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CANADIAN INSTITUTE FOR ENVIRONMENTAL LAW AND POLICY
L'INSTITUT CANADIEN DU DROIT ET DE LA POLITIQUE DE L'ENVIRONNEMENT

**Federal, Provincial and Subsidiary Initiatives Impacting on the
Delivery of Environmental Protection Services in Ontario
for the period January 1996 - March 1997**

Prepared for Environment Canada
under Contract No. KW405-6-1369

March 31, 1997

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Impacting on the Delivery of Environmental

RN 27355

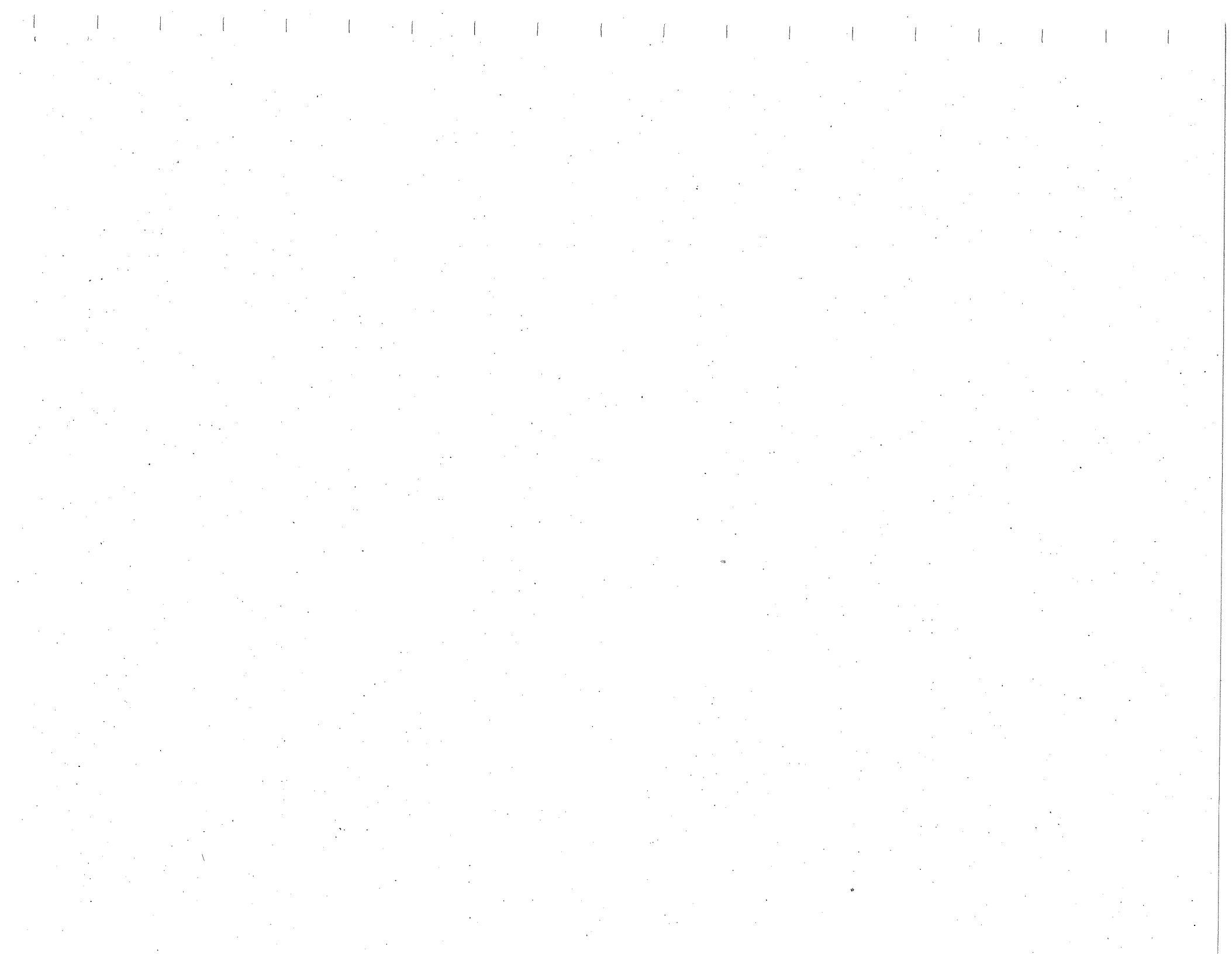


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Introduction

The intent of this report is to identify and list all of the changes that could impact on the delivery of environmental protection services in the Ontario (defined as the Ontario Region of Environment Canada). Specifically detailed will be all changes to environmental laws and regulations and their administration at the federal, the Ontario provincial, municipal levels of government and specialized bodies including Conservation Authorities, Commissions and the Canadian Council of Ministers of Environment and any other relevant body for the period January 1996 to March 1997. The impact of these changes on the delivery of environmental protection service in Ontario will be assessed as will the impact on specific stakeholders including industry, citizen groups and professional associations.

The regulatory and governance pattern in Ontario for the year 1996 and the start of 1997 is largely consistent with the attitude toward the role of government that emerged in many jurisdictions in Canada in the early 1990s. This attitude could be characterized as a belief that the capacity of governments at all levels to undertake new obligations has been severely curtailed by financial limitations and hence their role in many spheres is likely to diminish; that many regulatory and procedural structures have been in place for 25 years or more without ever being substantially renewed, revisited or reviewed; and that in light of the limitations of government to undertake new obligations, that society should consider less or non-regulatory approaches, the use of economic or tax incentives and voluntary schemes, public - private partnerships or even the transfer of public responsibilities to private bodies. In some jurisdictions, most notably Ontario, these attitudes were frequently much more pronounced in both discourse and actual legislative initiatives.

Examples include the view that environmental regulations largely constitute "Red Tape." Toward the goal of diminishing 'red tape', the Ontario government continued its streamlining of regulations via its Red Tape Commission. The Ontario government also embarked on a number of public-private initiatives or laid the groundwork for the outright privatization of what were formerly public service functions (ie. sewer and septic inspection; underground storage tank regulation and elevator inspection).

Federally, the approach taken toward the framework of laws policies and programs that provides the protection of the environment, the public interest and matters of health and safety was somewhat varied. In some areas such as the protection of endangered species, the federal government has taken an active role in advancing legislation and attempting to engage the provinces in the issue. In other areas such the reform of the *Canadian Environmental Protection Act*, opinion is quite divided as to whether many of its proposed amendments would have the action of strengthening or weakening the Act. Many of the changes embodied in the reform process would make the Act more lengthy and complex. The legislation to reform CEPA has not yet been passed by parliament. If passed, it would take some time to assess the effects of its reforms.

In terms of political administrations during the study period (January 1996 to March 1997), the federal and provincial governments are at two very different stages in the

political cycle. The federal government is formed by the Liberal Party of Canada under Prime Minister Jean Chrétien and is three-quarters through its mandate. A federal election will be required within 18 months of the end of the this report's study period. On the other hand, the government of Ontario is formed by the Progressive Conservative Party of Ontario under Premier Michael Harris and was in the first and second years of its mandate for the duration of the study period.

Federal Legal, Regulatory and Budgetary Initiatives: Jan 96-Mar 97

Chronology of Federal Legal and Regulatory Changes

January 1996

- Jan 14 Environment Minister Sheila Copps warns petroleum refiners and distributors that if an agreement is not reached on the use of MMT (methylcyclopentadienyl manganese tricarbonyl), then it will be banned on January 31, 1996.
- Jan 25 Prime Minister Chrétien announces changes and restructuring of cabinet. Specific changes and new Ministers include:
- Sergio Marchi becomes Minister of the Environment; former Minister Sheila Copps becomes Minister of Canadian Heritage and retains the title of Deputy Prime Minister;
 - Stéphane Dion, Minister of Intergovernmental Affairs;
 - Fred Mifflin, Minister of Fisheries and Oceans;

February 1996

- Feb 1 Parliamentary Session Prorogued - Bills C-62, the *Regulatory Efficiency Act*, C-94 (contained MMT Ban), C-117 (would have amended *Fisheries Act*) expire on the order paper.
- Feb 21 Environment Minister Sergio Marchi announces Canada's endorsement of the Organization for Economic Co-operation and Development (OECD) Ministerial Declaration on lead risk reduction at an OECD meeting in France. The Ministerial Declaration promotes the phase-out of lead in gasoline and is intended to eliminate the exposure to lead from children's products and food packaging. It also has provisions for controlling lead shot in wetlands and air emissions of lead from major industrial sources. A major weakness of the Declaration is its inclusion of a voluntary action plan by the lead producer industry to reduce exposure to lead and encourage user-industries to develop their own risk reduction programs. The Canadian delegation was instrumental in advancing a voluntary as opposed mandatory approach on this issue.

Also at the meeting Canada endorsed a *Council Act* recognizing the importance of governments demonstrating leadership in achieving high environmental standards in government operations and facilities. In Canada, the Commissioner of the Environment and Sustainable Development will be charged with ensuring the greening of policies and operations in all federal departments.

- Feb 27 Throne speech outlines some specific federal initiatives:
- modernization of the *Canadian Environmental Protection Act*;
 - introduce an "Endangered Species Protection Act";
 - legislation to ratify the UN Straddling Stocks Agreement and Law of the Sea Convention to be presented to Parliament;
 - promote conservation of, and revitalize the Pacific salmon fishery and revitalize the east coast fishery;
 - references to federal-provincial "partnerships" in environmental management and inland fish habitat protection, federal withdrawal from areas of mining and forestry.

Feb 28 PCB Export Ban to United States Interim Order extended.

March 1996

- Mar 6 The federal budget is unveiled and contains some measures intended to encourage investment in the environmental industry and the renewable energy sector. Specifically, the measures are aimed at promoting consultations on proposals for tax incentives to:
- increase energy efficiency;
 - remediate environmentally damaged lands;
- Also announced is
- a new fund called the Technology Partnerships Canada Fund which will earmark money for the promotion and demonstration of Canadian environmental technologies (see also March 26, 1996 and section on Budgetary and Staff Changes);
 - the continuance of high levels of tax deductibility of investments in oil sands developments;
 - tax deductions for monies contributed to mining trusts.
- Mar 6 Minister of the Environment's Follow-up to Speech from Throne:
- federal-provincial cooperation does not mean "giving away the store;"
 - focus will be in ensuring no gaps;
 - work out with provinces and territories a "measured journey" - "one step at a time."
- Mar 12 Environment Minister Sergio Marchi and Fisheries and Oceans Minister Fred Mifflin release a report on further environmental assessment of the recovery of the Irving Whale - a sunken oil barge containing PCBs in the Gulf of St Lawrence. The decisions made in this clean up effort are likely to have ramifications for other PCB clean-up or contaminated site remediation efforts in Canada, particularly their financing. Public consultation will proceed in the Atlantic provinces and Quebec as ordered on November 17, 1995.

The government report concludes that lifting the Irving Whale would be the safest way to deal with the PCBs.

- Mar 12 Amendment to add new substances to Part I of the CEPA Domestic Substances List given Cabinet approval.
- Mar 21 Bill C-23 The *Canadian Nuclear Safety Commission Act* gets first reading.
- Mar 22 Bill C-25 The *Regulations Act* receives first reading. This Act have the effect of would reducing the number and types of regulations gazetted and could advance the use of industry/company specific programs such as ISO 14000.
- Mar 26 The federal government will contribute a total of \$2 million (\$1 million from each of Environment Canada and the Canadian International Development Agency) to establish a special trust fund for Canadian companies for the global environment at the World Bank. The \$2 million fund called the Canadian Consultant Trust Fund will be utilized by the World Bank to bring Canadian technical expertise to bear in identifying, preparing and appraising projects financed by the Global Environment Facility. The Facility provides grant and concessional funds to recipient countries for projects that aim to protect the global environment. Funding for this initiative was provided for in the March 1996 federal budget.

National Parks Act and National Parks Garbage Regulations given Cabinet approval

April 1996

- Apr 18 The Minister of the Environment announces that the government will reintroduce the MMT Bill, C-94. The bill, which died on the order paper following prorogation of the House February 2, 1996, will be reintroduced at 3rd reading stage on Monday, April 22. Bill C-29, *An Act to regulate interprovincial trade in and the importation for commercial purposes of certain manganese based substances* would ban the importation and use of MMT is re-introduced at third reading. MMT (Methylcyclopentadienyl manganese tricarbonyl) is used as an octane booster in gasoline, is accused of contributing to smog, can become an airborne toxin if concentrations are high enough and is criticized by automakers for its ability to clog diagnostic systems. It has been used in Canada as a replacement for lead in gasoline since 1977.
- Apr 22 Minister of the Environment Sergio Marchi announces that 84 projects across Canada (totalling \$2,428,948) will be funded under Environment Canada's Action 21 program. Fourteen are in Ontario (totalling \$521,175) and include:
- a watershed ecology program in Toronto;
 - a home energy assessment program in Belleville;
 - community-based endangered species recovery project for the blue

racer snake on Pelee Island.

