenging.

Working with all industry organizations and stakeholders, we will eliminate fatalities and serious injuries in the forest sector.

While this may appear to some to be unrealistic, it is important for two reasons.

First, it is a difficult but realizable goal. It can be reached through the concentrated and focused effort of our industry. We have individual companies that have gone many years without a serious injury or fatality. We have had months when the entire industry did not record a single fatality or serious injury. By practicing safety and making it the over-riding priority it should be, this mandate will be within our reach.

The mandate also declares our vision for the industry. It tells everyone that in spite of the inherent dangers in our sector, we do not accept that any of our workers should die or suffer life altering injuries. It tells us all that our priority is that all workers go home safely to their friends and family every day.



PLANNING ASSUMPTIONS

The Work Plan is based on the following assumptions:

- The forest industry, with the support of government and WorkSafeBC, is committed to building a permanent safety infrastructure of which the BC Forest Safety Council is an integral part.
- The Council, created and controlled by the forest industry, will receive base funding from industry through their WCB assessments, to be augmented by user fees for the services it provides, project and program specific contributions and sponsorships.
- The industry's constitution is the "Forest Safety Accord".¹ All Council activities, programs and expenditures will be tied to the principles and objectives of the Accord.
- All Council initiatives will have measurable objectives and deliverables and be accountable to meet them.

COUNCIL SERVICES AND ORGANIZATION AT A GLANCE

The Council structure and organization now reflects the transition from development to service delivery. The charts on the next two pages set out the Council's services and organization.

In terms of activities, the Council's resources and personnel are focused primarily on the delivery of safety services. SAFE Companies and Forestry Worker Development are the two major service programs and account for over 80% of total resources. They also account for 95% of the incremental revenues to the Council. The other two services are Forestry TruckSafe and the Forestry Safety Ombudsman.

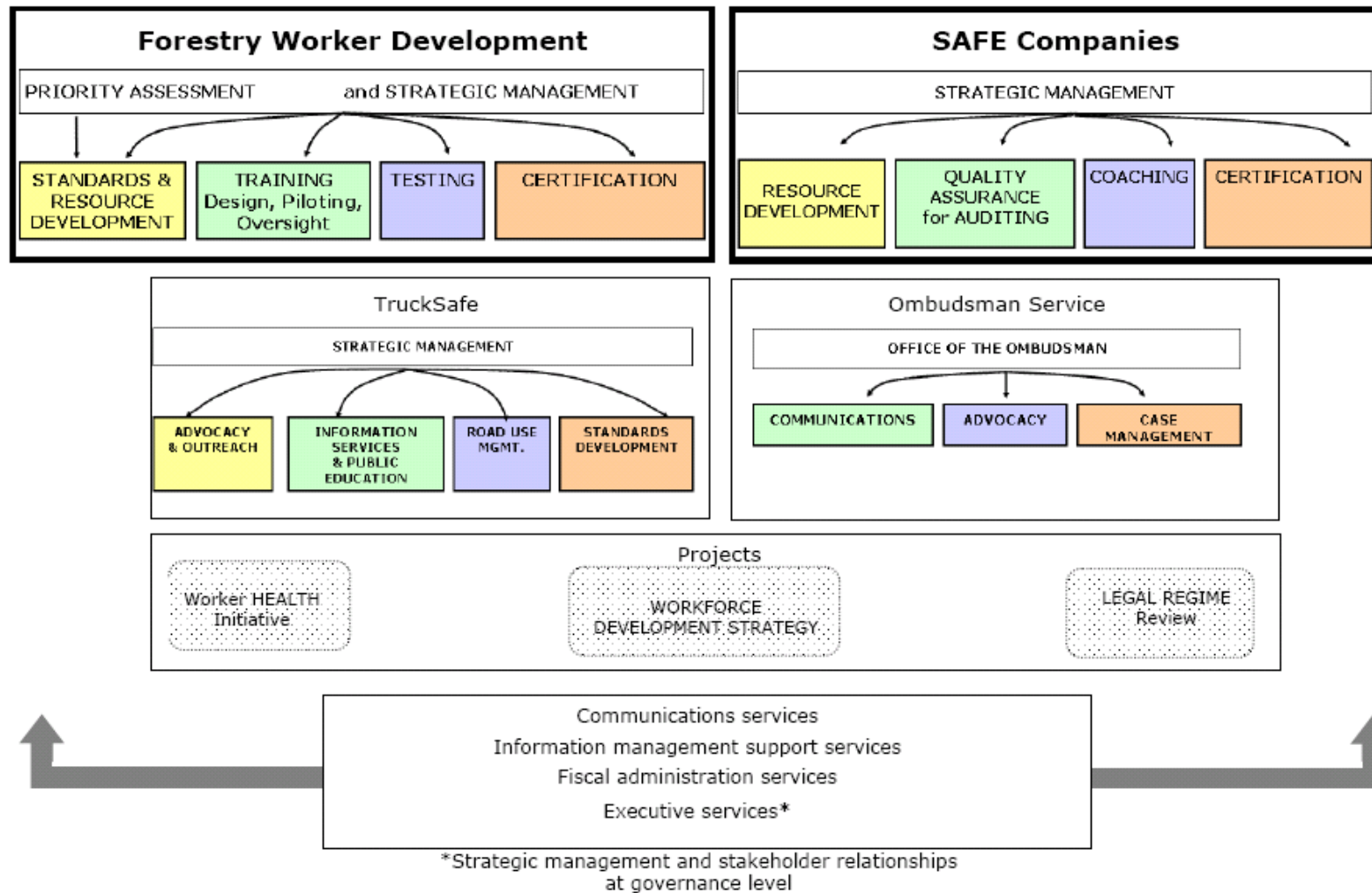
The Council will continue to pursue new projects and policy matters as they arise, but the primary focus is now on the effective implementation and delivery of services.

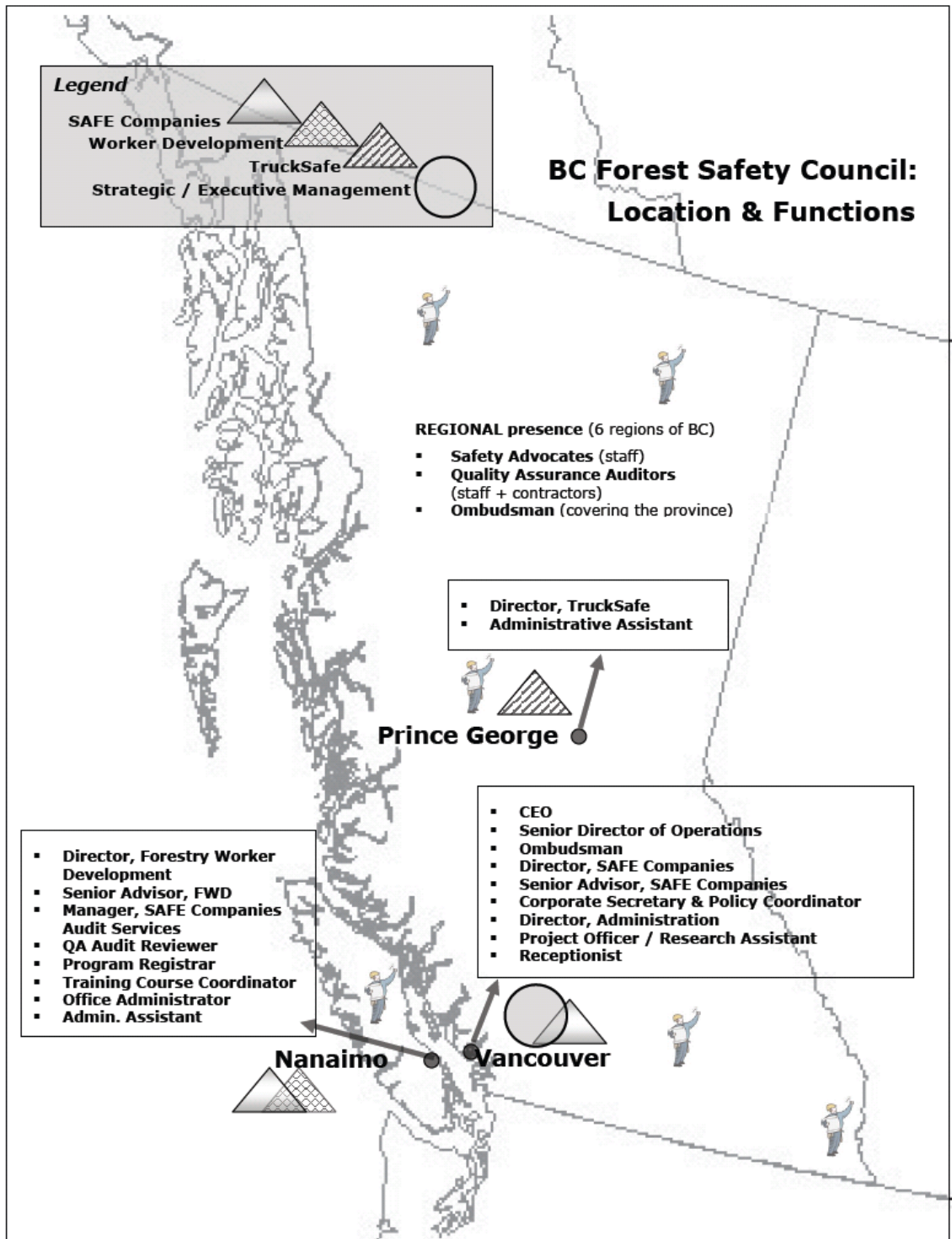
In terms of organization, the Council has established a presence on Vancouver Island in Nanaimo and in the Interior in Prince George. As well, we have a presence throughout the Province through our Safety Advocates, trainers, auditors and the Ombudsman.

¹ The Full text of the Forest Safety Accord is set out in the Appendices.



Council SERVICES AT A GLANCE: Overview of Programs & Current Projects







Sources & Level of Funding

When founded in the Fall of 2004, the Council's funding from industry was secured through an agreement with WorkSafeBC (then the Workers' Compensation Board). This base funding agreement provided a 5-year commitment of 11 million dollars to be drawn from the assessments of the forestry sector. Five annual allocations of \$2.2 million are received on the basis of objectives agreed on by the Council's Board of Directors and WorkSafeBC.

For the first year this base funding from industry represented virtually the entire budget of the Council. As the Council matured as an organization and moved from almost entirely development projects and advocacy to preponderantly programs and service delivery, additional sources of revenue were required. From the outset, the Council determined that it would sustain on-going services through fees and contributions and that over time the budget would become a mix of base funding, fees for service, contributions and sponsorships.

The first significant contribution came in 2005 as a result of a contribution agreement with WorkSafeBC whereby the Council assumed responsibility for the completion of the Mandatory Faller Certification Process which, up to that point, had been managed by WorkSafe. This was initially treated as a separate agreement and as a budget neutral activity—one where the costs and revenues were equal.

As the Council developed more services and revenues became more significant and diverse, we changed our financial reporting to reflect the overall revenues and expenditures, not just the base funding. This started first with our quarterly financial reports and cash flow projections and has now been incorporated into this Work Plan, which reflects the full costs and revenues for the Council's activities.

The Council also developed revenue generation policies to provide guidance on when and how user fees, contributions and sponsorships would be considered.



Currently, the Council's funding comes from four sources: base funding, fees for service, contributions and sponsorships.

Base Funding: Base funding consists of the \$2.2 million annual allocation from industry to support the work of the Council. This is secured through the five-year agreement with WorkSafeBC that started in 2005 and will end on January 1st 2010. This revenue comes from the entire forest sector and supports the structure, administration and development activities of the Council. While the agreement expires in three years, it is anticipated that it will be renewed at about the same level and will continue to represent the general support of the forestry sector for the Council.

Fees: When the Council provides a service to a specific group or segment of the industry, the delivery cost of that service will be covered entirely by fees paid by the direct users of the service. This will include training, certification and related services. (Development expenses are covered principally through the base funding.) Fees now represent a significant revenue source to the Council and will grow as a percentage of total revenue as the scope and number of services expands.

Contributions: Contributions are funds that are provided to the Council from other organizations to support specific, time-limited activities, projects or programs. The first contribution to the Council was from WorkSafeBC to complete the mandatory certification of manual tree fallers, which has been accomplished. Another example of a contribution is the funding for the Safety Advocates Program. Contributions are growing and will represent a significant portion of the Council's budget in 2007 and subsequent years.

Sponsorships: The Council also receives sponsorship revenue to support specific activities. When these sponsorships are merchandise or other "in kind" support, they are not reflected in the budget. Recent examples would be the provision of chainsaws for the New Faller Training Courses by Stihl and Husqvarna, and the sponsorship of events or portions of events where the costs



were paid directly by sponsors. When the sponsorship is a financial contribution to a project or program for which there is then specific recognition of the contribution, these are included in the budget of the Council.

To date, sponsorships have been relatively small and are not expected to represent a significant part of the Council's budget. However, the Council is, through its policy forums, developing guidelines on when sponsorships would be considered. Quarterly reports will identify the extent of sponsorships as a funding source.

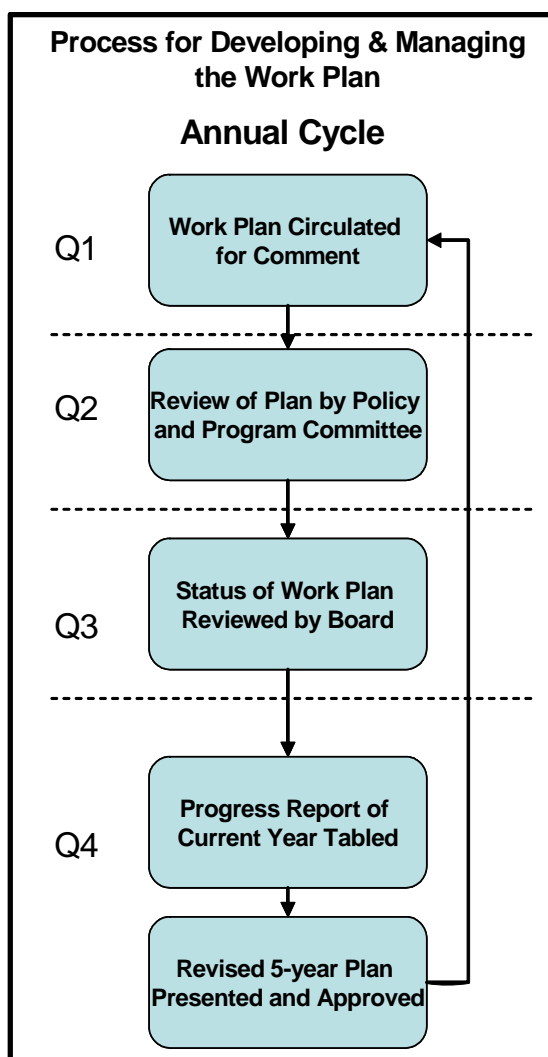
Summary: As the Council continues to establish its programs, the base funding of the Council will continue at about the same dollar level, but as a diminishing percentage of the Council's overall budget. In 2007 it is projected that the overall budget will be more than 70% funded through fees and contributions.



