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## Legislative Assembly of Ontario

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# Official Report of Debates (Hansard)

Thursday 21 November 2002

# Journal des débats (Hansard)

Jeudi 21 novembre 2002

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Sewage Systems Act, 2002

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de l'eau potable

Chair: Steve Gilchrist  
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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON  
GENERAL GOVERNMENT**

**COMITÉ PERMANENT DES  
AFFAIRES GOUVERNEMENTALES**

Thursday 21 November 2002

Jeudi 21 novembre 2002

*The committee met at 0933 in room 151.*

**SUSTAINABLE WATER AND  
SEWAGE SYSTEMS ACT, 2002  
LOI DE 2002 SUR LA DURABILITÉ  
DES RÉSEAUX D'EAU ET D'ÉGOUTS**

**SAFE DRINKING WATER ACT, 2002  
LOI DE 2002 SUR LA SALUBRITÉ  
DE L'EAU POTABLE**

Consideration of the following bills:

Bill 175, An Act respecting the cost of water and waste water services / Projet de loi 175, Loi concernant le coût des services d'approvisionnement en eau et des services relatifs aux eaux usées;

Bill 195, An Act respecting safe drinking water / Projet de loi 195, Loi ayant trait à la salubrité de l'eau potable.

**UPPER THAMES RIVER  
CONSERVATION AUTHORITY**

**The Chair (Mr Steve Gilchrist):** I'll call the committee to order for the purpose of continuing our clause-by-clause consideration of Bill 175, An Act respecting the cost of water and waste water services, and Bill 195, An Act respecting safe drinking water. By video-conference this morning, we're pleased to be joined by the Upper Thames River Conservation Authority as our first presentation.

Good morning, and welcome to the committee. We have 15 minutes for your presentation, and you can divide that as you see fit between strictly presenting or leaving time for questions and answers. The floor is yours.

**Mr Don Pearson:** I appreciate the opportunity to address the standing committee on general government with our comments on Bill 175 and Bill 195. The comments are presented on behalf of the Upper Thames River Conservation Authority.

We wish only to accomplish two things: we would like to express our view that Bill 175 should recognize that watershed management activities which accomplish source water protection and waste water assimilation are

necessary components of full cost accounting for water and waste water services; and secondly, we'd like to reinforce our view that source water protection should be included in the Safe Drinking Water Act as presented to the Honourable Chris Stockwell, Minister of the Environment, in September of this year during public consultations on Bill 195.

We'd like to begin by commending the government for a variety of initiatives that it has undertaken in order to protect our water resources. These include: funding for the groundwater studies and the monitoring programs that will provide us much-needed information on groundwater quantity, quality, as well as recharge zones and areas of aquifer vulnerability; as well, the funding for the municipal clean water programs, which are components of the healthy futures for Ontario agriculture program that provides funding to implement best management practices that will help protect both surface and groundwater resources; the Nutrient Management Act, Bill 81, that will provide regulations to ensure the proper use of not only manure but chemical fertilizers throughout the province; the development of Bills 195 and 175, designed to implement recommendations from the Walkerton inquiry; and the appointment of the source protection planning advisory committee to help establish a framework for source protection planning across the province and the inclusion of representatives of Conservation Ontario thereon.

While these measures are helping us to move toward ensuring that we have both the knowledge base and necessary tools for source water protection within the province, we believe that there is a need for the inclusion of references to watershed management and source water protection in Bills 175 and 195 and we outline our rationale in the following sections.

This is specifically in regard to Bill 175.

Bill 175 demonstrates that the province is committed to moving toward full cost pricing of water by requiring the development of plans for the provision of water services to the public, including extraction, treatment, and distribution of water. This measure is intended to provide the funding necessary for infrastructure and treatment costs associated with providing safe drinking water to consumers who are on communal systems.

In our view, a key element that doesn't appear in this list of eligible costs is source water protection through specified watershed planning and management activities. Inclusion of watershed management as an eligible com-

ponent of full-cost accounting for water and waste water services would provide for an essential and legitimate funding mechanism. We understand, and we agree, that source protection is the first barrier of a multi-barrier system to prevent contamination of drinking water supplies.

We further understand that new funding mechanisms are necessary to protect drinking water sources. For example, we have calculated that the capital costs of implementing best management practices within the tri-county area of Oxford, Middlesex and Perth, for rural impacts alone, total around \$75 million. While this may seem costly, it is generally believed that the costs of preventing the contamination of our water resources are much less than the costs associated with remedial measures or end-of-pipe treatment.

The case for attaching the costs of source water protection-specific watershed management activities to water rates is further supported as follows: it acknowledges that there is an intrinsic value of the water that exists in the environment; it represents a relatively minor incremental cost in the per household costs of water—it's currently estimated at 5 cents per household per day and would require an additional 4 cents per day, and these statistics were included in Conservation Ontario's submission to the Walkerton inquiry part two; it provides an incentive for water conservation; and it recognizes that many municipalities, including London, St Marys, Woodstock, Ingersoll and Chatham, within the Thames, rely on increased flow within the waste water receiving streams to enhance their capacity to assimilate waste, which is provided by reservoirs, operated by the conservation authorities, including, in the Thames, Wildwood and Pittock reservoirs.

We also recognize that additional funding mechanisms will be required to ensure that sufficient financial resources are available within those more sparsely populated areas of the province, where local rates will be incapable of supporting the task at hand. Further, a mechanism will be required to ensure that those users not on communal systems will have an opportunity to contribute in an equitable way toward the cost of providing secure sources of water. These mechanisms need to be further explored, possibly through the work of the source protection advisory committee and others, but what is essential at the present time is that this opportunity be preserved through an appropriate amendment to Bill 175.

In regard to Bill 195, the Upper Thames River Conservation Authority continues to be concerned that source protection and watershed planning are not acknowledged in Bill 195. While we appreciate that the government plans to implement Justice O'Connor's source protection recommendations through amendments to existing legislation, such as the Environmental Protection Act or the Planning Act, the inclusion of a reference to source water protection in the Safe Drinking Water Act would institutionalize source water protection as the first barrier in the multi-barrier approach to safe drinking water.

#### 0940

As we had noted in our submission in September, in the United States the Safe Drinking Water Act was enacted in 1974 and it focused on providing safe drinking water at the tap. In 1996, this act was amended to recognize source water protection. The purpose of the amendment was to emphasize comprehensive health protection through risk-based standard setting, increased funding, reliance on the best available science, prevention tools and programs and strengthened enforcement authority for the EPA, as well as public participation in drinking water issues.

We appreciate this opportunity to present our comments and concerns and look forward to working with the government to help protect our drinking water for present and future generations.

Those are my comments. I'm more than happy to answer any questions that members of the committee might have.

**The Chair:** Thank you very much. That offers us two minutes per caucus for questions. We'll start with the official opposition.

**Mr Dave Levac (Brant):** Mr Pearson, I want to thank you for your presentation and wholeheartedly endorse your concerns about source water protection.

I also want to use that to ask this question: in your particular conservation authority, have you been able to secure any funding as an organization to protect water in any way, such as OSTAR or any other projects? Are you qualified to receive funds?

**Mr Pearson:** We are. The one program that I mentioned we refer to locally as the clean water project. That program is under the auspices of the Ontario Ministry of Agriculture and Food. It was known as the healthy futures program, and we're moving into the second year of implementation of best management practices with that. We also secured funding from the municipalities to complement that funding and in a two-year period we'll be implementing projects of over \$5 million in value, primarily aimed at protecting surface and groundwater supplies.

**Mr Levac:** Do you have concerns in your area about the spreading of human waste?

**Mr Pearson:** I don't believe that the concerns around the spreading of human waste are, shall we say, of any higher concern than spreading of livestock waste. I think principally the Upper Thames watershed is agricultural by geographic area. Even though we have significant urban populations, the predominant land use is agriculture. It is rural and urban land use practices that obviously contribute nutrients as well as bacteria and other things. So I would say that biological human waste is a component but it's not one that has a particular caution flag beside it, at least in our case.

**Mr Levac:** As in the old-fashioned honeydew trucks that go around spreading waste on land.

**Mr Pearson:** Yes. It's our belief, again, that regulations—there already has been discussion in terms of suitability of biosolids, and I think measures are being

taken to ensure that biosolids are controlled and handled properly so that we don't have a perpetuation of pathogens in the water supply.

**Ms Marilyn Churley (Toronto-Danforth):** Thank you very much for your presentation. I fully concur that the full cost recovery should include the source protection, but that leads me to, and you did allude to it, how municipalities are going to pay for this. Of course, when you add one more thing to what constitutes full cost recovery, then you've got even more of a charge, which in principle we accept.

But what I wanted to say you, and here's my approach, is that the Ontario government should come in as a full partner in the beginning and make sure that there is a program to deal with capital investments to get the systems up to snuff, get them up to date and help pay for those huge capital costs, and then have the municipalities deal with the full cost recovery once that system is up and running. Otherwise I fear it just won't be doable. Do you have a comment on that?

**Mr Pearson:** I think, again, various funding mechanisms accomplish different things and quite clearly municipalities are cost sensitive. At the same time I think there's a need, in terms of a whole strategy for managing water and protecting drinking water sources, for an element of user-pay to be there to ensure that people value water and that they also have the ability to offset their costs by actively pursuing conservation measures. So certainly I think the tool of user-pay is an important link for municipalities to operate the system over time. You may be correct in that the capital costs up front may require specific government participation to make it affordable.

**The Chair:** Very quickly.

**Ms Churley:** OK. The NDP, when we created the Ontario Clean Water Agency, had a capital program that included, as part of being able to get the money, that you had to build in conservation. I just wanted to tell you that. My time is up.

**Mr Garfield Dunlop (Simcoe North):** Mr Pearson, thank you for the presentation this morning. I want to ask a couple of quick questions. One was, you received money in your program under healthy futures. Did you receive money under the groundwater and monitoring program of the Ministry of the Environment?

**Mr Pearson:** This is specifically with respect to developing the groundwater studies throughout our area?

**Mr Dunlop:** Yes.

**Mr Pearson:** Yes, we've been involved in those studies in an administrative and a project management capacity. All the municipalities within the area affected by the Upper Thames have studies underway, completed or in various stages of completion.

**Mr Dunlop:** Thank you. Just to go to Bill 175 and source protection for a second, with regard to the source protection cost, Bill 175 contains a provision that provides authority to recover "such other costs as may be specified by regulation." I'm getting the impression from you—and I want to just make sure I'm clear on this.

Should the government consider making changes to Bill 175 to provide greater clarity by naming source protection costs within the context of providing water and waste water services to the public?

**Mr Pearson:** I suppose the current reference provides for regulations which would allow that but, again, if it's explicit I think it would offer a little bit more comfort that it can be considered in the future as one mechanism for funding that aspect of the water treatment and delivery system, which is ensuring that the water supply you're drawing from is protected. So my answer would be yes, a specific amendment which speaks to source protection as an eligible cost would, in my view, offer better assurances.

**The Chair:** Thank you very much for coming before us here this morning. We appreciate your presentation, Mr Pearson.

**Mr Pearson:** Thank you very much for your time.

#### RIVERSIDES

**The Chair:** Our next presentation will be from RiverSides, Mr Kevin Mercer. Good morning. Welcome to the committee. Again, we have 15 minutes for your presentation, for you to divide as you see fit.

**Mr Kevin Mercer:** Thank you very much, members of the committee, for your time. I'm Kevin Mercer. I'm the executive director of RiverSides. We're an urban water quality non-point source pollution prevention organization located here in Toronto, working Canada- and US-wide.

I'd like to address my remarks to this committee with regard to issues of municipal non-point source pollution prevention and lot level source protection.

Source protection basically lies at the heart of the Safe Drinking Water Act and infrastructure act. While treatment, testing and public oversight of these measures is clearly a priority of the bill, their capacity to ensure safe drinking water surely begins with the cleanliness of the source water utilized.