- Apr 25 The federal and Quebec Ministers of the Environment release St. Lawrence Vision 2000 (a biennial report for 1993-95). The report lists accomplishments including the reduction of toxic discharges into the river and wildlife habitat conservation. It is reported that the 50 industrial establishments targeted when SLAP was launched in 1988 had reduced their toxic effluent discharges by 80% at the end of 1994.
- Apr 25 The Transport and Environment Ministers announce that the federal government will contribute \$200,000 to help establish a national Centre for Sustainable Transportation. The non-profit centre will be located in Toronto and will initially be funded equally by Environment Canada and Transport Canada (\$33,000 each per year over three years). The centre will maintain a secretariat of experts from the transportation field and will support a program of core activities in the areas of research, strategy development and educational programs.
- Apr 30 *Canada Wildlife Act* and Wildlife Area Regulations passed by Cabinet. The amalgamation of three regulations into one to create the Prevention of Certain Toxic Substances Regulations given Cabinet approval as well as the National Parks Water and Sewer Regulations.

May 1996

- May 14 *Wild Animal and Plant Protection and Regulation of International and Interprovincial Trade Act* and Wild Animal and Plant Trade Regulations given Cabinet approval. The Act will help protect endangered and threatened species and the Regulation consolidates federal trade controls, designates species controlled by the Act and lists exemptions. WAPPRIITA will:
- prohibit any commercial trade in endangered species.
 - monitor and regulate trade of less threatened species through a permit system.
 - provide some protection for Canadian ecosystems from the introduction of undesirable species that could harm Canadian species.
- Offenders will be subject to penalties of up to \$150,000 for individuals, and up to \$300,000 for corporations for the illegal importation of endangered species or the possession of products made from these species. The legislation was passed in 1992 but required provincial approval of the regulations prior to the Act being proclaimed. This initiative arises from Canada's obligations under CITES, the Convention on International Trade in Endangered Species.
- May 14 Environment Canada announces that North American waterfowl populations have rebounded dramatically since the late 1980s. The 1995 count, compiled by Canadian and U.S. officials, showed a mid-continent

fall flight of 77 million ducks--up 22 million from 1985, and an increase of 18 million in the last two years alone. This improvement is being attributed to favourable water conditions and the habitat work of over 500 Canadian, U.S. and Mexican partner agencies who have collaborated in securing and enhancing over one million hectares of wetlands and uplands habitat for both wildlife and agricultural productivity under the North American Waterfowl Management Plan. The Plan, was signed on May 14, 1986 by the United States and Canada, following years of declines in waterfowl numbers. The Plan was updated in 1994 to include Mexico. In Canada, over 100 Canadian partner agencies have worked during the past decade to preserve and enhance a half million hectares, and have influenced another two million hectares of wetlands and other habitat. Federal contributions to this program to the end of 1995 total almost \$53 million, supplemented by \$72 million from the provinces, \$40 million from private sources and \$141 million from U.S. partners.

May 31 The Canadian Council of Ministers of the Environment has concluded its spring meeting with a more focused vision for the body. The Council claims that its primary purpose will be to improve environmental protection and promote sustainable development in Canada. It will accomplish this through a streamlined agenda, focusing on solving significant environmental problems. Key developments and items discussed:

- The Environmental Management Framework Agreement was not signed and was therefore effectively considered incapable of proceeding further in its current form. Instead, the Ministers discussed other means of 'harmonizing' environment management nationally through a "comprehensive, multilateral umbrella environmental accord" (see Harmonization, below).
- *Harmonization*: The Ministers agreed to pursue a national Accord and develop multilateral agreements on inspection, environmental assessment and standards development to demonstrate how the principles of the Accord will be applied. The Ministers committed to developing the Accord. Beyond agreement to continue, the Accord was not actually agreed upon in principle.
- *Pollution Prevention*: The Council of Ministers approved a strategy for encouraging and implementing pollution prevention.
- *Packaging Stewardship*: The council endorsed principles to guide the establishment of packaging stewardship programs across Canada.
- *Climate Change*: Ministers agreed to support the scientific findings of the Second Assessment Report of the Intergovernmental Panel on Climate Change, which concluded that human activity is having a discernible effect on global climate.
- *Cleaner Vehicles and Fuels*: Ministers reconfirmed their commitment to develop and implement low emission vehicle standards and new gasoline and diesel standards as outlined in the Cleaner Vehicles and Fuels Task Force Report.

June 1996

- Jun 5 Federal Environment Minister outlines new standards for diesel and gasoline under the *Canadian Environmental Protection Act*. The Diesel Fuel Regulations deem that the fuel contain no more than 0.05 percent by weight sulphur while the Benzene in Gasoline Regulations will limit benzene in gasoline to 1 percent, effective January 1, 1999. Sulphur contributes to urban smog while benzene is a human carcinogenic. The standards were originally announced in June 1996. Additionally, he criticizes the province of Ontario for its lack of a mandatory vehicle emissions testing program.
- Jun 10 Bill C-44 *The Canada Marine Act* gets first reading.
- Jun 10 Federal Transport and Environment Ministers announce changes to the Motor Vehicle Safety Regulations under the *Motor Vehicle Safety Act*. The changes will require on-board diagnostic systems that monitor the operation of emission systems and should enhance the reduction of exhaust and evaporative emissions. The regulations will put Canada in line with US EPA regulations.
- Jun 14 Two bills given first reading: Bill C-50 *Canada-Yukon Oil and Gas Accord Implementation Act* and Bill C-51 *Nunavut Waters Act*.
- Jun 20-21 At the First Ministers Conference, Environment Ministers were directed to show progress on the Harmonization initiative by the November 1996 CCME Meeting.
- Jun 26 Environment Minister announces an agreement to licence the use Canadian environmental technology to a manufacturer of analytical laboratory equipment in Fontenay-Sous-Bois, France (PROLABO).

July 1996

- Jul 3 Amendment to add new substances to Part I of the CEPA Domestic Substances List passed by Cabinet.
- Jul 12 Environment Minister attends meeting of Asia-Pacific Economic Cooperation (APEC) Ministers responsible for the environment
- Jul Brian Emmett named as Canada's first Commissioner of the Environment and Sustainable Development (CESD). The CESD is charged with reporting to Parliament on ministerial compliance with departmental sustainable development strategies as well as the status of petitions from the public on environmental issues.

Jul 22-26 Canada participates in the Ad Hoc Working Group on Biosafety Protocol under the Convention on Biological Diversity in Aarhus, Denmark. The protocol is being negotiated to address concerns over the transboundary movement of living modified organisms. Clear direction over the path forward did not arise at the meeting.

Jul 25 At a meeting of the Commission on Environmental Co-operation Federal Environment Minister Sergio Marchi attacks the environmental record of the Ontario government. Particularly, the Minister cites the plans to eliminate 19 environmental laws, to streamline 80 regulations and to allow industry to self-regulate as worrisome.

August 1996

Aug 1-2 Council of the Commission for Environmental Cooperation Meets in Toronto. Concerned express over development in Cozumel, Mexico.

Aug 17 Draft regulations unveiled requiring environmental and human health assessments of biotechnology products such as genetically engineered microorganisms. The draft regulations cover Feeds, Seeds, Fertilizers and Health of Animals, will fall under their respective statutes and flow from requirements of the *Canadian Environmental Protection Act*. Details of finalized regulations under Dec 19, 1996.

Aug 23 Environment Minister Sergio Marchi announces that the first conviction under the newly proclaimed *Wild Animal and Plant Protection and Regulation of International and Interprovincial Trade Act* (WAPPRITA) has occurred. The accused, a Philippine seaman, was arrested on August 9, at Pearson International Airport in Toronto, when he attempted to bring elephant tusks into Canada. He was subsequently sentenced to 22 days imprisonment and forfeited the tusks that have an estimated total value of up to \$800.

Aug 23 CCME releases a draft National Accord on Harmonization.

Aug 29 CCME releases a draft sub-agreement on inspections.

Aug 29 The Federal Environmental Assessment Agency releases two significant policy statements, *Discussion Paper on Cost Recovery* and *Position Paper on Process Efficiency*. Through these papers, the agency announces that it will attempt to achieve cost recovery from its consultation processes and suggests that environmental assessments may not necessarily be solely a government function. Its Public Participation Funding Program is to expire without replacement in March 1997. The agency may in turn operate as a supervisory body, rather than one that conducts assessments. It contracts the Canadian Standards Association to develop standards for screening procedures for use in EAs by April, 1997.

- Aug The National Round Table on Environment and Economy releases the results of its national consultation on water "State of the Debate Report on Environment and Economy: The Water and Wastewater System in Canada." The paper concludes that innovative solutions are required because of a combination of aging infrastructure and shrinking financial resources. Two key recommendations include:
- raise water and wastewater treatment prices and establish a user pay system to reflect the full-cost of environmental infrastructure;
 - open up the area to public-private partnerships to give municipalities a new source of financing and project management expertise.

September 1996

- Sep 6 CCME releases a draft sub-agreement on standard setting.
- Sep 10 The U.S. based supplier of MMT launches court action against the federal government's proposed ban on the substance through Bill C-29.
- Sep 10 Adele Hurley resigns as the Ontario designate to the International Joint Commission.
- Sep 25 Bill C-29, the Bill to ban MMT commences third reading.
- Sep 30 Federal Environment Minister Sergio Marchi announces the lifting of the ban on export of PCBs to the United States. The ban was imposed by former Environment Minister Sheila Copps in November 1995 and was opposed by US trade interests and Canadian industry.
- Sep Environment Minister Sergio Marchi names the members of Canada's national advisory committee under the North American Agreement on Environmental Cooperation.

October 1996

- Oct 2 Federal, provincial and territorial ministers responsible for wildlife agree upon a National Accord for the protection of endangered species at a meeting in Charlottetown. The Accord:
- commits governments to complementary legislation and programs to ensure that endangered species are protected throughout Canada; and
 - establishes a Council of Ministers that will provide direction, report on progress and resolve disputes.
- Oct 3 Bill C-62, to create a revitalized *Fisheries Act*, is given first reading. A key element of this legislation is the proposal to delegate decision-making authority for fish habitat management from the federal government to the provinces.
- Oct 21 Environment Canada releases the second summary report (from 1994) of

the National Pollutant Release Inventory (NPRI). The NPRI lists the types and quantities of 178 substances released into the air and water, and on land, on a facility-by-facility basis across Canada. The summary report shows:

- a 16 per cent reduction in the amount of reported pollutants released into the environment;
- more than 1700 facilities filed reports for 1994, an increase of more than 340 from 1993;
- reported releases of NPRI substances deemed toxic under the *Canadian Environmental Protection Act* (CEPA) for 1994 are 14,000 tonnes, or 7.4 per cent of total overall releases. They are projected to decrease by 15 per cent, or 2,100 tonnes by 1997.

Oct 31 Environment Minister Sergio Marchi introduces Bill C-65, the *Canada Endangered Species Protection Act*. The Act will apply to migratory birds, fish and marine mammals, species that range across international boundaries and all species on federal lands. Habitat that is critical to the survival of a species is protected. Recovery plans will identify such critical habitat. The legislation proposes to:

- establish fines of up to \$500,000 and/or imprisonment for up to five years for violators;
- apply to 60% of Canadian territory including some off-shore areas, the Yukon and Northwest Territories;
- protect 40% of the 276 species now considered at risk in Canada.

The legislation will provide for:

- an independent committee of wildlife experts to identify and assess species at risk;
- an official list of species at risk with automatic prohibitions upon listing such as killing, harming, harassing etc;
- emergency orders for the protection of critical habitat and measures for recovery plans;
- rights for citizens to make representations to the Minister or under certain circumstances to take civil action.