DEVELOPING THE WORK PLAN

BOARD APPROVAL AND RENEWAL PROCESS

The following describes the process of reviewing and renewing the Council's Work Plan:



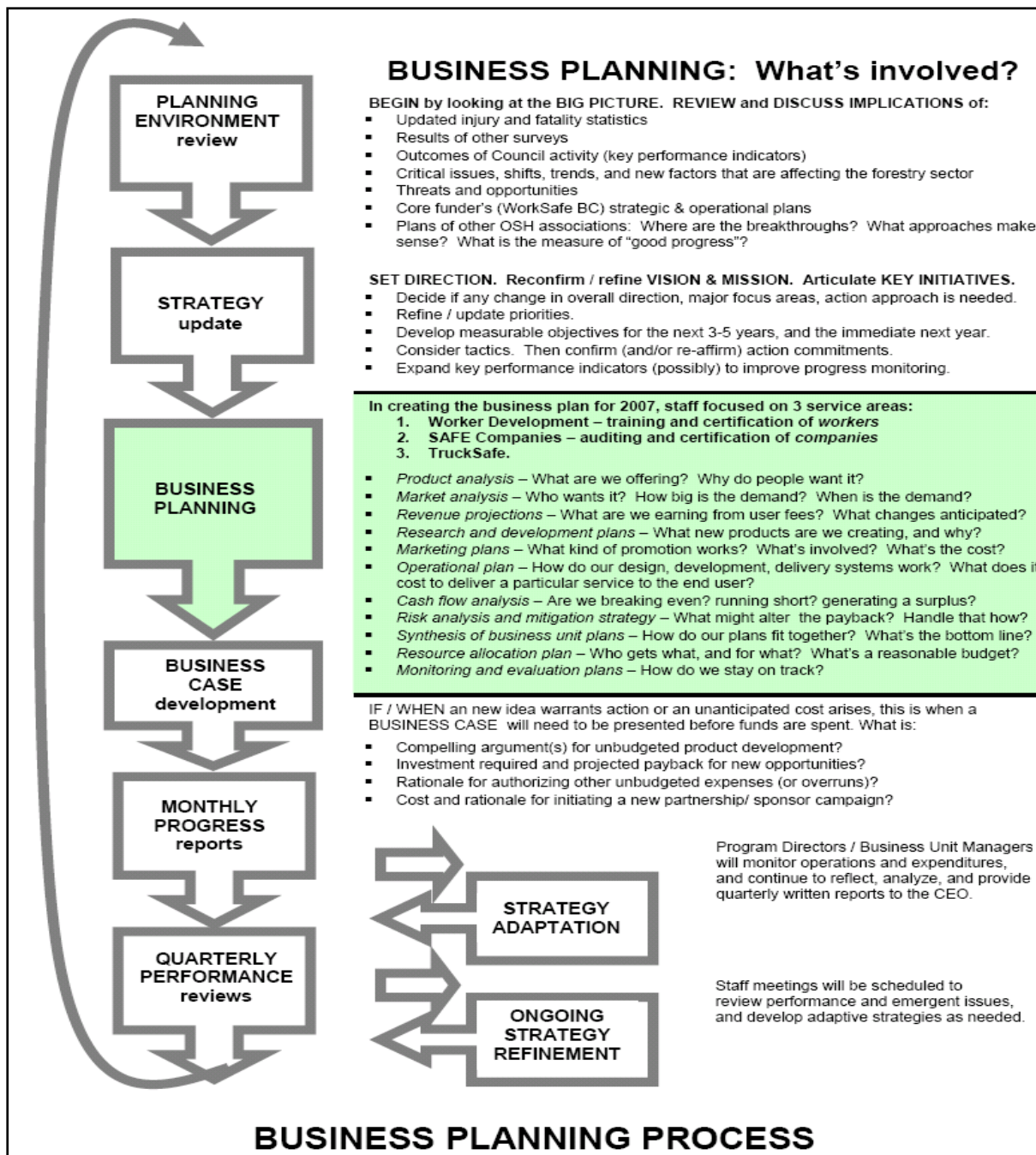
- A revised/updated Work Plan is approved by the Board in Q4
- The Work Plan is circulated for comment during Q1.
- The Policy and Programs Committee will review any comments and suggestions received and, if need be, refine the plan at the end of Q1.
- The Board will review progress against the Work Plan in Q2 and Q3. These reviews will look at the allocation of resources and the budgets for each area and, where indicated, the Board will approve shifts in resources and direction.
- A progress report on the Work Plan will be tabled in Q4 and a revised/updated Work Plan will be presented and approved.

The Work Plan will be adjusted throughout the year as a result of reviews by the Board and the Policy and Programs Committee.



BUSINESS PLANNING PROCESS BY PROGRAM

The Council's internal business planning process is set out in the following chart. This method was followed by Forestry Worker Development, SAFE Companies and Forestry TruckSafe this year and will be used for all programs in 2007.





STRATEGIC PRIORITIES

As part of its first Work Plan, the Council identified four priority areas and these have remained constant. They are:

Cultural Change: The Council will promote industry safety as an over-riding and shared responsibility.

Safety Conscious Legal Regime: The Council will work with the government and the industry to ensure that the current legal regime is safety-friendly legislation and regulations governing the industry promote safety and that enforcement and compliance are effective.

Competent and Confident Workforce: The Council will work with the industry to ensure forest workers are properly trained and given the tools and the environment needed to work safely and confidently.

SAFE Companies: The Council will work with industry to ensure companies have the necessary programs and procedures in place to ensure their workers are properly trained and protected and their worksites are safe.

The initial focus of the Council was on the implementation of the Task Force Recommendations². As new challenges and changes presented themselves, the Council made adjustments to the Work Plan. The most obvious and significant of these was the focus that the Council brought to drivers, vehicles and roads as a result of the number of deaths and serious incidents in that sector. This, in part, flowed from the impact on the forest sector of the Mountain Pine Beetle infestation.

All adjustments to the Work Plan are consistent with the four priority areas, consistent with the Accord and approved by the Council's Board.

PLANNING CONTEXT & CHALLENGES

In updating business plans for all program areas, Council staff observed these shifts in the industry and Province, all of which affect Council's programming to some degree:

² The Recommendations of the Task Force are set out in the Appendices.



Cross-sector Changes

- Deepening of inter-industry connections, particularly with the oil and gas industry, in the exchange of information about best practices and the adoption of new training standards.
- More resources becoming available for programming through alliance building, not only with other resource industries, but also between industry, health, transportation, First Nations and local government networks—and with these alliances, more complex cost-sharing agreements as well.
- Explosive growth to other resource industries (e.g., opening of 19 new mines in northern BC; expansion of oil and gas sector) leading to exponentially greater volume of traffic on roads—higher injury risk for workers and greater public fear about safety.

Forestry Sector Changes

- More forestry activity now in Northern and Interior regions than on the Coast
- Climate change affecting where and when people can work in the woods: increased mobility of forestry workers, and workers less familiar with local hazards (e.g., on roads).
- Falling prices for lumber and pulp, increasing the pressure on employers and workers.
- Tension arising in many small communities as a result of the high volume of harvesting related to the pine beetle infestation: resentment about the volume of forestry trucks on local roads; more impatience in road users.
- More evidence of labour market demand for fallers—with some employers blaming their recruitment difficulties on the new certification requirements for fallers.

Activity and Perception Changes re: Council

- Growing perception of Council as a small but significant part of the industry.



- More rapid buy-in with forestry workers now and also with equipment suppliers, with respect to new standards and the introduction of certification systems
- Stakeholder pressure to keep Council operations and programs as simple, straight forward, and non-bureaucratic as possible
- Establishment of good working relationships between Council staff, industry stakeholders, WorkSafe BC, the Ministry of Forests and organized labour and the media.
- Perception of forestry work being unsafe also amplified through the media attention with rising public awareness of the sector's safety record and expectations of change.
- Council staff focus shifting from “creating” to “administering” programs with the need to develop the systems to administer the programs.
- Continued stakeholder interest in strengthening benchmarking practices.

ALLOCATING RESOURCES

In the Council's budget, allocations for staff and all other expenditures are grouped into four categories. These are:

- Strategic Management/Administration
- Communications
- Programs (ongoing services and major areas of investment)
- Projects.

Each of these is described briefly below.

Strategic Management/Administration

This covers the functions and costs required to ensure effective management of the Council, including management personnel, rent for headquarters , IT and financial systems, travel, legal and accounting services. All costs related to the Board and the Council's



structure are included here. Senior staff including the CEO, are expected to be substantively involved in program delivery: associated costs are allocated on that basis. As a general guideline, administrative costs should be no more than 20% of the total budget.

Communications

This is considered a separate area of activity and cost because it is closely linked to the objective of “Cultural Change” and involves the effective delivery of the Council’s message to the stakeholders.

The Council has successfully established an identity both within the forest sector and with the public generally and a significant on-line presence thorough the website, subscription emails for safety alerts, serious injuries and fatality reports, Forestry TruckSafe’s bi-weekly “Rumblings” and similar communications from the other programs.

The Council also maintains its profile through placing ads in various trade publications and by participating in trade shows and conferences. With more to talk about in terms of projects and programs and with more experience, the Council has refined its messaging and how to best manage its presence at these events.

A concerted effort is being made to move us away from reporting on injuries and fatalities and toward a positive focus is on the safety messages, success stories and the implementation of safety services. The challenge in the future is to continue with this and to develop a social marketing strategy to assist in the changing of attitudes toward safety in the sector.

Programs

What were considered “Major Projects” in the first two years of the Council’s Work Plans have now become “Programs”.

Projects

The Council will continue to consider and work on projects that focus on areas of concern that are raised within the sector. In the Work Plan for last year, four projects



were identified; the Forestry Ombudsman, Forestry Safety Advocates, Substance Abuse and Workforce Development.

- **The Forestry Safety Ombudsman:** The Office of the Ombudsman has been established and is now an on-going program. It will be assessed in 2008 in terms of effectiveness and direction.
- **Forestry Safety Advocates:** This project has been developed and is now part of the SAFE Companies program.
- **Substance Abuse:** This project has been broadened and is now part of the Forest Worker Health Initiative. Funding for this initiative is being secured for the next three years.
- **Workforce Development:** The Council is supporting work on Workforce development being undertaken by industry and HRDC. This work is expected to continue for the next two years.

FISCAL POLICY GUIDELINES

Revenue Generation and User Fees

- The Council will diversify revenue sources to ensure the sustainability of its operations, and adopt an enterprise approach to managing its activities.
- Core funding from WorkSafeBC will not be sufficient for the Council to fulfil its mandate. Managers of every program area will share the responsibility for generating revenue from other sources, and ensuring that the Council does not operate in a deficit position.
- User fees will apply to:
 - Training services
 - Testing (competency assessment) services
 - Certification services
 - (Possibly) Consulting services
 - (Possibly) Selected information services



- User fees will be charged for any service or good that brings a direct and incremental benefit to the end consumer of that good or service.
- Users do not pay the *full* cost of Council services.
 - Industry as a whole, along with other beneficiaries, will pay the costs of development activity.
 - Development costs include:
 - Design costs (standards work, curriculum design, resource design, course design)
 - Pilot costs
 - Database infrastructure
 - Planning of programs including certification and quality assurance systems
 - Feasibility/market research costs
 - Development of marketing strategy.
 - Maintaining the service *delivery* will be a cost borne by the actual users of the service.

Guiding Principles in Financing Service Delivery

- Equal access to programs and resources for all industry stakeholders—and equal sharing of responsibility for paying for those programs
- All who stand to benefit share the cost of developing a service. This means that those who will benefit indirectly (e.g., employers whose assessment rate goes down because of good safety practices of so many others who influence the sector rate) should share the development cost of Council's safety services. If ultimately the whole industry benefits from an initiative, then development costs should be supported by the whole industry.
- ALL of Council's services and products must be consistent with the mandate of the Council.
- Approvals of certification applications, and renewal of certifications or re-qualification to a higher standard, will be contingent on applicants meeting the *current* operating standards.



- Council will aim to increase the profile/visibility of those who meet the standards.
- Certification renewal will be contingent on paying a renewal fee as well as quality assurance that the applicant meets the current operating standard.
- Motivate compliance with sliding scale for early adopters.
- Base funding will be used to develop effective services and products. The services will be sufficiently valuable to, in turn, generate willingness to pay for Council administration and development activity.

Frequency of User Fees

- Individual certifications will be valid for no longer than 3 years.
- SAFE Company certifications will be valid for three years and verified annually.

Financing of Development

- Developing activities—i.e., developing projects and development work to create or significantly improve ongoing services—will be funded principally, if not totally, out of Council’s base funding from the industry.
- Development activities will not be considered acceptable uses of Council’s base funding if the proposals are unrelated to Council’s mandate, and/or the proposed service is effectively offered by others, and/or the proposal does not meet with approval from the appropriate review body (internal management review, Training Committee, Policy and Programs Committee and/or Board review).
- Development is considered “over” when a program is ready to deliver (sell) to an end user.
- Decisions to introduce a new service should be based on:
 - relevance to Council’s mandate of eliminating injuries and fatalities
 - analysis of injury or fatality risk, including the risk relative to other areas of high risk and the cost: benefit analysis of proceeding
 - competitive analysis – Can Council endorse what others can provide, rather than compete? Are alliances possible to improve the safety advantage of a



- service? What are market prices for similar offerings to what has been proposed as a new Council service?)
- Council capacity to deliver and/or provide quality assurance oversight
 - Stakeholder interest and ability/willingness to pay.
 - In establishing sliding fee scales, Council will ensure that delivery costs are covered in full across the *sum* of all classes of users, and will ensure equitable user fees based on the number of people/size of organization that will benefit.

Base Funding Allocations

The Council's base funding allocation from WorkSafeBC will be used for:

- Improving information
- Developmental phase of programs intended to become primary services of the Council
- Developing projects (expected to vary from year to year)
- Corporate communication activities with stakeholders such as
 - production of an annual report
 - market research of a general nature (e.g., perceptions of Council, performance appraisal by stakeholders of Council performance)
 - web site operations
 - communication costs that cannot be traced to service delivery in a particular line of business (such as a broad-based social marketing campaign; speaking engagements; production of general promotional material)
- Strategic planning and corporate policy development, such as:
 - strategic planning with the Board
 - strategic planning with staff and/or other advisory groups
 - policy forums with staff and senior advisors
 - integration of business plans at the corporate level (team reviews of plans developed by Directors for individual business centres; packaging of integrated plan for Board, major funders and other stakeholders)
 - production of integrated annual operating budget (using income and expense forecasts prepared by Directors for the various profit-and-loss centres)
- Modest contingency allocation for approved projects and programs



- Supporting delivery in combination with user fees to ensure high participation and equitable distribution of costs and benefits.

