

Research

Relationship

Results



Extending Your Reach

*Participating in health and safety research
can produce more than you think*

MESSAGE FROM PRESIDENT & CEO, CHAIR OF THE BOARD

There is no fixed road to success for the business community. Canada's organizations have formed many paths to help them do what they do better and faster than rivals, and in the case of the best among them, simultaneously meet their corporate social responsibilities.

One path sought by all is performing with impact, effectiveness and efficiency. In 2005, the Ontario Service Safety Alliance advanced down this road through the launch of several new lines of service offerings for clients, and through its decision to move into the Centre for Health & Safety Innovation, together with three other health and safety associations. The Mississauga facility opens its doors in 2006, and signals our future commitment to provide innovative, cost-effective solutions.

One road to success that every workplace has an obligation to travel, along with the OSSA, is employee health and safety—the on-ramp to corporate social responsibility. Collectively, we need to forge partnerships, tap resources and explore ideas that lead to proven ways to protect the well-being of our employees and families.

One resource with huge potential is Ontario's research community, which is equipped and eager to help business replace guesswork and ineffective practices with evidence-based decision-making. Every exposure to sprains and strains, occupational disease, persistent slips, trips and falls, and MOL orders, is your invitation to beat a path to the door of research for answers. Some of those answers are off the shelf, ready to apply. Others we'll need to find together.

The OSSA is fully engaged on your behalf in the three-way dialogue with research, business, and health and safety system partners, to dismantle barriers, and create opportunities that realize benefits for all Ontarians.

Call us: we are ready to help you extend your reach to research.

Frank Saraka, Chair, OSSA Board of Directors

Owner
Canadian Tire Associate Store, Chatham

Elizabeth Mills

President and Chief Executive Officer
Ontario Service Safety Alliance



AN OPEN LETTER TO ONTARIO'S BUSINESS LEADERS

TRUE OR FALSE?

- The refrigerator in your restaurant creates condensation, which pools on the floor and creates a slip hazard. The best way to prevent a fall is to instruct staff to regularly mop the floor.
- Your employees are experiencing a high rate of back injuries from lifting. It's time to find a video that trains them how to lift properly.
- Young people are being injured at four times the rate of older, more experienced workers. It's all about kids being kids: they're young and think they're invincible.

False, on all counts. (See "Replacing myths with evidence.")

What we don't know will surely hurt someone. The good news is that, according to a bi-annual Attitudinal Survey conducted by the Ontario Service Safety Alliance (OSSA), service sector companies recognize they need more evidence on what works and what doesn't.

You're not alone. In a world that sometimes moves too fast to think, and with all the risk that unbridled hurry implies, relying on research as a road to problem-solving, innovation and integrity is becoming a worldwide phenomenon:



- Consumers, increasingly mistrustful of so-called experts, are demanding evidence as proof that government and business are acting in their best interest—the re-emerging presence of asbestos-related cancers and disease as one example.
- To survive in a fast-paced, global marketplace, business must continually innovate and upgrade to remain competitive. Who can afford to foster false or outdated assumptions that lead to ineffective, costly practices?
- Illness and injury undermine a company's claim to corporate social responsibility, and its corporate culture.

REPLACING MYTHS WITH EVIDENCE

The evidence says...

- Reactive mopping is old thinking. Better to build a culture able to address the unique combination of events that caused the water to pool in the first place.
- Off-the-shelf training provides knowledge employees often can't use, unless they can also control problem-creating factors like workstation layout, office practices and other people.
- Young workers experience a shockingly high rate of injury not so much because they're young and reckless, but because they're new: customized education and training in the first 30 days on the job is a matter of life and death.

Without research, workplaces are at risk of recycling decades-old thinking, theories and assumptions, because that's all they know. Employees pay the price, and business does, too. Interested in knowing more? You'll find contact info on page 7 of this report.

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Ontario's prevention system is positioned to respond to these pressures with a three-part framework made up of research centres; health and safety associations (the OSSA among them); and, of course, business. Each has its own role to play in bringing evidence to the place where research meets practice.

And yet, in spite of having a provincial structure in place, and in spite of evidence-based decisions becoming an ever more compelling imperative, the dialogue around research is not as vigorous as it could be. In some ways, the three parts of Ontario's system are like three far-flung neighbourhoods whose residents haven't always succeeded in getting to know one another and forming a community. What stands in their way?

Awareness: One neighbourhood might not know that others are out there.

Access: Paths, never mind sturdy roads, have not been built to connect with what seem like distant doors.