November 1996

Nov 20 Ministers of the Environment approve in principle an agreement to harmonize federal and provincial environmental laws and policies (National Accord on Harmonization). Ministers are to seek cabinet approval in their own jurisdictions. The Accord would then be signed at the May 1997 CCME meeting. Critics of the Accord cite one of its major weaknesses to be that high environmental quality be achieved in the context sustainable development (interpreted to mean economic development). The Ministers did not approve in principle: the Sub-agreements on Standards and Inspection and the proposed approach to environmental assessment. There was agreement in principle to the development of additional sub-agreements in the areas of monitoring and reporting, enforcement,

environmental emergency response, and research and development over the 18 months from November 1997. Within three years, sub-agreements in the areas of policy and legislation, international agreements and state of the environment reporting are to be concluded.

December 1996

Dec 2 Bill C-29 the Bill to ban MMT, passes third reading and moves to Senate.

Dec 10 Bill C-74, to renew the *Canadian Environmental Protection Act*, is introduced to parliament. It is presented that the new *Canadian Environmental Protection Act* will:

- make pollution prevention the national goal;
- implement a fast track approach to evaluating and controlling toxic substances;
- ensure the most dangerous substances will not be released into the environment in any measurable quantity, or will be phased-out;
- improve enforcement of existing and new regulations;
- encourage greater citizen participation; and
- allow for more cooperation and partnership with other governments and Aboriginal Peoples.

The 221 page, 360 section bill proposes:

- a new right for Canadians to bring to court those that are violating the provisions of CEPA. However, the right is severely limited by qualifications;
- to provide for the virtual elimination of the most harmful toxic substances. However, very detailed risk assessment and cost benefit analyses are required to proceed on any substance elimination;
- a new part dealing with biotechnology products. It will allow for a minister other than the Minister of Environment to exempt products from environmental and human health impact reviews;
- to strengthen the regulatory regime on ocean dumping;
- to make CEPA a residual Act (ie. applies only where other federal laws do not)
- the expanded use of equivalency agreements under which federal environmental laws and regulations do not apply in particular provinces.
- that the renewed Act be administered in a manner consistent with the CCME's National Accord on Harmonization.

The new CEPA is said to be consistent with the Canada-Wide Accord on Environmental Harmonization agreed to in principle by federal, provincial and territorial Ministers of the Environment on November 20, 1996. The legislation also reaffirms the principle that environmental management in Canada is a shared responsibility.

Dec 12 At the meeting of energy and environment ministers, Ministers McLellan and Marchi recognize that actions to date, including those announced

today, will not be sufficient to meet Canada's climate change obligations ie. the goal of stabilizing greenhouse gas emissions at 1990 levels by the year 2000. It is projected that, by the year 2000, emissions will be about 8% above 1990 levels and will rise thereafter. The principle instrument used to date by the federal government to curb GHG emissions is the Voluntary Challenge and Registry. The ministers agreed to work over the next year to further strengthen the VCR Program through various means, including attempting to standardize reporting. The Environment Minister however acknowledges that more needs to be done in order to meet our international obligations. Other initiatives to combat climate change include:

- an multi-stakeholder advisory committee will be formed to provide technical advice and input on program operation and performance;
- a new information program designed to help private sector fleet operators reduce their fuel consumption and GHG emissions;
- the federal government insists that it will press the North American automobile industry to improve vehicle fuel efficiency;
- Natural Resources Canada and Environment Canada have committed to purchase power from renewable energy sources from utilities;
- a Canadian Home Energy Efficiency Rating System will be released, and audit software will be developed to help home owners and others identify cost-effective opportunities for energy-efficiency retrofits.
- regulatory measures will be developed in the commercial sector, such as energy efficiency regulations to cover electric motors, air conditioners, heat pumps, transformers and other products.
- national climate change education and outreach initiatives aimed at individual Canadians will be launched.

Despite these measures, or perhaps because of their lack of rigorous pursuit, Canada will unlikely meet the year 2000 target. A reflection of the likelihood that this or other climate change targets are likely to be met is the announcement that the federal government will fund the Canada Country Study, the first-ever national integrated assessment of the social, biological and economic impacts of climate change in Canada.

Dec 16 Quebec Minister of the Environment and Wildlife David Cliche and Environment Minister Sergio Marchi sign the Canadian Intergovernmental Agreement Regarding the North American Agreement on Environmental Cooperation, the environmental side agreement to the North American Free Trade Agreement (NAFTA). This is significant as it indicates that Quebec is covered under the side agreement.

Dec 19 Four regulations, which modify existing regulations and which will require environmental and human health assessments of biotechnology products such as genetically engineered microorganisms are finalized and gazetted. The regulations are:

- Feeds Regulations, 1983, amendment: covers the environmental assessment of field release of feeds which are products of

biotechnology;

- Seeds Regulations, amendment: covers the environmental assessment of field release of seeds which are products of biotechnology;
- Fertilizers Regulations, amendment: covers the environmental assessment of field release of fertilizers which are products of biotechnology; and
- Health of Animals Regulations, amendment: covers the environmental and health assessment of animals which are products of biotechnology.

The regulations fall under their respective statutes and were brought about in response to the concern from the public for environmental and human health and safety.

Dec Federal Auditor-General Denis Desautels releases annual report. Comments on government which impact on environmental protection:

- Parks Canada lacks the monitoring and assessment of information capacity to carry out sound ecosystem-based management. The agency also lacks an action plan or target date for the National Marine Conservation Areas System. Finally, a number of parks remain subject to industrial activities;
- a number of operating and management deficiencies at the Atomic Energy Control Board that may not allow it to carry out its mandate fully and properly;
- the lack of disclosure of the environmental liabilities of Atomic Energy of Canada in its annual financial statements.

Dec Environment Canada releases Implementation Strategy for Existing Substances which flows from the adoption of the Toxic Substances Management Policy (TSMP) in June 1995. Each federal department is required to implement the policy in its programs. To help implement the TSMP, Environment Canada will:

- regulate under CEPA, aspects of toxic substances not regulated by other federal legislation;
- develop non-regulatory instruments aimed at preventing or reducing the release or exposure of toxic substances;
- promote research and enforce regulations under its responsibility;
- oversee the virtual elimination of Track 1 Substances (those that are CEPA-toxic or equivalent, persistent, bioaccumulative and result predominately from human activity);
- oversee the management of Track 2 Substances (all CEPA-toxic substances other than those which satisfy the criteria for Track 1);

The TSMP is under implementation through the Strategic Options Process which has identified 25 substances found to be toxic under CEPA.

January 1997

- Jan 31 The ban on the use of MMT as a fuel additive is to be challenged by the Government of Alberta using the internal dispute resolution mechanism of the Free Trade Agreement.

February 1997

- Feb 5 Federal government considers using trade provisions rather than environmental provisions (CEPA) to ban the importation of MMT. Use of the product could still continue by reserve supply or by its manufacture in Canada. Adding MMT to gasoline is not specifically banned.
- Feb 5 Bill C-65, the legislation that would create an *Endangered Species Protection Act*, is criticized by 300 prominent scientists for being insufficient to protect the survival of most of the plants and animals now threatened with extinction. The Bill is currently being studied by the Standing Committee on Environment and Sustainable Development.
- Feb 6 Canada and Chile sign Environmental and Labour side agreements to the Canada-Chile Free Trade Agreement. The Canada-Chile Agreement on Environmental Cooperation includes commitments by the two countries to enhance environmental cooperation and to effectively enforce modern environmental laws, such as those governing water, air, toxic substances and wildlife. The goal of the agreement is to ensure that environmental laws and regulations in both countries provide for high levels of environmental protection.
- Feb 6 Environment Minister Sergio Marchi announces that Canadian PCB wastes may now be exported to the U.S. for destruction under controls. The new PCB Waste Export Regulations prescribing these controls will go into effect on Friday, February 7, 1997.

The new federal regulations replace an Interim Order under the *Canadian Environmental Protection Act*, put in place in November 1995, following a U.S. decision to open its border to Canadian PCB wastes. The regulations ensure that Canadian PCB wastes exported to the U.S. cannot be landfilled, but must be sent to U.S. Environmental Protection Agency approved facilities for thermal, chemical or other forms of destruction.

Under the Basel Convention, which Canada ratified in August 1992, Canada is legally bound to ensure that exported PCB wastes are managed in an environmentally sound manner. The decision to allow exports to the United States for specified destruction only follows the agreement last November by provincial, territorial and federal environment ministers to put in place a Canada-wide ban on landfilling wastes with a concentration of PCBs in excess of 50 parts per million.

- Feb 10 Environment Minister Sergio Marchi announced that his department will

proceed with recommendations to significantly reduce the release of four toxic chemicals into the environment. The four substances targeted under the Strategic Options Process are the first Track 1 substances for virtual elimination: tetrachloroethylene (also known as perchloroethylene) trichloroethylene, benzidine, dichlorobenzidine. Tetrachloroethylene is used extensively in the dry cleaning industry; its use is mandated to be reduced by 70 per cent by the year 2001. The other substances are used in automobile, aerospace, electronic industries and in the making of dyes and pigments. A mix of federal regulations under the *Canadian Environmental Protection Act* (CEPA), national standards and other measures will be used to reduce the release of the toxic substances.

Feb 14 Two programs designed to help young people find employment in Canada's environmental industry were announced by Environment Minister Sergio Marchi. International Environmental Youth Corps and Science Horizons will join an existing program, EnviroEntrepreneurs to provide over 700 university graduates with hands-on work experience in the environmental sector, in science research establishments and environmental business in Canada, and in environmental projects overseas. Federal funding of \$7.8 M is provided for these programs.

Feb Minister of Canadian Heritage releases a discussion paper entitled "Charting the Course: Towards a Marine Conservation Areas Act." The paper proposes legislation that would:

- recognize the benefits derived Canada's marine environments;
- establish a representative system of marine areas in Canada;
- help maintain biodiversity and ecosystems of coasts;
- contribute to worldwide coastal conservation;

The proposed legislation would provide powers and protections similar to those of the *National Parks Act* but modified for maritime international law. The Great Lakes, Hudson's Bay and James Bay would be the areas in Ontario affected by the legislation.

Feb The Senate commences hearings on Bill C-29, the legislation banning the use of MMT.

March 1997

Mar 3 Federal Environment Minister re-announces standards for diesel and gasoline under the *Canadian Environmental Protection Act*. The standards were originally announced in June 1996. Additionally, he criticizes the province of Ontario for its lack of a mandatory vehicle emissions testing program.

Mar 4 The House of Commons Committee studying Bill C-65, the legislation that would create an *Endangered Species Protection Act*, recommends that the government strengthen the legislation. Most notably, the Committee

recommends strengthening habitat protection for endangered species that live on federal land or water. This would only modestly improve the survival potential of about a third of the species threatened with extinction.

Mar 13 Concern arises that the federal government may not have enough time to complete its *Endangered Species Protection Act* legislation before the current session of parliament ends. The Environment Minister and others are being pressured by resource extraction industries to dilute the contents of the legislation. The legislation has not received second reading and has been delayed much longer than usual in getting to that stage.

Mar 24 Minister of Environment Sergio Marchi announces that the futures of two key pieces of environmental legislation carry some doubt. The Minister remains optimistic that Bill C-65, the *Endangered Species Protection Act* will pass before the end of this parliamentary session (April 1997). It is doubtful, however, that Bill C-74, the legislation to update the *Canadian Environmental Protection Act* will proceed. The Bill has not been scheduled for second reading in the session of the House of Commons that commences on April 7, 1997.



Budgetary and Staff Changes

Table 1 shows that expenditures for environmental protection nation-wide are forecast to decline by \$166.7 M over the period 1995/1996 to 1999/2000. This represents a decrease of 24.2% and this does not take into account the effects of inflation.

Table 2 shows the forecast change of expenditures for environmental protection in the Ontario Region between 1995/1996 and 1997/1998. The decline is \$2.4 M or 4.2% before inflation.