I ask this committee to consider the importance of protecting water quality before its treatment. It may be at odds with the spirit of this bill, but what we deserve to do in this province is—and I am paraphrasing my notes here—we need to do less of the engineering science administration of drinking water and more of the protection of the source control and organization of water quality protection.

First, with regard to Bill 195, the treatment of drinking water reflects the contamination of that water—a simple fact, to be sure, and one that is continually glossed over in discussions, until recently. The non-point source pollution of water in Ontario consists not so much of textile or paint or automotive factory discharge, but of everyday runoff consisting of road runoff—which itself is heavy metals, oils, greases, road salts and asbestos—cosmetic fertilizers and pesticides, pet feces, oil erosion, air deposition and combined sewer overflows. Virtually every city and town in Ontario discharges combined

sewer overflows consisting of fecal matter, dental mercury, chlorinated cleaners, solvents and so forth.

#### 0950

These non-point sources are recognized by the US EPA's Clean Water Act as the major degrading factor for both aquatic environment and drinking water. Not surprisingly, however, we have no non-point source programs here in Ontario, and virtually none in Canada. To this day in fact we tend to treat rainfall and its subsequent flows as "storm water," but generally make little effort to address the source protection of water that we rely upon for our drinking.

One significant and socially challenging example of a non-point source that I'd like to bring to your attention is simple road salt. You may not be aware that on December 1, 2001, Environment Canada and Health Canada, after five years of exhaustive study, declared their intention to list road salts, all of them—sodium, calcium, magnesium and potassium—as environmentally toxic substances under the Priority Substances List, schedule 1 of the Canadian Environmental Protection Act, 1999. In short, this means that road salt is in the company of many recognizably toxic substances you wouldn't want in your water. Although this act does not address it, road salt is one of the significant degraders of water quality in Ontario, as mentioned by Justice O'Connor.

I'd like to note, by the way, that road salt is no different than what you put in your food. It is a natural substance, as its proponents say it is, and yes, it is also a toxic substance. Salt is only natural when it is in the ground and left alone. When you mine it and spread five million tonnes a year on our roads and sidewalks and parking lots, 150,000 tonnes of that in Toronto alone, you change the benign substance into a threat to clean water and the biodiversity upon which life depends. That term, "the threat ... upon which life depends," is a direct quote from the Priority Substances List report by Environment Canada.

Here are a few of the salient facts about road salt. It does not decay. Once you get it in your water, it is always there. Only distillation takes salt out. The towns in Wellington county, Ontario, many of which rely upon groundwater, are currently facing the likelihood that continued use of road salt will eventually contaminate their drinking water. Furthermore, we know that the salt currently turning up in wells throughout Ontario is likely representing only 50% of all the salt used. Most importantly, the salt showing up in those wells was likely laid down at some time in the 1960s.

While action is being taken to manage the salt we do use, we are limited to, at this point, better salt management as opposed to the replacement of salt. One of the most important points to make is that municipalities who lose their groundwater and drinking water systems to road salt will usually be forced to implement expensive piped water systems, usually from Great Lakes sources, with treatment levels far beyond their existing necessity, all of this because we have an ill-forged assumption that

driving on clear black roads takes some sort of perverse priority over the protection of source water.

I urge this committee to consider taking substantial steps to ensure that the current actions being planned by Environment Canada with regard to road salt reduction and a cap on road salt use are implemented and strictly enforced.

The second point I'd like to make in my notes today concerns non-point source contamination, and particularly the necessity for municipal lot level pollution prevention of storm water. Most people tend to address storm water as an ill, something that belongs in sewer pipes, shunted as fast as possible to either the receiving water body or to a storm water pond where it concentrates the non-point pollutants picked up during its short but significant journey to the sewer pipe. It does not bode well for Ontario that the majority of municipalities are moving toward an end-of-pipe treatment for storm water while we are also concerned about the financial health of water and sewer systems around the province.

Source protection simply means that we capture, infiltrate and prevent pollution where water falls, otherwise known as the lot level. Furthermore, it means that we practise pollution prevention. To do otherwise invites a lifetime of trying to solve the very problem we aim to prevent time and time again. Lot level management of rainfall from non-point source wet weather must be a priority of these bills.

In closing, I urge the members of this committee to consider amendments to the bills before you and to address non-point source pollution through lot level pollution prevention as a requirement for municipalities' wet weather management, with particular attention to the impact of road salts on our waterways and drinking water. I thank you for your attention.

**The Chair:** Thank you very much. That leaves us two minutes per caucus for questions. We'll start with Ms Churley.

**Ms Churley:** Thank you very much, Mr Mercer, for your presentation. I am glad that you focused on salt and pollution prevention, because neither of the two bills we have before us deals with source protection. The bill about full cost recovery, for instance, doesn't include source protection and we're arguing and we'll make an amendment that it should. At the same time, there's nothing in the Safe Drinking Water Act about it, and I'm concerned that we're not going to see a bill with the amendments to the EPA before the next election.

So I'm just wondering what your approach would be, what advice you would give to the government at this point in time for getting to the first steps of source protection. Would you, for instance, start with road salt and a few things, and say let's just act on those now? Or—

**Mr Mercer:** I have two comments with respect to that. One is with respect to municipal wet weather flows. I believe that it's very important for municipalities to act at the lot level rather than to consider end-of-pipe treatment. We have a history in Ontario of working at the

end of the pipe with regard to treatments of wet weather flows. By and large, the costs and the burdens, both in terms of infrastructure and water quality, have not borne out the value of that approach.

Secondly, with regard to pollution prevention and the replacement of toxic substances with non-toxic substances, road salt in particular is a considerable threat that ought to be addressed at a water quality level. Municipalities are directly responsible for the contamination of their own water bodies, as are roads departments, which threaten groundwater sources.

So I would say that amendments from this committee addressing these two matters would be priorities.

**Mr Norm Miller (Parry Sound-Muskoka):** Thank you, Mr Mercer, for your presentation. Particularly, your information to do with road salt is very interesting and I think a problem that has to be dealt with. I am wondering what sort of suggestions you would have in terms of a replacement for road salt. Are there other types of substances that will help to—

**Mr Mercer:** Absolutely. There are a number of non-toxic approved substances; calcium magnesium acetate and sodium formate are both mentioned as appropriate alternatives.

I would suggest that the opportunities to reduce salt use by at least 50 are significant. I think what it requires is the leadership of this committee with regard to source protection of water quality as one of the key components. I know Justice O'Connor did touch on the issue. The existing national consultations on road salt management by Environment Canada, of which RiverSides is a member, are examining ways and means for the better management of road salt. But what I would suggest this committee put in its bills is a recognition of the damage that road salt has done to groundwater and surface water sources in Ontario to date and the potential long-term implications of the continued use of road salt as a road de-icer.

**Mr Miller:** I don't have much time, so I just want to touch on one other point. I think that probably there is a large problem out there with the average person just pouring things down their drain, assuming it's no longer their problem. I mean things like household cleaners, paint thinners, things they have around the house that they dispose of. Do you have any suggestions on how we change that, how we can improve things from where we are now?

1000

**Mr Mercer:** With regard to non-point discharge at the residential lot line, I think it's significant that municipalities have addressed serious bylaws against institutional and commercial properties, but that residential properties tend to be exempt from serious bylaws. I would strenuously encourage this committee to ensure that municipalities extend their serious bylaw conditions to residential properties as a primordial point for water quality and sewer quality protection.

**The Chair:** For the official opposition, Mr Colle.

**Mr Mike Colle (Eglinton-Lawrence):** Thank you very much for the very informative presentation. I hope

we can get a hard copy of that. I know it will be in Hansard but I think it's something we may want to share with other people in terms of this issue.

I'm just thinking about road salt. I know we talked about this 20 years ago at the city of Toronto and Metro and I think basically there's been no change; they're still using an inordinate amount of salt. I'm sure it's the same across the province. Maybe we've got to get the message out that there are alternatives and, especially in light of the tragedy of Walkerton, maybe we can start to make people appreciate what some of the ingredients are that we put especially in our sewers.

The other thing is just what goes into so-called sewers and whether we have to have some kind of strict regime in place to send a strong message that a sewer is not necessarily a dump for liquid or chemical wastes. Have you seen any kind of program or regimen instituted where we can get the public to appreciate the fact that in the long run these sewers are connected to water quality?

**Mr Mercer:** Absolutely. There are a number of programs. The city of Ottawa did one called WaterLinks. The city of Toronto has done considerable work in the past as well. These tend to be underrated as opportunities for pollution prevention, but I believe that as time continues we will expand them. They are linked mostly to issues of combined sewer overflow.

If I can just take a second to give the committee a bit of background: primarily, the key to what goes into our sewers is to identify where it enters the sewers. I would strongly recommend to this committee, particularly with respect to municipal infrastructure, that you recognize that the individual lot level, ie, the residence, the institution, the business, is where the problem begins and ends. Once it's in the sewer, that's the problem. We have to address the issue where it begins.

How do we keep things out of the sewers? We do it through informed connected education programs—the Ottawa WaterLinks program is a good example—the idea being that we want to make the connection between watershed water quality and what you put in your sewers, whether that is your sanitary sewer or your storm sewer. We have a tendency in Canada to undervalue the protection of storm water as a water quality source. That's most important, the salient point being that more water quality is degraded from storm water than from untreated sanitary sewage. It's a very significant factor.

**The Chair:** We've gone over time, but thank you very much for coming before us this morning.

**Mr Mercer:** Thank you, Mr Chair, members. I appreciate it.

#### HAND ASSOCIATION OF SEWER, WATER MAIN AND ROAD CONTRACTORS

**The Chair:** Our next presentation will be from the Hand Association of Sewer, Watermain and Road Contractors. Good morning. Welcome to the committee.

**Mr Donald Sloat:** Good morning. Mr Chairman, members of the committee. My name is Donald Sloat.

I'm the president of the Hand Association of Sewer, Watermain and Road Contractors. Thank you for the opportunity to present our views on Bill 175.

The Hand Association represents over 60 member companies that are involved in the construction, material supply or provide a service to our industry in the Hamilton and Burlington area. Naturally, our organization is committed to the maintenance and expansion of the province's vast network of water and waste water systems. We are therefore supportive of Bill 175, because maintaining a plentiful, healthy water supply requires a continuous investment by government and consumers.

Being from the Hamilton area, Hamilton being an older city, we see over the years the infrastructure crumbling. There have been reports done by the city showing that they're hundreds of millions of dollars behind. Hamilton has adopted some of these procedures and is now dedicating a separate account for the sewer and water main and is moving in that direction.

This legislation is an important step toward ensuring that Ontario's water and sewage systems are financially sustainable, good for public health and environmentally friendly. Currently, we are faced with a critical need to invest in our water and sewer infrastructure.

We have been a proponent for full cost pricing and accounting legislation for many years. We believe it is the only way to secure much-needed new, upgraded infrastructure and to protect our public health and environment. It is also a means to stabilize business cycles and planning for us and the municipalities. With this in mind, we want to commend the government for moving to implement this policy.

We support Bill 175 and are particularly pleased that there's a section in the legislation that requires municipalities to have dedicated reserve accounts. While we believe the bill is a good framework, it is our view that it must be strengthened if we are to achieve the goal of creating sustainable water and sewage systems. As the bill now stands, there is too much left to regulation and there are not enough provisions entrenched in the legislation.

I am aware that the Ontario Sewer and Watermain Construction Association have made suggestions for strengthening the bill. We support these amendments. I will just go through a few of them.

First, full cost pricing should be legislated as mandatory for all municipalities. Putting this principle in the legislation will signal the government's serious intent and, most important, it will ensure that full cost pricing becomes a reality in Ontario. While we agree with the concept that municipalities should be allowed flexibility in how they achieve this goal, we do not think there should be any flexibility about whether they implement full cost pricing.