Affinity: Those who have built a path can find themselves at their neighbour's door staring blankly, unable to speak the same language.

Let's take a look at these three barriers and see what progress is being made in Ontario's prevention system.

AWARENESS: LET'S PLAY JEOPARDY

These days, being in business is like being summoned to a command performance in a game of Jeopardy, where business and research test their ability to ask good questions. What makes us obligatory contestants is that we all share a stake in the broad issues: occupational disease, musculo-skeletal disorders, disability, mental health. And in terms of our workforce, we all own different aspects of the "answers": *What are occupational cancers? What causes pain, strains and sprains? How can I cope with a work-related disability? Who can help me with the stress I feel at work?*

Knowing the "answers" is one step toward awareness. Knowing the category topics even before knowing the questions: now there's a scenario designed to provoke creative tension and a corresponding urge to close the gap. How do we fix these issues? How do we shape the question to get the best solution? In a true community, it is both the obligation of and an opportunity for all participating neighbourhoods to identify the Jeopardy questions that will lead to a win for everyone in the system.

Ontario is doing its bit to generate awareness. The province has invested in infrastructure designed to serve business.

On the research side, the Institute for Work & Health (IWH) and now three Centres for Research Expertise, are growing the pool of researchers and improving awareness through their mandate of working directly with business to generate solutions for workplace health and safety. Although there's an extensive menu of potential topics standing to benefit from research activity, finite resources impose the need for focus, for example, on the prevention of musculoskeletal disorders. Sprains and strains are the largest cause of disability in the Ontario labour market, and one that hits the service sector hard.

AN OPEN LETTER TO ONTARIO'S BUSINESS LEADERS

In the realm of health and safety associations (HSAs), the OSSA has joined with three colleagues to open the Centre for Health & Safety Innovation in Mississauga, Ontario—a meeting place designed to promote the use of evidence-based research, and offer organizations a place to learn about best practices in prevention. The Centre is developing relationships with the world's best minds in the field of health and safety.

And what of business, the third player in Ontario's framework? As daily observers of the injuries and illness that are the real-life consequences in the game of Jeopardy, you are keepers of needed data, nuances and insight, and, therefore, indispensable participants in the joint quest to identify the right questions. Your absence from the game would lead to a failure of inquiry and a failure to execute that none of us can afford.

"Businesses have a latent demand for research, but don't always know it," says Dr. Tony Culyer, Chief Scientist, Institute for Work & Health. "And if they did know it, they don't always know how to articulate it."

Help is at hand—just down the road in the next neighbourhood.

ACCESS: BROKERING THE EXCHANGE BETWEEN RESEARCH AND BUSINESS

From the top of a tall tree, one can see an emerging network of pathways, even the occasional fully formed road, connecting the neighbourhoods of research, health and safety associations, and business.

Research has done some trail-blazing by partnering with HSAs and employers to solve problems; for example, conducting before-and-after evaluations of workplace or government initiatives (the installation of patient-lifting equipment in long-term care homes, and the Ministry of Labour's "High Risk Initiative," as two examples); and making accessible the sometimes complex knowledge available throughout the world on a certain topic by conducting literature reviews and providing easy-to-read summaries.

Their goal is to meet workplaces where they want to be met. "Let's say a workplace has a choice between purchasing back belts or investing in mechanical lifting equipment for warehouses," supposes Dr. Cameron Mustard, President, Institute for Work & Health. "Our hope is that science can catch up with innovation, or at least move at the same speed as innovation, so that when a workplace needs to make a decision about going this way or that—and the incorrect answer is back belts, by the way—they can actually turn to some high-quality evidence to inform their decisions. Sometimes we're there, sometimes we're a little behind. The world changes fast."

Having high-quality evidence at the ready means research must be plugged into workplaces and their challenges in real time. The consensus on how to achieve that is by building a bridge to business through the HSAs, who already have well-developed networks of connecting highways and bi-ways with their corporate clients. OSSA, for example, has several times drawn on its relationships with Ontario workplaces to broker research opportunities between the two neighbourhoods.

"Our hope is that science can catch up with innovation, or at least move at the same speed as innovation..."

Dr. Cameron Mustard
President, Institute for Work & Health

AN OPEN LETTER TO ONTARIO'S BUSINESS LEADERS

“Businesses have a latent demand for research, but don't always know it.”

Dr. Tony Culyer

Chief Scientist, Institute for Work & Health

Another way the service sector and HSAs are building roads is by adding researchers to their staff—a statement of values that not only makes access easier from neighbourhood to neighbourhood, but also boosts the third prerequisite to forming a conversant community: speaking the same language.