Applying the Policy Guidelines

- All costs directly related to the delivery of service in a core line of business will be charged to that business centre.
- All costs incurred that are directly related to service delivery in more than one business centre will be pro-rated according to use of that support service and/or user benefit.
- Pro-rating of costs will be based on:
 - Usage – e.g., number of customers served, transaction volume, number of events hosted by a particular business centre (e.g., facility use for meeting or course), etc.
 - Allocation of consultants' time in accordance with how each consultant's time is spent, i.e., time for tasks related to the operations of a specific Program.
- All costs that are not directly related to delivery of service in one (or more) of the core lines of business will be covered under the core administration budget.
- Directors will be responsible for managing to their budget.
- Full cost of service delivery must be factored into pricing decisions.
- If users are not prepared to pay for a service designed to directly benefit them, then operational reviews must consider: is it worth doing?
- “Self-sustaining” means that revenues and costs will be examined as part of operating reviews, and that the 3 major business centres of Council will each generate—through user fees and/or sponsorship programs—revenue to help cover the costs of carrying out the activities of that program area.
- “Self-sustaining” means “capable of continuing operations” and that “everything you do falls within your mandate.” “Self-sustaining” does not mean that all funding must come from user fees. It may include contributions from other



sources to fund specific initiatives. It may include special events sponsorships or revenue from other types of sponsorship campaigns.

Guidelines for Exceptions to User Fees for Council Services

- User fees may not apply if it can be clearly demonstrated that the primary benefit flows to an indirect user rather than the consumer of the service or product.
- If there is evidence of a compounding effect through cumulative user fees that will apply, that will in turn create undue hardship relative to the benefit gained through the training, auditing or certification service, user fees may be waived (or lowered).
- In the absence of these conditions, direct consumers of a service or product will always pay at least a portion of the full cost of delivering a service. Sponsorships or other contribution agreements may allow for price discounts.



BUILDING ON PAST SUCCESSES & MEASURING PROGRESS

2006 PROGRAM ACCOMPLISHMENTS

SAFE Companies

2006 saw the SAFE Companies program emerge from a planning stage into full implementation. As the program moves towards the SAFE certification of almost 2,000 forest enterprises in the Province, staff passed several significant milestones:

- Development, completion and approval of the SAFE Companies audit standards for small and large forest companies. Approvals were required from the Technical Advisory Committee, WorkSafeBC and the Board of Directors of the Safety Council.
- Recognition of the Council's SAFE Companies standard as meeting the requirements of WorkSafeBC's Certificate of Recognition (COR) program, allowing SAFE companies to obtain rebates from WorkSafeBC. The Council has been designated as the certifying partner for forest enterprises wishing to participate in the COR program.
- Development and implementation of training programs for the SAFE Companies auditors for large and small companies.
- Development and implementation of key supporting programs for companies working towards SAFE Companies Certification. These include the Safety Toolkit and Safety Advocate services.

Worker Training & Development

In 2006 the program managing faller certification evolved to encompass worker training more generally, reflecting the Council's ongoing training development plans. Over the year, the program achieved several key milestones:



- The faller certification program completed the evaluation of 3,322 working fallers, certifying 3,197. In the process, Council earned support from many fallers who initially resisted the certification program; greater receptivity to bull bucket certification (for faller supervisors) has thus been generated. Industry, rather than Council staff per se, is becoming the sales force for the certification programs.
- In addition, the program trained 27 new fallers.
- The program oversaw the pilot stages of training for supervisors.
- The worker training program established an advisory committee, and began the process of developing policies to guide curriculum development, competency testing and implementation of training and certification programs for the Council.
- Work was initiated on policies and practices regarding trainer standards.

BC Safe Silviculture

- Two significant research projects were undertaken:
 - A field survey of over 800 workers, assessing attitudes and behaviours towards health and safety; and
 - A study managed by the School of Occupational and Environmental Hygiene at UBC and the Forest Engineering Research Institute of Canada, assessing contamination of silvicultural workers by fertilizer and pesticide exposure in the field.
- Additionally, health and safety educational activities started in the first year of the project (2005) were continued, along with development work on training courses, including supervisor, All Terrain Vehicle (ATV), and crew vehicle driver training.

Forestry TruckSAFE

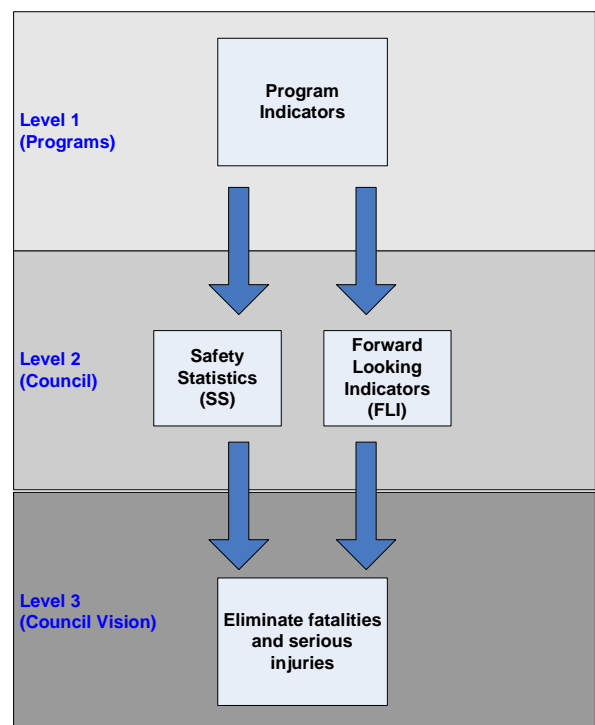
Forestry TruckSafe continued to build networks and a community of interest and technical expertise around forestry transportation issues. In addition, the program took its first steps towards facilitating specific technical and policy changes.



- Face to face meetings and information exchange were held with over 6,000 trucker and owners through small group meetings throughout the Province.
- Two large-group meetings were facilitated: an industry forum to discuss interface issues in the northeast between oil and gas, forestry and community transportation; and a First Nations Forum to discuss the challenges faced by First Nations Communities who rely on resource roads.
- Program staff initiated or helped manage technical development work on projects such as steep slope hauling standards, and the initial stages of a field project educating truckers and general forest workers on health issues affecting their work.

Performance Indicators

The BCFSC has a hierarchy of key performance indicators. At the highest level, the Council's goal is to eliminate fatalities and serious injuries in the forest sector in British Columbia. At a program level, there are multiple indicators of activity, efficiency and timeliness for both Council and clients. In between these levels is statistical reporting reflecting the overall progress on injuries and fatalities in the sector, and a planned suite of forward-looking indicators that provide a bridge between the pragmatic program activities and the vision-level goals of the Council.



In order to provide effective performance markers for the Work Plan, the Council uses key indicators at the program level. These cover each program area and reflect both financial and program goals that directly reflect or contribute to the Council's high level goal. Examples include:



SAFE Companies	<ul style="list-style-type: none">• Number of companies registered in the program
	<ul style="list-style-type: none">• Financial returns to certified companies (rebates and eventual lowering of assessments)
Worker development	<ul style="list-style-type: none">• Number of supervisors trained
	<ul style="list-style-type: none">• Fully developed policies and procedures for training

The development of a more complete suite of future looking indicators at a Council level will be undertaken during the first part of 2007, with the assistance of a small advisory group.

Among the type of indicators that could be considered are:

- Training investment by industry
- Designation of company executive/board member responsible for safety
- Gross MIR or other medical incident information.

2007 TARGET RESULTS BY PROGRAM

SAFE Companies

- By the end of 2007, 60% of the 7,695 employers in the forestry sector will be registered as SAFE Company applicants (65% of the 3879 employers with payroll over \$30k per year who are the companies that Council is targeting in 2007).
- Of the ~1600 small to medium sized companies (with 3-19 employees), 1200 will have completed SEBASE training to guide them in establishing (or improving) safety programs and procedures in their companies.
- Large employers will have a roster of 24 external auditors on which to draw, to conduct the annual audits necessary to maintain their SAFE Company certification.



- In at least 100 of these large companies (i.e., 1 out of every 2 companies with 20 or more employees), there will also be a certified *internal* auditor who can oversee their annual safety audit in 2008.
- By the 1st quarter of 2007, the first *certified* SAFE Companies will be profiled in Council communications and the media.
- By year-end, benefit results (the gains for individual companies) will be reported.
- 80% of the 2,500 companies expected to register in the SAFE Company program following the November 2006 launch will be *certified* SAFE Companies by December 2007. This means that at least 2,000 audits will have been reviewed “for accuracy and quality.”
- As part of the quality assurance process, between 135 and 175 *on-site* verification audits will also have been conducted by Council staff or certified external auditors.
- Effective 2008, these 2,000 certified companies (large, mid-sized, small and very small firms, collectively 48% of all forestry employers registered with WorkSafeBC) will be receiving rebates of 5% or greater on their WCB assessments, as a result of their participation and certification status in the SAFE Companies program.
- By the end of 2007, Council will have also become the Certifying Partner (approved by WorkSafeBC) for the Certificate of Recognition (COR) and SAFE Companies programs for employers in wood manufacturing and will have achieved this status with the support of 75% of all employers in this additional target sector.
- In 2008 and 2009, more companies will gain SAFE Company certification status, while the 2,000 companies certified in 2007 will be conducting annual safety audits to retain their status as SAFE Companies.
- SEBASE training plus the BASE and SEBASE Audit Protocols will all be available in on-line format.
- Council’s marketing expenses for SAFE Companies are expected to drop by 50% in 2008 (relative to 2007), as word of “the cost of unsafe” and “safety payback” spreads.



Forestry Worker Development

- In 2007, 500 supervisors will graduate from Council training. 100 will complete competency assessments and achieve certified Bull Bucker (Faller Supervisor) status in the same year. Others will complete competency assessments and become certified as Supervisors of Silviculture Workers.
- A pool of qualified Supervisor Trainers will be established to continue and expand the delivery of supervisor training and assessment.
- 60 new fallers will be trained in 2007, with labour market demand analysis guiding target setting for 2008 and 2009.
- 3,300 faller certifications will be renewed in 2007 for one year (\$50 renewal fee— with renewals priced at \$150 in 2008 and valid then for a three-year period). In 2008, with 100 certified Bull Buckers available to reassess faller competency on other terrain and/or with different size trees, one-third or more of those certified fallers will also be re-qualified to higher certification levels.
- Training standards and Council-approved courses, competency assessment requirements, and certification systems will be established for chainsaw operators in 2007, and then for truck drivers (2008?) and equipment operators (2009?).
- In addition to Bull Bucker and Silviculture certification endorsements for forestry *supervisors* (effective 2007), endorsement training and certification processes for those supervising other categories of workers will be added in 2008 and 2009.

Forestry TruckSafe

- Hazard/risk analysis for truckers, and the related outlines of critical content and essential competencies, will be developed in 2007 to guide, in 2008, the development of forestry truck driver certification programs.
- A Council-endorsed Steep Roads Risk Assessment tools will be available to drivers.
- Standardized safe driving procedures for log hauling will be compiled in a regulation-compliant manual for drivers and companies.



- Crashes on resource roads and public highways that involve forestry workers and members of the public will be reduced as a result of a public education campaign on road safety.
- By 2009, a Vehicle Identification Number plate system will be in use Province-wide by forest workers and by other resource industries using the same roads.

For more information about each program’s aims and services, see the following chapter.



BUSINESS PLANS FOR ONGOING SERVICES

This chapter contains four summaries of the business plans for each of the Council's current services:

- Forestry Worker Development
- SAFE Companies
- Forestry TruckSafe
- Ombudsman.

Forestry Worker Development: The first of these programs had its genesis in a project started in 2003 by WorkSafeBC and for which Council assumed responsibility in 2005: Faller Certification and Development. It was always anticipated that this work would set the stage for further development of worker training, qualification and certification, as recommended in the Task Force Report. As a result, the Council now has the structure and policies for the development and delivery of services in this area.

Faller training, competency assessment and certification services continue, but the scope of Forestry Worker Development over the next five years is much greater than the faller services alone.

SAFE Companies: Similarly, the SAFE Companies program grew out of a major project that has now become a key area of service delivery. Now that the Certificate of Recognition program of WorkSafeBC has been developed, the SAFE Companies program has moved fully into service delivery.

Forestry TruckSafe: This program also grew from a project that focused on drivers, vehicles and roads. As a result of the two Forestry TruckSafe Summits, it was decided to establish TruckSafe as an on-going program, with its own set of services and objectives.

Ombudsman: The Ombudsman service, identified in the last 5-year plan as a new project for 2006, has now been developed and is now considered to be an ongoing service.



Of these four programs, the first two—SAFE Companies and Forestry Worker Development—are, by far, the largest program areas. That said, it is the ongoing nature of activities that defines them as programs, rather than budget.

Other relevant project information is incorporated here in the following manner:

- An update on the BC Safe Silviculture project can be found in the Forestry Worker Development business plan summary. This project is now considered part of Forestry Worker Development.
- An update on the Forest Safety Advocates project can be found in the SAFE Companies business plan summary. Forestry Advocates are an integral part of the SAFE Companies program.

For each program, the director adopted a 3-year time frame in developing their business plans and this detailed planning is reflected in the first three years of the five year projections. The market analysis, service plans, and fiscal plans that emerged from Directors' work were used by the senior management team to extrapolate financial implications for years 4 and 5.

Council expects that the results of full service roll-out in 2007 will significantly shape strategy for the longer term.

In 2007, less emphasis will be placed on monthly activity reports of individual employees to the CEO—and much more attention will be focused on quarterly reviews by the management team of outcomes, intentions behind the service plans, operational processes, partnership and contractor arrangements, unanticipated impacts of strategic initiatives, and new information from users of Council's services and other stakeholders.