Table 1: Forecast Change of Expenditure for Environment Canada

	1995/96 Actual Expenditures	1996/97 Planned Expenditures	1997/98 Planned Expenditures	1998/99 Planned Expenditures	1999/2000 Planned Expenditures
A Healthy Environment	247.3	237.9	215.8	193.1	193.5
Safety from Environmental Hazards	189.2	141.9	129.0	121.5	122.0
A Greener Society	129.1	122.1	93.5	94.1	94.3
Administration	85.2	70.1	62.2	60.4	60.7
Total Net Expenditures by Business Line	650.8	572.0	500.5	469.1	470.5
Cost of Services provided by other departments	47.3	49.3	50.3	50.3	50.3
Total Net Cost	687.5 ¹	621.3	550.8	519.4	520.8

¹ \$10.6 M credited to the Consolidated Fund reconciles this column

Sources: Environment Canada, *Report on Plans and Priorities for the Period 1997/98 to 1999/2000*
Environment Canada, *Performance Report for the Period ending March 31, 1996*

Table 2: Forecast Change of Expenditure for Ontario Region

	1995/96 Actual Expenditures	1997/98 Planned Expenditures
A Healthy Environment	21.2	23.4
Safety from Environmental Hazards	17.2	15.5
A Greener Society	7.5	8.6
Administration	11.7	7.7
Total Expenditures	57.6	55.2

Sources: Environment Canada, *Report on Plans and Priorities for the Period 1997/98 to 1999/2000*
Environment Canada, *Performance Report for the Period ending March 31, 1996*

The priority areas of Environment Canada are listed in each table. These are:

- 1) *A Healthy Environment*. *A Healthy Environment* entails those services which develop scientific knowledge and expertise regarding the dynamic integrity of the environment.
- 2) *Safety from Environmental Hazards*. *Safety from Environmental Hazards* entails weather forecasting, and emergency prevention, preparedness and response.
- 3) *A Greener Society*. *A Greener Society* involves programs and policies that attempt to reconcile environmental and economic interests.

Overview and Effects of Expenditure Reductions

Under the expenditure reduction trend outlined above the resources available to Environment Canada to carry out scientific research, hazards response and promote sustainability will diminish. From the 1995/96 year to the next fiscal year, expenditures will drop by 10%. This percentage decrease is consistent with the federal government's Program Review which called for a 30% reduction over the period 1994/95 to 1997/98. Part of the Program Review (announced on February 17, 1995) will be the elimination of 1400 positions and a number of key programs.¹

Some key staffing and program effects:

- The "Toxics" component of the *Healthy Environment* priority area will be reduced by \$10.5 M including approximately 32 positions.
- Scientific research will reduce personal from 261 (1994/95) to 221 (1996/97).
- Physical Sciences will lose 48 positions.
- Engineering and scientific support will lose 323 positions over the period 1994/95 to 1996/97.
- Funds have been eliminated under the Contaminated Sites Program for the clean-up of high risk abandoned sites. There are about 1000 contaminated sites in Canada that would cost \$3 B to clean up; about 5% of these are orphan sites.
- Elimination of funding for PCB Destruction Program.
- Environment Canada is proposing to seek and employ resources from other agencies in the effort to enforce the *Canadian Environmental Protection Act*.
- The reduction in available enforcement resources appears to be leading to an emphasis on the use of voluntary agreements.

The 1996 Federal Budget

On March 6, the Finance Minister Paul Martin releases the details of the federal budget. In it, are two areas of potential impact on environment protection:

- *Technology Partnerships Canada* : This fund, as part of its mandate, will encourage the development of environmental technologies, described as advanced manufacturing and materials technology and biotechnology. Reallocated resources together with Industry Canada resources will expand this program from \$150 million in 1996-97 to \$250 million by 1998-99.
- The special tax provisions targeting the oil and gas and mining industries were revised. Changes were made to the resource allowance, flow-through shares, and accelerated capital cost allowances for mining activities to enhance their attractiveness as investments. Specifically, the tax exemptions for expansions of qualifying oil sands mines will be carried forward until at least 1998-99. Investments in renewable energy will be subject to an escalating tax credit starting in 1997-98 through to 1999-99. Flow-through shares for renewable energy investments are not currently slated to be subject to preferential tax treatment for the resource sector.
- The *Income Tax Act* provides a resource allowance of 25% on resource company profits. The February 1995 budget announced a review of this. After consultation, no changes are proposed for this exemption. Clarification of some provisions of the this allowance may be made. The Canadian Exploration Expenses, Canadian Development Expenses and interest expenses will continue to receive preferential treatment relative to other resource-related industries.

Additionally the budget invokes a further 3.5% cut to departmental budgets.

The 1997 Federal Budget

On February 19, 1997, Finance Minister Paul Martin releases the details of the federal budget. In it, are some items that impact on environment protection:

- expanded trusts provisions to include aggregate pits and quarries and waste management sites. This will afford operators preferential tax treatment or tax-free status for moneys directed to assurance vehicles for site reclamation of waste management and recycling facilities and aggregate industry quarries and facilities.
- a \$20 m/yr fund for three years to promote energy conservation;
- expanded tax credits for gifts of stock or real estates to charities: this could help in the area of land donations for parks and ecologically significant lands for biodiversity preservation.

There was not however any change in the preferential tax treatment of exploration allowances as pondered in the 1995 budget (see bullet on the *Income Tax Act* above).

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Provincial Legal, Regulatory and Budgetary Initiatives: Jan 96 - Mar 97

Chronology of Provincial Legal and Regulatory Changes

- Jan 2/96 A revised draft Provincial Policy Statement to accompany Bill 20 is released by Minister of Municipal Affairs. It reduces the protection for naturally significant features and prime agricultural land, and weakens policies to reduce urban sprawl and intensify development.
- Jan 2/96 A new guideline for emissions from new municipal solid waste incinerators issued by the Minister of Environment and Energy. Limits are performance-based and require continuous stack monitoring.
- Jan 5/96 "Temagami Area Draft Land Use Proposal" placed on EBR Registry. The Comprehensive Planning Council will submit its recommendations to the MNR on March 1, 1996.
- Jan 10/96 Positions of five board members of Ontario Hydro revoked. The members were considered to be the strongest advocates of environmental protection on the board.
- Jan 11/96 The MoEE announces new guidelines on the EBR Registry: "Guidelines for the Utilization of Biosolids and Other Wastes on Agricultural Land" will amalgamate former guidelines for sewage sludge with draft interim guidelines on the agricultural application of waste other than sewage sludge.
- Jan 19/96 Ontario Divisional Court Judge overturns the Environment Minister's decision of January 10, 1996 to relieve five Ontario Hydro Board members of their positions.
- Jan 26/96 Ministry of Housing releases a consultation paper entitled "Back to Basics" which focuses on streamlining and simplifying the Building Code. Key directions:
- set only minimum standards for health and safety;
 - reduce or eliminate energy efficiency and environmental standards in the Building Code
 - new provisions should be cost-effective;
 - reduce construction costs;
 - harmonization with National Building Code.
- Such changes would have an obvious impact on land use, urban design, greenhouse gases and atmospheric emissions.
- Jan 29/96 Bill 26, the *Governments Saving and Restructuring Act* enacted by the

Ontario legislature. The Bill contained amendments to many acts. Those with the most significant environmental consequences are summarized below. Almost universally, the Bill converted many of the acts' statutory obligations to regulatory requirements as deemed / if deemed necessary by the minister responsible. Many of the changes could have significant negative economic as well as environmental consequences. Most promote resource use/extraction. Accountability to the provincial legislature is diminished. Summarized briefly are the changes to:

- the *Forest Fires Prevention Act*: repeal fire, travel and work permit provisions;
- the *Lakes and Rivers Improvement Act*: reduce or eliminate permitting requirements when constructing, altering or using a dam or other water works;
- the *Public Lands Act*: repeal fire, travel and work permit provisions; reduces capacity of courts to order restoration;
- the *Acts* above have been amended in a manner which permits for virtually any activity on public lands and waters unless the minister responsible has prescribed regulations to the contrary; formerly, unacceptable and permitted activities were defined by the *Acts*.
- the *Mining Act*: generally reduce obligations for reporting, financial assurance, mine closure, decommissioning and rehabilitation; potentially expose the public to increased environmental, health and economic costs;
- the *Game and Fish Act*: creation of an account separate from consolidated revenue fund to manage monies collected from fees and licences; expenditures at Minister's discretion;
- the *Freedom of Information and Protection of Privacy Act*: easier to reject requests that are considered frivolous or vexatious. Information granting will become more subjective;
- the *Municipal Freedom of Information and Protection of Privacy Act*: easier to reject requests that are considered frivolous or vexatious. Information granting will become very subjective;
- Both freedom of information acts established the ability to set fees for both applying for, and retrieving information.
- the *Municipal Act*: easier municipal restructuring, land annexation, and service cost or user fee implementation;
- the *Conservation Authorities Act*: new provisions could lead to the dissolution and sale of CA lands in some cases. Limitations placed on scope of CA activities.

Jan 29/96 Ministry of Environment and Energy releases its review of its land use planning process. If recommendations are adopted, it would create an approach consistent with Bill 20: the MoEE would shift its emphasis away from the review of site-specific applications to involvement in official plan policy formulation. Greater municipal authority would be the result in an effort to "streamline and eliminate duplication". Effectively, there would be no direct involvement by the MoEE on site specific

planning or commenting.

- Feb 5/96 Fees for both applying for, and retrieval of information set under freedom of information acts: *Freedom of Information and Protection of Privacy Act, Municipal Freedom of Information and Protection of Privacy Act.*
- Feb 23/96 Minister of Natural Resources announces a number of fish and game policy changes: MNR plans to reintroduce bobwhite quail from the US in 1996-97; elk herd restoration by reintroduction; two fishing rods per angler now effective on Lake Erie; and pursue changes to allow the hunting of migratory birds with raptors. In addition, the fish and wildlife account created by Bill 26 is announced as well as a separate foundation to receive donations from citizens for fish and wildlife management.
- Feb 28/96 Cabinet approves Ontario Parks business plan (see June, 1996).
- Mar 26/96 Bill 20, the *Land Use Planning and Protection Act* receives third reading and royal assent. In doing so, the work of the Sewell Commission on land use reforms, which was embodied in Bill 163, is effectively repealed.
- Mar 29/96 The Ontario Government announces on the Environmental Bill of Rights Registry that it will allow the *Intervenor Funding Project Act* to expire on April 1, 1996. Its expiration will make citizen participation in *Environmental Assessment Act, Ontario Energy Board Act* and *Consolidated Hearings Act* processes less feasible.
- Apr 1/96 *Intervenor Funding Project Act* expires.
- Apr 21/96 The Ministry of Environment and Energy proposes a procedure for managing the environmental problems from combined sewer overflows: Determination of Treatment Requirements for Municipal and Private Combined and Partially Separated Sewer Systems (Procedure F-5-5). Under the procedure each municipality or operating authority:
- would develop a pollution prevention or control plan;
 - would meet minimum CSO controls;
 - provide additional controls where beaches are impaired;
- After 10 months of consultation and revision the policy will eventually be finalized and posted on the EBR Registry.
- May 7/96 Finance Minister Ernie Eves unveils first budget of the conservative government. For detailed staff and service changes to the Ministry of Environment and Energy and Ministry of Natural Resources see section on Budget and Staff Changes and appendix A. Announced in the budget is a tax refund of up to \$1,725 to first time purchasers of a newly constructed home if the agreement of purchase and sale is completed on or before March 31, 1997. The rebate, coupled with other measures has the potential to encourage urban sprawl.

May 14/96 The provincial government announces that its focus for highway funding will be on repairing and preserving the existing highway network. The government is increasing highway funding by \$140 million over last year. In fiscal year 1996/97, \$490 million will be spent on highways in southern Ontario, and \$138 on Northern highways. The province will also provide an extra \$60 million to repair highways that are being transferred to municipal control and roads that link to provincial highways.

May 14/96 Changes are introduced by the Ministry of Natural Resources for the regulation of the aggregates, petroleum and brine (salt solution mining) industries. These changes are to be implemented through Bill 52, *Aggregate and Petroleum Resources Statute Law Amendment Act* and would amend the *Aggregate Resources Act*, *Petroleum Resources Act*, *Mining Act*, and the *Ontario Energy Board Act*. Responsibility for site inspections and monitoring are to be "transferred" from the MNR to these industries. The government is also proposing to shift from "complex", to more streamlined, legislation and regulations, backed by technical standards. Details include:

- self-monitoring by the mineral aggregates industry; responsibility for day-to-day site inspections and monitoring for compliance with the terms of site plans and licenses under the *Aggregate Resources Act* is to be "transferred" from the MNR to the aggregates industry;
- the proposal to transfer responsibility for the administration and delivery of the rehabilitation program associated with the Abandoned Pits and Quarries Rehabilitation Fund to the industry.
- increased fines, extended licence suspension periods, and longer time periods for the initiation of prosecutions under the Act;
- increased fines under the *Petroleum Resources Act*;
- requirements for life-cycle well licences will be established to replace the current system of well permits, which only address the regulatory functions associated with drilling.

May 16/96 Minister of Consumer and Commercial Relations Norm Sterling introduces Bill 54 *The Safety and Consumer Statutes Administration Act*. The legislation proposes to:

- allow non-profit industry self-management authorities to assume responsibility for registration and accreditation of members, investigation of consumer and business complaints, suspension of registrations and prosecutions of violations;
- create a technical standards and safety authority to make regulatory recommendations for the affected industries;
- allow for the above in the areas of gasoline and other hydrocarbon handling, motor vehicle dealers, real estate agencies and brokers, travel agencies, and cemetery operators.