AFFINITY: GLAD TO MEET YOU—DO YOU SPEAK MY LANGUAGE?

In any courtship, forging a union starts with awareness (you need an object of interest for your affections) and access (you need a meeting place). But if the two participants—in this case, research and business—come face to face only to find they have a clash in culture, the relationship might need some intervention from the matchmaker, its HSA.

“We talk two different languages,” says Dr. Jean-Yves Savoie, Chair, Research Advisory Council, Workplace Safety & Insurance Board. “Business is so far away from research, and I think that's one of the gaps we didn't realize in the beginning, and why the role of OSSA is so important.”

Depending on whose lens we're peering through, the nature of that gap can be characterized in two ways: differences in what research and business want, and in the ways they get things done.

What business and research want

One thing business says it wants is “practical” solutions. It's a word that Dr. Richard Wells, Director, Centre for Research Expertise for the Prevention of Musculoskeletal Disorders,

says drives him crazy. “I take them to mean ‘relevant to me,’ or ‘relevant to my workplace.’ Someone once said to me, ‘You academics! You just have answers. What we need is solutions.’”

But one of the strengths of research is to find not a solution for one, but an answer that is relevant for many. “Business will say to us, ‘These results are for packaging, but I'm in the food business,’” says Richard Wells. “And so sometimes what we offer can never be practical enough. There is always some interpretation and extrapolation required.”

Seen through another lens: “We've got a problem of not having enough research that's relevant,” says Tony Culyer, “but on the other hand, a lot of businesses are doing things that are wrong, mistaken, for all sorts of reasons. So somehow the message is not getting through.”

And who's accountable for fixing that? Everyone. “Anyone receiving a service,” says Jean-Yves Savoie, “should be asking themselves, are my services guided by evidence? If a new way of delivering services has been out there for 10 years and has been validated, and I don't know anything about it, I'm a bit sloppy.”

Business has an obligation to develop its own competencies, and to pursue research when it needs help. HSAs have an obligation, as the interpreters and translators for business, to identify relevant research opportunities between the two, to broker the exchange, and to create health and safety tools to close the gap.

How business and research get things done

Language: Researchers agree that the scientific literature is large and not written in a language that's easily understandable. “We typically see the end product being a report or research paper that is not less than 30 pages long and that

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we want to be published somewhere,” says Tony Culyer. “It’s just out of the question that anybody in business is ever going to read it.”

Cam Mustard agrees. “There’s a really big gap between the way researchers and business look at a problem and talk about a problem.” One fix the IWH has put in place and is optimistic about is its process of identifying important questions in contemporary Ontario workplaces, and preparing “prevention reviews”—short, easy-to-understand summaries of massive amounts of scientific literature, featuring executive summaries. Easy to access or request: just check out iwh.on.ca, or call OSSA for help.

Results to application: But is it an appropriate role for research to translate its findings into practical solutions for business? “You cannot simplify research results to a point where they become meaningless,” cautions Jean-Yves Savoie. “You run the risk of taking the essence out.” What’s needed, he says, in unison with his colleagues, is an intermediary, a topic expert who knows how to take a research result and make it useable. “Let’s say I do testing for slippery floors,” he says, “and I have long calculations and I do statistics. Someone has to take that and make a tool out of it, as in tell a restaurant, if you have that type of floor and you have grease, maybe you should use this type of soap. That’s turning it into business language.”

So who’s the intermediary who takes research to practice? Possibly business itself. If a company has been involved in the research, it can sometimes see the fit between the results

and its reality to come up with its own solution. Sometimes, as in the example above, the expert is a floor or soap manufacturer. Other times, the HSA plays the role, or uses its network to tap the expertise needed to bridge the gap between research and application.

Timelines: While it’s generally acknowledged that the research horizon can be months to years out, whereas business is generally driven by short-term production, Jean-Yves Savoie observes that he can provide examples where it has taken years for business to put into practice research results that were known and useful. Look no further than the crash of the cod population in the Atlantic Ocean. “Researchers identified this as a growing problem years ago,” he says, “but it’s only when cod totally disappeared that someone said, oh, maybe we should have listened.”



“We talk two different languages. Business is so far away from research, and I think that’s one of the gaps we didn’t realize in the beginning, and why the role of OSSA is so important.”