Second, the legislation should be amended to include a specific date for compliance. We recommend that the government phase in the policy change over a five- to eight-year period. This will help municipalities manage the transition to full cost pricing and protect consumers from undue rate hikes.

Third, we think the legislation should entrench the user-pay principle to prevent municipalities from being able to hide the costs of water service within the property tax.

Only through a transparent user-pay method will conservation occur. As Justice O'Connor said, "[Requiring] people to pay the full cost of the water they use ... gives them a better appreciation of the value of water, and encourages them to use it wisely."

Fourth, we believe the legislation could be improved with a more precise definition of full cost pricing. This will help ensure a level playing field: consumers and municipalities will know what they are paying for and the same costing methodologies will be in place across the province.

Fifth, the legislation should be amended to include metering. Metering is the most effective way to ensure that each user's consumption is tracked and billed. Allowing consumers to see exactly the amount of water they use and its related cost will promote conservation, efficiency and environmental protection.

If this legislation and the proposed amendments come into force, the government will need to ensure both environmental and financial compliance by municipalities. This may be a monumental task for one ministry alone to oversee.

To address this, we agree with the suggestion that the best way to ensure that the legislation is implemented as intended is to amend the legislation to dictate which ministry is responsible for overseeing the environmental aspects of the bill and which is responsible for the financial aspects. The Ministry of the Environment should be responsible for environmental oversight, while the Ministry of Finance/SuperBuild would be given the financial oversight responsibility.

Thank you again for the opportunity to address the committee.

#### 1010

**The Chair:** That affords us just under three minutes per caucus for questions. This time we'll start with the government members.

**Mr Dunlop:** Thank you so much for being here today and for your presentation. We heard from a number of the Ontario Sewer and Watermain Construction Association yesterday, certainly from members and companies, and full-cost pricing is mandatory for municipalities—I want to read from the explanatory note that is actually in Bill 175: "The act specifies that the full cost of providing services includes operating costs, financing costs, renewal and replacement costs and improvement costs. The full cost may also include other costs specified in the regulations." I want to know what other costs you mentioned today and are not discussed here that you might consider should be added.

**Mr Sloat:** The full cost of delivering it and maintaining and fixing the water system that is currently in use. I'm not sure whether it's all covered in that. It needs to be fully accounted for.

**Mr Dunlop:** We certainly do appreciate the amendments you've brought forth. We think we could justify a



lot of it. I really don't have anything else, Mr Chair. I just wanted to thank him for that comment.

**Mr Levac:** Mr Sloat, I appreciate your concerns of the people that you represent. You indicated in your proposal that if this legislation and proposed amendments come into force, the government will need to ensure that the environmental and financial responsibilities are maintained and held by the municipalities.

I do have a little bit of a concern with that. As you know, Justice O'Connor also included in his recommendations three things that I'd like to point out specifically. One of them was that the municipalities are prohibited from selling off their water and sewer systems to the private sector and that the government should be providing some financial support for water and sewer infrastructure for smaller communities and those that find themselves in financial strap; and also that higher rates on an individual basis do not become a burden on low-income families, or those who do not have the means to pay their water bills along with their hydro bills along with all the other downloaded costs.

Do you concur that those three issues, and maybe a few others, should at least be acknowledged in this legislation, either through regulation or as part of the bill?

**Mr Sloat:** We agree that water and sewer and water mains should remain in public hands. I think you're leaning toward privatization. We really feel that whoever runs it should be people who can do it the most cost-effectively. I don't think one or the other. You had—

**Mr Levac:** The other two were regarding individuals having difficulty paying their bills and government assisting municipalities to pay for those services—the upgrades.

**Mr Sloat:** On the government assisting in paying for those, I believe the AMO has put forth some suggestions for some help in that, and I think they're very valid. Another thing is that the government should maybe look at SuperBuild to assist them in getting their water systems in order so they can comply.

**Mr Gilles Bisson (Timmins-James Bay):** I want to join in thanking you for your presentation; It was interesting. I guess I come at this and say there are a couple of things that are very basic for human beings: the air we breathe and the water we drink. It seems to me that although what we're trying to do as far as making sure there's enough money in the system to maintain a safe drinking water supply is laudable, I worry that we'll end up in a situation where you're going to have residents paying a heck of a lot more for water with this particular scheme because of removing some of the responsibility from the provincial government for funding the construction and maintenance of water systems. My question to you is, what is your feeling as far as the end result of this? Does this mean, in your view, that people will be paying more for water than they pay today directly?

**Mr Sloat:** I believe they will, and from what I've been led to believe, anywhere from \$2 to \$6 a month. I've talked to different people who say, "I turn my tap on and

the water is there. Why should I have to pay for it?" People don't understand how it gets to their house.

**Mr Bisson:** Doesn't it make more sense from a global perspective, as far as paying for the water, to do it through our tax base rather than an end-user system, paying by way of a fee at each home? The way we've established many services in Canada has been to socialize the cost through our tax system. Wouldn't it make more sense, in order to have the province make sure the money is there, along with municipalities, to provide that service, rather than making yet another user fee? All we're really doing is shifting it from a tax burden to a user fee. Aren't we better off to say, "Let's get the province and the municipalities to clearly identify what each one's responsibility is for building and maintaining a water system and basically doing it through the tax base rather than on an end-user basis?" Because in the end it's basically a user fee.

**Mr Sloat:** I've been on a water meter where I live; I can't remember when I wasn't. I know it promotes my conserving water when I'm watering my grass or what have you.

**Mr Bisson:** But we have a hodgepodge now. There are a number of municipalities—99% of the communities in my riding are not on water meters. I think Kapuskasing is the only one that has them. What I'm saying is that from the perspective if the end user, it's just another tax. If I get a bill from my city to pay for water as an end user, it's just another tax. Are we deferring it from the tax system and putting it as a user fee? Aren't we better to upload all that to the municipal governments and have them adequately fund safe drinking water as set out in the Walkerton inquiry rather than do it as a user fee?

**Mr Sloat:** I don't know.

**The Chair:** Thank you very much for coming before us this morning. We appreciate your presentation.

We find ourselves with a cancellation in the next spot and the next presenter has not yet arrived at the video-conference centre in London.

**Mr Bisson:** Are the next presenters here?

**The Chair:** No, there are no other presenters in attendance at either venue yet. So we'll declare a recess for 10 minutes and reconvene at 10:30.

*The committee recessed from 1019 to 1029.*

SEAN ROBINSON

**The Chair:** I'll call the committee back to order. Our next presenter is Mr Sean Robinson, joining us by video conference. We have 10 minutes for your presentation. You can either use the whole time your for your presentation or you can leave time for questions and answers. The floor is yours.

**Mr Sean Robinson:** I should mention that I'm mainly speaking to Bill 195. First of all, I'd like to declare that water is a right and not a commodity. It's commendable that our government has addressed the problems with water safety in this province, but I believe the bill has not gone far enough in protecting the citizens and the

environment. I believe it should declare that water is a right and not a commodity. Also, the government should do its best to protect our water and state that it should be public and not private.

Walkerton has shown us the needs for funds to be increased for the MOE budget and the MNR budget.

I think it is important that the province ban bulk water and groundwater exports, and also that it declare that it's more cost-effective to deal with pollution at the source and not at water treatment facilities.

A water council should be set up immediately with the approval of the Legislature. The council should set contaminant levels that are the most stringent levels in the world. I think it would also be a viable solution to set up an electronic water registry where citizens can regularly check water quality.

The bill should set stringent reporting standards for companies that discharge waste and waste water into our water system and also directly increase funding to police such measures.

A study should be done to study the impact of water removal and/or increases in watersheds and its impact on watersheds, industry, agriculture and the population.

Another important factor should be stringent penalties for labs that fail to release adverse water tests to the public with due diligence, and also a general increase of funding, I would like to stress again, for the Ministry of the Environment and the Ministry of Natural Resources, above 1995 levels, to meet current needs.

I think it is a bit of a tragedy that Bill 195 is focusing on licences and applications for water treatment facilities. I believe it just opens up this sector for privatization, which will lead to more tragedies like Walkerton.

I'd like to open it up for a brief period of questioning and I would like to hear your comments on what I've said.

**The Chair:** Thank you very much. That gives us about five minutes, to be divided among the three caucuses. This time we'll start with the official opposition—about a minute and a half each.

**Mr Levac:** Thank you, Sean, for your presentation. You make a mention about Bill 195 that you're concerned about privatization. I'm sure you're aware that Justice O'Connor made it clear that municipalities, in Bill 175, should not be selling their water utilities to the private sector. Are you unequivocally assuming that the government should be saying no to privatization of the provision of those services or even the construction of those services? Can you clarify your position on that a little bit?

**Mr Robinson:** Both, I guess. I think it is necessary to keep the construction public and also the administration of such services.

**Mr Levac:** Thank you.

**Mr Bisson:** I'm Gilles Bisson, the NDP caucus. First of all, I agree with most of what you've said. I believe that we should remain in a public system for water. I believe, as you do, that transferring to the end user in the way we're suggesting by way of this bill is just a tax by another name. We should basically utilize our tax system

to pay for water, and it should be by both provincial and municipal levels of government.

But my question is a different one. This technology: do you find it a disadvantage in presenting to this committee by way of video conference rather than doing it in person? I'm not a big fan of this technology.

**Mr Robinson:** Neither am I, but it also has its benefits.

**Mr Bisson:** You were supposed to say no. I'm trying to build up the case to get rid of this so we can get people like you to come to Toronto.

Is there any time left?

**The Chair:** Thirty seconds.

**Mr Bisson:** You mentioned the issue that this opens the door to privatization of the handling of our drinking water. Can you expand on that a bit? Why do you feel that? Is that part of the government's agenda?

**Mr Robinson:** Definitely. I believe it is. They've shown it with hydro, health care etc.

**Mr Bisson:** Gotcha. And that's why I hate this technology. We have to speak in small syllables. Thank you.

**The Chair:** Oh, the urge to editorialize, but I won't.

Instead I will ask, any questions from the government?

**Mr Miller:** Thank you, Sean, for coming before the committee, via video conferencing this morning. We appreciate it. I do have questions to do with your public, not private, recommendations. I would just like to point out, of course, that Walkerton was a public facility, not a private facility—

**Mr Robinson:** An underfunded public facility.

**Mr Miller:** —that had problems. In fact, there are no private water systems owned by municipalities in the province. I also understand that Justice O'Connor has not made a recommendation to do with privatization. I don't think the government is trying to encourage privatization of water systems. In terms of my riding, Parry Sound-Muskoka, probably most of the water systems are private just because they're small businesses, they're not a municipal system.

I just wanted to clarify that Walkerton was a publicly owned and operated water system. I don't know whether public versus privatization—

**Mr Robinson:** Which your government did underfund.

**Mr Miller:** Say again, sir?

**Mr Robinson:** Which the Conservative government did underfund.

*Interjection.*

**Mr Miller:** Yes. Thank you very much, Sean, for coming before the committee today. I appreciate your comments.

**Mr Bisson:** Thank you, Sean.

**Mr Robinson:** Thank you.

**The Chair:** That's our time, Sean. Thank you for your presentation this morning.

LINDA PITNEY

**The Chair:** Our next presenter will be Ms Linda Pitney. Good morning. Have a seat. Welcome to the

committee The mikes will come on automatically. We have 10 minutes for your presentation, for you to divide as you see fit, between presentation or questions and answers.

**Ms Linda Pitney:** Thank you very much. I prepared the presentation so I could read it and not get off track, and get through it in 10 minutes.

I've headed this "The Pathology of Movement, Illegible Handwriting and the Toxic Pollutant in our Environment."