The division of responsibilities is to be such that the authorities will deliver safety programs but oversight of these bodies and legislative

responsibility for public safety rests with the MCCR.

May 22/96 Ministry of Municipal Affairs and Housing announces proclamation of Bill 20, *Land Use Planning and Protection Act*. Major changes under this legislation include:

- streamlining the process by cutting approval times in half; and
- eliminating the requirement that planning decisions "be consistent with" provincial policies, and replacing it with the old requirement that decisions "have regard to" provincial policies.

May 28/96 The Ministry for Natural Resources announces that it will restructure forest management in the province. Implementing the Forest Management Business Plan means that the MNR will:

- reduce its direct involvement in forest management operations;
- shift new and/or additional responsibilities to forest industries along with the costs of meeting those responsibilities;
- concentrate on managing information required for forest management;
- no longer consider forest management a core ministry business;
- rely on forest company reports as its primary source of information when verifying compliance;

Details include:

- all current management units to be covered by a Sustainable Forest Licence (or equivalent);
- SFLs will be longterm licensing arrangements (greater than 5 years) that will afford the licensee more direct control over a forest as well as greater responsibilities;
- forest companies with the existing Forest Resource Licence (short term, limited responsibility) will be bumped up to an SFL;
- independent audits will be used to determine sustainable practices if ever deemed required;

Forest industries will be involved :

- in the development of policies, standards and guidelines for forest management;
- in the development and implementation of ecological land use plans;

Forest industries will be responsible for:

- silviculture, pre and post harvest activities;
- surveys and assessments, road and bridge construction;
- monitoring, inventory and data collection;
- wood measurement, seed and seedling production;
- preparing forest compliance plans;
- conducting inspections of their operations;
- identifying areas where standards and guidelines have not been followed;
- undertaking and paying for remedial work;
- ensuring that staff are properly certified and re-certified.

Jun 3/96 Minister of Environment introduces Bill 57, *The Environmental Approvals*

Improvement Act. The Bill provides for:

- the exemption by the Lieutenant-Governor in Council of any person from any provision of the *Environmental Protection Act* or *Ontario Water Resources Act* or any regulation made under those Acts;
- the dissolution of the Environmental Compensation Corporation;
- the dissolution of the Ontario Waste Management Corporation and repeal of the *Ontario Waste Management Corporation Act*;
- the Lieutenant-Governor in Council to prohibit, regulate or control any thing or activity related to the Act;
- the Lieutenant-Governor in Council to deem a certificate of approval to exist under the *Environmental Protection Act*;
- the prohibition of any action against the Crown arising out of any exemption from an approval requirement under the *Environmental Protection Act* or *Ontario Water Resources Act*; and
- an amendment giving the Ministry of the Environment and Energy authority to administer fees to recover administrative costs.

Jun 5/96 Minister of Environment and Energy introduces Bill 66, *Government Process Simplification Act* which proposes to amend the *Consolidated Hearings Act* and *Environmental Protection Act*. This could:

- permit Ontario Energy Boards and Environmental Appeal Boards to sit in panels of one member;
- be further amended so that prosecutions under the Act or its regulations will no longer require ministerial approval;
- amend the *Ontario Energy Board Act* to allow the Minister (rather than the Lieutenant Governor) to refer a request for inquiry to the board and to require a hearing into the reasonableness of gas rates under section 13;
- allow the joint board and the Environmental Appeals Board to designate one person to represent a group of people with the same interest;
- allow the Minister of Environment and Energy to amend the *Pesticides Act* to allow classification of pesticides by the Minister or a delegate.

Jun 7/96 Advisory Committee on Competition in Ontario's Electricity System advises that more competition in the electricity system will end Ontario Hydro's monopoly and increase competition among power generators. The Ministry of Environment and Energy promises consumers and industry representatives a chance to review and comment on the report before deciding whether to adopt its recommendations.

Jun 13/96 The Minister of Environment and Energy proposes changes to the *Environmental Assessment Act* through Bill 76 by introducing the amendments (scheduled to take effect by 1997). These amendments will have the effect of:

- significantly narrowing the scope of the Act and the environmental assessment process;

- granting the Minister of Environment and Energy a great deal of discretion over the application of the environmental assessment process, the granting of hearings and their contents;
 - ensuring less consistency in the application of the Act;
 - imposing strict time frames for all key steps in the decision-making process; and
 - doing nothing to lower the barriers to entry by citizens into the environmental assessment process.

- Jun 17/96 Ministry of Environment and Energy announces new landfill standards to guide ministry approvals. The proposed standards emphasize community input and include requirements for siting, design, operation, monitoring, protecting ground and surface waters, controlling landfill gas, contingency planning and financial assurance. Changes to the environmental assessment process however could mean that community input is provisions are ineffective.

- Jun 17/96 Ministry of Natural Resources announces new system to allows hunters to apply more quickly for a deer hunting tag by telephone.

- Jun 20/96 Ministry of Natural Resources announces a rabies prevention program in the greater Toronto area. The program aims to vaccinate raccoons, skunks and foxes through live-trapping and vaccinated bait.

- Jun 25/96 MNR plan to manage commercial fish resources means that Aboriginal communities will need a license to fish. The Ministry of Natural Resources will issue licenses to two Aboriginal communities in the waters around the Bruce Peninsula. The licensing requirement comes after a 1993 court case which accepted the Crown's right to regulate fishing for the purpose of conservation and resource management.

- Jun 28/96 Ontario government releases its land-use strategy for Temagami. The strategy permits logging of 35 per cent of the old-growth forests in Temagami and also lifts a 24 year-old mining ban in the area.

- Jun 29/96 Ontario adopts a strategy which it claims will protect old growth sites and resolve land-use issues in Temagami. Highlights of the strategy include:
 - a limited prohibition on clearcutting of some of Temagami's old growth red and white pine;
 - mineral exploration activity in the Temagami area with some limited prohibitions; and
 - the creation of Protected and Special Management Areas where resource extraction will be prohibited or carefully managed.

- Jun 96 The Ministry of Natural Resources releases a summary of the Ontario Parks Business Plan. The Plan will become part of the MNR's corporate

business plan. The division of responsibilities will be:

- Ontario Parks will develop policies for the planning, management and development of the provincial parks system.
- Ontario Parks will participate in the identification and acquisition of candidate sites for inclusion into Natural Heritage Areas.
- The MNR will ultimately determine whether sites are added.
- The MNR will develop policies for ecological sustainability and a system of Natural Heritage Areas for the province.

The Ontario Parks Business Plan will:

- allow the Minister to establish a new board of directors chaired by the Deputy Minister of Natural Resources. It will have 5-8 members from outside the Ontario government;
- introduce revenue retention (to improve customer service and financial accountability, encourage entrepreneurialism and allow for greater merchandising opportunities within parks);
- will allow Ontario Parks to set or change park fees and charges subject to Minister approval;
- require that parks are more dependent on fees for their revenues;
- allow Ontario Parks to receive corporate sponsorship and private donations for land acquisition or facility upgrading and enter into corporate sponsorship agreements (the acceptance of donations is pending negotiations on tax receipting).

These changes are intended to promote natural and cultural protection, move the park system toward financial self-reliance, improve park business practices and product marketing and involve private sector contracting.

The current park system includes 265 provincial parks (of which 106 are operating parks), occupies 6.2 million hectares and attracts 8.5 million visitors per year.

Jun 96

The Ministry of Natural Resources unveils its Fish and Wildlife Management Business Plan. The policy change is precipitated foremost by "expenditure reduction and Government downsizing" and incorporates the "dedication of revenues from fines, royalties and licence fees prescribed by the Game and Fish Act." Plan includes:

- a significant shift in delivery of products and services to the non-government sector and increased participation by clients (anglers and hunters) in resource management;
- increased non-government role in delivery of services, embracing beneficiary pay and accountability and more local decision-making;
- new staffing and funding for delivery of hunting and fishing licensing services and the likelihood of contracting outside agencies (lodges, fur managers, hunting groups) to deliver and manage recreational licences;
- Field assessment programs to be severely curtailed (ie. science, fisheries and Great Lakes assessment units);
- oversight by The Fish and Wildlife Advisory Board (see below).

- Jul 2/96 Ministry of Natural Resources lists appointees to The Fish and Wildlife Advisory Board (created under the *Natural Resources Act* in November 1995). The Board was created to provide advice on re-investing revenue from fish and wildlife license fees, royalties and fines. Board members, their residence and affiliation are:
- Phil Morlock, Whitney (Canadian National Sportfishing Foundation);
 - Charles Alexander, Dryden (Ontario Fed. of Anglers and Hunters);
 - Gary Ball, Peterborough (Hunting Heritage / Hunter Futures Board);
 - Walt Crawford, Elora (Trout Unlimited Canada);
 - Sandy Dickson, Atikokan (Canoe Canada Outfitters);
 - Brian Dykstra, Marten River (Beaverland Camp);
 - Sandi Johnson, London (Ontario Fed. of Anglers and Hunters);
 - Pat Kennedy, Haliburton (Haliburton Highlands Outdoors Assoc.);
 - Jack Newton, Huntsville (Ontario Hunt Clubs Association);
 - George Purvis, Gore Bay (commercial fishing operator);
 - Duncan Sinclair, Aylmer (Ducks Unlimited).
- Jul 2/96 Ministry of Natural Resources celebrates 50th anniversary of *Conservation Authorities Act*. When enacted, the Act was considered to be a landmark piece of legislation because it addressed the problems of flood damage, soil erosion and insecure water supplies.
- Jul 4/96 Ministry of Natural Resources offers reduced camping and day-use fees to encourage persons with disabilities to use provincial parks.
- Jul 19/96 Taro Aggregates Ltd. receives approval under the *Environmental Assessment Act* to establish a landfill site in Stoney Creek.
- Jul 24/96 *The Safety and Consumer Statutes Administration Act* (Bill 54) is proclaimed. In so doing the Act will create the Technical Standards and Safety Authority (TSSA). This non-profit, non-government organization will deliver safety programs and services in four main areas: boilers and pressure vessels, elevators, hydrocarbon fuels and equipment, and upholstered items. The TSSA may make recommendations to the Ontario government on changes to the *Energy Act*, *Gasoline Handling Act*, the *Operating Engineers Act* and others or their regulations. The body is to be funded by member and licence fees. Its board composition will include representatives from industry, government and non-industry stakeholders.
- Jul 31/96 Ontario government releases a discussion paper entitled *Responsive Environmental Protection* which makes over 80 recommended changes to environmental regulation. The recommendations include revising the Environmental Bill of Rights Classification of Proposals for Instruments Regulation to eliminate notice requirements for proposals with minimal environmental impact. Recommendations include:
- removing all exemptions under the Ontario Energy Board (OEB) General Regulation relating to transactions that have been completed;

- revocation of the now obsolete Ontario Hydro Exemption Regulation; and
- amendments to the Efficiency Standards Regulation for various new products.
- designation of standards and approval requirements according to four classes of facility, based on potential environmental risk;
- establishing comprehensive and specific standards for the design and operation of landfills;
- revising the definition of "recyclable material" and harmonizing the federal and provincial definitions of "hazardous waste";
- consolidating all waste management requirements into a single regulation; and
- setting of approval requirements for mobile PCB destruction facilities.
- replacing the provincial pesticides classification system with a national system;
- decreasing the number of different pesticide licenses from 53 to 15;
- requiring licensed exterminators to become recertified every five years;
- requiring at least \$1 million in third party liability for pest control businesses; and
- replacing underground disposal of pesticide containers with new recycling requirements.
- controlling municipal discharges through a performance-based regulation for sewage treatment plants;
- updating the Ground Source Heat Pumps Regulation to restrict the use of methanol;
- removing the requirement in the *Municipal-Industrial Strategy for Abatement's* Pulp and Paper Regulation for the pulp and paper sector to submit reports on how to reach zero AOX by 2002 and removal of the reference to a goal of zero AOX; and
- reducing monitoring frequency for facilities surpassing effluent limits.
- a General Air Regulation which would consolidate 20 air quality regulations into four;
- the consolidation of five ozone-depleting substances regulation into one regulation; and
- harmonization of federal and provincial regulations on production of ozone-depleting substances.

Jul 96 Ministry of Environment and Energy releases a revised soil cleanup guideline (*Guideline for Use at Contaminated Sites in Ontario*) which is intended to provide more specific and workable directions on managing and re-using contaminated sites.