Dr. Jean-Yves Savoie

Chair, Research Advisory Council, Workplace Safety & Insurance Board

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FOUR PATHS FOR BUSINESS TO EVIDENCE-BASED DECISIONS

- 1. Ask an expert.** Some of the knowledge you want could be no further than in someone else's head. Take 10 minutes to call the OSSA or a researcher to ask your question about back belts, repetitive strain injury or occupational disease hazards.
- 2. Track existing information.** A written summary of your issue might already exist (an extraordinary amount of research lies idle), perhaps in the form of a literature review. Give your research network a week or so to find a report.
- 3. Request a literature review.** If the topic is complex and body of literature large, explore the possibility of a systematic review, whereby researchers analyze all available data and reduce it to its essence. Schedule three to six months for that one.
- 4. Sign up for the full course.** Partner with research to help solve far-reaching problems. Expect a six to 10-year relationship.

Call the OSSA to extend your reach to research: 1-888-478-OSSA (6772)



Tony Culyer puts HSAs under the spotlight. "Businesses curse the researchers, saying, 'Oh, they're so slow. They say it's going to take five years.' What HSAs could do is scan the horizon: spot what's coming over the hill so that the research can be commissioned early and the results are coming on stream when they might be needed, rather than waiting until the issue has become a problem. Our aging workforce, for example: what's that going to mean?"

The hassle factor: Another challenge is that in order to do any kind of evaluation, research has to be in business's face: on the floor, talking to people, digging up files, interrupting production. Business needs to accommodate the "friendly intrusion," whereas research needs to apply a little creativity in minimizing it. At the very least, businesses that participate should receive preferential treatment in terms of receiving the results; however, researchers are often more interested in communicating to all workplaces. "Entirely fixable," says Cam Mustard, who has just committed to 50 corporate participants in an evaluation his organization is conducting, that they will be first in line to benefit.

The risk factor: Some call full-fledged research high-risk projects. "They can be very hard to do," says Richard Wells. "So many things could derail them. You could work with a company for a couple of years and it could be sold, or go belly up, or just decide they're not interested anymore." In addition, sometimes the players change: the manager resigns, there are layoffs, or the research assistant changes jobs. The answer? Try to anticipate what can be anticipated. Business knows about potential acquisitions, for example, months ahead. Otherwise? "Patience," says Cam Mustard. "Patience."

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GETTING CLOSE

Three distinct neighbourhoods learning about one another, having a dialogue, building a network of connecting roads, melding their differences into a community that hums as it goes about achieving the hallmark of civilization: the elimination of injury and illness in the workplace. Is that so hard to envision?

Not for Richard Wells. His vision of a working partnership is where business becomes attuned to what research can and can't do, and vice versa. He smiles as he conjures the ideal scenario: "Research suggests to the workplace that we would solve a lifting problem by assessing jobs using a NIOSH formula or Snook tables. And the workplace would say, 'But wait — don't those formulations assume that you use two-handed lifting? We don't have the space for that here. We're going to have to rethink this.' This is exactly the kind of situation that keeps the researchers grounded in which of

the assumptions and models they may be applying are the most appropriate to this workplace situation, and of course there's a flow that goes the other way."

It's a vision where research learns how its models of the world match workplaces, and where workplaces learn to actively evaluate what they're doing, because they know if they don't, they're frozen in time and at risk of being shut out. It's a vision where both research and business can bridge to one another's neighbourhoods through the brokering skills of HSAs.

Research is a resource, just waiting to be exploited. Sure there are challenges in accessing it. Name an achievement free of challenges. But consider this: "Researchers are keen to do research *that will be used*," says Jean-Yves Savoie. "It's very rewarding. And it's getting close to business that helps."

Get close. Call the OSSA to start the dialogue.

FIVE CONTACTS TO EXTEND YOUR RESEARCH NETWORK



**Research Advisory Council,
Workplace Safety & Insurance
Board**

416-344-6913
Research_secretariat@wsib.on.ca
www.wsib.on.ca



Institute for Work & Health

416 927-2027 ext. 2131
info@iwho.on.ca or gpaloo@iwh.on.ca
www.iwh.on.ca



**Centre of Research Expertise
for the Prevention of
Musculoskeletal Disorders**

519-888-4567, ext. 3069
wells@uwaterloo.ca
http://cre-premus.uwaterloo.ca



**Centre of Research Expertise
in Occupational Disease**

416-978-5885
info.goehu@utoronto.ca
www.utoronto.ca/creod/

Centre for Research Expertise in Improved Disability Outcomes

416-603-5907

David.Cassidy@uhn.on.ca

OSSA ACHIEVEMENTS IN 2005

OSSA continued its focus on four strategic goals in support of its vision and mission: Leveraging External Stakeholders, Strengthening Internal Business Processes, Improving Financial Viability and Learning and Growing.