FORESTRY WORKER DEVELOPMENT

Business Description

The Forest Worker Development Program has its origins in the BC Faller Certification program that was assumed by the Council from WorkSafe BC in 2005. Faller Certification had as its mandate: *“Eliminate fatalities and injuries in the falling sector and, in so doing create a template for the rest of the forest industry to follow to reach that same goal in other sectors of the industry.”*



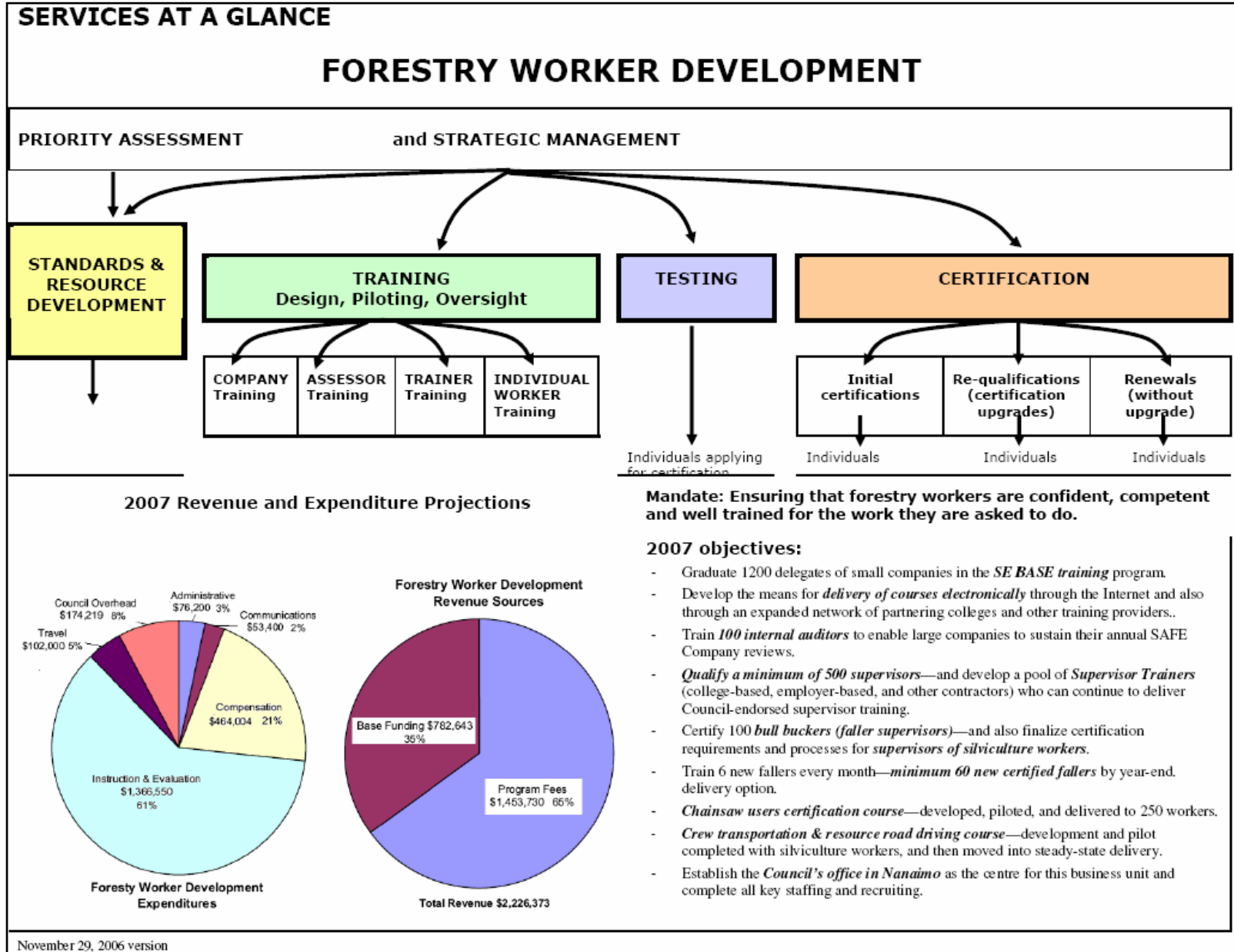
The BC Faller Program included the training of Qualified Supervisors/Trainers (QSTs) to assist with the competency evaluation and certification of existing fallers, as well as the training and competency evaluation of new fallers.

By July 2006, four-fifths (3,300) of the existing faller workforce had been certified. Pilot delivery of Faller Supervisor courses (6 sessions; 100 participants) were completed in February-March 2006. New Faller training began in the second half of 2006.

This “major project” of the Council—the Faller Program—has now evolved into a full service Program— Forestry Worker Development — that is addressing standard setting, competency assessment, training, certification, re-qualification and certification renewal for various employee and contractor groups within the forestry sector. While faller training and certification remain ongoing services managed by this Program, the business focus is no longer a single occupational group.

Quality assurance systems established by this Program guide the training of three groups:

- workers most at risk in the sector;
- their trainers, supervisors, and assessors; and
- training associated with the introduction of the SAFE Company program.





Key Initiatives and Business Objectives

Heading into 2007, the Forestry Worker Development program is principally focused on supervisor training, external and internal auditor training to support the SAFE Companies program, small company training in safety programs and audit procedures. Then year by year, the development of training standards and related courses and competency assessment mechanism for those workers who are most at risk in the forestry sector—with chainsaw users, equipment operators and truck drivers targeted next.

In addition, the development of training courses targeting the silviculture sector will be managed by program. The current BC Safe Silviculture Project is being merged into the Forestry Worker Development.

The sequence in which specialized worker training will be developed will be established by the Council's Training Committee, based upon a careful review of injury statistics and the other business arguments for each proposal. Needs assessment will be informed by data collected within the sector to ensure that there is a sound basis for the development and delivery of training, and training can be linked to Council objectives of injury reduction.

Chainsaw users are a target group because of:

- The large number of them (estimated 10,000 workers);
- The potential to quickly roll out effective training given the validation in 2006 that 60% of critical instructional content has already been developed for the new faller program;
- The injury rate - \$2 million dollars in claim costs over the last five years;
- The potential to increase visibility of Council in the public eye as a safety standard setter par excellence; and
- The opportunity to establish a recruitment channel through chainsaw training for workforce development in the bucking and falling sector of the industry.



2007 objectives:

1. Establish the **Council's office in Nanaimo** as the centre for this Program and complete all key staffing and recruiting.
2. Develop the means for **delivery of courses electronically** through the Internet and also through an expanded network of partnering colleges and other training providers, to enable the cost effective and timely delivery of courses without diminishing either the content or the quality of the course materials.
3. Graduate 1200 delegates of small companies in the **SEBASE training** program.
4. Train **100 internal auditors** to enable large companies to maintain their annual SAFE Companies status.
5. Increase the **pool of qualified external auditors** to a total of 24.
6. **Qualify a minimum of 500 supervisors**—and develop a pool of **Supervisor Trainers** (college-based, employer-based, and other contractors) who can continue to deliver Council-endorsed supervisor training.
7. Certify 100 **bull buckers (faller supervisors)**—and also finalize certification requirements and processes for **supervisors of silviculture workers**.
8. Train 6 new fallers every month—**minimum 60 new certified fallers** by year-end. Strengthen the **marketing strategy** for new faller training, in collaboration with employer groups and native groups, and simultaneously complete a **feasibility study of alternative (non-college-based) delivery systems** to parallel the college-based delivery option.
9. **Chainsaw users certification course**—developed, piloted, and delivered to 250 workers.
10. **Crew transportation & resource road driving course**—development and pilot completed with silviculture workers, and then moved into steady-state delivery.



2008 objectives:

1. **Next target occupation(s):** (minimum one, maximum three per year)
Develop the qualification standard, training design and resources, and certification system. 2008 target is **truck drivers who currently have the highest fatality rate.**
2. **Add endorsements for supervisors:** develop new modules in the training program for supervisors, to address specific needs in other sectors of the industry.
3. **Sustain SE BASE,** internal auditor, supervisor, new faller and chainsaw training, crew transportation training, and faller/supervisor/auditor certification and recertification.
4. Re-qualify **one-third or more of 3300 certified fallers to a higher certification level,** through the effective evaluation of their competency by qualified supervisors in more complex working conditions (more difficult terrain and larger tree dimensions).

2009 objectives:

1. **Next target occupation:** Develop the qualification standard, training design and resources, and certification system for **equipment operators.** Include several streams in this training:
 - excavator operator,
 - faller buncher operator,
 - processor operator, etc., and
 - incorporate simulators in the delivery model so that multiple equipment scenarios can be used for hazard recognition and skills practice.
2. **Evaluation and upgrading** of the faller, bull buckler, other supervisor, train-the-trainer, auditor and other courses and certification systems: not instead of continuous improvement, which is assumed, but rather, through a comprehensive review in the 3rd year of full operations of the Forestry Worker Development program.

The action plan for 2007 includes no less than 120 courses across 8 or more categories of training. A key initiative in the first quarter of 2007 (as part of objective #1) is to complete **an online course version of mandatory SEBASE training** to better accommodate the needs of small employers (1-19 employees), reduce their travel



costs, make the training more learner-focused than instructor-centered, reduce the size of instructional pool that Council needs to contract and oversee, and lower the per-person delivery cost of this critical element in the completion of safety audits and certification of SAFE Companies.

Marketing Opportunities & Strategy

Important elements of this program's business strategy are:

- Focusing on Train-the-Trainer work and establishing a wide provincial network of colleges, company trainers and private training organizations who can deliver training based on standards developed by Council—without requiring Council to set up a competing infrastructure;
- Double endorsement of Council and WorkSafeBC on courses as meeting regulatory requirements for adequate training: an edge in attracting participants;
- Broad reach through e-launch of programs, targeted e-bulletin follow-up, and 7/24 online registration and other transaction processing; and
- Modular design of training initiatives to encourage ongoing skills development and certification to higher and/or more specialized levels of competency.

Management & Staffing

Effective January 2007, the administration of this program area will be based in a Council office in Nanaimo on Vancouver Island. The Senior Advisor who led implementation of the mandatory faller certification will have expanded responsibilities in standard setting, training design and quality assurance processes.

The expanded team will include:

- Program Director (currently being recruited),
- Training Coordinator,
- Program Registrar,
- Office Administrator, and
- Administrative Assistant positions.



There will a substantial sharing of personnel and space with the SAFE Companies Audit Management Program, centered also in Nanaimo. The resource allocation request from base funding does not exceed the 2006 allocation: Increased administrative expenses as the program has expanded are recovered through user fees for training and certification services.

Risk Assessment & Risk Mitigation Strategy

Risks facing the Forestry Worker Development program staff include:

- Inability to engage significantly higher numbers of forestry workers in safety training upgrades unless partnerships with colleges, company trainers, and qualified private trainers are strengthened—including but going beyond the partnership with Malaspina College;
- High development costs for each new standard setting, training and competency assessment initiative with specific occupational groups in the sector—and a course and certification pricing model that takes delivery, but not the development costs, into account when establishing user fees;
- Not clarifying and concentrating on Council’s core competencies and instead attempting to be the leader in every stage of the worker development process—in the process, focusing on competing, rather than collaborating, with the sizeable network of training providers already well established in the Province; and
- Insufficient analysis of competing course and certification options, relative need, and fiscal viability of preferred designs—leading to high front-end investment and poor take-up or deficit operations over the long haul.

Better and more detailed safety information, Training Committee policies and procedures, business case requirements for all new training proposals, break-even analysis with instructional and assessment services, and gauging of stakeholder support for higher user fees will help the Council and this Program to fully mitigate future risks.



Summary of Financial Projections

Income and expense statements, and quarterly and annual cash flow projections, organize service offerings into the following categories:

- Supervisor training;
- Other worker training (e.g., fallers, chain saw users, drivers, etc.);
- SAFE Companies related training;
- Certification services; and
- BC Safe Silviculture related training.

The following projections need to be taken into account:

- Projected training revenues with the expanded course schedule will gross \$1.284 million, if all *minimum* enrolment targets (75-80% of projected enrolments) are achieved. Gross training revenues will be \$1.8 million next year if the *maximum* enrolment targets are achieved.
- Net training income will reach \$634,000 if *maximum* enrolment targets are achieved. However, if enrollments fall to minimum acceptable levels noted in the plan, the net training income will drop to 12% of that sum: \$79,000 for the year.
- Certification fees, net of the costs to conduct competency assessments, will generate a further \$234,000, which will cover other administration costs.
- Total income from training and certification processes is expected to exceed \$1.4 million.
- With the Nanaimo office and expansion of the service team, administrative overhead will total \$822,000 in 2007, above and beyond what has been factored into training sales revenue as expected outflow (one-third of those revenues) for processing registrations, overseeing course delivery, outcome tracking and other direct costs of specific courses.
- Base funding of \$537,000 is needed in 2007 to prevent a deficit operation based on minimum acceptable enrollments in the target number of courses.



- In 2008, this program area is likely to need *no* contribution from base funding because of higher certification revenues in that year (with \$150 renewal fees, which represent a one-time payment of three years' annual certification fees).
- In the following year (2009), a contribution from base funding will again be needed (\$295,000) to balance the budget.
- When looking more closely at the course by course offerings, two courses planned for 2007 do not appear financially sound: the external auditor training and the proposed chainsaw training. Adjustments are recommended in these areas. Review of the *new* faller training program is also warranted in light of declining registrations.

BC Safe Silviculture

Total allocation to the Western Silvicultural Contractors' Association for the completion of the BC Safe Silviculture project work is approximately \$200,000 for 2007 for the deliverables noted below, and inclusive of \$80,000 for Executive Director remuneration, travel and expenses and for Strategic Advisory quarterly meetings.

- | | |
|---|---------------------|
| • Silviculture supervision DACUM and pilot | February/March 2007 |
| • Resource road driving (silviculture): write and pilot | February/March |
| • Training infrastructure: model development | February/March |
| • Wildfire fighting training pilot | April/May |
| • Prescribed burning training pilot | April/May |
| • Power saw for silviculture DACUM, write, pilot | September |
| • Wellness/fitness manual for silviculture: write, edit | September |
| • Baseline data collection, analysis, report | September |
| • Communication/outreach | Ongoing |



SAFE COMPANIES

Business Description

In January 2004, the Forest Safety Task Force, made up of licensees, associations, union leaders, independent contractors and government identified the need to recognize and reward safe behaviour and recommended that forest operations which meet and exceed required safety criteria should be acknowledged and also eligible for rebates on their WCB assessments.



The SAFE Companies initiative was established to work with forest sector stakeholders and develop industry-recognized health and safety standards that conformed to all legal and regulatory requirements, and then verify and evaluate the safety programs and activities of participating forest sector companies through a rigorous audit process. Once certified by the Council as a “SAFE Company”, the company would be eligible for rebates on their WCB assessments through the Certificate of Recognition (COR) program.

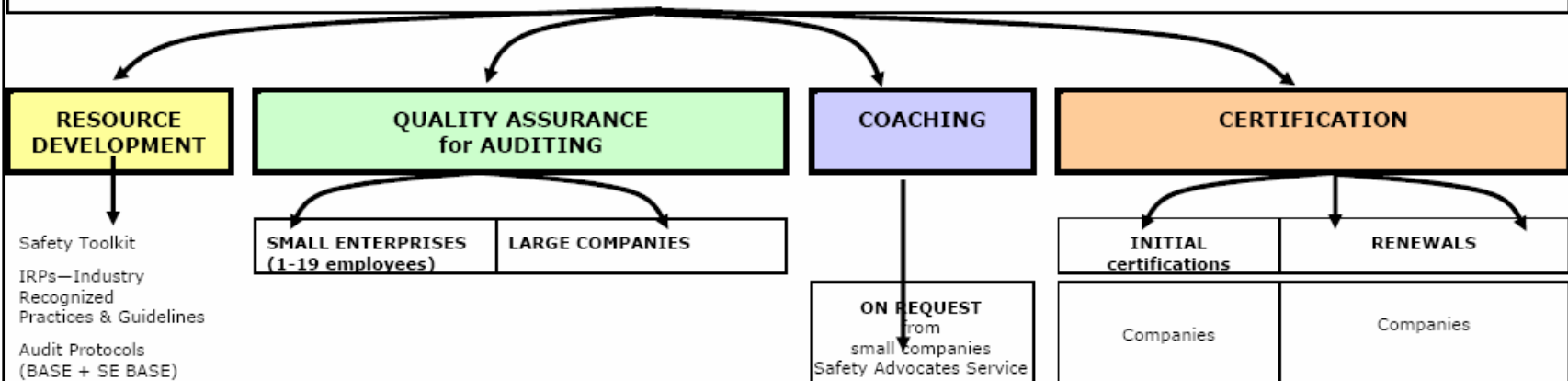
SAFE Companies will also participate in sector wide safety efforts, including safety alerts, statistical benchmarking, safety mentoring, occupational health and safety resources, and targeted worker training to improve safety activities and performance.