My name is Linda Pitney. I am president of the non-polluting Canadian College of Kinesigraphy. Our focus is on forensic examination. I'm the person they call on if there's a forged cheque, a forged will, a forged anything. They'll come to me. I worked on the Hurricane Carter case, the Bernardo case, Homolka's handwriting. That's our expertise. As well, we are interested in study and research of the neuropathology of fine grapho-motor control.

As well, I'm a resident in Ontario and a business owner in Ontario who's looking out of province at the present time to get away from the pollutants in my own province. That to me is a big concern. When I look at a government that's very concerned themselves, not regarding the individuals, it would appear, but rather the bankbooks of their corporate donors, we know that Eves and his friends are continuing to avoid environmental regulations. Why? Because it would appear that they would cost their corporate donors big time. Who suffers? It would appear we do. Toxic poisons continue to flow freely into our air and water, and everyone seems to have an interest in the continuation of that toxic flow.

I'm concerned personally that many of the findings of Walkerton Judge O'Connor seem to have been removed from the bill by this government.

**1040**

But away from that, I question, what evidence do we actually have that our water is dangerous to our health? I'm only going to speak on my own expertise, which is forensic writing examination and neuropathology. That's what I will cover and just leave it at that.

The delicate anatomy of handwriting: briefly, the writing impulse that we all take for granted originates in the cortex of the human brain. It travels through the movement centres in the brain such as the substantia nigra and other pathways before traveling to the spine, where it's relayed to muscles of the arm, forearm, hands and fingers. I think most people don't know this, but up to 52 muscles, 30 bones, 20 joints and 16 nerves create that neuroanatomical symphony we nonchalantly call handwriting. When we write a cheque, there's a chance we're moving up to 50 muscles. Without doubt, this is an extremely sensitive monitor of the vulnerable nervous system that quickly reacts to neurotoxins or any type of poisons in the air.

How did all this start? How did I go from forensic work into poisons? Well, my research into the links between toxic exposure and hand steadiness and handwriting legibility began in Quebec, where I studied the illegible art and often undecipherable writing of native

Canadian Indian students. Teachers there regarded the shaky scrawl of these kids as just normal. They said, "Well, they just have messy writing." I said, "But why?"

The students all lived in a region that totally depended on lake fish in James Bay. This area was the victim itself of Quebec's James Bay 1, an atomic energy project that resulted in soaring levels of the potent neurotoxin called mercury. When mercury was earlier dumped into Minimata Bay in Japan, it was again noticed that motor control and coordination of area residents dramatically deteriorated. Handwriting and art skills plummeted along with this.

Recent neurotoxic nightmares: today the ingredients and dangers of vaccines—there are a lot of neurotoxins in them—and Gulf War vets' syndrome are becoming more understood. Both vaccines and chemicals that the Gulf War vets were exposed to during the war contained powerful neurotoxins—again, neurotoxin, poison to the nervous system. Steadiness depends on the nervous system. We don't want poisons in there. Note the Bay Street CEO who recently ended up paralyzed because of a vaccine which had neurotoxins in it.

What do we have that proves there's something going on, that something's wrong with the water? If you have what I dropped off, my enclosures, you'll see from Pollution Watch, which I believe is funded by the government or works with the government, the types of neurotoxins that are being spewed into the Ontario water system. It's frightening. I leave it with you. I don't have the time to get into that.

But what does all this have to do with Ontario water, you may ask? I feel the real enemy, of course, is big business and certain politicians who seem to be in many back pockets. The result is the pouring out of high levels of neurotoxins and other organ-sensitive poisons into our water. These organ-sensitive chemicals can affect the brain, spinal cord, digestive system, intestines, endocrine system, you name it. It can be very specific.

In closing, handwriting sheds light on the dangers of neurotoxins: are we seeing deterioration in writing skills in a high proportion of people being vaccinated? Are we seeing deterioration in Gulf War vets? Are we seeing deterioration in people living in high-pollution areas of Ontario? The answer to that, without question, is yes.

So to further inform regarding writing connections to the nervous system, which I believe is very, very important—and if you check your medical journals, you'll start to see more and more articles on the handwriting link to the nervous system and to different disorders.

I'm coming at it differently, because I'm looking right at the specific neurotoxins to see which cause the greatest effects. I would suggest that anyone interested and certainly the people who are here, politicians—sincere politicians—are more than welcome to come to one of our seminars on this very issue. Please investigate the site, Pollution Watch. That was the site that removed me, just pulled me out of Toronto and sent me northward, because when I found out what I was breathing through the air, what I was drinking through my water, that finished me.

We lost a dog. The dog died of lung cancer; a beautiful dog, walked three times a day, but the vet informed us that this was very common because of the water that the animals are drinking—more and more vets are noticing this happening—the air etc. Lung cancer—dogs don't smoke.

So please investigate Pollution Watch site. It's down right now, but once it's up, check it out. If you have another info you'd like me to help you with, please feel free to give me a call. That's my presentation.

**The Chair:** Thank you. We have time for one quick question. I'll give the time to Mr Bisson.

**Mr Bisson:** Very quickly, you alluded to the danger of both drinking water and air when it comes to affecting motor skills. Are there any good studies that we can get our hands on to take a look at some of the results across Ontario?

**Ms Pitney:** I will do a good search on that and I will get it back to you. How long would I have to get it?

**Mr Bisson:** Well, it's something I'd be interested in taking a look at; I don't know if this committee is going to have time to look at it, but if you can please forward it to the NDP caucus, I'd love to see it.

**Ms Pitney:** OK, I will for sure.

**Mr Bisson:** And I agree with you. They want to privatize everything under the sun.

**Ms Pitney:** If they could begin to pull themselves away from issues and corporations that want to privatize etc, they would begin to look at their own selves. They would begin to say, "Hey, I breathe this air, I drink this water," regardless of who, what company, is trying to get politicians into their back pockets.

Look at your own riding and ask yourself, "Is it getting worse?" And more and more people have complained that indeed it is getting worse.

**Mr Bisson:** Mine's getting worse.

**Ms Pitney:** I thank you very much for this opportunity and again—

**Mr Levac:** Just as a quick point of order, Mr Chair: Could I get that information sent through the clerk so that we can all have access to it after it has been compiled?

**Mr Bisson:** Yes, we're asking if you can forward it to the committee Chair so that all the caucuses have access to it.

**The Chair:** The Chair or the clerk, either one of us. That would be great. We'll make a copy for all the members of the committee.

Thank you for your presentation.

**Ms Pitney:** Thank you very much.

**The Chair:** Notwithstanding the request that we make of all participants to show up 20 minutes before their scheduled time, we appear to have no presenters standing by.

**Interjection:** Are there any presenters here?

**The Chair:** No, there are no other presenters in attendance as yet, so we'll take a five-minute recess.

*The committee recessed from 1049 to 1100.*

SIERRA CLUB OF CANADA,  
EASTERN CANADA CHAPTER

**The Chair:** With that, I'll call the committee back to order. Our next presentation will be from the Sierra Club of Canada, Eastern Canada Chapter. Welcome to the committee. Have a seat, please. Just a reminder: we have 15 minutes for your presentation and you can divide that as you see fit between presentation or question-and-answer time.

**Mr Levac:** A quick point of order, Mr Chairman: Regarding the missed presentation, if they have a written submission, could we eventually get that forwarded to us as well?

**The Chair:** I will be pleased to ask the clerk to take care of that.

The floor is yours.

**Ms Maureen Reilly:** My name is Maureen Reilly. I am with the Sierra Club of Canada. I am the water quality campaigner. Thanks for inviting me here today. I'd actually hoped to depute from London, but since we were coming from here today I thought, "Why drive to London?"

Safe drinking water is certainly something that everyone in Ontario wants. However, the proposed act only addresses a certain section of the population of Ontario; that is, the urban residents. This act does nothing to address the drinking water safety of rural residents and other people who are drinking water that doesn't come from a municipal source. Those who live in the countryside or those who are out in the country and drinking water that comes from groundwater or other source waters are not protected by this act.

I feel confident that people in Ontario want to drink clean water, not cleaned water. By that, I mean people want to drink water that was clean to begin with, not contaminated water that has been partially cleaned up through a water treatment plant.

This legislation fails to honour the first principle of safe drinking water, and that's protecting the quality and quantity of Ontario water at source. Instead, it focuses on the treatment-to-tap issues. If this government enacted a thorough, enforceable legislation to protect our lakes, rivers and groundwater, we wouldn't be faced with ever-increasing bills to clean up contaminated water to be fit to drink again. It's corny but it's true: an ounce of prevention is worth a pound of care.

You know that the reports are back on your desks about hormones in the drinking water, antibiotics in the drinking water, endocrine disrupters in the drinking water. That's because even our expensive and luxurious, by global standards, sewage treatment plants and our water treatment plants do not clean up source water from every kind of contaminant. We even contribute with our drinking water standards to certain kinds of contamination, particularly those from chlorinated by-products. So what do we need to do to keep water clean?

It's very frightening to be faced with the prospect of being killed by a glass of water. If the quality of drinking

water is in doubt, that doubt and fear are re-experienced a dozen times a day when thirst drives people to the water tap or the water fountain. In Ontario, this fear and the liability chill that accompanies it have led to the opening of Ontario to a massive corporate drive to profit from our anxiety. Everyone from Coca-Cola on down wants to sell water, often municipal tap water, in overpriced little non-reusable bottles, contaminating the countryside and topping up the landfills.

Huge corporations with headquarters in Texas, France and Germany are poised to squabble over lucrative Ontario water treatment projects as rural municipalities are told they are too backward to manage their own water supply. Outrageously expensive initiatives, like the one that proposes a pipeline to Lake Huron for the long-suffering people of Walkerton, have these companies salivating over the potential to bleed the public purse for decades to come.

The Ministry of the Environment needs to support communities, large and small, to develop appropriate-scale projects to protect the quantity as well as the quality of the source water, and then to provide only the level of treatment of contaminated source waters that is appropriate and necessary. Appropriate-scale initiatives are needed that empower those municipalities, not stampede them into surrendering control of their water, and their budget, to these huge multinationals.

A focus on water treatment, rather than on source protection, essentially facilitates the contamination of source water because people who have paid a big ticket for a pipe to connect them to remediated water then turn their backs on the source water in their own communities. In areas like the Upper Thames from Stratford down to London, there is a watershed where swimming in a creek or a lake is pretty much a distant memory. After financing the huge capital projects for drinking water transport or treatment, people turn their backs on their local water. They get a swimming pool full of chlorinated water or they leave the community to swim. You can often chart the neglect of source water by counting the number of swimming pools in a community.

Rural residents need to get help from this government in assessing their water supply and the fitness of their wells and sanitary systems. They need help in choosing, if necessary, a water treatment technology that is right for their home and their family. The rural household is quite bewildered by the array of companies and technologies competing for their dollar: ultraviolet treatment, reverse osmosis, or do they need any water treatment at all? Reliable information on reliable, affordable technologies needs to be part of what this government offers.

Cleaning up water is a very expensive enterprise. By focussing on the treatment-plant-to-tap aspect of safe drinking water and neglecting the first principle of source water protection, the discussion focuses around, how much treatment can the public afford? Municipalities like Toronto want to start to distance themselves from the water bill by trying to create water boards, like the one that went down in flames this week. What we need to see

is more public involvement in water and the discussion of how to protect and provide safe water. We do not want to see the clean water discussion reduced to essentially a commodity-market-price debate. Water is not a commodity. It is a gift of nature that we need to protect.

First of all, we need to stop water from getting contaminated. What is contaminating Ontario water? I'd like to draw your attention to the fact that sewage treatment plant combined sewer overflow is the number one source of water contamination in Canada, an even higher source of nutrient contamination than farming. Toronto's Ashbridges Bay sewage treatment plant is the number one offender in Ontario for nutrient contamination of water. There is poor storm water management in urbanized areas, and of course there is agricultural runoff from manure and fertilizer that is facilitated by the tile drains that the province has supported in the countryside.