Leveraging External Stakeholders

Market growth, revenue generation, advocacy: meeting the needs of a diverse client base at the place where people and ideas intersect.

- Conducted Client Value Survey: 92% of respondents satisfied with OSSA services, with 44% very satisfied.
- 91% of clients indicated that OSSA consulting services were effective in improving their business.
- Forged partnership agreements with the Ontario Accommodations Association, the Ontario Restaurant, Hotel and Motel Association, the Greater Toronto Hotel Association, and the Toronto/Ontario Automobile Dealers Association.
- Launched the all-new ossa.com, and doubled the number of visitors year over year.
- OSSA and clients joined the CEO Health & Safety Leadership Charter, with founder Duncan Hawthorne, President and CEO, Bruce Power.
- Supported 502 clients referred from the MOL's High Risk Initiative (366 provided consulting services).

Improving Financial Viability

Client access to health and safety products and services is predicated on sustainable funding, responsible stewardship of those funds, and new revenue-generating lines of business.

- Revenue from product, training, SafeLearn and consulting increased 202% over 2004.
- Product sales grew 49% over 2004.
- OSSA provided consulting services to 2,452 workplaces in 2005, surpassing the annual target of 1,824.
- Training sales grew 203% over 2004.
- Launched SafeLearn, OSSA's on-line certification training solution.
- Launched Certification II classroom training.
- Launched a suite of six Workwell/Awareness Training modules.
- Introduced quarterly, regional training sessions in Hamilton, Ottawa, Windsor, London, St. Catharines and Thunder Bay.

Strengthening Internal Business Processes

Productivity and customer satisfaction depend on sustaining a focus on excellence, efficiency and effectiveness.

- Achieved Level II standing in the National Quality Institute's (NQI) Progressive Excellence Program (PEP).
- Celebrated the onset of construction at OSSA's new home, the Centre for Health & Safety Innovation, in Mississauga, with founding partners: the Industrial Accident Prevention Association, Electrical & Utilities Safety Association, and Transportation Health and Safety Association of Ontario.
- Launched a wellness website for OSSA employees, in partnership with Health Systems Group.
- Developed illustrative behaviours for a "quality performer" that correspond with each of OSSA's five core competencies, for all 17 positions in the company.

Learning and Growing

Providing staff and clients with the information and knowledge they need fuels continuous improvement.

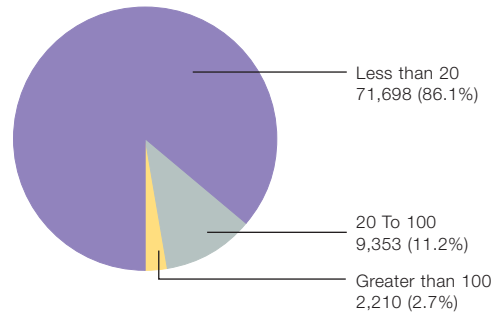
- Received a Canadian Award for Training Excellence from the Canadian Society for Training and Development, for OSSA's "Certification Part II—Chemical Hazards" training module.
- Entered partnerships to develop the curriculum for two college courses: the Hotel and Food Administration Program, Masters of Business Administration, with the University of Guelph; and "CHEF" for apprentice cooks, with Humber College and the Ministry of Training, Colleges and Universities.
- Participated in several research initiatives, including: Centre of Research Expertise for the Prevention of Musculoskeletal Disorders Advisory Committee, and a variety of stakeholder groups at the Institute for Work & Health.

THE 2005 SERVICE SECTOR PERFORMANCE RECORD

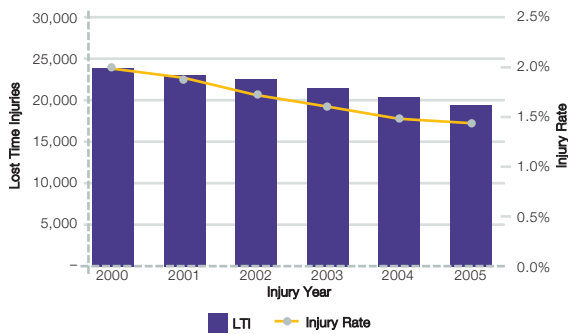
DEMOGRAPHICS BY SUB-SECTOR

Office and Related Services	4,528	5.9%
Restaurant and Foodservices	18,602	24.1%
Retail and Wholesale Distribution	32,962	42.8%
Tourism and Hospitality	11,329	14.7%
Vehicle Sales and Services	9,629	12.5%
Total	77,050	