Aug 12/96 Natural Resources Minister Chris Hodgson officially opens the Hillardton Marsh Provincial Wildlife Area. The Marsh is a wetland habitat populated by wildlife and waterfowl.

- Aug 29/96 Ministry of Natural Resources plans aerial distribution of vaccine-baits to immunize foxes against rabies.
- Aug 29/96 Federal Environment Minister Sergio Marchi criticizes the Ontario Government for its sweeping rollbacks of environmental legislation. A day later, Environment and Energy Minister Brenda Elliot says Federal Environment Minister Sergio Marchi's criticisms of Ontario's regulatory reform proposal are baseless.
- Aug 31/96 Premier Harris announces changes to the Provincial Cabinet. The Minister of Environment and Energy, Brenda Elliot MPP for Guelph is replaced by Norm Sterling MPP for Carleton who was previously acting as Minister of Consumer and Commercial Relations.
- Sep 5/96 Ministry of Natural Resources announces that squirrel and game-bird hunters will get an extra day of hunting this year.
- Sep 5/96 Ministry of Environment and Energy announces a 30 day extension to the public consultation period on proposed reforms to Ontario's environment and energy regulations.
- Sep 5-17 /96 Ontario Provincial Police arrest 35 protesters in Temagami and charge them with mischief.
- Sep 10/96 Energy and Environment Minister Norm Sterling calls on the federal government to release a report detailing threats to air quality in Ontario from U.S. sources.
- Sep 17/96 Prospecting activity in the Temagami region is intense as land cautions are lifted. The claims staking covers an area of over 617,000 hectares and attracted about 600 prospectors.
- Sep 20/96 Ministry of Municipal Affairs and Housing releases nearly 650 amendments to the Ontario Building Code for public consultation. The amendments, intended to cut 'red tape', include:
 - the option for home builders to greatly reduce or eliminate insulation coverage in new homes; and
 - replacing various energy conservation provisions in the Code since 1985 with mandatory labelling systems (similar to EnerGuide labels on appliances) despite advice that the labelling systems would be largely ineffective in the home market.
- Sep 25/96 Two environmental organizations (Algonquin Wildlands League and Friends of Temagami) seek a court order which would prevent further logging of old growth red and white pine in Temagami's Owain Lake Forest.

- Oct 1/96 Ministry of Environment and Energy announces that a pilot study testing vehicle emissions for air pollutants will conclude at the end of October. The study, which began in April 1995, gave drivers free inspections at the CleanAir Centre in Mississauga. Data from the study will be reviewed but the ministry has not committed itself to setting up a permanent program.
- Oct 2/96 Ontario Court General Division refused to grant a court order sought by two environmental organizations that would have temporarily stopped logging in Temagami's Owain Lake Forest.
- Oct 10/96 Ministry of Environment and Energy puts policy proposal entitled "Proposed Three Year Plan for Standard Setting" on Environmental Bill of Rights Registry for 30-day public comment period. The plan identifies standards that need to be established over the next three years in the areas of air, soil, ground, drinking and surface water, sediment, tissue residue, sewage sludge, and compost.
- Oct 10/96 Environmental Commissioner Eva Ligeti issues a special report citing that the Ontario government for cutting environmental regulations without giving the public an adequate opportunity for comment. Criticisms include:
- ministries are not posting environmentally significant decisions on the Environmental Registry;
 - public comment periods are unreasonably short or provided during inconvenient times; and
 - ministries are failing to assess and report potential environmental effects of decisions.
- Oct 15/96 Provincial Auditor Erik Peters criticizes the conduct of the Ministry of Environment and Energy in a number of areas:
- The use of the Hazardous Waste Information System. The Auditor reports that the ministry should be taking steps to identify registered generators of hazardous waste who do not report disposals.
 - His main criticism on air pollution abatement stems from a 1992 review conducted by the MOEE that showed that 226 of 289 air pollutant standards required reduction, reassessment or further review, and this review was not followed up on by the ministry.
 - The Ministry of Environment and Energy's handling of its water well information system is deficient. Of 200,000 well records submitted to the MOEE over the past 12 years, only about 30,000 have been entered into the water well information system; and
 - groundwater quality is not monitored systematically throughout the province.
- Oct 23/96 The Ministry of Municipal Affairs and Housing approves Peel Region's first official plan. Under the plan, the region has agreed to incorporate

provincial policies on several issues, including:

- the extraction of mineral aggregate resources for long-term use;
- support for the region's desire to protect the environment.
- support for the Caledon Community Resources Study which assesses future mineral aggregates in the region. This may result in the refinement of mineral aggregate policies; and
- there will be no moratorium on new aggregate operations in "high potential" areas.

Oct 31/96 Ministry of Environment and Energy confirms that the Ontario Cabinet will not intervene in last year's decision to reject Redland Quarries landfill site proposal. The proposal called for quarry lands in the town of Flamborough to be converted into a 26-million-tonne industrial waste landfill site. Residents had been fighting the proposal for 10 years.

Oct 96 Ministry of Natural Resources releases fact sheet on red and white pine in Ontario. In it, the MNR announces it has adopted a Conservation Strategy For Old Growth Red and White Pine Ecosystems in Ontario.

Oct 96 Minister of Municipal Affairs and Housing Al Leach removes a freeze on aggregate extraction covering 8,000 hectares in the Caledon Region. Seventy appeals of the decision are filed with the Ontario Municipal Board.

Nov 4/96 The Who Does What Panel recommends to the Ministry of Municipal Affairs and Housing that municipalities should deliver and pay for sewer and water systems. The panel recommends that the province:

- transfer ownership of its sewer and water treatment facilities to appropriate municipalities;
- discontinue sewer and water grant and loan programs; and
- continue to set and enforce performance-based environmental standards and promote conservation.

The panel also recommends that while municipalities should decide on the method of charging for sewer and water services, users should be charged the full cost of providing them. The panel also recommends that the province:

- continue to transfer to municipalities ownership of provincial highways that serve primarily local needs, provided municipalities are granted a revenue source to help with highway upkeep; and
- discontinue transit financial support but play a role in setting safety standards, coordinating broader transportation planning and helping with inter-municipal coordination and integration.

Nov 5/96 Ministry of Natural Resources adopts regulations to guide activities on Crown land. The new regulations reduce the need for work permits by 80% in an effort to save over \$1 million. The regulations frequently except activities related to mineral exploration and logging but attempt to

capture whatever activities remain. The regulations reflect many of the relaxations brought about by Omnibus Bill 26 (see January 29, 1996), in particular:

- the repeal of most fire, travel and work permit provisions;
- the elimination of many permitting requirements when constructing, altering or using a dam, dock or other water works; some larger buildings still require a permit;
- most bridges, culverts agricultural drains, trenching and dams do not require work permits on private or municipal lands; on Crown lands, bridges, culverts and dams do require a permit but agricultural drains and trenching for private residences are exempt;
- using regulations in place of statutory obligations severely reduces the capacity of courts to order restoration in the case of damage to the natural environment;
- the majority of activities on public lands and waters are permissible; fewer activities remain captured;
- new trails through Crown land will mostly not require a permit; permit exemptions are clearly granted for trails for mineral exploration, timber or other resource extraction;
- dredging, controlling aquatic plants, building docks and boathouses and laying submarine cable are free from permitting requirements if they are private (as opposed to commercial) and if they are intended for a log salvage operation;
- 100 square metres of vegetation annually can be removed in waters in southern Ontario without a permit;
- only exceptional burning will be captured by permit requirements (industrial slash pile burning and ecologically prescribed burns). All other small-scale incinerations are automatically permitted.

Nov 13/96 Premier Harris defends the Ontario government regulatory streamlining initiative at the Ministry of Environment and Energy Technology Transfer Conference in Toronto. The Premier declares that there are too many needless regulations.

Nov 13/96 Environment and Energy Minister Norm Sterling and federal Industry Minister John Manley announce the opening of a new environmental industry virtual office in Ontario. The virtual office, which is the first in Canada, provides one-window access to information via the internet.

Nov 15/96 Ministry of Municipal Affairs and Housing approves the new official plan for the Blind River Area. The plan allows the Minister to delegate consent granting authority to the local planning boards. This means that officials in the Blind River Area will no longer need to submit approval applications on local land severance and zoning matters to the province.

Nov 96 Ministry of Natural Resources outlines proposed changes to the *Forest Fires Prevention Act* under Bill 22. The changes are designed to simplify

the regulation and use of fire by the public and to reduce the number of permits required for burning.

- Dec 12/96 Ministry of Natural Resources announces final public review of proposed boundary for the expansion of Wabakimi Provincial Park. The MNR proposes to add over 700,000 hectares to the 155,000 hectare park, making it the largest provincial park in the forested region of Ontario. Ministry of Natural Resources releases summary of "key park values" for expansion of Wabakimi Provincial Park. The key values focus on woodland, caribou, landscape features, watershed integrity, Aboriginal values, canoeing and remote tourism.
- Dec 12/96 Ministry of Environment and Energy releases a report *Meeting the Challenge of Climate Change: 1996 Update on Initiatives in Ontario to Reduce Greenhouse Gas Emissions* outlining initiatives undertaken by Ontario to reduce Greenhouse emissions and respond to the threat of climate change. New initiatives include:
- the development of options for a vehicle emissions inspection and maintenance program for Southern Ontario;
 - development of guidelines for the control of methane gas from landfills;
 - completion of an action plan to reduce greenhouse gas emissions from government buildings and vehicles by 40 per cent by the year 2000.
- Despite these initiatives, Ontario and Canada will not meet the year 2000 GHG stabilization target.
- Dec 17/96 Ministry of Natural Resources announces three-year study of the walleye population in Lac Seul. The study is designed to ensure that current regulations are sufficient for longterm protection of the lake's walleye population.
- Dec 27/96 Ministry of Natural Resources expands recreational lake trout fishing in south-central Ontario. As of January 1, 1997 48 lakes will be open to trout fishing.
- Dec 31/96 Ministry of Environment and Energy announces that Bill 76, the *Environmental Assessment and Consultation Improvement Act, 1996* will be proclaimed on January 1, 1997. Key elements include:
- terms of reference in an EA can now be legally binding;
 - regulated timeframes for each step of an EA process;
 - the Minister can order mediation to resolve disputes;
- Jan 9/97 Ministry of Natural Resources announces it provided \$515,000 in funding to its Community Fisheries Involvement Program (CFIP) in 1996. CFIP supports volunteers in 242 fishery improvement projects across Ontario. The 1996 contribution was the highest amount the MNR has ever

invested in the program.

- Jan 15/97 Ministry of Transportation announces that the province is eliminating \$557 million in transportation spending and passing responsibility for local transportation onto municipalities. Municipalities will soon be required to fully fund:
- municipal transit (i.e., the TTC);
 - GO Transit;
 - municipal airports; and
 - those highways and ferries that primarily serve local needs.
- As a result of the withdrawal of provincial spending, the TTC will need to make up \$95.8 million/year and GO Transit \$48 million/year. It is likely that this will cause increased fares and/or reduced service which could reduce ridership, cause more personal vehicle use and therefore lead to higher air emissions from the transportation sector.
- Jan 16/97 The first successful appeal under the Ontario Environmental Bill of Rights announced. Five applications were received in June 1996 to appeal the air and sewage approvals issued to Petro-Canada by the MoEE. Sulphur dioxide emission levels were subsequently reduced 20%.
- Jan 17/97 Ministry of Environment and Energy announces that through Bill 107 municipalities are to be responsible for water and sewer works. The Minister states that the province will continue to set and enforce performance standards and ensure that water quality continues to be safeguarded despite the acknowledgement that the Ministry's investigation and enforcement resources have been severely diminished after several budgetary reductions.
- Jan 20/97 Ministry of Natural Resources announces that it provided \$191,000 to the Community Wildlife Involvement Program (CWIP) in 1996. The money was spent to fund volunteers working on 140 CWIP projects in Ontario. These projects included:
- the erection of osprey platforms by the Friends of Charleston Lake;
 - wild turkey trapping and relocations performed by the South-Central Big Game Association.
- Jan 21/97 Ministry of Natural Resources announces it will take measures to restore the elk population in Ontario. The MNR has formed elk restoration technical and advisory committees to undertake the task. Initial plans call for 50 elk to be obtained from Elk Island National Park in Alberta.
- Jan 22/97 Ministry of Natural Resources announces changes in fines and enforcement powers under forthcoming Ontario Parks legislation, the *Red Tape Reduction Act (Ministry of Natural Resources), 1997*. The changes are part of the government's plans to reduce 'red tape' in the province.