For instance, in the Upper Thames watershed, 85% of farmland is tile-drained. As soon as it rains, in a matter of minutes all the fertiliser and nutrient and sewage sludge and manure on those fields move right into surface water. There's a flooding as well as a destruction of water quality right there. So we need to find some way to manage that question. We've spent a couple of decades and millions of dollars putting those tile drains in. Now we need to restore the water quality in some way that those same pieces of technology aren't killing off our lakes and rivers.

Industrial contamination is certainly a cause of contamination: pulp and paper mills, mines, dredging and deforestation. There are leaky and failing septic systems, and there is land application of sewage sludge, septage, paper mill sludge and other industrial wastes. There is poor management of landfill sites, quarries, golf courses and other land uses.

Strategically, what do we need to do? Launch a water stewardship campaign to encourage people to take pride in their watershed and participate in a public discussion of how to clean it or keep it clean. Much of the work of the Ministry of the Environment is being put on the shoulders of conservation authorities to act as watchdogs in the watershed. But at the same time the lack of reliable financing for these authorities and the tenuous powers invested in them make them incapable of filling the role adequately.

The Ministry of the Environment has been shrunk in size—they're not there any more—and the conservation authority cannot take on the role and responsibility of that incapacitated Ministry of the Environment. The shrinkage in the Ministry of the Environment, the Ministry of Agriculture and the Ministry of Natural Resources has left rural communities far less defended from contamination than formerly. We need more legislation with teeth and more vigorous enforcement.

Groundwater in most of Ontario is vulnerable to contamination by materials placed on top of the soil. The province has for the last decade promoted the practice of spreading many septic industrial wastes like sewage sludge, abattoir waste and paper mill sludge on farmland,

much to the horror of many rural residents. Many communities have tried to protect their residents and their resources from these offensive and dangerous practices by passing bylaws. But the province, while slamming farmers who allow livestock to wallow in streams, actually promotes the application of these more toxic materials in the same watershed. Municipalities that pass bylaws do so for fear that the province will take them to court for enacting bylaws that are outside their municipal jurisdiction.

If you'd like these paragraphs, I can send you an amended copy.

The province should be a more prudent steward of water quality protection and facilitate the passing of reasonable laws both provincially and locally. We need regional facilities with suitable technologies to manage the septage and sewage in an environmentally sustainable way.

#### 1110

Factory farms are a similar kind of issue. What these issues have in common is that these corporations externalize the cost of their waste disposal on to other residents and the taxpayer. Companies that are allowed to contaminate the environment with their waste stream, whether it's hog manure or paper sludge, get cheap waste disposal while their neighbours have to pay for water treatment, air conditioners and all kinds of other tangible and intangible costs.

The ministry is allowing these kinds of rural waste disposal liberties to contaminate the ground and surface water, and are then spending public funds to clean up only some of that dirty water to be fit for drinking. Clearly, this is unsustainable.

After the Walkerton crisis, the ministry acknowledged that drinking water in the province should only be tested by accredited laboratories. So why does the ministry continue to allow industry to get their waste tested by unaccredited labs? Shouldn't all publicly accountable laboratory analysis be done by demonstrably competent laboratories?

This is just one example of the kind of polluter holiday that is facilitated by lax ministry controls on pollution sources. It's irresponsible to allow this kind of widespread, non-source contamination in the countryside and then bill big-ticket for safe drinking water in towns and cities.

I have a 10-point program; just to keep it simple, 10 fingers, 10 points. I've pretty much gone through them: a water stewardship campaign; vigorous MOE enforcement against water pollution crimes; upgrade sewage treatment plants so they stop polluting lakes and rivers; stop the land application of sewage and septage; include all land uses in the Nutrient Management Act; develop a water education and stewardship component in elementary school and senior grades; license composting toilets so that rural communities have access to a water sanitation technology that doesn't contaminate groundwater; develop a water Web site with interactive capability showing water quality indicators around Ontario; provide conservation authorities with the mandate and continuity

of funding necessary to coordinate watershed cleanup projects; and stop the massive giveaway of Ontario source water by making water-taking permits more restrictive.

Sierra Club supports clean water, not just cleaned water. We pledge to work together with Ontario communities, individuals and the province of Ontario to bring about the protection and restoration of our waters.

Ontario has been blessed with some of the richest freshwater resources on the planet. Now the province needs to act to protect those resources.

**The Chair:** Thank you very much. That leaves us less than two minutes, so we'll give the time to the government members this round.

**Mr Dunlop:** Thank you, Ms Reilly, for being here. I'm interested in point 10: "Stop the massive giveaway of Ontario source water by making water-taking permits more restrictive." Could you give me a little more detail on how you would do that?

**Ms Reilly:** Stop giving it away. I went on the Internet and checked the EBR in my rural community. I have a farmhouse out in Kirkfield. Imagine my horror to find that in my county one company had filed for I think 20 water-taking permits in every major lake and creek in my watershed and had been granted most of them. I heard they were actually taking one- or two-acre parcels, getting the water-taking permits, and then selling the land with the permit to people in England. We should have some environmental accountability around how we husband, how we care for—

**Mr Dunlop:** Is the water leaving the watershed or is it staying in the watershed?

**Ms Reilly:** They can do with it what they like once they get it. They don't have to account for what they want to do with it before they get the water-taking permit. I think this company maintains, on the face of it, that they're going to use it to fill swimming pools. As I say, that same company, I gather, is selling off parcels of land to offshore companies with the water-taking permit. It's nice; you get it for nothing and you sell it for money.

**Mr Dunlop:** I'm just looking for details on that actual recommendation. If you have anything you could add, I would appreciate it.

**Ms Reilly:** Require an environmental assessment before you hand over a water-taking—look at what that means to the water table. Make them account for the quantity of water. We've got dropping levels of water in the Great Lakes. We've got ships foundering on the shore because the water levels are so low, but we're allowing companies to use water for whatever industrial purpose they like and not necessarily returning it to the watershed.

**The Chair:** Thank you very much for coming before us this morning. We appreciate your presentation.

#### LAKE ONTARIO KEEPER

**The Chair:** Our next presentation will be from Lake Ontario Keeper. Good morning. Welcome to the committee.

**Ms Krystyn Tully:** Good morning, Mr Chair, and members of the committee. My name is Krystyn Tully. As you know, I'm with an organization called Lake Ontario Keeper. I'm pleased to have the opportunity this morning to present our position on Bill 175, the Sustainable Water and Sewage Systems Act, and in particular will be discussing the sewage systems component to that.

I don't know if you're familiar with the work of Lake Ontario Keeper. We are a relatively new organization. We're part of an international alliance of 99 Waterkeeper programs worldwide. The job of a Keeper is to be the voice of the body of water that he or she works on to maintain a grassroots, community-based focus on water protection.

Lake Ontario Keeper works with individuals and groups all around the lake, both on the Canadian side and on the American side. We monitor water quality, investigate polluted sites. We have two patrol boats to patrol the waters. We work with communities to use environmental laws to protect the water and their communities.

I think it is safe to say that Lake Ontario Keeper is probably one of the few groups you'll hear from that knows what it's like to splash around in the water at the mouth of a combined sewer overflow. I am all too familiar with the smell of raw sewage. I've spent a fair amount of time in it during the past summer.

We've been in rivers in Hamilton, Toronto and Kingston. What we've learned from spending time in those rivers is that waste water operators are not paying at least one of the costs you have identified in Bill 175 associated with providing better waste water services, and that's the cost of treating and discharging waste water.

Basically, our experiences are what I want to share with you today. My understanding of the purpose of Bill 175 is that you want to identify the actual costs of providing the services and ensure that system operators have a plan in place to recover those costs.

Lake Ontario Keeper supports Bill 175 and its objectives because we believe that full cost accounting is the only way we can begin to appreciate the true costs of clean water. Full cost recovery is also the only way we can stop imposing these costs unfairly on others, especially poorer communities, immigrant communities, the fish, the wildlife and the water, that can't vote.

Lake Ontario Keeper's submission is this, four points:

- (1) Too many of the costs of running our waste water systems have been externalized.
- (2) We need full cost accounting and recovery.
- (3) We need clear timelines.
- (4) We need strict compliance and enforcement of environmental standards.

Economists like to use the word "externalities" to describe costs associated with providing a product or service that is not borne by the producer or the consumer. Robert F. Kennedy Jr, who is the president of the Waterkeeper alliance, has another way of phrasing it. He says, "You show me a subsidy; I'll show you pollution."

This is exactly what we're seeing in the case of Ontario's sewage treatment systems. Every time the city of Kingston dumps untreated sewage into the Cataraqui Harbour, it avoids one of the costs of providing a service. Every time Toronto's combined sewer overflow dumps raw sewage into the Don River, the fishers, the swimmers and the wildlife are paying our waste water treatment bill at the expense of their livelihoods, their community and their health.

During the course of these hearings, you will likely hear numerous descriptions of the state of our waste water treatment systems. It is possible that you will hear about millions of dollars in upgrades which have been made and the billions of dollars still waiting to be spent.

I just want to describe the system from the perspective of someone who spends a great deal of time on the water.

In Ontario's large cities, we have sewage pipes and storm water pipes that are connected underground. During dry weather the storm water and the sewage water are taken to sewage treatments plants, treated and then discharged into waterways.

During wet weather, too much storm water enters the system, exceeding its capacity, so the combination of storm water and sewage is dumped into our rivers and into Lake Ontario through outfalls called combined sewer overflows.

Lake Ontario Keeper spent much of this year monitoring combined sewer overflows on the Red Hill Creek in Hamilton, the Don River in Toronto and the Cataraqui Harbour in Kingston. In each city we saw how waste water service providers regularly dump untreated sewage into local waterways, even during dry weather.

In Hamilton, not one single combined sewer overflow on the Red Hill Creek met Ontario water quality objectives for E coli. This was during the dry season, when no bacteria discharges were expected.

In Toronto, sewage pollution renders the Don River unsafe for body contact recreation every single day. City reports estimate that the Don will still be contaminated 100 years from now.

In Kingston, raw sewage discharges have been closing beaches for half a century. Even here in Toronto, local governments claim that beaches are getting better, that beach closures are going down. This isn't because our beaches are getting cleaner; it's because the city of Toronto has closed 50% of our beaches in the last 10 years, and they closed the dirty ones and left open the ones that were cleaner. The beaches that remain open are actually getting worse. Beach closures are going up.

#### 1120

What happens when service providers try to shirk costs by dumping untreated or poorly treated waste water into our waterways? The costs do not disappear. The costs are borne by citizens who can't swim at public beaches. The costs are borne by fishers who catch, handle and often eat contaminated fish. In our experience, many of these fishers are recent immigrants. They don't speak a lot of English; they're not familiar with ministry guidelines for eating fish; they have no idea how contaminated

the local waterways are. The costs are borne by hunters in other areas who shoot and eat migratory birds that lived and ate in our contaminated waters and then flew somewhere else. The costs are borne by children who grow up expecting that urban waterways are supposed to be contaminated and have no idea about outdoor community and recreational activities which will build healthy communities. The costs are borne by municipalities which cannot earn taxes on what should be prime real estate because our waterways and waterfronts are notoriously contaminated. In short, the costs are borne by everyone and everything that our government standards are supposed to be protecting. That's why we need full cost accounting and full cost recovery.

We're not here really to urge you to consider environmental issues. We're here to remind you that the provincial government already has a legislative duty to ensure that waste water facilities comply with environmental laws.

To safeguard against the misconception that government standards might be optional, sewage system operators should be required to consider the costs associated with treating and discharging waste water in compliance with government standards.

In the current system, standards aren't being met. In the year 2000, 92 municipal sewage plants were out of compliance or conformance. Preliminary figures for last year suggest this is getting worse. Samples we've taken in Hamilton, Toronto and Kingston reveal E coli levels ranging from 9,000 to 20,000 times the Ontario water quality objectives.