SERVICES AT A GLANCE

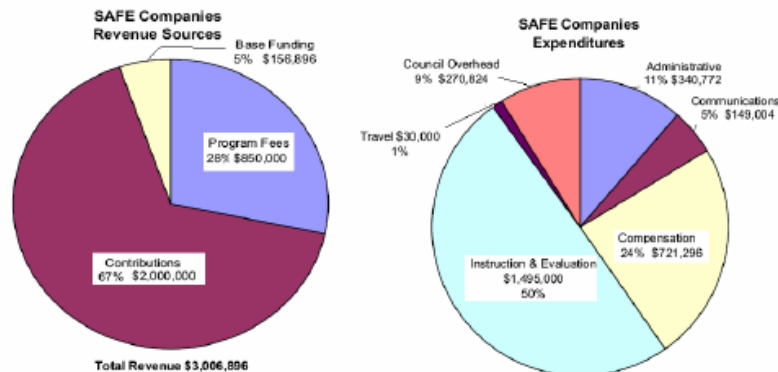
SAFE COMPANIES

STRATEGIC MANAGEMENT



Mandate: Change the forest industry’s safety culture by improving safety standards among employers working in the harvesting, transportation, silvicultural and production sectors.

2007 Revenue and Expenditure Projections



2007 objectives:

- Register 2,500 companies in the SAFE Companies program.
- Train 1,200 small employers in basic OH&S principles.
- Train and deploy six Safety Advocates who will mentor companies in every region of the province in the development and improvement of their safety program and activities.
- Maintain a roster of 24 certified external auditors to conduct BASE audits.
- Train 100 internal auditors from mid-sized to large employers.
- Administer safety program audits and award SAFE certification and COR to 2,000 companies.
- Review 100% of all audits submitted for accuracy and quality.
- Conduct site verification audits for 10% of all auditors conducting audits on employers with more than two employees.
- Develop a clear process for identifying, developing, testing, endorsing and communicating industry recognized guidelines, practices & standards.
- Gain the commitment of 75% of the primary woods manufacturing sector to join the SAFE Companies & COR program.



Key Initiatives and Objectives

The SAFE Companies program is intended to change the forest industry's safety culture by improving safety standards among employers working in the harvesting, transportation, silvicultural and production sectors. Other employers that provide support services such as engineering, mechanical repairs, consulting, etc. will also be included in the program.

For the program to be successful, it must include virtually all of the forest operations in the Province, including those run by government agencies, communities and First Nations. By bringing the entire sector into the program, industry will have taken a major step toward “taking charge” of its safety performance. This is an enormous undertaking that will require a sustained effort and resources. With the commitment of all major stakeholders including government, the program will provide the foundation for dramatic and sustainable improvement to our safety performance.

The program will work to achieve several key objectives in 2007:

- Register 2,500 companies in the SAFE Companies program.
- Train 1,200 small employers in basic OH&S principles.
- Train and deploy six Safety Advocates who will mentor companies in every region of the Province in the development and improvement of their safety program and activities.
- Maintain a roster of 24 certified external auditors to conduct BASE audits.
- Train 100 internal auditors from mid-sized to large employers.
- Administer safety program audits and award SAFE certification and COR to 2,000 companies.
- Review 100% of all audits submitted for accuracy and quality.
- Conduct site verification audits for 10% of all auditors conducting audits on employers with more than two employees.



- Develop a clear process for identifying, developing, testing, endorsing and communicating industry recognized guidelines, practices & standards.
- Gain the commitment of 75% of the primary woods manufacturing sector to join the SAFE Companies & COR program.
- Achieve WorkSafeBC recognition of the Council as the Certifying Partner for the woods manufacturing sector by the end of 2007.

SAFE Companies will develop BC's forest sector safety infrastructure by providing companies with safety program building resources, safety mentoring and coaching, targeted training, industry recognized safety guidelines and practices, safety audit standards and auditing protocols, safety certification and eligibility for rebates of WorkSafeBC assessments.

- **Safety Toolkit** - a safety program building resource that will provide a process for companies to follow in developing their own safety programs. The toolkit includes samples of various reporting forms and other safety documentation adaptable to a company's specific needs.
- **Safety Advocates** - experienced forestry and safety professionals visit the operations of companies that require assistance with their safety activities. The Advocates advise companies on how to utilize the Safety Toolkit to build a safety program from scratch, or will provide an assessment of existing safety programs along with recommendations for improvement.
- **Training Courses** - Small Employer Occupational Health & Safety course that includes safety information as well as instruction on how to conduct the small employer safety audit protocol (referred to as SEBASE training)
- **Additional courses** include certification training for External Auditors who will conduct safety program evaluations for large employers in the SAFE Companies program. This course will also be adapted to train internal auditors to conduct annual internal maintenance audits of their own companies.



- **Industry Recognized Practices and Guidelines** - formally recognized standards for safety excellence developed with stakeholder input and approval.
- **BASE & SEBASE Audit Protocols** - safety program audit standards and instruments for both large and small employers, also available in an innovative online format.
- **SAFE Certification** - companies recognized by the Council will be certified and eligible for rebates of their worker's compensation assessment

Marketing Opportunities & Strategy

- While SAFE Companies has a strong presence and recognition at the higher levels of industry and government, a key challenge will be to get the safety message and the value of the SAFE certification process to employers of every size in every sub-sector of the industry.
- Another major challenge will be to gain the support and involvement of First Nations, community forests, and small license and woodlot holders who may be less aware of safety issues, the BC Forest Safety Council and its role in creating SAFE Companies.
- After analysis of individual company payroll assessments, there are a number of assumptions that have been made about the level and type of participation that SAFE Companies can expect in the initial stages of the program focused on the harvesting, transportation and silviculture sectors of the industry. If \$50,000 is an average salary, then each SAFE Companies employer category will consist of:
 - **BASE** (20 or more employees) – **200** medium or large employers in the sector
 - **SEBASE** (three to 19 employees) – **1,595** small employers in the sector
 - **Independent** (1 or 2 employees) – **2,084** independents in the sector
- For purposes of program planning, we have made some further assumptions:
 - 100% participation by the large employers (200)
 - 75% participation by the small employers (1,196)



- 50% participation by the independents (1,042)
- for a total in 2007 of 2,438 program participants.
- We expect that the remaining small employers will either be incorporated as dependent contractors, eventually join in 2008, or remain outside the program.

Communications Objectives

- Inform industry members and other key stakeholders of the SAFE Companies program, plus Council's designation as a Certifying Partner of WorkSafeBC's COR program.
- Create awareness of the importance the forestry industry is placing on workplace health and safety through support of the SAFE Companies program.
- Foster public awareness of Council initiatives designed to increase sector safety.

Target Audiences

- Council Board members (industry associations, organized labour groups and government agencies) and their constituents
- Large forest company CEOs, and health & safety representatives
- Contractors, licencees and other prospective SAFE Companies
- Third party beneficiaries (e.g., ICBC, Ministry of Health)

Management & Staffing

- SAFE Companies is headquartered at the BC Forest Safety Council offices in downtown Vancouver. The Director of SAFE Companies provides overall coordination of the program, and reports to the Senior Director of Operations.
- Key staff will include:
 - Program Director
 - Manager, Audit Services
 - Registrar and Database Manager



- Manager, Safety Advocates
- Quality Assurance Auditors (2)
- Office Administrator and Administrative Assistant shared with Forest Worker Development program
- Most of the day to day activities of SAFE Companies will take place at the Council's Nanaimo office location on Vancouver Island. This office is networked with the Vancouver office allowing for sharing of computer files and enhanced video conferencing between staff. One of the staff Quality Assurance auditors will be based in Nanaimo, There will be another staff auditor based in northern BC, possibly out of the Council's office in Prince George.

Risk Assessment & Risk Mitigation Strategy

- If the major forest licencees in the Province focus on cost-cutting measures without regard for the value of the safety investment, it will become more difficult to sustain a high level of employer participation in the SAFE Companies program.
- If the Ministry of Forests and Range, BC Timber Sales, or other major licencees pull their support for the SAFE Companies program, it may encourage smaller employers to also withdraw from the program.
- The Forest Safety Council will continue to aggressively communicate the benefits of the safety investment to all stakeholders: government, WorkSafeBC, licencees, contractors, and the public.
- The forest sector is undergoing significant challenges as the economy slows down and housing starts in the US and Canada ramp down. This directly impacts the price of the forest sector's end products and puts huge pressures on profitability. It is likely that during the current business cycle there will be reductions in the number of forest sector participants. As companies consolidate and exit the industry, the scope of SAFE Companies will have to adjust accordingly.



- For some companies, any discretionary expenditure, including those on safety, will be postponed or stopped during pricing pressures. For others, this time will represent an opportunity to increase profitability by reducing the social and economic costs resulting from unsafe practices and conditions in the woods. Which choice is taken by most of the industry will depend, in part, on the ability of the Council to convince companies that improving safety performance will also improve the bottom line. Further, it must be made clear that operations not meeting their basic safety requirements will not be tolerated and certainly not rewarded.
- This represents an opportunity for SAFE Companies to demonstrate the value of safety and that the "cost of unsafe" can be reduced significantly, and generate a positive return on the industry's safety investments.

Financial Plan

- **SAFE Companies will generate 2007 income as follows:**

Employer registrations & renewals	\$850,000
WorkSafeBC COR Administration funding	\$1,460,000
Safety Advocate partner funding	\$ 600,000
Council core development funding	\$200,000
Total projected revenue	\$3,110,000

- **SAFE Companies Registrations & Renewals**

Before year-end in 2006 we anticipate 50 BASE, 100 SEBASE, and 50 Independent small employers will register. The **projections for 2007 - 2009** are as follows:

2007 REGISTRATIONS		Registrants	Fee	Revenue
BASE (200)	(> 1 mill payroll)	150	\$1,000	\$150,000
SE (1595)	(> 100 k payroll)	1,096	\$500	\$548,125
ISE (2084)	(> 30 k payroll)	992	\$100	\$ 99,200
		2,238		\$797,325



2007 RENEWALS		Renewals	Fee	Revenue
BASE (200)	(> 1 mill payroll)	50	\$ 500	\$ 25,000
SE (1595)	(> 100 k payroll)	100	\$ 250	\$ 25,000
ISE (2084)	(> 30 k payroll)	50	\$ 50	\$ 2,500
		200		\$ 52,500

2008 & 2009 RENEWALS		Renewals	Fee	Revenue
BASE (200)	(> 1 mill payroll)	200	\$ 500	\$ 100,000
SE (1595)	(> 100 k payroll)	1,196	\$ 250	\$ 299,000
ISE (2084)	(> 30 k payroll)	1,042	\$ 50	\$ 52,100
		200		\$ 451,100

Cash Flow

- While projected expenses are equally high (\$3,046,000 in 2007, relative to \$3,050,000 in projected income), there is no anticipated cash short fall in any quarter, or any month, in 2007.
- Both income and expenditures are expected to decline in 2008 (by ~\$400k each), after the significant effort and investment to enroll the majority of forest sector companies in the program before the end of 2007. A further decline in expenditures and in program revenues (~\$600k each) is anticipated in 2008.
- The program is thus anticipated to consistently be a break-even operation, made possible by the combination of user fees and WorkSafeBC contributions for COR administration, with the level of the latter funding varying with the company enrollment and certification rate.

WorkSafeBC COR

- For 2007, the WorkSafeBC COR (Certificate of Recognition) administrative funding contribution is expected to total \$1,425,539 if SAFE Companies meets its projections for employer involvement in the program.



- For 2008, this funding contribution will total \$1,442,940 and in 2009, \$1,456,462. The 2008 & 2009 employer registration level is expected to remain constant.
- On an annual basis, approximately \$500,000 of the WorkSafeBC funding goes towards the costs of maintaining the COR administration process for SAFE Companies (staff, office, database, overhead, etc.). This amount remains fixed throughout the term of the funding agreement with WSBC regardless of employer participation levels.
- The remainder of the funding is considered variable and the annual contribution amounts will need to be balanced against actual employer participation in SAFE.
- It is anticipated that the funding will be paid in two installments in advance annually, For this business plan we have anticipated that the funds will arrive in the first and seventh months of 2007, 2008 and 2009 (\$750,000 in January; ~\$700,000 in July).

Safety Advocates

- There will be three safety advocates engaged as of January 1, 2007. The budgeted monthly cost is \$12,000 per advocate. This budget will cover the advocates' contract compensation as well as travel expenses for the advocate.
- In March, we will add 3 more safety advocates for a total of 6. The total monthly cost of the program will be \$72,000.
- The intention is to have at least one safety advocate in each of six regions: Lower Mainland and Southern Coast, the Okanagan/Kootenay region, the Central Interior, the North Central/Coast and Northeastern British Columbia.

Safety Advocate Partner Funding

- The Safety Advocate program requires partner funding to be viable. For planning purposes we have budgeted \$600,000 that will need to be raised externally for 2007 and \$600,000 for 2008.



- If these amounts are not raised, the program and budget will be adjusted to the level of funding that has been raised.
- A number of potential partners have been identified as sources of funding: Ministry of Forest and Range/ BCTS, ICBC, Beetle Action-related funding, First Nation-related funding, and others.
- For adequate cash flow to manage the Safety Advocate service, the funding should be received by the Council as follows: \$100,000 in February, \$200,000 in April, and \$300,000 in July—for both 2007 and 2008.
- There is currently no projected Safety Advocate activity beyond the end of 2008.

Council Base Funding for Development Work

- A number of ongoing developmental costs are anticipated: developing IRPs (Industry Recognized Practices), coordinating development of SAFE Companies for the wood manufacturing sector, and creating a benchmarking and statistical tracking resource.
- The SAFE Companies business plan is to draw from Council's base funding at the end of each quarter in the amount of \$50,000 for a total of \$200,000 in 2007.
- In 2008 & 2009 the projected requirement from the Council's core budget for development work is \$50,000 annually.

Quality Assurance Costs

- \$900,000 annually has been budgeted to carry out the requirements of the WorkSafeBC COR program for audit quality assurance. This funding could be adjusted downwards if there are new approaches or technology developed to reduce the costs related to moving people and supplies for the quality assurance process. Reductions in the cost of doing quality assurance will be balanced at year end with funding received from WorkSafeBC to reflect that saving. This will be bottom-line neutral as both revenue and costs would be reduced equally.



- Staff will make every effort in internal scheduling to conduct the quality assurance reviews in equal volume each month so the costs associated with the reviews are spread evenly over the 12 months.
- In 2007 the plan is for 6 Technical Advisory Committee (TAC) gatherings in Vancouver at a cost of \$15,000 for each session, to guide ongoing development of the SAFE Companies audit program and also help evaluate standards that might be required to incorporate the woods manufacturing sector. In 2008 and 2009, TAC meetings will be held on a semi-annual basis.
- In 2007 there is an allocation of \$60,000 for consulting assistance in the review of the SAFE Companies audit protocols and comparison with other jurisdictions for possible reciprocity or equivalency recognition. Some of this funding would also be directed to sourcing technical expertise to consult with the TAC when developing initial draft audit standards for the woods manufacturing sector.