- Jan 30/97 Ministry of Environment and Energy reveals that it does not have the financial resources to undertake the testing of pesticide samples due to budgetary reductions.
- Jan 97 Ministry of Natural Resources announces the elimination of the Managed Forest Tax Rebate Program. The Ministry states that in light of current tax reform proposals, this program is no longer necessary for environmental protection. The program will be replaced by a system which reduces the tax rate on eligible lands through the regular property tax process. The tax rate for eligible forests lands will be set at 25 per cent of local residential tax rates.
- Jan 97 Ministry of Natural Resources announces the elimination of the Conservation Land Tax Reduction Program (1987). The MNR states that in light of current tax reform proposals, this program is no longer necessary for environmental protection.
- Feb 3/97 The *Red Tape Reduction Act (Ministry of Natural Resources), 1997* goes to 1st Reading. If passed, the following amendments will be made to the *Provincial Parks Act*:
- maximum fines will be increased to \$25,000; and
 - mining and prospecting activities which are prohibited in provincial parks will be clarified.
- If passed, the *Parks Assistance Act* will be repealed.
- The Act will make amendments to the *Public Lands Act*:
- a land use planning process will be set up that allows for participation by stakeholders and controls activities that may be inconsistent with approved land use plans;
 - the need for order in council approvals will be removed and authority will be delegated to the Minister;
 - the Minister may order the transfer of administration and control of public lands to other government bodies; and
 - administrative fees will be set by the Minister, rather than established by regulation.
- Conservation Authorities Act*:
- authorities will be allowed to enter into agreements to permit exploration and extraction of oil and gas reserves on land adjacent to authority land;
 - authorities would be permitted to lease land for terms of up to five years without approval;
 - maximum fines for violations of the regulations will be increased from \$1,000 to \$10,000, and from \$100 to \$1,000;
 - anyone convicted of constructing a building or dumping fill may be ordered by the court to restore the site to its previous state (or to pay for the authority to do the work if the order is not complied with); and
 - the Lieutenant Governor in Council would no longer be required to approve appointments of members to a Conservation Authority.

Lakes and Rivers Improvement Act:

- debt collection will be consolidated through municipal taxes (to allow Minister to recover money spent by province on public health and safety issues caused by unsafe dam structures);
- the Minister will be given explicit power to enter into cost-sharing agreements;
- the Minister's orders and approvals will be explicitly made binding on the original recipient and any successor or assignee;
- the Minister will be authorized to issue stop work orders on unauthorized dams while compliance issues are resolved; and
- maximum fines for violations of the Act will be increased.

The Act will make the following amendments to the *Mining Act*:

- references to boring permits will be removed (these are covered under the *Petroleum Resources Act*); and
- the areas in which the issuing of oil and gas exploration licences and production leases are restricted to will be redefined.

If passed, the *Mining Act* will undergo several amendments.

The Crown Forest Sustainability Act, 1994 will be amended to:

- clarify that assets of the Forest Renewal Trust Fund are Crown assets; and
- remove requirement that Area Charges be determined by regulation and make Minister responsible for setting them.
- *Forest Fires Prevention Act* will be amended to allow Minister to declare Restricted Fire Zones.
- Consolidation of the *Forestry Act*, the *Forest Tree Pest Control Act*, and the *Woodlands Improvement Act* (all of which deal with forestry on private land) into one act (the *Forestry Act*). Under the new act, maximum fines for violation of county and regional municipality tree-cutting by-laws will be increased to \$20,000.

Feb 3/97 Ministry of Municipal Affairs and Housing implements a new policy (effective Feb. 1, 1997) geared to protect the economic interests of Ontario's major airports. The policy will prevent new residential development and other sensitive land uses near airport lands above 30 NEF/NEP (airport noise contour mapping - Noise Exposure Forecast / Noise Exposure Projection). The policy is in response to previous situations where noise problems in an area resulted in federal restrictions on airport operations.

Feb 6/97 Minister of Consumer and Commercial Relations David Tsubouchi appoints board members to the Technical Standards and Safety Authority. These are:

- Sue Corke: currently a Director of Standards at MCCR;
- Joyce Feinberg: experience with MoEE, MCCR;
- Rosalie Daly Todd: Consumers' Assoc. of Canada counsel;

These appointments continue the process of industry self-management put in place by *The Safety and Consumer Statutes Administration Act*.

- Feb 25/97 The Ministry of Environment and Energy announces that it has revised the Gasoline Volatility Regulation (Reg. 271/91) to reduce emissions by lowering summertime gasoline volatility requirements in Southern Ontario from 72 kiloPascals (kPa) to 62 kPa. This amendment was previously agreed to at the CCME meeting of October 23, 1995.
- Feb 26/97 Ontario Government announces that five agencies are to be eliminated and another 35 with similar mandates are to be combined. One of the five to be eliminated is the Environmental Compensation Corporation which the government claims will be made obsolete after proposed changes to the *Environmental Protection Act* proceed. The Environmental Compensation Corporation makes decisions about compensation for those affected by toxic spills. Other changes:
- The Ontario Municipal Board is to be consolidated with the Assessment Review Board and the Board of Negotiations and renamed the Property and Planning Tribunal;
 - The Environmental Assessment Board (including the Niagara Escarpment Hearing Office) and Environmental Appeal Board are to be consolidated into the Environmental Appeals Tribunal;
 - Others to undergo consolidation with other agencies: Game & Fish Hearing Board, Farm Practices Protection Board, Ontario Drainage Tribunal, Building Code Commission, Fire Code Commission;
 - Those to remain relatively unchanged at the time of the announcement include: the Animal Care Review Board, the Conservation Review Board, Crown Timber Board of Examiners, Niagara Escarpment Commission and the Ontario Energy Board.
- Feb 26/96 The Ministry of Environment and Energy announces the finalization of: Determination of Treatment Requirements for Municipal and Private Combined and Partially Separated Sewer Systems (Procedure F-5-5). The procedure specifies:
- that each municipality or operating authority develop a pollution prevention or control plan;
 - sewer designs meet minimum CSO controls;
 - provide additional controls where beaches are impaired;
 - the level of treatment, disinfection of effluent and monitoring criteria.
- Feb 27/97 The Ontario government announces 4 new parks, 5 park expansions and 18 new conservation reserves.
- New parks include: Tide Lake and Maynard Lake near Kenora, White Lake Peatlands between Thunder Bay and Sault Ste Marie, Blue Jay Creek on Manitoulin Island.
 - Expansions include: Mississagi River, Obabika River, French River, Hardy Lake and Charleston Lake.
 - New conservation reserves: Painted Rock, Miles Bay, Greenwood Lake, Shook Lake, Jog Lake, Tikamaganda Lake, Ranger North, Mac's Bay, Indian Bay South, Matabitchuan River, Narrows Island, Ottertail

Creek, Rabbit Lake West, Temagami Island north, White Bear Forest, Torrance Barrows, Clear Lake, Kaladar Jack Pine Barrens. The changes will add 77,500 hectares to the province's base of 6,300,000 hectares of protected areas (1.2% expansion). No target for adding to the province's protected areas was identified.

- Feb 97 Ministry of Environment cancels funding for Great Lakes cleanup programs. Since the mid-1980s the ministry has spent \$280 million on rehabilitating the most polluted parts of the Great Lakes. The government now wants the private sector (industries, municipalities, concerned citizens) to finance pollution programs. Environmentalists accuse the Ontario government of violating a 1994 agreement it made with the federal government in which they pledged to cooperate to eliminate 60 per cent of the pollution at the 16 "hot spots" by the year 2000 and to try to completely rehabilitate eight of them.
- Mar 5/97 The Ministry of Natural Resources announces that Regulation 136/96 was approved without revision. The regulation exempted some lands from Development Control on the Niagara Escarpment near the Town of Hamilton.
- Mar 8/97 Ministry of Environment and Energy announces that Ontario's fish appear to be getting safer to eat in terms of their contaminant levels. Some fish from some lakes have shown a consistent decline in contaminant accumulation.
- Mar 10/97 The Ministry of Environment and Energy posts a proposed policy on the EBR Registry to use mediation as a means to resolve issues in Environmental Assessment processes. This provision flows from the changes to the Act arising from Bill 76, the *Environmental Assessment and Consultation Improvement Act, 1996*. The provision:
- allows the Minister to appoint anyone as mediator including an EA Board;
 - requires that time limits be set for mediation with a maximum timeframe of 60 days.
- Mar 10/97 The Ministry of Natural Resources posts several policy and standard proposals on the EBR Registry:
- Instrument Regulation - Prescribed MNR Legislation: proposes to define what MNR policies, standards and legislation will be posted;
 - Proposed Provincial Standards and associated regulations for Bill 52 under the *Oil, Gas and Salt Resources Act*: would govern drilling, facility, production, storage and reporting standards;
 - Proposed Provincial Standards and associated regulations for Bill 52 under the *Aggregate Resources Act*: would govern site and operation standards and compliance reporting requirements;
 - Greenborough Esker Area of Natural and Scientific Interest

Management Plan: a management plan to allow resource management (aggregate, timber) to occur within the area;

- Nipigon District Land Use Guidelines Amendment 97-1: allows Black Bay Peninsula to form part of a Sustainable Forest Licence.

Mar 14/97 The Ministry of Environment and Energy acknowledges that a state of the environment report for the province was discontinued after partial completion in 1995. The partially completed report cited problems with high levels of ground level ozone, fecal coliform in water and unchecked land development as needing attention.



Budgetary and Staff Changes

As detailed below the resources available at the provincial level for environmental protection activities have been severely constrained. The agencies with the most significant environmental protection mandates and services are the Ministry of Environment and Energy and the Ministry of Natural Resources. Both of the agencies have experienced significant expenditure reduction. In addition to these agencies (which are the focus of this section), a number of other Ministries have experienced program de-funding which could have significant environmental repercussions (ie. CFC management programs for hospitals administered through the Ministry of Health).

An assessment² in January 1997 reveals for the Ministry of Environment and Energy:

- In November 1995 the Ministry employed approximately 2000 staff (excluding contract and senior management). On May 22, 1996 350 MoEE employees lost their positions, reducing the workforce to 1772 staff. On January 13, 1997 another round of layoffs reduced staffing to 1470.
- Three regional laboratories have been closed or were in closure in 1996.
- The Sudbury regional office (administration) has been closed. The Thunder Bay office now supervises more than 90% of Ontario on a geographic basis.
- The enforcement branch staff has been cut by 10%.
- The prosecutions team in the Ministry's legal branch has been reduced from ten to four full-time prosecutors.
- Air, soil and water quality monitoring has been curtailed. For example, no surface water monitoring is likely to occur north of the City of Barrie from 1997 onward.
- Since May 1996, field pesticide staff have been cut by 40% eliminating positions in Peterborough, Sudbury, Sault Ste. Marie, Ottawa, Chatham and Hamilton.
- Table 2 (below) outlines some of the key specializations lost through staff reduction at the Ministry of Environment and Energy.

Table 2: Staff surplus by speciality at the Ministry of Environment and Energy

Area of Specialty	Original Staff	Surplused Staff	% Surplused
Air	78	25	32%
Toxics & Phytotoxicology	38	13	34%
Soil	8	4	50%
Pesticides	31	17	55%
Aquatic & Ecosystem Toxicology	28	6	21%
Water & Drinking Water	113	48	42%
Groundwater & Hydrogeology	28	15	53%
Watershed	12	3	25%
Wastewater	15	5	33%
Waste	14	8	57%
Waste Reduction	54	14	26%
Spills	5	3	60%
Totals	424	161	

Source: *Nothing left to cut*, Ontario Public Service Employees Union, January 1997.

Table 2: Changes in Human Resources in the Forest Management Branch

	Person-years	Person-years	Percentage Change
Policy	60	19	- 68%
Stewardship	173	127	- 27%
Operations	637	287	- 55%
Compliance	139	83	- 40%
Science and Technology	377	148	- 61%
Information Management	49	27	- 45%
Industry Services	16	16	0%
Seed and Stock Production	77	44	- 43%
Public Education	NA	NA	-
Business Infrastructure support	13	13	0%
Core Competency	0	4	-
Totals	1541	768	- 50%

Source: *Forest Management Business Plan*, Forest Management Branch, MNR, May 1996

According to the Ministry of Natural Resources own documentation^{3,4} the following staff and infrastructure changes have occurred in 1996:

- Since mid 1995 the Ministry of Natural Resources has experienced a staff reduction of 2,170 from 5,000 or 43% of its workforce. Table 2 above describes the complexion of one Branch's reductions (Forest Management Branch). Its staff reductions have been similar to many reductions throughout the MNR and MoEE which have the effect of reducing field staff, inspection officers, and enforcement staff while maintaining senior managers and policy architects.
- The MNR's Non-Renewable Resources Program (aggregate and petroleum resources) loses the equivalent of 17 full-time positions. This constitutes a 90% reduction in staffing for this Program and will greatly centralize the Program's activities. Over half the staff loss is from Inspections / Enforcement activities.
- Ontario Parks is unlikely to undergo further streamlining after its restructurings in 1992 and 1995.