The alternative to full-cost recovery, which is to lower our standards and say this is acceptable, is unthinkable. Waterways belong to the public at large and any insult and any interference with our right to access them is akin to an act of theft. As long as our waterways are filled with bacteria, our communities are being robbed of their resources. Many municipalities identified problems years ago. This bill needs to give them the incentives to make the changes now. That's why we need clear timelines.

The city of Kingston has been plagued with beach closure sewage problems for 50 years. Louis-St Laurent was still Prime Minister when they were closing beaches in the 1950s.

The city of Toronto hopes to have its sewage discharges into the Don River stopped in 100 years. Given that water quality is so poor that you can't touch the water in that river right now, that projection is appalling.

We need reasonable timelines within which to upgrade our systems. The goal of Bill 175 is sustainability. It's right there in the title. Clear timelines will ensure that long-term sustainability cannot be sacrificed for short-term gain.

We also need strict compliance and oversight. Just as it's important to have these clear administrative standards, we have to have clear environmental standards. Justice O'Connor noted in his reports from the Walkerton inquiry that standards are rendered meaningless when they're only guidelines. If sewage treatment operators

think they might ideally comply with standards, they're not going to do it. If Bill 175 compels them to comply with environmental standards, they will do it; and if they don't, it gives government and citizens recourse to make sure they do.

Lake Ontario Keeper has a lot that we would like to offer with regard to those environmental standards. I think it's more appropriate to reserve that for the discussions about the regulations that go with Bill 175 and save you some time here today.

I'll just reiterate the four positions: too many of the costs of running our waste water systems have been externalized; we need full cost accounting and recovery; we need clear timelines; and we need strict compliance and enforcement.

At this time, if anyone has any questions, I'd be happy to answer them.

**The Chair:** Thank you very much. We've got about three minutes. Respecting the fact that none of us around this table can ask people their names in less than a minute, I'm going to give the time to the official opposition.

**Mr Levac:** Thank you, Mr Chairman. I appreciate that comment.

Thank you for your presentation and congratulations on the good work you do across the province. I know I speak for many people—and not given to any political party—that we appreciate that work.

I'll make these two quick points. Justice O'Connor indicated in his report three key points that I keep looking at, which are: prohibiting municipalities from selling off their water and sewer systems to the private sector; providing some form of financial support for water and sewer infrastructure for smaller communities; and ensuring that higher rates do not become a burden on low-income families and seniors. I'm sure you support that, along with the other comments that are coming up about source water protection as well. If you can comment on that, and I'll leave you with a comment.

My colleague across the way, Mr Barrett—the Six Nations resides in his riding, Brant-Haldimand-Norfolk, a neighbour to mine. He keeps telling us about the seven generations of things we do today and that we must take into consideration what's going to happen to the seventh generation after the fact. It's obvious we have not been doing that. Do you believe this bill is starting to set the tone so that some day we may understand our First Nations had it right 10,000 years ago?

**Ms Tully:** I think the bill is definitely on the way. Everybody talks about the next generation. It actually occurred to me a couple of weeks ago that I am the next generation, actually. When you tell me that I now have to wait another 100 years before the Don River is cleaned up, I think, wow, if I'm going to have kids, how am I ever going to explain that to them?

I was in Port Hope a few weeks ago and I saw a 16-year-old stand up and ask a question about radioactive waste, saying, "Why did they put it in our community if they didn't know what to do with it?" People are starting



to ask these questions. I think Bill 175 finally provides operators with the opportunity to take into account the costs of the system and to begin to recover some of those costs so that we do have some answers to these questions in the future.

With regard to public versus private ownership, frankly the standards are more important than who owns a system. The fish that are losing their habitat, the fishermen who are losing their livelihood and the kids who can't swim at the beach—I don't think they care who owned the factory that dumped the sewage in their water. The fact that the standards are not being complied with is far more important.

With regard to standards as well, when we talk about people who aren't going to be able to afford the costs, it's perfectly reasonable to subsidize the resource users. I don't think it's reasonable at all to subsidize the resource use itself. I don't think people have the right to exploit a resource, but if you don't have the money for clean water, then definitely you need help. Those provisions can be put in without lowering our standards.

I also think it's perfectly reasonable to accept a phase-in to give municipalities some time, as long as there are clear timelines and also phase in any rate hikes that are going to appear to give people time to adjust to it. I think it's perfectly reasonable to expect people to pay \$6, \$20, \$100 a year for clean water if it also means that we have beaches and commercial fisheries and access to public waterways again.

**The Chair:** Thank you for coming before us here this morning. We appreciate your presentation.

#### ONTARIO PUBLIC SERVICE EMPLOYEES UNION

**The Chair:** Our final presentation in the morning session will be from the Ontario Public Service Employees Union. Good morning and welcome to the committee.

**Mr Tim Hadwen:** I am here on behalf of OPSEU. I am Tim Hadwen, their general counsel, and I participated actively in the hearings at the Walkerton inquiry.

The Ontario Public Service Employees Union represents almost all of Ontario's front-line public servants, 50,000 or so, and it includes all of the environmental officers, investigators and lab staff who worked in the Ministry of the Environment throughout the Walkerton tragedy and continue to do so, as well as the Ontario Clean Water Agency, water treatment plant operators and other staff who participated so actively in the Walkerton remediation. The union has also participated extensively in the Walkerton inquiry.

In general terms, the members of the union would want to tell you that they're proud of the public services they provide and are proud of the work they have done to ensure safe drinking water for Ontarians. They have gone on doing the best they can, notwithstanding the deep and as yet unrepaired cuts to the Ministry of the Environment

that have so compromised the ability of the staff of the ministry to do its job.

There are many issues that could be raised about the bills that are before you, but it would seem most productive in the time available to focus on a particular issue. The issue I'm going to address is under Bill 195 and it's the wording of sections 6, 7 and 8 of Bill 195. It appears, based on the current wording of sections 6, 7 and 8 of Bill 195, which are in the materials that I provided to you, that the act contains an omission from following through on the recommendations made by Mr Justice O'Connor with respect to who will do the work in the way that was recommended by the inquiry.

#### 1130

The general background to this issue is that Mr Justice O'Connor found that safe drinking water is, perhaps not surprisingly, best ensured by a directly responsible government, a government that does its own regulation and enforcement. He further found that the government should be organized and resourced to fulfill that responsibility itself. Mr Justice O'Connor heard a lot of submissions to the contrary. He heard submissions, including from the current government, in which it was argued that Ministry of the Environment functions should be devolved to other ministries, to outside operating agencies, to third parties, or to industry in the form of voluntary compliance. In the end, though, the commissioner saw the value of the ministry doing the job in question, and found correctly that it is in the public interest and is the best way to ensure safe drinking water for there to be an integrated, dedicated ministry with direct political accountability. He so recommended, and he did so by spelling out some very specific recommendations about the Ministry of the Environment.

In his report, on page 396, the front page of the package of material you've been provided, he summarizes his recommendations with respect to the appropriate structure to be found within the Ministry of the Environment. I want to read quickly from the second paragraph where he says, "I also propose the establishment of a specialized drinking water branch within the MOE responsible for the oversight of drinking water treatment and distribution systems."

Going on to the sentence after the next one, "Within this branch I recommend creating a new position, the chief inspector – drinking water systems, responsible for the inspections program."

He goes on to talk about the role of the individual inspectors, and he says, "The drinking water branch would assume oversight and responsibility for the proposed quality management accreditation program" and "be responsible for granting ... approvals."

In the next paragraph, the commissioner states, "To date, the MOE has conducted investigations and prosecutions of those suspected of non-compliance with regulatory requirements through its investigations and enforcement branch.... I am satisfied that the IEB of the MOE should remain as presently constituted, a separate branch within the ministry."

Turning to the next page in the excerpts you have from the report, you'll see at the bottom of page 409, under the heading "Enforcement": "In regard to investigations and enforcement, the" Safe Drinking Water Act "should maintain the investigation and enforcement function in a separate investigation and enforcement branch (IEB) of the MOE."

So how does the Safe Drinking Water Act measure up to those specific recommendations about how these crucial functions should be carried out? The act does not deal in detail with ministry organization or resourcing, perhaps fair enough, but it does assign tasks to three types of people, and those three types of people are referred to directly in sections 6, 7 and 8 of the act. If I could ask you to have a quick look at sections 6, 7 and 8, you'll see how the assignment of personnel is dealt with.

The first group discussed is directors—this is in section 6. The directors are the persons who will supervise and ultimately approve the issuing of permits, licences, approvals, as well as suspend and sanction persons who are not in compliance.

You'll see that, under section 6(1), "The minister shall in writing appoint such directors..."

Then, under 6(2), "In making an appointment under this section, the minister shall appoint only ... an employee of the ministry or a member of a class of employees of the ministry..." That would seem to be directly in accord with the recommendations contained in the report I read to you a couple of minutes ago.

Then it goes on to say, "or ... a person other than an employee of the ministry or a member of a class of such employees, if the appointment is approved by the Lieutenant Governor in Council."

My point is that it was the recommendation in the Walkerton inquiry report that the functions of the directors are to be carried out by the Ministry of the Environment and Ministry of Environment staff, and that raises a concern about subsection (2)(b) of this section.

The concern, though, deepens when reviewing sections 7 and 8. Because under section 7, the minister is to appoint a chief inspector to carry out a range of crucial duties, not the least of which is, "The provision of advice and recommendations to the minister" and also the monitoring of "the implementation of operational policies" within the Ministry of the Environment. The notable thing, though, in section 7 is what's missing, which is any requirement that the office of the chief inspector be that of a ministry employee. There is no limitation apparent on the face of the act as to who can be appointed a chief inspector, and no requirement that that person be, as intended by the recommendations of the commissioner, a core member of the Ministry of the Environment.

Finally, referring to section 8, which is the section in which the minister is able to designate provincial officers, these provincial officers are, of course, the investigators and enforcers in the investigation and enforcement branch of the Ministry of the Environment who are charged with policing, if you will, the requirements under the Safe Drinking Water Act. Once again, in

section 8, there is no stated requirement, in sharp contradistinction even to the words in section 6, for the staff of the investigation and enforcement branch to be used in this function. To put it another way, there is no stated requirement that the Ministry of the Environment is to carry out this function.

Those sections, in that respect, appear to be significantly inconsistent with the recommendations put forward by Mr Justice O'Connor. Our recommendation is that those sections be changed so that in each case those crucial functions are ones that are to be performed by the staff of the Ministry of the Environment, as has been intended by the Walkerton inquiry report recommendations.

The fact that it's not so in the current act raises concerns about what the intention is under the present act. It may reflect a lack of real commitment to redeveloping the ministry; it may reflect a reluctance to actually comply with recommendations around resourcing; it may reflect a continuing desire to splinter or downsize government; it may reflect a desire to wait until the spotlight has passed but to know that you have the statutory ability to make changes of that kind later on.

Those are concerns that the current wording of the act raises. The way to deal with those concerns and to fully implement the recommendations would seem to be to amend the Safe Drinking Water Act to address those shortcomings in sections 6, 7 and 8. The result of doing that would be to ensure the direct governmental accountability of the kind contemplated by Mr Justice O'Connor. I close by reading from page 430, which you also have in your materials.

"I question whether, if the inspections and oversight role at the time of the Walkerton outbreak had been exercised through an independent third party, the government would have been under the same need to be accountable for what took place or would have taken the immediate action that it did. Immediate and direct political accountability for the regulatory and oversight role is an important safeguard for the people of Ontario to ensure the safety of their drinking water."

The way that safeguard, immediate and direct political accountability, is ensured is to make sure that the persons who are doing the work are ministry persons for whom the minister is directly accountable.

Thank you very much. Those are my submissions. I'd be happy to take any questions, of course.