DEMOGRAPHICS BY SIZE



LOST TIME INJURIES



DAYS LOST IN INJURY YEAR



TYPE OF INJURY

Rankings 2006	Hospitality/Tourism (#LTIs)	Office & Related (#LTIs)	Restaurant & Foodservices (#LTIs)	Retail & Wholesale (#LTIs)	Vehicle Sales & Service (#LTIs)
1	592	97	1006	3827	678
2	328	80	920	1691	471
3	207	53	747	1317	263
4	54	15	439	295	93
5	44	4	103	208	71
Total Injuries of Sector	1699	371	4571	10191	2248

■ Overexertion
 ■ Fall
 ■ Struck
 ■ Vehicle Accident
 ■ Caught in Equipment
 ■ Heat
 LTI = Lost time injury

All data drawn from Workplace Safety & Insurance Board's Enterprise Information Warehouse, March 2006

FINANCIAL STATEMENTS AND NOTES

AUDITORS' REPORT

To the Directors of
Ontario Service Safety Alliance

We have audited the statement of financial position of Ontario Service Safety Alliance as at December 31, 2005 and the statements of revenue and expenses, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Association as at December 31, 2005 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Corporations Act (Ontario), we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Ernst & Young LLP

Thornhill, Canada,
March 1, 2006.
Chartered Accountants

STATEMENT OF FINANCIAL POSITION

As at December 31

	2005	2004
ASSETS		
<i>Current</i>		
Cash and cash equivalents (note 3)	\$ 1,748,869	\$ 747,320
Accounts receivable	143,773	121,817
Due from Centre for Health and Safety Innovation	198,019	168,796
Safety products	295,944	321,214
Prepaid expenses and other	81,325	63,872
Total current assets	2,467,930	1,423,019
Deposit	168,796	—
Deferred development costs, net (note 4)	267,254	242,250
Capital assets, net (note 5)	215,090	57,747
	3,119,070	1,723,016
LIABILITIES AND NET ASSETS		
<i>Current</i>		
Accounts payable and accrued liabilities	1,456,843	757,025
Customer deposits	98,985	13,228
Deferred revenue (note 6)	42,061	78,846
Total current liabilities	1,597,889	849,099
Deferred revenue (note 6)	1,051,077	403,813
Total liabilities	2,648,966	1,252,912
<i>Net assets</i>		
Unrestricted	470,104	470,104
	\$ 3,119,070	\$ 1,723,016

See accompanying notes

On behalf of the Board:

Director

Director

STATEMENT OF
REVENUE AND EXPENSES

Year ended December 31	2005	2004
REVENUE		
Workplace Safety and Insurance Board		
Operating	\$ 7,237,117	\$ 7,731,259
Special projects	55,600	228,650
Safety products recoveries	1,355,591	932,425
Courses and seminar recoveries	870,103	164,542
Interest and other income	30,043	61,793
Amortization of deferred revenue - capital assets	40,677	46,417
Amortization of deferred revenue - development costs	59,996	—
	9,649,127	9,165,086
EXPENSES		
Salaries and benefits <i>(note 7)</i>	6,203,116	5,694,347
Program delivery	1,286,520	822,200
Office	548,473	529,048
Occupancy costs	316,736	331,487
Other personnel costs	313,410	387,481
Consulting	165,039	298,960
Travel and business	313,599	272,590
Advertising and promotion	229,471	279,337
Special projects	55,600	228,650
Professional fees	38,069	194,120
Insurance	45,216	56,288
Other	33,205	23,198
Amortization of capital assets	40,677	46,417
Amortization of development costs	59,996	—
	9,649,127	9,164,123
Excess of revenue over expenses for the year	\$ —	\$ 963

See accompanying notes

STATEMENT OF CHANGES
IN NET ASSETS

Year ended December 31	2005		2004	
	Unrestricted	Invested in capital assets	Total	Total
Net assets, beginning of year	\$ 470,104	\$ —	\$ 470,104	\$ 469,141
Excess of revenue over expenses for the year	—	—	—	963
Net assets, end of year	\$ 470,104	\$ —	\$ 470,104	\$ 470,104