Table 3: Effect of Provincial Changes on Conservation Authorities.

Conservation Authority:	Percentage of Staff Lost	Discontinued Programs ¹	Additional Revenue sought from Lands ²
Ausable / Bayfield	50%	NA	Yes
Cataraqui	50%	Yes	Yes
Catfish Creek	0%	No	Yes
Central	20%	NA	No
Credit Valley	33%	Yes	NA
Essex	25%	NA	Yes
Kawartha	54%	Yes	No
Kettle Creek	43%	Yes	No
Lake Simcoe	21%	No	Unsure
Lower Trent	30%	Yes	NA
Long Point	23%	No	No
Metro Toronto	20%	NA	Yes
Niagara	25%	NA	No
Nickel District	50%	Yes	Yes
Nottawasaga	0%	Yes	Yes
Rideau	22%	Yes	Yes
South Nation River	0%	Yes	Yes

- Notes :
- 1) Actual Question: "Have programs been discontinued?"
 - 2) Actual Question: "Will lands be managed differently to bring additional income?"

Source: 1996 Survey of Conservation Authorities by the Federation of Ontario Naturalists

Appendix A includes detailed expenditure information for the second half of fiscal year 1995/96 and projections for 1996/97 for the Ministries of Environment and Energy and Natural Resources.

ENDNOTES

1. Canadian Environmental Law Association and the Canadian Institute for Environmental Law and Policy *A Submission to the Standing Committee on Environment and Sustainable Development on the 1996-97 Estimates for Environment Canada* Brief 96/5, May 8, 1996.
2. Ontario Public Service Employees Union *Nothing left to cut: A field report on the activities of Ontario Ministry of Environment and Energy* January, 1997.
3. Ministry of Natural Resources, *Forest Management Business Plan*, Forest Management Branch, May 28, 1996.
4. Ministry of Natural Resources, *Pathways for Change: Investigating Mechanisms for Delivery of MNR's Non-Renewable Resources Programs: Aggregate Resources and Petroleum Resources*, May 1996.

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Glossary of Acronyms Used

ACES	-	Advisory Committee on Environmental Standards
AOX	-	Adsorbable Organic Halides
APEC	-	Asia-Pacific Economic Cooperation
B	-	Billions of dollars, Canadian
CA	-	Conservation Authority
CANSCET	-	Canada Southern Cone Environmental Technology Initiative
CCME	-	Canadian Council of Ministers of the Environment
CEPA	-	Canadian Environmental Protection Act
CESD	-	Commissioner of the Environment and Sustainable Development
CFC	-	Chlorofluorocarbons
CFIP	-	Community Fisheries Involvement Program
CWIP	-	Community Wildlife Involvement Program
COA	-	Certificate of Approval
EAAC	-	Environmental Assessment Advisory Committee
EBR	-	Environmental Bill of Rights
EPA	-	Environmental Protection Act
GHG	-	Greenhouse Gas
GO	-	Government of Ontario
IJC	-	International Joint Commission
M	-	Millions of dollars, Canadian
MAC	-	MISA Advisory Committee
MISA	-	Municipal-Industrial Strategy for Abatement
MNR	-	Ministry of Natural Resources
MoEE	-	Ministry of Environment and Energy (Ontario), also OMEE
MOU	-	Memorandum of Understanding
MPPs	-	Members of Provincial Parliament
MTO	-	Ministry of Transportation (Ontario)
NAFTA	-	North American Free Trade Agreement
NEF	-	Noise Exposure Forecast
NEP	-	Noise Exposure Program
NPRI	-	National Pollutant Release Inventory
OEB	-	Ontario Energy Board
OECD	-	Organization for Economic Cooperation and Development
OWRA	-	Ontario Water Resources Act
PCB	-	Polychlorinated Biphenols
PERC	-	Perchloroethylene
SFL	-	Sustainable Forestry Licence
TTC	-	Toronto Transit Commission
TSS	-	Total Suspended Solids
US EPA	-	United States Environmental Protection Agency
VCR	-	Voluntary Challenge and Registry
WAPPRIITA	-	Wild Animal and Plant Protection and Regulation of International and Interprovincial Trade Act

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APPENDIX A

1. Ministry of Environment and Energy (MoEE) 1995/96 Fiscal Year

MoEE Operating 1995-96 Budget Reductions Announced October 6, 1995

Reduce Environmental Research Grants	\$1,000,000
Reduce Environmental Monitoring, Analytical Testing and Standards Development	\$1,852,000
Downsize Boards and Committees	\$791,000
Reduce Program Administration and Support	\$4,117,000
Redesign Municipal Recycling Support Program (Blue Box)	\$3,220,000
Reduce Energy Conservation Grants	\$700,000
Reduce Conservation and Planning Spending	\$680,000
Reduce Regional Operations Program Delivery Spending	\$1,402,700
Redesign Compensation for Emergency Response Program	\$650,000
Sunset Ontario Waste Management Corporation and MAC, EAAC, and ACES	\$440,000
Total 1995/96 Operating Reduction	\$14,850,700

MoEE Capital Budget Reductions Announced October 6, 1995

Reduce Municipal Assistance Plan (Clean Water Agency)	\$31,800,000
Total 1995/96 Capital Reduction	\$31,800,000
Total Reductions to MoEE 1995/96 Budget	\$46,650,700

2. Ministry of Environment and Energy (MoEE) 1996/97 Fiscal Year

MoEE Operating 1996/97 Reductions Announced November 29, 1995

Eliminate Municipal recycling, reduction, reuse support (Blue Box)	\$5,600,000
Eliminate Municipal Landfill/waste Facility Assistance	\$3,600,000

Eliminate Municipal Household Hazardous Waste Funding	\$200,000
Eliminate Miscellaneous Waste Grants to Municipalities	\$850,000
Eliminate Urban Beaches Restoration	\$3,500,000
Eliminate Rural Beach Clean-Up	\$4,700,000
Eliminate Green Communities Program	\$1,660,000
Eliminate Home Green-ups Program	\$8,430,000
Eliminate Energy Education and Training	\$455,000
Eliminate Energy Standards Development	\$220,000
Eliminate Institutional, Residential and Community Energy Management Programs	\$527,000
Eliminate Public Education Grants	\$691,000
Eliminate Support to Non-Governmental Organizations	\$735,000
Eliminate Environmental Research Program	\$1,600,000
Reduce Grant Programs	\$2,720,000
Reduce Support to Canadian Council of Ministers of the Environment	\$230,000
Reduce Support to Environmental Compensation Corporation	\$50,000
Reduce Support to Environmental Appeal Board	\$70,000
Reduce Support to the Ontario Energy Board	\$510,000
Reduce Support to the Niagara Escarpment Commission	\$700,000
Total 1996/97 Operating Reductions	\$37,324,100
MoEE Capital 1996/97 Reductions Announced April 11, 1996	
Reduce Municipal Assistance Plan (Clean Water Agency)	\$111,400,000
Total 1996/97 Capital Reduction	\$111,400,000
Total Reduction to MoEE 1996/97 Budget	\$148,724,100

3. Ministry of Environment and Energy 1997/98 Fiscal Year

MoEE 1997/98 Operating Budget Reductions
Announced April 11, 1996

Redesign of Evaluation and Compliance	\$25,300,000
Focusing on Core Business	\$15,900,000
Better Management	\$17,100,000
Total 1997/98 Operating Reduction	\$58,300,000

MoEE Capital 1997/98 Budget Reductions
Announced April 11, 1996

Reduce Municipal Assistance Plan (Clean Water Agency)	\$142,500,000
Total 1997/98 Capital Reduction	\$142,500,000
Total Reduction to MoEE 1997/98 Budget	\$200,800,000

1. Ministry of Natural Resources 1995/96 Fiscal Year

MNR Operating Budget Reductions Announced October 6, 1995

Reduce Fire Management	\$530,300
Timber Environmental Assessment/Sustainable Forestry	\$19,039,700
Close Tree Nurseries	\$380,500
Reduce Parks Ontario Staff	\$64,400
Reduce operating Grants to Conservation Authorities	\$1,200,000
Reduce Aboriginal Programs	\$1,871,000
Downsize and Re-Engineer Field Operations	\$1,151,800
Eliminated Selected Operations Programs	\$1,012,200
Reduction in Great Lakes Management Program	\$459,700
Reduction in Policy and Planning Activities	\$1,259,900
Reduce Corporate Support and Management	\$1,512,200
Reduce Science and Information Resource Activities	\$2,925,600

Total 1995/96 Operating Reduction **\$31,278,500**

MNR Capital Budget Reductions Announced October 6, 1996

Delays in Conservation Authorities Program	\$1,920,000
Delays in Parks Program	\$1,417,000
Airfleet Reductions	\$186,000
Delays in Land Acquisition Program	\$22,000
Cancel Muskoka Floor Damage Control Program	\$150,000
Delays in Forest Renewal Program	\$20,000
Delays in Forest Infrastructure Program	\$30,000
Defer Fire Infrastructure	\$161,600
Defer Telecommunications Improvements	\$196,000
Defer Water Control Programs	\$27,200
Delays in Roads/Bridges Program	\$467,100
Delays in Fisheries Infrastructure Programs	\$263,000
Delays in Field Infrastructure Programs	\$111,200

Total 1995/96 Capital Reduction **\$4,971,100**

Total MNR 1995/96 Budget Reduction **\$36,249,600**

2. Ministry of Natural Resources 1996/97 Fiscal Year

MNR 1996/97 Operating Budget Reductions

Announced April 11, 1996

Streamline Forest Management Activity	\$34,600,000
Implement New Provincial Parks Business Plan	\$9,100,000
Withdrawal from Land-Use Planning	\$3,200,000
Rationalize Provincial Parks	\$5,200,000
Wind Down Temagami Comprehensive Planning Council	\$300,000
Streamline Data Acquisition and Management	\$2,000,000
Reduce Air Fleet	\$700,000
Rationalize Fire Program Bases	\$4,000,000
Reduce Resource Management Staffing	\$13,400,000
Reduce Regulatory Permitting	\$3,200,000
Eliminate Game and Fish Hearing Board	\$10,000
Internal Administrative Savings	\$13,900,000
Reduce Grants to Conservation Authorities	\$5,400,000
Eliminate Freight Equalization to Commercial Fishers	\$60,000
Rationalize Minor Transfer Payments	\$300,000

Total 1996/97 Operating Reductions **\$95,370,000**

MNR Capital 1996/97 Budget Reductions

Reductions to Parks, forest management, air fleet, land acquisition, telecommunications and transfers to Conservation Authorities	\$12,100,000
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Total Reductions to MNR 1996/97 Budget **\$107,470,000**

3. Ministry of Natural Resources 1997/98 Fiscal Year

MNR Operating Budget Reductions

Announced April 11, 1996

Streamline Forest Management Activity	\$45,900,000
Implement New Provincial Parks Business Plan	\$9,100,000
Withdrawal from Land-Use Planning	\$3,200,000
Rationalize Provincial Parks	\$5,200,000
Wind Down Temagami Comprehensive Planning Council	\$300,000
Streamline Data Acquisition and Management	\$6,500,000
Reduce Air Fleet	\$1,500,000
Rationalize Fire Program Bases	\$4,000,000
Reduce Resource Management Staffing	\$18,100,000
Reduce Regulatory Permitting	\$3,200,000
Eliminate Game and Fish Hearing Board	\$10,000
Internal Administrative Savings	\$16,700,000
Reduce Grants to Conservation Authorities	\$7,400,000

Eliminate Freight Equalization to Commercial Fishers	\$60,000
Rationalize Minor Transfer Payments	\$400,000
Total 1997/98 Operating Reductions	\$121,570,000
MNR 1997/98 Capital Budget Reductions Announced April 11, 1996	
Reductions to Parks, forest management, air fleet, land acquisition, telecommunications and transfers to Conservation Authorities	\$15,800,000
Total Reductions to MNR 1997/98 Budget	\$137,370,000