**The Chair:** That leaves us about two minutes per caucus. We'll start with Ms Churley.

**Ms Churley:** Thank you very much for your presentation. I guess nobody can say, "Well, you're from OPSEU and clearly you would always come to protect jobs," because you're quoting directly from Justice O'Connor and the government said that they would fulfill every single one of the recommendations in the inquiry. This is a concern that we really haven't talked much about. The focus seems to be, so far, mostly on source protection and full cost recovery, but I think you've raised a very important and vital point. Of course we'll

be making those amendments which, now that the government has been made aware of them, they will accept, or maybe they'll make them themselves.

I wanted to ask you quickly if you've had a chance to examine the other bill. What do you think about the possibility within that bill—that's Bill 175, the sustainable water act—whether you read it that the government can step in, the minister can step in and force a municipality to privatize its system if they don't like the plan or they haven't come up with a full cost recovery plan?

1140

**Mr Hadwen:** That raises significant concerns, but I want to point out a particular issue that may not be exactly what you're looking for, which is the role of the Ontario Clean Water Agency, which is one of the groups represented by OPSEU and its bargaining staff. It is important for the minister to have the ability, in circumstances where a municipality is functioning in a substandard fashion, to require remediation efforts to be undertaken and to be in a position to require that the services of the Ontario Clean Water Agency be used. That's the particular comment I have available for you at the present time about those provisions in that bill.

**Mr Dunlop:** Thank you so much for coming forward this morning with your recommendations. I just want to ask you a question for a moment on the role of OPSEU and the role of what you would deem to be essential services when we're dealing with this act and the inspection of water systems etc. Could you enlighten us on that a little bit?

**Mr Hadwen:** Under the Crown Employees Collective Bargaining Act there is a requirement for an essential services agreement to be entered into as a prerequisite to any strike or lockout. Under that essential services agreement process, the government and the union sit down and they negotiate what are the essential services and if anybody has any dispute, including if the government thinks the level that is currently available from unions is not sufficient to protect the public interest, they can take the issue to the Ontario Labour Relations Board, which will rule on what level of service has to be provided to make sure that public health and safety, which is the focus of essential services, is maintained throughout. So there is an independent adjudicator with the power to make sure that essential services in respect of water are provided. That's the current safeguard, and in my submission it's adequate; it's doing the job.

**Mr Levac:** Also, on page 430 of Justice O'Connor's report, in your copied memo to us, I notice something that I don't think we talked about, but I would like a comment from you on it. Justice O'Connor says he has "concerns about the potential for real and perceived conflict of interest if the inspection function is transferred to a body made up of industry representatives."

Could you explain to me why, and I'm not asking you to think for Justice O'Connor, but maybe your opinion on that concern that there might be a conflict of interest in industry self-regulating—and I think he mentioned

Britain in there. That concern came up with the actual water issues.

**Mr Hadwen:** There's no way I'm going to think for him. I mean, he has done everything that needs to be done there. This issue was canvassed in the inquiry by groups that came forward and said that this kind of industry representational body would be a good way to ensure that water quality standards were adhered to. He heard those representations from groups who were proposing exactly this kind of scheme, and he ultimately found against them on the basis that there is an inherent conflict of interest between being the supplier, the person concerned, if you will, with the profit motive from the running of that business, and at the same time being responsible for ensuring that standards are met.

It's not that industry doesn't have a responsibility for ensuring that the standards are met—of course it does, and it has an internal responsibility which in a lot of cases it takes very seriously—but the point is, that can't be the safeguard for the public. The safeguard for the public has to be that government oversees how it is that industry attempts to comply with an ability to get right inside there and find out how it's going and to deal with any problems that arise.

The final point I wanted to make is with respect to the point Ms Churley raised about self-interest. Of course the union is self-interested in respect of its members. That self-interest may have caused our becoming more pointedly aware of this issue, but we're not asking you to adopt these recommendations on the basis of the self-interest of OPSEU; we're asking you to adopt these recommendations on the basis that they were recommended by Mr Justice O'Connor and are what are important to safeguard drinking water for the citizens of Ontario.

**The Chair:** Thank you very much for coming before us here this morning and making your presentation. We appreciate it.

With that, the committee stands in recess until 3:30 this afternoon.

*The committee recessed from 1145 to 1534.*

#### IPEX INC

**The Chair:** Good afternoon. Welcome to the committee. We have 15 minutes for your presentation for you to divide as you see fit between either presentation time or a question and answer period.

**Mr Veso Sobot:** My name is Veso Sobot and I'm a civil engineer with a company called IPEX. We were founded about 150 years ago in Three Rivers, Quebec, and even back at that stage we focused on manufacturing infrastructure pipe. At that time, it was cast iron pipe. It was the first cast iron forge in North America, in fact, that was built there in Three Rivers. Our core business today focuses on manufacturing pipes for the municipal, electrical, plumbing and industrial markets.

We thank you for the chance to speak this afternoon on Bill 175, the Sustainable Water and Sewage Systems Act.

We have 21 plants across the Canada, 11 in the greater Toronto area, and three in the United States. We use Canada as our base but we market in the western hemisphere pretty much.

Some of you may have recognized the name from another place. In 2000, after the Walkerton tragedy had occurred, our group went in and donated some 3,501 metres of water main pipe. What had happened was that the E coli had got encrusted in the old cast iron pipe to such a degree that even after five super-chlorinations they couldn't kill the E coli, and it was very necessary to pull out the infrastructure that was in the ground. Our company donated the pipe and some of the fittings and some of the service lines. This is actually a sample of the Walkerton pipe that is encapsulated in plastic, so you can get a sense of what it looked like. If it's OK with the Chair, I could just pass that around.

**Mr James J. Bradley (St Catharines):** No germs on it, eh?

**Mr Sobot:** It's encapsulated, so it should be OK.

A number of other companies in our industry rallied together and donated the fire hydrants and some of the services, and we were able to restore clean water to the citizens of Walkerton in record time. Few of you would ever have seen that written up in the newspapers, because it certainly wasn't carried in the papers, but it was one of those very good news stories that resulted from Walkerton.

Currently, we believe Ontario's water and sewer infrastructure is not sustainable the way it is. Our definition of "sustainable" is very simple. It is that the rate of deterioration is faster than the rate of replacement. It's that simple for us.

Some of the pipes in the ground are aging very significantly. The pipe you have in your hand is about 40 years old, maybe 50 years old. Many aren't lasting as long as they were designed to last or it was hoped they would last, and that's why we say in our definition of "sustainable" that it's not being replaced at the same rate that it is deteriorating.

We hope that Bill 175 will help change that. We are very confident that it will. We support it because, if adopted, it will maintain a plentiful, healthy water supply but it will require, of course, a continuous investment by both government and consumers, and we think, the way Bill 175 is written, that is exactly what will happen. This legislation is an important step toward ensuring our water and sewage systems are financially sustainable.

I don't know whether you might be privy to some of this information, water mains break but on a daily basis across Ontario. The break rate ranges anywhere from 30 breaks to 60 breaks per 100 kilometres of pipe in the ground. Every break creates a breach which then can be a potential for contamination. Once Bill 175 is implemented and is rolling the way it was intended, we think the mechanism will be in place to allow a regular and predictable stream of funds to go back and restore the infrastructure, fix the infrastructure and actually start to

catch up to the infrastructure deficit that has really been mounting over decades and decades.

I live in Burlington. Burlington embarked a number of years ago on a significant program to replace the old rusty iron pipes after a tragic incident that happened in the south-east end of the city. A house had burned down, and when the firefighters went to turn on the water from the hydrants, no water came out. It was because, if you see that sample that is being passed around, the encrustation totally closed up the inside of the pipes so there could be no flow coming through. This particular tragedy claimed the life of a two-year-old.

That was the impetus for Burlington and the region of Halton, in which Burlington resides, to undertake a very significant infrastructure rehabilitation program. They have been replacing their water mains very aggressively in Halton over the last five years.

**1540**

A study by the National Research Council quantified the number of water main breaks per 100 kilometres across Canada, and for the cast iron pipe you see there, the average number, you can expect 36 breaks per 100 kilometres of pipe in the ground. When you replace it with new plastic pipe, you can expect the rate to be zero to 0.7 breaks per 100 kilometres. The factor difference, the performance difference, is about 50:1. That's a very significant improvement.

What that leads to in the long run is less water loss, because most cities lose anywhere between 20% to 50% of their water trying to get it from the source to the tap because of water main breaks. Replacing it with new pipe that doesn't break as frequently means that less energy is expended pumping the water to the tap; less chance for contamination; better quality of water that gets to the tap in the end; and the benefit as well is that municipalities get to save a whole bunch of money because they don't have to deal with the enormous number of water main breaks and the costs that are associated with it. Some folks estimate that the cost of fixing one water main break can range anywhere from \$5,000 to \$20,000, depending on where it is and how much of the water main has broken.

A few years ago, the provincial government introduced the municipal performance measurements program, which was designed to collect data on the cost of providing a number of core key services. All municipalities were required to record their water main breaks data. These data have proven to be very valuable because it has created a database so that cities can compare the performance they have with the performance of other cities. That is leading to the situation where best practices are evolving at a faster rate.

What we'd like to say to this group is that that was an excellent step, and we would love to see that continue in the future, with a little bit of fine tuning. There is an opportunity for you to ask for the water main break rate in the municipality by material type, and if they can quantify whether it was cast iron, ductile iron, asbestos, cement, plastic or concrete. Over the long run, what

you're going to do is create an incredible inventory of data that will allow your municipal administrators to make best-practice choices on the materials you use. In that way, you can fine-tune the systems and hopefully reduce costs, improve efficiencies and improve the quality of water as well. So we commend you on the MPMP and we look forward to the natural evolution of the MPMP.

Forgive me, could I just touch on one other point? In the package you have, there is also some information on a National Research Council water main break study. That relates to the MPMP discussion we've just had.

We have been a proponent of full cost pricing and accounting legislation for many years. We believe it is the only way to secure much-needed new, upgraded infrastructure and protect public health and the environment. It also is a means of stabilizing the business cycles and makes it easier for municipalities to plan, to budget and to guess what their needs are in the future. With this in mind, we want to commend the government again for moving to implement this policy.

We are particularly pleased that there is a section in the legislation that requires municipalities to have dedicated reserve accounts. While we believe the bill is a good framework, it is our view that it must be strengthened if we are to achieve the goal of creating sustainable water and sewage systems. As the bill now stands, it is left largely to regulation, and there might be some potential to entrench some more things into legislation that I think will be more beneficial for us in the long run.

I am aware that the Ontario Sewer and Watermain Construction Association, of which we are a member, has made suggestions for strengthening the bill. We support these suggestions. I'll just run through some of them, in addition to one or two that we might have.

(1) Full cost pricing should be legislated as mandatory for all municipalities. Putting this principle in the legislation will signal the government's serious intent and, most important, it will ensure that full cost pricing becomes a reality in Ontario. While we agree with the concept that municipalities should be allowed flexibility in how they achieve this goal, we do not think there should be any flexibility about whether they implement full cost pricing. Full cost pricing, we think, is essential.

(2) Another suggestion is that the legislation could be amended to include a specific date for compliance. We recommend that the government phase in the policy change over a period of five to eight years. This will help municipalities manage the transition to full cost pricing and protect consumers from undue rate hikes.

(3) We think the legislation should entrench the user-pay principle to prevent municipalities from being able to hide the costs of water services within property taxes. Only through a transparent user-pay method will conservation occur. This notion is also echoed in Justice O'Connor's report on the Walkerton inquiry "to require people to pay the full cost of the water they use. Doing so

gives them a better appreciation of the value of water, and encourages them to use it wisely." That's from page 317, part two, of the Walkerton inquiry.

(4) We believe the legislation could be improved with a more precise definition of full cost pricing. This will help ensure a level playing field. Consumers and municipalities will know what they are paying for, and the same costing methodologies will be in place across the province.