Marketing Costs

Sales and Marketing	\$	%
Year 1	724,004	23.74%
Year 2	626,000	24.01%
Year 3	19,500	0.97%

- The advertising budget will be directed in coordination with the Council’s Director of Policy to best place direct advertising to SAFE Companies constituents. There is also a budget of \$15,000 for February 2007 to undertake a major information campaign.
- Outreach funding refers to activities such as trade shows, conferences, etc. where SAFE Companies can be promoted to targeted audiences.
- Safety Advocates have a dual role. They assist smaller companies with their safety needs, but they also communicate (market) the role of SAFE Companies and the benefits that the companies can gain by being part of the program. Hence, we have placed the expenses of the Safety Advocate program in Sales &



Marketing. The amounts given are intended to cover the contracted Advocates for both their remuneration and all related expenses.

- The plan is to start with three advocates in January 2007, and introduce three more in February. For the last three months of 2007, when we anticipate demand to be extremely high for this program, we would engage three more Advocates for a total of nine Safety Advocates. In 2008 this would drop down to six and remain at six for the full year before being phased out. Continuing the program into 2008 is dependent on full funding being secured prior to the end of 2007.

Administrative Expense

- As most SAFE Companies activities will be based out of the Council's Nanaimo office, the operating budget for the program includes sufficient allocation to cover 50% of the rent and utilities for that office, and also one parking stall plus work station provisioning and telecommunication expenses for SAFE Companies staff.
- Additionally, the budget includes a contribution towards rent and related overhead for use of office space at the Council's head office, possibly the Prince George office, or home office space (one of these options) by one of the two staff auditors.



Forestry TruckSafe

Business Description

Forestry TruckSafe's mission is to promote safe drivers, safe vehicles, safe roads, and a culture of safety in the forest sector, in order to reduce forestry-related crashes, injuries and fatalities on BC's roads.

Those four broad areas of focus (drivers, vehicles, roads, and culture) involve multiple stakeholders, legislation, regulations, enforcement systems, and layers of complicated jurisdictions. Though Forestry TruckSafe's focus is on forestry-related crashes, the industry shares the road with other users, including school bus drivers and passengers; hunters, fishers and ranchers; recreational users; workers in other resource industries; pedestrians, cyclists and other members of the general public. All of these must be included in the larger picture when developing strategies to increase safety.

Adopting a problem-solving approach to issues of driver and/or road safety allows program staff to pull together representatives of all stakeholder constituencies, and collaboratively develop strategic, targeted responses to critical issues, including preventive activities. This community development model reflects the Forest Safety Accord's premise of shared responsibility.

The services of the Forestry TruckSafe program are:

1. Advocacy and Outreach
2. Information Services and Public Education
3. Road Use Management Support
4. Standards Development.

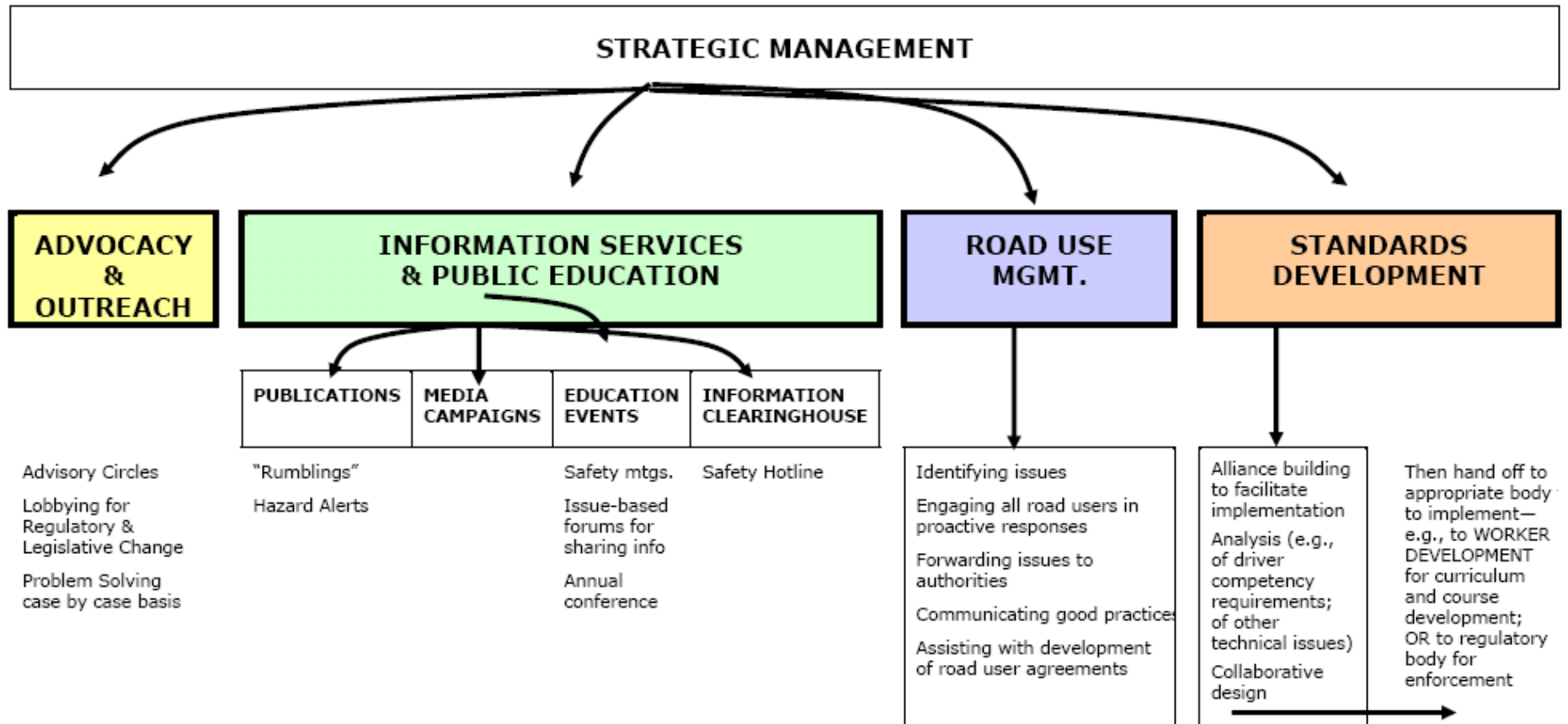
Standards development activity will support competency assessment and creation of driver certification programs, and it will also encompass collaborative work on technical standards to improve safety in vehicles and on the roads.





SERVICES AT A GLANCE

TRUCKSAFE Business Unit





Key Initiatives and Objectives

The most important benchmarks for program staff are achieving:

- 30% reduction over the next three years in the number of forest worker injuries and fatalities that occur during driving, cargo securement, roadside activity or other transport, PLUS
- 30% reduction in injuries to all other road users who interface with forestry workers.

Background: Historically, more than 25% of fatalities in the forest industry have occurred during the transportation of logs, wood products and forest workers. In recent time, as the safety of fallers has increased through such initiatives as mandatory competency assessment and certification, the safety of truck drivers has not. Because of the nature of hauling, many drivers have multiple "cycles" in a day, meaning the same truck and driver could pass through a particular risk 8 to 10 times per day. An estimated 25,000 industry drivers traverse 47,000 kilometres of public roads and 650,000+kms of resource roads.

In 2004, more than 92,000,000 cubic meters of logs were harvested and moved, at an average rate of 22,000 loads per million cubic meters of logs, resulting in approximately 2,024,000 two way (loaded and empty) logging truck trips in that year. Adding to that the log harvesting crews, supervisors and government officials, silviculture crews, industry service providers, as well as the chip and lumber haulers, the tally for the forest industry is well over 4,000,000 trips per year. The goal is making all those trips safer journeys.

Enabling objectives include:

1. Safe Drivers

- Identify specific hazards and risk factors that contribute to forest worker injuries and fatalities occurring during driving, cargo securement, roadside activity or other transport, and the related knowledge, skills and abilities needed by drivers in the forest industry—to inform the development of driver training standards, competency assessment and certification systems.



- Increase drivers' ability to avoid hazards or adjust their behavior to avoid injury by providing them with timely and accurate incident reports, related hazard alerts, and safe driving tips.
- Deepen understanding of unsafe driver conditions, and counter these conditions through programs to reduce driver fatigue and to increase driver wellness.

2. Safe Roads

- Highways—Identify unsafe behaviour patterns that arise in the interface between forest industry and other vehicles, and help design public awareness and prevention campaigns.
- Resource Roads—Act as a catalyst for the development of efficient and safe management of road design, layout, construction and maintenance of resource roads, including resolving of responsibility, jurisdiction and legislative/regulatory issues.

3. Safe Vehicles

- Promote research and utilization of technology to enhance drivers' safety.

4. Promote a Culture of Safety

- Promote adoption of driver safety by forest companies and individual drivers as a permanent way of operating, not as just a policy that must be enforced.
- Partner with other agencies and industry bodies to educate all road users about sharing the road safely and to effect a shift in addressing driver attitude and assumptions.

Services include the Following Initiatives:

- Safety Hotline
- Bi-weekly publication of *Rumblings* e-zine for drivers and other stakeholders
- Production of print articles



- Media campaigns, designed and implemented with funding partners such as ICBC, forestry employers, and companies in other resources industries (mining; oil and gas)
- Education events: safety meetings, broader issue-based forums, annual conference
- Information clearinghouse on Council's web site
- Oversight of TruckerHealth project funded by Act Now! Incentive (provincial govt.)
- Active participation in Northern Health's Road Health coalition
- Regulation review and ongoing input into Resource Roads Act in development
- Promotion of the Vehicle Identification Number Plate program and registry for forestry vehicles.

Marketing Opportunities and Strategy

TruckSafe staff forge alliances not only within the forestry sector but also with:

- Other resource industries (mining; oil and gas)
- Health Authorities, as well as the Ministry of Transportation and Highways, Ministry of Labour, ICBC, the RCMP, and other policy-setting, regulatory and funding bodies
- First Nations who depend on resource roads for access to their communities and/or who have also signed timber agreements with the Ministry of Forests and Range
- Research institutes such as the FERIC, the Forestry Engineering Research Institute of Canada.

These alliances lead to greater capacity for prevention and problem-solving work.



In their marketing strategy, which is public relations and not advertising focused, program staff:

- Focus on building social capital
- Take the initiative to establish and support networks of allies
- Adopt an inclusive approach in the planning of events and in communications, to ensure strategies that take into account the different perspectives and multiple needs of a diverse group of stakeholders
- Create resources and operating systems that facilitate self-monitoring, and that will not require ongoing reliance on Council staff
- Forge partnerships and multi-party alliances for specific initiatives—so as to pool staff resources and also secure funding agreements to support implementation of specific campaigns and projects.

Management and Staffing

The TruckSafe program will continue to operate out of Prince George to sustain a regional presence for the Council in the North of the Province. Current facilities (sublet from the Central Interior Logging Association, adjacent to several sawmills, and with space for loaded logging trucks to safely pull in) and equipment and the 2-person staff team will adequately meet Forestry TruckSafe's needs over the next three years. Both the Program Director and the Administrative Assistant intend to stay with the program, assuring consistency and continuity in service, and strengthened longer-term relationships with stakeholders. Should strategic initiatives require more human resources, individuals will be hired on a project contract basis, and these costs factored into grant applications and other co-funding or sponsorship agreements.

Risk Assessment and Mitigation Strategy

- Advocacy around transportation-related safety initiatives and practices is expected to be an ongoing need. A strong working relationship between TruckSafe and Council's corporate communication staff will also mitigate this



risk, as will the building of issue awareness and strategy commitment through good teamwork across Council's management team as a whole.

- This risk of losing program benefits through the loss of the Program Director, whose personal style, energy, and commitment to building social capital are currently integral to operating success and the creation of networks that can collectively achieve what one organization cannot, can be mitigated by embedding several guiding principles into this unit's business plan for the benefit of future staff and current colleagues. See Marketing Strategy.
- Short-term success is another risk for the program in that as fatalities and injuries are reduced year by year, the sense of urgency and corporate willingness to respond may also diminish. One mitigating strategy is to track transportation-related fatalities and injuries carefully, and continue to communicate findings to the stakeholder network so that any increase in the severity of the problem is quickly perceived.
- The nature of collaborative projects and funding terms may require initial outlay of funds by Council, with recovery from various partners later in the process or at the end. Business case analysis (by the Program Director) for such investment on Council's part—including anticipated return on investment of resources, comparative analysis of action options, and cost/benefit analysis—will facilitate timely investment and effective handling of such cash flow challenges.
- Co-funding or other sponsorship arrangements, and other strategic agreements, are rooted in relationships. Turnover in management positions, including retirements, promotions, restructuring and downsizing of partner agencies, may result in disruption of projects, time delays and/or withdrawal of a partner. Program staff will strive to secure memorandums of understanding with other agencies, to ensure continuity and fulfillment of commitments.

Summary of Financial Projections

- By executive decision, Forestry TruckSafe's operating budget of \$290,000 will continue to come principally from the BC Forest Safety Council's base funding.



The annual contribution request of \$250,000 represents 86% of anticipated program expenditures.

- Contributions from other organizations are expected to total \$35-40,000 minimum per year: these are anticipated media campaign contributions to cover related expenditures.
- Additional funding may be acquired through other partner contributions. These will be project specific, and again will be flow-through contributions only, with no net gain for Council.
- Forestry TruckSafe staff may pursue other grant opportunities (e.g., provincial or federal dollars or foundation support) that fit well with the program's mandate, also project specific.
- If additional staff is required to implement further initiatives, this cost will be factored into the project budget, grant application and/or co-funding agreements, and human resources hired on a contract, time-limited basis with the term tied to project deliverables and duties.
- The program's entire budget is less than 10% of the Council's core budget, but represents a critical piece of the Council's work—advocacy and strategic relationship building.



OMBUDSMAN

Business Description

The position of Forestry Safety Ombudsman was created in March 2006. This service was initially put forward as a new initiative that would be evaluated by the Council in its third year of operation. The first Ombudsman is Roger Harris.

This 3-Year Service Plan sets out the focus and direction for the Forest Safety Ombudsman's Office for 2007 and the two years beyond. The evaluation of the program will occur in 2008, its third year of operation. Funds for that evaluation are factored into the budget for that year. The continuation of the office, its form and services will be influenced by the evaluation and the budget for 2009 will be adjusted to reflect the evaluation findings.

The following sets out the priorities for the office in the coming three years. Performance measures will be established to ensure that the Office continues to be an effective agent for resolving and raising the profile of issues brought forth by the forest sector of BC.

Although the Forest Safety Ombudsman is an independent position within the Council, it will only be successful with the continued support from members of the Council's Board. A key indicator of the Office's success will be ongoing industry/sector comments and feedback. All members will be given an opportunity to assess and evaluate both the Office and the position prior to the release of the annual report.

Key Initiatives and Objectives

- The Office will continue to explore and develop **administrative tools** for the recording, tracking and investigation of inquiries that are brought forward. These may include new phone tracking technologies, database and research tools.
- A typical Ombudsman's inquiry is complex in nature. The overlap and common themes of some issues will require a system be in place to manage multiple issues simultaneously. Development of **technological solutions** and systems is



a key component of the 3 year plan in order to maintain the FTEs at their current level.

- The Office will continue to **track the impact of SAFE Companies and other Council programs, new government legislation and regulatory changes** to make certain the Office continues to operate without jurisdictional conflict with other agencies while ensuring it has the ability to address relevant forestry matters.

