



Canadian Environmental Law Association
L'Association canadienne du droit de l'environnement

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PRESS RELEASE

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"SPILLS BILL" PRINCIPLES SOUND: REGULATION NEEDS
OVERHAUL TO ENSURE VICTIMS GET SQUARE DEAL

The principles behind the "Spills Bill" (Part IX of the Environmental Protection Act) are fundamentally sound: those that create the risks should bear the cost of clean-up and compensation, and spill victims should be able to recover quickly when they suffer loss or damage. However, the Regulation, which is the "teeth" of Part IX, as presently drafted, is unduly complicated, largely incomprehensible and, if proclaimed in its present form, will undoubtedly lead to time-consuming and expensive litigation, said CELA in a presentation before the Spills Regulation Advisory Panel today.

CELA has recommended that the majority of the Regulation be redrafted to ensure that the principles of the Act are not undermined and to ensure that compensation may be obtained through a simple and straightforward process. "We are especially concerned that innocent victims of spills may be forced to go through too many hoops which may result in their rights to compensation being restricted", said CELA lawyer Toby Vigod. CELA's other major concern is that under no circumstances should spillers receive compensation where they are liable to a victim at common law. As well, only those spillers that can demonstrate substantial financial hardship should recover.

CELA proposed several amendments to the Regulation. Key recommendations include:

- spillers should not receive payments for monies they are liable to pay a victim under common law;
- only those spillers that show financial hardship should recover;

- the \$500.00 deductible for loss and damage to a victim's property should either be repealed or reduced to \$100.00;
- the two-week notice period for victims should be changed to a minimum of six months;
- all references to "spill creditors" should be changed to "victims";
- there should be no exemption for waste disposal sites.

CELA has also analyzed the 592 reported spills that took place in Ontario in 1983. Approximately 64% of these spills resulted from the activities of large companies and 25% were from small and medium-sized companies (the majority of this category consisted of spills from service stations). Only 4% were from individuals. Farmers were responsible for only 0.2% of the 1983 spills.

CELA has deplored the scare campaign launched by industry and believes that farmers and small businessmen are more likely to be the victims, not the perpetrators of spills. Further CELA maintains that the insurance issue has become a 'red herring'. With the proclamation of Part IX, there should be an extensive premium base created of companies wanting insurance, and a real opportunity for the insurance industry to move in and provide coverage.

CELA is appearing before the Spills Regulation Advisory Panel at 3:30 p.m., Hearing Room #2, 21st Floor, 180 Dundas Street West, Toronto.