See accompanying notes

STATEMENT OF CASH FLOW

Year ended December 31	2005	2004
OPERATING ACTIVITIES		
Excess of revenue over expenses for the year	\$ —	\$ 963
Add (deduct) items not involving cash		
Amortization of deferred revenue - capital assets	(40,677)	(46,417)
Amortization of capital assets	40,677	46,417
Amortization of deferred revenue - development costs	(59,996)	—
Amortization of development costs	59,996	—
	—	963
Changes in non-cash working capital balances related to operations		
Accounts receivable	(21,956)	(50,939)
Due from Centre for Health and Safety Innovation	(29,223)	(168,796)
Safety products	25,270	175,816
Prepaid expenses and other	(17,453)	(50,967)
Deposit	(168,796)	—
Accounts payable and accrued liabilities	699,818	275,729
Deferred revenue	711,152	(138,062)
Customer deposits	85,757	13,228
Cash provided by operating activities	1,284,569	56,972
INVESTING ACTIVITIES		
Increase in deferred development costs	(85,000)	(242,250)
Purchase of capital assets	(198,020)	—
Cash used in investing activities	(283,020)	(242,250)
Net increase (decrease) in cash during the year	1,001,549	(185,278)
Cash and cash equivalents, beginning of year	747,320	932,598
Cash and cash equivalents, end of year	1,748,869	747,320

See accompanying notes

NOTES TO FINANCIAL STATEMENTS

December 31, 2005

1. DESCRIPTION OF THE ORGANIZATION

Ontario Service Safety Alliance [the "Association"] was incorporated without share capital under the laws of Ontario on August 6, 1998 and is a designated entity under the Workplace Health and Safety Act.

The Association is an organization providing health and safety products and services to the service sector. The Association's mission is to be the leading provider of Health and Safety awareness, education assistance and training within the Ontario service industry. The Association is a not-for-profit organization under the Income Tax Act (Canada) and, as such, is exempt from income taxes.

2. SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared by management in accordance with Canadian generally accepted accounting principles. The significant accounting policies are as follows:

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances with the Association's bank and investments with original maturity dates of three months or less at the date of acquisition. Short-term investments are recorded at the lower of cost and market value.

Safety products

Safety products are recorded at the lower of cost, on a first-in, first-out basis, and net realizable value.

Deferred development costs

Development costs relate to the development of the Association's SafeLearn program. Development costs are expensed as incurred, except for development costs when technical feasibility has been established and management has indicated its intention to produce and market the product or process. The deferred costs are amortized over five years.

Capital assets

Capital assets are recorded at cost less accumulated amortization. Amortization is provided on a straight-line basis over the following periods:

Furniture and office equipment	5 years
Computer software	3 years

Leasehold improvements are amortized on a straight-line basis over the remaining term of the lease. Leasehold improvements in progress are not amortized until the asset is ready for use.

Funding and net assets

The Health and Safety Association Surplus Recovery Policy [the "surplus policy"] allows the Association to retain 100% of surplus funds. Surplus funds are to be recognized and applied towards the elimination of any unrestricted net assets deficiency. Remaining surpluses may be retained as unrestricted net assets but shall not cumulatively exceed 6% of the Workplace Safety and Insurance Board [the "WSIB"] funding for the fiscal year. The unrestricted net assets balance is available for use by the Association without WSIB approval.

Surpluses in excess of the cumulative 6% maximum unrestricted net assets balance are recognized as deferred revenue for use within a twenty-four month period. Expenditure of these funds requires prior approval of the WSIB. If the deferred revenue is not expended within twenty-four months, the funds are to be transferred to the Prevention Dynamics Corporation.

Revenue recognition

The Association, which is funded by the WSIB, follows the deferral method of accounting for funding. Restricted funding from the WSIB is deferred and recognized as revenue when the related expense occurs. Other revenue including recoveries is recognized as revenue when received or receivable. Unrestricted funding is recognized as revenue when received or receivable. Funding received for capital expenditures or deferred development costs is deferred and recognized as revenue over the estimated useful life of the assets.

Use of estimates

The preparation of financial statements in conformity with Canadian generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Pension plan

The Association's contributions to a multi-employer, defined benefit pension plan are expensed when contributions are due.

3. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are comprised of the following:

	2005		2004	
Cash	\$	891,983	\$	347,320
Short-term investments		856,886		400,000
	\$	1,748,869	\$	747,320

Cash of \$441,998 [2004 – \$182,662] is restricted as the use of these funds requires the concurrence of the WSIB that the proposed uses are in accordance with the Association's objectives.