Communications

- The Office will continue to provide **quarterly reports to the Council's Board** of Directors on the activities of the Office. Council members will be given the chance to raise issues, concerns and track the ongoing progress of the Office.
- The Office will release an **annual report** every year with the first report for 2006 being released in March, 2007. Together, the quarterly reports to the Council's Board of Directors and the annual report will serve to measure and track the performance of the Office on a continual basis.
- The Office plans to build **contacts in the ombudsman profession** by seeking membership with the United States Ombudsman Association.

Advocacy

- The Office will continue to engage the forest sector on a proactive basis. After a successful tour of the Province in 2006 the Office will continue to reach out to forest sector in an effort to promote accessibility to any interested parties.
- In the next 3 years the Ombudsman will participate in all major tradeshows, annual conventions (Truck Loggers Association, Interior Logging Association, etc.) and will focus on connecting with small firms and owner operators. The overarching goal will be to continue to raise the profile of the Office while also providing an access point in many different areas of the Province.



- With the anticipated integration of the wood manufacturing sector into the Council’s SAFE Companies program, the Office will consider how this will affect the office.

Case Management

- The Office is completing a 2006 review of Training and Certification within the forest sector. The Office plans to conduct at least one major review per year in each of the next 3 years. Prior to the announcement of any review, the Ombudsman will consult the Council’s Board of Directors.
- The Office will continue to hear and respond to requests from Board members as required. The anticipated number of cases that will evolve into more intensive investigations is approximately 20% of total received inquiries. This figure is consistent with findings of other Ombudsman services throughout the Province.
- The Office anticipates that the potential inclusion of the manufacturing sector into the Council’s activities combined with the introduction of a number of major initiatives by the Council (e.g., SAFE Companies) and a higher profile for the Office will increase the frequency and number of inquires to be handled by the Office in each of the next 3 years.

Summary of Financial Projections

	2006	2007	2008	2009
Fixed Budget	\$100,000	\$150,000	\$150,000	\$150,000
Independent Office Assessment			\$20,000	
TOTAL	\$100,000	\$150,000	\$170,000	\$150,000



PROJECTS

STATUS OF PROJECTS STARTED IN 2006

In 2006 the Council is introducing four “Developing Projects”. Two of the new initiatives emerged as part of the Forestry TruckSafe Summits and were identified as major concerns that should be considered on a sector-wide basis.

Two additional initiatives were identified as part of Council’s direction to accelerate the SAFE Companies initiative, in recognition of the pressures that this would create on the smaller companies and contractors. These were announced in mid January, 2006, after consultation with Council members.

The four 2006 “developing projects” are:

- Forestry Ombudsman
- Forest Safety Advocates
- Review of substance use and abuse in the forest sector
- Developing a workforce development strategy for the forest sector

Forestry Ombudsman

This project has been developed and is now treated as an on-going program and service. Roger Harris was appointed as the first Forestry Safety Ombudsman and he will be issuing the first annual report of the Office in early 2007.

The program is scheduled for evaluation in 2008.

Forest Safety Advocates

The Safety Advocates program has now been developed and incorporated into the SAFE Companies initiative.



Review of substance use and abuse in the Forest Sector

A review of this area was undertaken and reported to the Council's Board. As a result of the review, the Council is moving forward as follows:

- The Council will participate in the work of other sectors on this issue, in particular, by ENFORM and within the general trucking sector.
- The Council will pursue the more general issue of forestry worker health as a separate project.

Forest Worker Health has now become a project of the Council.

Developing a workforce development strategy for the Forest Sector

The Council is supporting the work of several member organizations and HRDC to get the data to support a strategy. Led by the Truck Loggers Association, the project will be active for the next two years.



BUSINESS PLANS FOR INTERNAL SUPPORT

This chapter contains executive summaries for two internal support services, both highly critical to the Council's fulfillment of its mandate and to the effective delivery of service in each of Council's key program areas. The two support services are:

- Information Management
- Strategic Communications and Marketing.

The development and review of business plans in each of these areas has been done collectively with the major program areas, which allows for mutual agreement on assumptions and priorities.

This planning also leads to mutual agreements on reasonable allocations (against specific program areas, or not) of senior management and other headquarters staff time, plus allocation of other resource use with financial implications, such as consulting support, technical infrastructure, advertising budgets, etc.

INFORMATION MANAGEMENT SYSTEM

Business Description

As the BC Forest Safety Council has moved from a startup phase to program implementation and management of ongoing service delivery, issues of information gathering and management have gained greater importance. Collection of accurate historical and predictive information on safety is a key factor in anticipating and tracking progress. Accurate, flexible information storage via a database is an essential part of managing SAFE Companies and training programs into the future.

Work will continue on refining the Council's collection and dissemination of statistical information regarding injuries and fatalities in the forest sector. Over the next years, more timely, accurate and descriptive information will be sought, with a goal of improving lessons learned and using the information to prevent future incidents.



Database development will continue through 2007, with a goal of first providing a firm foundation for registrations and certifications in the SAFE Companies program, and then incorporating all training and certification information for the Council as a whole. The information architecture and database part of the Council's operation will be based out of both the Vancouver and Nanaimo offices.

Key Initiatives and Objectives

There are two key initiatives, with accompanying objectives.

- First, continued improvement of the Council's collection and dissemination of statistical information regarding fatalities and serious injuries, and predictive data regarding progress towards safety goals. The objectives for this initiative are:
 - continuous improvement in the quality of historical data, and
 - development of a suite of stable predictive statistics.

- The second initiative involves the development, implementation and refinement of a database to support Council programs. The objectives are to:
 - first provide a firm foundation for registrations and certifications in the SAFE Companies program, and then
 - incorporate all training and certification information for Council as a whole.

Marketing Opportunities & Strategy

- For the statistical information developed by the Council, the market is 50/50 internal and external stakeholders.

- For the database, our initial market is the SAFE Companies program. Next we want to incorporate the existing faller database into this project. Finally, we want to incorporate ongoing training data going forward.

- The statistical information developed by the Council is marketed largely through word of mouth and awareness generated through media coverage.



- The statistical information developed by the Council is available on our website, through certain printed materials, and through an email subscription service. The subscription service currently has 871 members.
- Integration with the Council's database will be a requirement for all programs, so no specific promotion to external customers is planned.
- Programs will have access to database information through online viewing, and by requesting reports for specific purposes. As the product becomes more stable, web-available access for SAFE Companies may be available.

Competitive Advantages

- The Council is uniquely positioned to collect and distribute statistical safety information for the forest industry in a way that supports eliminating fatalities and serious injuries. As the statistics we gather become more accurate and detailed, they will better support this goal. No other entity has the same mandate, capacity or network to perform this function.

Management and Staffing

The information architecture project has several key staff involved. The Director of the SAFE Companies project is overseeing development of the database, while the Corporate Secretary has responsibility for the statistical information gathering. Both are supported by the Council's Vancouver program officer. External resources are being used for database development work in 2006, and will be used on an ad hoc basis for maintenance and upgrades going forward.

In the future, a database manager will be based in Nanaimo, with management oversight from the Vancouver based SAFE Companies director, the Nanaimo based Forestry Worker Development director, and continued support from Vancouver and Nanaimo based program officers.

Summary of Financial Projections

- It is not planned that this service will have an internal chargeback system. Currently, none of the registration or training fees are allocated to pay for the



development or maintenance of the information system. Once training is incorporated into the database, costs will need to be allocated appropriately.

- It is possible that if we provide reports to third parties, we may recover the costs of production, but this function is a "third phase" of our plan, and has not been scoped out at this time.
- Provision for development costs in the Council's operating budget appears in two places: under Information Management (\$75,000 in 2007, with similar investment in successive years for ongoing administration and enhancement of the system), and also under SAFE Companies. For 2007 going forward \$15,000 is budgeted every two months (in SAFE Companies operating budget) for upgrades and delivery of a planned-for "live link" service offering SAFE Companies immediate access to current legislation, regulations and policies online.



STRATEGIC COMMUNICATIONS AND MARKETING

Business Description

Communications is a support service provided and managed by the Corporate Secretary to address the internal and external communication needs of the Council. The Corporate secretary works with Council senior management and program staff to determine and develop communications strategies and activities. Implementation of communications strategies is undertaken with a team of freelance writers and designers.

The communications initiatives of the Council have evolved over the past two years from a reactionary mode to the work-related deaths and serious injuries that arose in 2005, to a focus on strategic communications opportunities in 2006. Communications and marketing activities will continue to be strategically developed and targeted to reach key stakeholders.

Key Initiatives & Objectives

To keep industry and key stakeholders informed and engaged as the Council moves forward with initiatives designed to prevent fatalities and serious injuries, the communications program will be guided by the following objectives that :

- Utilize a consistent approach, messaging and standards for communications and marketing strategies, materials and messages that are based on available research, business objectives, analysis of stakeholder needs, communications options and available budgets.
- Focus on stakeholder-focused information on the state of safety in the industry that is consistent and accessible.
- Utilize stakeholder networks and computer-based strategies to promote Council programs.
- Target industry leaders, their communications staff and other stakeholders as safety champions to convey and promote Council programs and initiatives.



- Target influencers, such as peers and family members of workers, with an advocacy campaign about safety and Council programs.
- Incorporate partnerships, sponsorships and alliances with key stakeholders on communications, marketing and promotional strategies.

MARKETING OPPORTUNITIES & STRATEGY

Communications messaging will evolve from a focus of "alarm at how unsafe the sector is for workers"—to key messages about:

- The significant progress industry has made in turning its attention to health and safety;
- Improved results in terms of less fatalities and serious incidences as a result of the unprecedented attention by industry, media and the public;
- Critical importance for industry to build on first two years and continue efforts to make safety an integral part of how business in B.C.'s forest sector is conducted; and
- Focus on safety as an investment that will pay dividends to individual businesses and the sector overall, through improved safety performance and image of the industry.

Target audiences

- Council members and their communications contacts.
- Industry leaders and communications contacts at large forestry firms.
- Contractors, community forests, small license and woodlot owners and other prospective SAFE Companies.
- First Nations leaders.,
- Workers (fallers, forestry supervisors, truck drivers, etc.)
- Safety advocates, external auditors, corporate internal auditors, Council trainers and qualified supervisor trainers and safety consultants,



- External training partners (e.g., colleges),
- Spouses, family members and peers of forest workers,
- Stakeholders in forestry communities (public, employers, workers, business/community groups, media),
- Other industry associations, regulators and government agencies,
- Local, provincial and national elected representatives, and
- Media.

Key Products & Services

- Communications planning for program launches and announcements.
- Communications training and coaching to Council spokespeople.
- Production and management of graphic standards.
- Writing and placement of trade magazine articles and columns.
- Quarterly Council and SAFE Companies newsletters.
- Communications and marketing materials (brochures, annual report).
- Media materials, messaging and proactive and reactive media relations activities.
- Media content analysis reports.
- Stakeholder communications activities and materials.
- Outreach, advocacy and marketing activities.

Competitive Advantages

The key competitive advantages the Council has to offer in developing and delivering proactive stakeholder communications and marketing strategies include:

- Industry stakeholder commitment to workplace health and safety resulting in greater receptivity to communications campaigns, materials and messages on Council programs and initiatives.



- The Council is considered a credible source and resource on forestry workplace health and safety among industry and media stakeholders.
- Engaged and knowledgeable media and good working relationships with key reporters and industry publications.
- Considerable success in generating positive media coverage and stakeholder awareness through proactive targeted campaigns, materials and programs
- Credible spokespeople who make themselves available to media and stakeholders.
- Knowledgeable staff and consultants who have the experience and expertise to develop and implement communications and marketing strategies that meet objectives and deliver results.

Summary of Financial Projections

- The financial investment in communications and marketing is increasing as a result of the marketing stakeholder communications needs of the SAFE Companies and Worker Development programs. On the basis that each of the three program areas will be supported by corporate communications services and benefit from communications staff and contractor assistance. Corporate communications expenses of \$38,000 have been allocated to each of the Council's major programs: Forestry Worker Development, SAFE Companies, Forestry TruckSafe. Any further program-specific marketing activities and costs have been embedded in the Work Plans for these program areas.
- Communications costs cover advertising, media relations support, writing and design services, convention-related costs, promotional items, print production, Council overhead costs and miscellaneous communications costs.



THE FISCAL PLAN

FIVE YEAR BUDGET PROJECTION

The following table sets out the budget projections for the 2007 – 2011 Work Plan.

Program Summary	2007	2008	2009	2010	2011
Revenue	6,998,555	7,234,820	6,360,705	6,260,705	6,060,705
Expenditures					
Executive					
Council Administration	439,231	352,163	308,050	301,391	301,391
Communications	180,000	180,000	180,000	180,000	180,000
Information Management	75,000	75,000	75,000	75,000	75,000
	<u>694,231</u>	<u>607,163</u>	<u>563,050</u>	<u>556,391</u>	<u>556,391</u>
Programs					
SAFE Companies	3,006,896	2,786,050	2,205,678	2,209,122	2,209,122
Forestry Worker Development	2,236,373	2,400,438	2,540,073	2,442,558	2,242,558
Forestry TruckSafe	383,085	389,992	402,228	402,956	402,956
Ombudsman	150,004	170,000	150,000	150,000	150,000
	<u>5,776,359</u>	<u>5,746,481</u>	<u>5,297,978</u>	<u>5,204,637</u>	<u>5,004,637</u>
Projects					
Worker Health	450,000	120,400	-	-	-
Legal Regime Review	50,000	25,000	25,000	25,000	25,000
Workforce Development	25,000	25,000	25,000	-	-
	<u>525,000</u>	<u>170,400</u>	<u>50,000</u>	<u>25,000</u>	<u>25,000</u>
Total Planned Expenditures	<u>6,995,590</u>	<u>6,524,044</u>	<u>5,911,028</u>	<u>5,786,028</u>	<u>5,586,028</u>
Net Revenue	<u>2,965</u>	<u>710,776</u>	<u>449,677</u>	<u>474,677</u>	<u>474,677</u>
Contingency Allocation	<u>-</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
Unallocated Funds	<u>2,965</u>	<u>610,776</u>	<u>349,677</u>	<u>374,677</u>	<u>374,677</u>

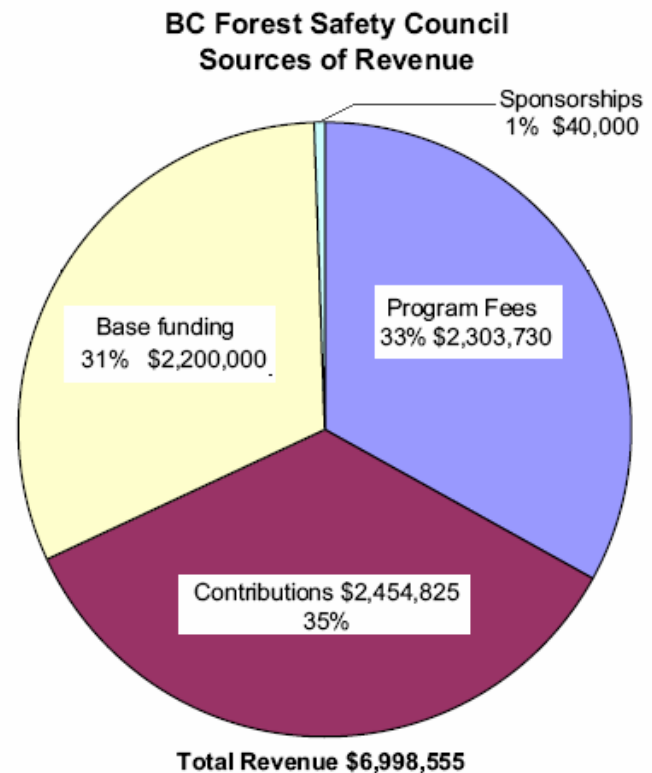
Notes

- The budget is allocated to three categories: “Executive”, including all administrative and support activities; “Programs”, including all on-going programs and services; and “Projects”, including all development work not associated with an on-going program.



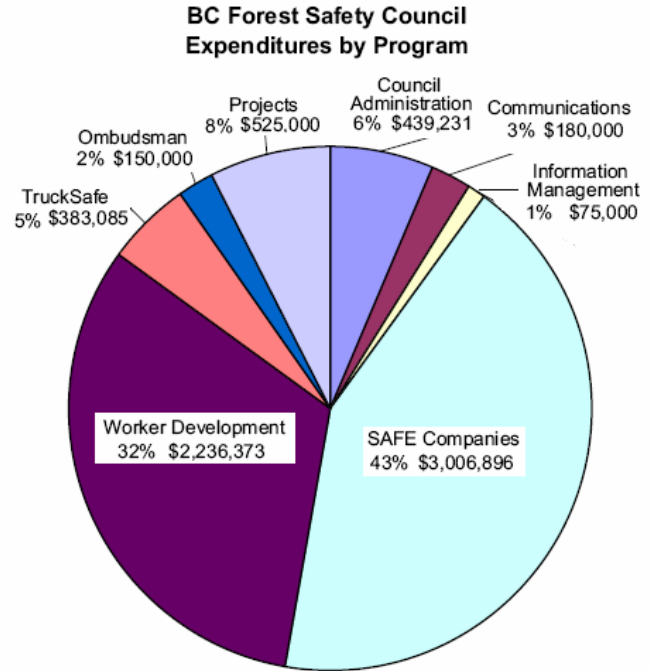
- The overall budget for 2007 is projected to be 6.9 million, growing to 7.2 million in 2008 and then diminishing to 6.3, 6.2 and then 6.0 million in 2009, 2010 and 2011 respectively.
- The first three years of the budget are based on the business planning completed by individual programs and services. The last two years of the projections were extrapolations based on assumptions developed by the full management team of the Council.
- It is expected that expenditures and revenues will grow in 2007 and 2008 as a result of the full implementation of the SAFE Companies program and increased activity on training, qualification and certification. Once SAFE Companies is fully operational, the revenues for that program will decrease over the next three years. Training revenues will also decrease as key training is developed and the training moved to external organizations and individuals.
- The long-term sustainable budget of the Council is expected to be around 6 million.

Revenues have increased and the sources of revenue diversified. The adjacent chart shows the projected allocation of revenues by source for 2007. There is about an even split between base funding, contributions and sponsorships, and fees. Total revenue is about 7 million.





- The allocation of expenditures for 2007 are set out in the adjacent chart.
 - 83% of the budget is now for programs and services.
 - The largest program is now SAFE Companies, accounting for 43% of the total budget.
 - Forestry Worker Development is the second largest program, accounting for 32% of the total budget. Over the five year projection, these this program will become the largest of the Council's services and the two programs will account for approximately 80% of the Council's Budget.



INCOME STATEMENT

The following table sets out the projected income statement for the Council over the projected period.

Summary Income Statement	2007	2008	2009	2010	2011
Revenue					
Program Fees	2,303,730	2,879,245	2,720,705	2,620,705	2,420,705
Contributions	2,454,825	2,115,575	1,400,000	1,400,000	1,400,000
Base funding	2,200,000	2,200,000	2,200,000	2,200,000	2,200,000
Sponsorships	40,000	40,000	40,000	40,000	40,000
Total Revenue	6,998,555	7,234,820	6,360,705	6,260,705	6,060,705
Expenses					
Administrative	742,032	551,062	530,872	530,872	530,872
Communications	425,604	291,200	289,200	289,200	289,200
Compensation	2,714,404	2,488,782	2,403,206	2,378,206	2,378,206
Instruction & Evaluation	2,867,550	2,944,000	2,433,750	2,333,750	2,133,750
Travel	246,000	249,000	254,000	254,000	254,000
Total Expenses	6,995,590	6,524,044	5,911,028	5,786,028	5,586,028
Net Income	2,965	710,776	449,677	474,677	474,677

This shows projected revenues by source and expenditures by type.



Notes

- The work of the Council is labour intensive and the largest expenditure is for personnel costs.
- Significant resources are also allocated to training and quality assurance.
- Net income represents unallocated revenues, part of which will be used to build the Council's contingency fund.

CASH FLOW – 2007

The following chart sets out the projected cashflow for 2007.

CASH FLOW 2007	Q1	Q2	Q3	Q4	2007 Total
Cash Flow					
Opening Cash	-	722,876	1,015,307	901,668	-
Inflows	2,454,360	2,263,915	1,620,245	660,035	6,998,555
Capital Asset Acquisition	30,675	15,675	15,675	120,675	182,700
Outflows	1,700,809	1,955,809	1,718,209	1,620,763	6,995,590
Net Flow	722,876	292,431	(113,639)	(1,081,403)	(179,735)
Ending Cash	722,876	1,015,307	901,668	(179,735)	(179,735)

Notes

- One of the factors resulting from over 60% of the budget now coming from fees and contributions is the fact that expenditures and revenues do not necessarily occur in the same timeframe. The projected cash flow shows the potential for a deficit in the last quarter of 2007 due to the lag between the delivery of services and the reception of fees.



APPENDICES

APPENDIX A: THE FOREST SAFETY ACCORD

FOREST SAFETY ACCORD

Our Key Beliefs:

- We believe that all fatalities and injuries are preventable.
- We believe in a culture where the health and safety of all workers is an over-riding priority.
- We believe that excellence in health and safety is important to our long-term success.

Shared Responsibility:

- We are collectively and individually responsible for the safety of all workers and all worksites.
- Individuals must assume responsibility for their own safety and the safety of co-workers by following all safety rules, procedures and practices; by refusing to perform unsafe work; and by taking collective responsibility for the unsafe conduct of others.
- Tenure holders, licencees and prime contractors must take a leadership role in ensuring worker health and safety and assuring accountability for safety on the worksite.

Recognition of Safety Performance and Practices:

- The commitment to health and safety is to all workers, not just direct employees. When engaging contractors, sub-contractors and others to provide services, the selection process and administration of contracts will include recognition and support of good safety performance and practices.
- Employers will recognize and support the safety performance of their employees.
- All owners of forested lands, tenure holders and licencees will give weight to the safety record and current practices of companies in the awarding of contracts and in the determination of fees and levies.

Commitment to Training and Supervision:

- We understand the importance of workers being fully prepared for the work they do and the provision of competent supervisors who will insist on and enforce safe work practices. All workers on the worksite must be competent and fully trained and certified for the work they are performing.

Legislation:

- It is understood that the regulatory environment of the Forest Industry can have profound impacts on safety. Accordingly, government ministries and agencies must take into account the importance of health and safety when developing, reviewing and drafting applicable areas of law and regulation.

Continual Improvement:

- We are committed to the on-going improvement of our practices and support efforts to develop and implement new methods, procedures and technologies that have the potential to improve safety.



BC Forest Safety Council
Unsafe is Unacceptable



APPENDIX B: RECOMMENDATIONS OF THE TASK FORCE

Recommendation #1 – Adopt a Health and Safety Accord

The Task Force recommends that the Forest Industry adopt and endorse a Health and Safety Accord to signal its commitment to health and safety as an over-riding priority and to guide changes to attitudes, procedures and operations needed to create a safety culture throughout the industry. To ensure that the Accord is effective, it should be endorsed by key organizations and companies within the sector. The adoption of the Accord is to become part of the development of criteria for the pre-qualification and certification of forest companies, contractors and independent operators and considered a prerequisite for bidding on timber contracts.

Recommendation #2– Make Safety an Over-Riding Responsibility

The Task Force recommends that tenure holders, licensees and industry employers integrate safety as an over-riding priority and, in particular, into those measures that promote competition and economic efficiencies. Such measures could be recognized through an industry-wide rate incentive program.

Recommendation #3 – Create a dedicated Health and Safety Infrastructure

Tender holders and prime contractors must acknowledge that while the majority of injuries and deaths are occurring in small firms, reducing the numbers will require a sector-wide solution and financial backing from all industry classification units. The Task Force recommends the establishment of a sector-wide Forest Safety Infrastructure that is funded by the entire sector.

This Infrastructure must be owned and operated by the industry and become the primary driver to ensure that the significant and long-term changes recommended by the Task Force are acted upon and sustained over time. This will include the implementation and management of Recommendations 4-11. The over-riding mandate of the infrastructure would be to work with the industry, governments and other stakeholders to eliminate serious injuries and fatalities in the BC forest sector.

Recommendation #4 - Develop Pre-Qualification Standards

The Task Force recommends the implementation of an occupational health and safety pre-qualification standard that must be met by all firms working in BC forests. This pre-qualification standard will have a number of potential applications, including being considered as an important element in the awarding of harvesting rights through timber sales while being sensitive to the need to uphold open competition among large and small operations.

Occupational health and safety standards will be developed setting out specific requirements that each employer, contractor, sub-contractor, and independent operator must meet in order to obtain prequalification to bid on contracts or timber permits. The standards will be adapted to respond to the risks associated with new and emerging technologies.



Pre-qualification standards will help to ensure that those companies or contractors who carry out the work for tenure holders, large employers, or prime contractors meet a minimum level of safety. Those who met certification standards will be pre-qualified to bid on contracts and timber licenses.

The differences in risk associated with terrain, climate, tree type and use of mechanization of each region will be considered in developing standards and in awarding certification (by Type or Class).

Recommendation #5 – Encourage Open and Safe Workplaces

Workers must take ownership over their safety and the safety of their co-workers. Workers' commitment to safety should be encouraged and recognized, enabling them to raise concerns with co-workers and employers without reprimand, to feel comfortable reporting dangerous practices, conditions and near misses and to be knowledgeable of and supported in their statutory right to refuse unsafe work. The Task Force recommends employers encourage workplaces that support these principles.

Recommendation #6 – Develop Uniform Training and Certification Standards

All forestry workers must be skilled and competent professionals. Therefore, the Task Force recommends that uniform training and certification standards be developed that are recognized by all employers across the sector and include measures to support ongoing competence. It is also recommended that Faller and Bucker Certification be implemented as soon as possible and be followed by the certification of other appropriate forestry industry occupations. The Task Force recommends this process begin with the certification of supervisors and that all supervisors be recognized by the industry as skilled and experienced professionals.

Recommendation #7 – Build on Existing Expertise

The Task Force recommends that on-going training, supervision and knowledge of emerging safety practices and technologies be included in a sector-wide training and certification model.

Recommendation #8 – Introduce New Technologies

The Task Force recommends that the industry adapt training programs to address risks that new equipment or practices may create and work together to identify technologies that create excessive risk to workers and develop comprehensive safety procedures for these technologies or deem them unsafe.

Recommendation #9 – Implement First Nations Training

First Nations are becoming increasingly involved in the forest industry and the number of First Nation forestry companies is expected to increase. As such, the Task Force recommends that the development of training programs acknowledge the particular requirements of First Nations to ensure an awareness of safety issues and the availability of training programs.



Recommendation #10 - Recognize Safety as Key to Business Success

The Task Force recommends that industry employers support ongoing safety and training programs and recognize that the development of safety is an investment in the long-term viability of one's business and the overall industry. It is recommended that such measures be considered in the establishment of a sector-wide rate incentive program.

Recommendation #11 - Make Health and Wellness Programs Available

The Task Force recommends that on-going health and wellness and support programs be more broadly available and recognized within the sector and not just within the larger companies.

Such programs must effectively address current and emerging physical and mental conditioning issues (including fatigue, de-hydration etc) that adversely affect health and safety. Support programs must be available to assist workers to deal with personal issues that can affect safety. Additionally, substance abuse must be recognized as an issue and mechanisms put in place to prevent substance abuse on the job.

Employers and supervisors must have the tools to effectively address substance abuse issues when they are revealed.

Recommendation #12 - Enhance Information Dissemination

The Task Force supports the recommendation of the IWA Task Force on BC Coastal Logging Occupational Health and Safety that “when a fatality occurs in the forest industry, public awareness be heightened by putting forward relevant, meaningful, constructive and considerate information to the media in a timely manner.”

Recommendation #13 – Provide Better Information

The Task Force recommends that industry and government agencies collaborate to ensure more timely distribution of information on investigations, deaths and serious injuries in the forest sector (without compromising their legal mandates)

Recommendation #14 – Renew WCB Compliance Strategy

Tenure holders and prime contractors cannot delegate responsibility for safety. Toward this end, the Task Force recommends the WCB adapt its compliance strategy in a way that recognizes the health and safety responsibilities of all workplace parties– from individual worker to tenure holder to the owner of forested land. As part of this strategy, the WCB must adopt specific standards that each party is expected to meet in order to comply with health and safety regulations. Guidelines for determining when to move the focus of enforcement and investigative activities beyond ground operations and up to the prime contractor and/or tenure holder must also be developed and clearly communicated to the sector.

Recommendation #15 – Eliminate Regulatory Overlap and Underlap

The Task Force recommends the forest sector work with the WCB and other agencies to identify and address overlap and underlap in safety regulations and enforcement in



the forest sector and maintain cooperative and complementary regulatory approaches by all agencies that includes notifying one another of areas of potential risk or concern.

Recommendation #16 – Secure Government Support

The Task Force recommends that Government show its support for worker safety by recognizing the impact on worker health and safety as part of Government's regulatory criteria checklist used in the development or modification of regulations.

Recommendation #17 – Review Safety Impact of Tenure Management

The Task Force recommends that consideration be given to identifying a process to smooth stumpage rates to remove the incentive to concentrate production during periods when prices are low thereby creating potential risks such as congested logging roads and overcrowded cutting areas (often referred to as “stumpage bingo”).

Recommendation #18 – Better Coordination of Road Use and Planning

It is recommended that tenure holders work together to develop a system to share information on road use planning to prevent overcrowding on logging roads and logging road collisions.

Recommendation #19 – Provide Financial Incentives

The Task Force recommends that the WCB Board of Directors consider the adoption of a comprehensive rate incentive funding model for firms that endorse and operate according to a sector-wide safety model (to include the endorsement of the Health and Safety Accord, obtaining pre-qualification certification, investment in on-going safety programs etc.)

Recommendation #20 – Create an Implementation Team

The Task Force recommends that a Forest Sector Implementation Team representing key players in the industry be established as Phase 2 of the Task Force. The mandate will be to implement the Action Plan. The Team is to be appointed in January 2004, in consultation with the Minister of Skills Development and Labour, and is to develop and carry-out detailed strategies for implementing the recommended actions of the Task Force that require industry-wide follow-up.