4. DEFERRED DEVELOPMENT COSTS

Deferred development costs consist of the following:

	2005		2004	
Deferred development costs	\$	327,250	\$	242,250
Accumulated amortization		(59,996)		–
	\$	267,254	\$	242,250

5. CAPITAL ASSETS

Capital assets consist of the following:

	2005		
	Cost	Accumulated amortization	Net book value
Furniture and office equipment	\$ 233,634	\$ 220,155	\$ 13,479
Computer software	141,637	141,637	–
Leasehold improvements	145,286	141,694	3,592
Leasehold improvements in progress	198,019	–	198,019
	\$ 718,576	\$ 503,486	\$ 215,090

	2004		
	Cost	Accumulated amortization	Net book value
Furniture and office equipment	\$ 235,633	\$ 213,168	\$ 22,465
Computer software	141,637	131,503	10,134
Leasehold improvements	145,286	120,138	25,148
	\$ 522,556	\$ 464,809	\$ 57,747

6. DEFERRED REVENUE

Deferred revenue consists of the following:

	2005	2004
Deferred development costs	\$ 267,254	\$ 242,250
Deposit	168,796	–
Capital assets	215,090	57,747
Deposit	441,998	182,662
	1,093,138	482,659
Less current portion	42,061	78,846
	\$ 1,051,077	\$ 403,813

Changes in the deferred revenue balance are as follows:

	2005	2004
<i>Deferred revenue, beginning of year</i>	\$ 482,659	\$ 653,910
Restricted funding in excess of the current year's expenditures	399,936	103,816
Current year's expenditures from prior year's restricted excess funding incurred for deferred development costs	(85,000)	(242,250)
Current year's expenditures from prior year's restricted excess funding incurred for special projects	(55,600)	(228,650)
Deferred development costs	85,000	242,250
Purchase of capital assets	198,020	–
Deposit on leased premises	168,796	–
Amortization of deferred revenue – capital assets	(40,677)	(46,417)
Amortization of deferred revenue – development costs	(59,996)	–
<i>Deferred revenue, end of year</i>	\$ 1,093,138	\$ 482,659

7. PENSION PLAN

Substantially all of the employees of the Association are members of the WSIB Pension Plan [the "Plan"], which is a multi-employer, defined benefit pension plan available to all eligible employees of the participating members.

Contributions to the Plan made during the year by the Association on behalf of employees amounted to \$482,785 [2004 – \$408,745] and are included in salaries and benefits in the statement of revenue and expenses.

8. LEASE COMMITMENTS

The future minimum annual lease payments under operating leases for premises and computer equipment are approximately as follows:

2006	\$ 693,000
2007	833,000
2008	494,000
2009	494,000
2010	499,000
<i>Thereafter</i>	\$ 4,956,000

9. FINANCIAL INSTRUMENTS

The carrying values of cash and cash equivalents, accounts receivable, due from Centre for Health and Safety Innovation, prepaid expenses and other, deposit, accounts payable and accrued liabilities, deferred revenue and customer deposits approximate their fair values due to the short-term period to maturity of these financial instruments.

2005 – 2006 BOARD MEMBERS

Valerie Adamo

Workplace Safety & Insurance Board

Gary Blake

Goodyear Canada, Inc.

Yvonne Blaszczyk

Canadian Pay & Benefits Consulting Group, Inc.

Bernd Bohl

B & D Hospitality

Christine Hackett-Czar

Toromont CAT

John Heffner

Heffner Motors Limited

Jodi Higgins

Workplace Safety & Insurance Board

Maurizio Lobalsamo

KIT Inc. (Prizm Canadian Income Fund)

E. Louise Logan

Logan & Associates Incorporated

Elizabeth Mills

Ontario Service Safety Alliance (OSSA)

Jill Ramseyer

The TDL Group Corp. (Tim Hortons)

Sandy Robinson

Hummingbird Centre for the Performing Arts

Sandra Shantz

The Stone Crock, Inc.

Conrad Turner

Tannis Food Distributors

Gordon Vala-Webb

PricewaterhouseCoopers LLP

Orazio Valente

Waste Management of Canada Corporation

VISION

Lead and inspire change:
Workplace injury and illness are unacceptable.

MISSION

Enable Ontario service sector workplaces to be the healthiest and safest in the world.

VALUES

- We demonstrate the courage to lead through creativity, innovation and growth.
- We model integrity in everything we do, through stewardship, reliability and compassion.
- We build strong, enduring relationships built on trust.
- We are committed to finding ways to do things better.

STRATEGIC GOALS

- Improve financial viability
- Strengthen internal business processes
- Leverage external stakeholders
- Learn and grow



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