(5) The legislation should be amended to include metering. Metering is the most effective way to ensure that each user's consumption is tracked and billed. Allowing consumers to see exactly the amount of water they use and its relation to cost will promote conservation, efficiency and environmental protection. It seems like the right thing to do.

(6) If this legislation and the proposed amendments come into force, the government will need to ensure that both environmental and financial compliance by municipalities occurs. This might be a tough task for one ministry alone to oversee. To address this, we might suggest that the best way to ensure that the legislation is implemented as intended is to amend the legislation to dictate which ministry is responsible for overseeing the environmental aspects of the bill and which is responsible for the financial aspects of the bill. The Ministry of the Environment should be responsible for the environmental oversight, while the Ministry of Finance and SuperBuild should be given the financial oversight responsibility.

And as I mentioned before, but I think it's well worth repeating again:

(7) We commend the government on the initiation of the MPMP program, which I think is now in its third year. The data that are being created by it are very valuable and are being used by municipalities. There is a potential and an opportunity there to refine the information and ask for performance by material type when water mains break. That will provide wonderful data down the road to assess what materials perform better in what conditions. That, I think, will lead to a very good long-term solution and improvement for our infrastructure as we move ahead.

I think Bill 175 should have the support of all the folks around this table, because it is very good for the environment. It's very good for the health of Ontarians. Water quality will increase. I think it will unshackle some of the bureaucratic burden that's associated with administering infrastructure and the funding that has to be analyzed every single year for major projects. This, I think, will help in the very long run. It's a good step in the right direction.

If there are any questions, I will try to field them. I thank you for your time.

**The Chair:** Actually, we've gone about a minute and a half over time. I thank you very much for coming in and making your presentation before us here this afternoon.

**Mr Sobot:** Thank you very much.

1550

UNIVERSAL WORKERS UNION,  
LOCAL 183

**The Chair:** Our next presentation is from the Universal Workers Union, Local 183. Good afternoon. Welcome to the committee.

**Mr Andy Manahan:** Thank you very much for allowing me the opportunity to speak this afternoon.

My name is Andy Manahan and I am the development promotion representative with the Universal Workers Union, Local 183. Local 183 is a construction union that represents 27,000 workers and their families in the greater Toronto area. Our workforce is established in 21 different sectors of the construction industry, such as housing, water and sewer, roads and other heavy construction activities. We have an interest in seeing this bill approved by the Legislature. The obvious interest would be for the jobs that would be generated, but the main reason we support Bill 175, the Sustainable Water and Sewage Systems Act, is because our members live in Ontario; we all have a vested interest in safe drinking water.

I'd like to add that many of our workers are often the unsung heroes, in terms of construction and economic vitality in the province of Ontario. Obviously, you need financiers and planners and consultants and others, but it's our 183 workforce that is actually on the ground working with our management partners to get the job done. We do have a bit of a shortage of skilled workers right now, so if I can put in a plug to anybody who's watching the cable channel, please think of this job. If you have a propensity for construction work, we do have well-paying jobs and hopefully lots of work in front of us when this bill is passed.

**Mr Bradley:** It will be one of the high channels now, because they've taken it off the low channels.

**Mr Manahan:** OK. Channel 60-something, then.

Local 183 is committed to the maintenance and expansion of the province's vast network of water and waste water systems. We are therefore, as I've just said, very supportive of Bill 175 because maintaining a plentiful, healthy water supply requires a continuous investment by government and consumers.

This legislation is an important step toward ensuring that Ontario's water and sewage systems are financially sustainable, good for public health and environmentally friendly. Currently, we are faced with a critical need to invest in our water and sewage infrastructure.

Two days ago, I spoke before the joint committee of the works and policy and finance committee of the city of Toronto. One of the committee members here attended that: Ms Churley.

**Ms Churley:** Sorry?

**Mr Manahan:** I was just commenting that you were one of the people who was at the city of Toronto the other day.

**Ms Churley:** That's what I was just whispering to Mr Bradley.

**Mr Manahan:** OK, sorry.

It was quite an interesting meeting. There was a proposal to establish a Toronto water board. While there was only a handful of people like myself who spoke in favour of the chief administrative officer's proposal, it was very clear that many residents have a passionate interest in maintaining top-notch water and waste water systems in this city of Toronto. At that meeting, I brought with me some evidence. As you've seen from the previous speaker, this, again, is a cast iron cross-section of water pipe. It's probably about 40 to 45 years old. I understand it's from the city of Mississauga. I could pass it around, if you like, but it's probably similar to the other one.

**Mr Dunlop:** It's a larger pipe.

**Mr Manahan:** It's a little bit larger.

**Mr Bradley:** Where's this one from?

**Mr Manahan:** Hazel's city, I guess. Mississauga.

**Mr Bradley:** Wait till I tell her what I saw. The contractors you work for won't get another job.

**Mr Manahan:** Oh, no. I'd better get serious, then.

This piece of evidence is important because it demonstrates that there has been underinvestment in our water system, there have been capital shortfalls over the years, and this has led to the deterioration of our underground infrastructure, not only in the GTA but indeed across Ontario and Canada.

The tendency by many municipal councils, I believe, has been to defer repair and rehabilitation work in favour of other projects, or to simply reduce spending. In Ontario, our collective mission should be to not only replace thousands of kilometres of pipes every year but also, at the same time, to restore confidence that our water distribution systems are capable of delivering safe and clean drinking water.

I wish to point out that at the presentation I made on Tuesday, Local 183 stressed the benefits that such a public governance model would have for the city; but we also voiced our strong opposition to any privatization of these water and waste water assets. Local 183's first recommendation was to have the city commit to continued public ownership of city W and WW assets through a bylaw. We also supported the addition of expert citizens and environmental groups to the proposed board, believing this would enhance accountability and result in better administration. For your information, the compromise solution by the joint committee that was arrived at includes a stand-alone water committee with seven councillors supported by technical advisory committees with the groups we had put forward. It is our hope that Toronto council approves the establishment of this water committee next week. We believe that other municipalities will need to become more focused on water and waste water issues. This bill will certainly help to crystallize the importance of water.

We have been a proponent for full cost pricing and accounting legislation for quite some time now. Attached

to this presentation is a letter that Local 183's business manager, Tony Dionisio, and I sent to all MPPs on May 22. Of course, when you're writing letters, you have a little bit more time to think of good phrases. I'd like to just read one line, because I thought it was a fairly good one: "In other words, the culture of neglect will be substituted by one in which there is greater environmental stewardship and economic discipline. It is time for the underground water and sewage systems to receive the visibility and priority investment that they deserve."

We were pleased to receive many positive responses from MPPs of all stripes to our letter. I believe that many people in this room and outside of it in Queen's Park share the vision we put forward and understand the importance of this bill. We believe this piece of legislation will be the only way to secure much-needed new, upgraded infrastructure and to protect public health and the environment.

It is also a means to stabilize business cycles and planning for our industry. If I could just talk briefly on that, we do have severe construction cycles in our industry. We're certainly on an upswing right now, but if we can plan, through government investment, legislation and regulations, to kind of stabilize and draw out the upswings and downswings and compress them a little bit, that will be better for the industry and our management partners overall. With this in mind, we want to commend the government for moving ahead to implement this policy.

We support Bill 175 and are particularly pleased that there is a section in the legislation that requires municipalities to have dedicated reserve accounts. While we believe the bill is a good framework, it is our view that it must be strengthened if we are to achieve the goal of creating sustainable water and sewage systems. As the bill now stands, there is too much left to regulation and not enough provision entrenched in the legislation.

I understand that many of the groups that have been here over the past two days have outlined a number of the issues such as full cost pricing and so forth, some of the principles that should be in there, so I go won't into great detail that is contained in the brief.

There is one item which I think is important: metering across Ontario. As I mentioned earlier, conservation is very important and we've certainly seen, with the hydro shock, that people are now thinking about doing other things. Metering, I think, is a way for consumers to see exactly how much water they use. This will help promote efficiency and environmental protection.

If this legislation and the proposed amendments come into force, the government will need to ensure both environmental and financial compliance by municipalities. This may be a monumental task for one ministry alone to oversee. To address this, we agree with the suggestion that the best way to ensure the legislation is implemented as intended is to amend the legislation to dictate which ministry is responsible for overseeing the environmental aspects of the bill and which is responsible for the financial aspects of the bill. MOE should be

responsible for environmental oversight, of course, while the Ministry of Finance and SuperBuild be given the financial oversight responsibility.

The Environmental Commissioner's recent annual report, *Developing Sustainability*, pointed out that the involvement of nine ministries through Smart Growth is a positive move that may signal a significant change in how decisions affecting the environment are made. Local 183 is also a strong supporter of the province's Smart Growth initiative.

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We recommend that the Smart Growth secretariat or the Ministry of Municipal Affairs and Housing becomes involved in this process. A primary objective of Smart Growth is to make strategic infrastructure investments that link spending decisions with where future growth will be directed. Any provincial funding that is provided through OSTAR or other infrastructure programs or, for that matter, through the Canada-Ontario infrastructure program, should be put in place with it in mind that municipalities have approved official plans outlining where their growth is going to take place. We think that's a very important item. In fact, I was at the launch of the Judy Sgro report in Toronto this morning and had an opportunity to mention this briefly to one of Minister Hodgson's senior staff and he thought it was a great point that I should add, so I've done that.

That's the end of my presentation. I'll take questions if you have any.

**The Chair:** Thank you very much. That leaves us just over two minutes, and I'm going to give the time to the official opposition.

**Mr Colle:** I guess one of the questions—maybe you or even the previous speaker can answer it—is that we're talking about the cost of maintaining and upgrading water systems and pipes throughout Canadian municipalities, Ontario municipalities. I know they talked about broken water mains etc, and a lot of Local 183 workers would work on those projects, wouldn't they?

**Mr Mahanan:** Yes.

**Mr Colle:** One of the things that came to mind when the last gentleman was speaking was that in the city of Toronto there has been a massive program over the last five or six years where they are basically cleaning out the existing, I think, cast iron mains.

**Mr Mahanan:** Yes.

**Mr Colle:** I was wondering about the cost-effectiveness of doing that, as opposed to replacing them. My understanding is that they're cleaning calcification out cast iron pipes, but has there been an analysis to see whether that's the way to go? Obviously Toronto looked at that, but are other municipalities doing that? What is that process called where they flush and clean out—

**Mr Mahanan:** Relining—they put pigs through and all that sort of stuff.

**Mr Colle:** Yes.

**Mr Mahanan:** To be frank, I'm not the best person to answer that question. I'm more of a government relations

person. Obviously I could have brought one of our executives—

**Mr Colle:** I know, but I just want to put on the record, because Local 183 does some work on that, if someone in the future could perhaps let us know about that. We're talking about municipalities and the cost-effectiveness of what they're doing and not doing, and to see—I don't know if the provincial government ever looked at whether that was cost-effective or not, or environmentally sound.

**Mr Manahan:** I think each case has to be looked at on its own. Obviously there comes a point when entire replacement would be more cost-effective—sometimes we talk about a Band-Aid solution. I don't know the exact specifics of where in Toronto—obviously, in some parts of Toronto we've got systems that have been there for over 100 years and others that are 40, 50, 60 years old and holding up reasonably well. But there comes a point when the lifespan is at its limit.

**Mr Colle:** I'll try to ascertain that somehow.

**The Chair:** Thank you very much, Mr Manahan, for coming before us here this afternoon.

#### URBAN DEVELOPMENT INSTITUTE OF ONTARIO

**The Vice-Chair (Mr Norm Miller):** The next group coming before us is the Urban Development Institute of Ontario. Please introduce yourself. You have 15 minutes. You can use the whole time yourself, or you can allow time for questions.

**Mr Neil Rodgers:** Thank you, Mr Chairman and members of the standing committee. My name is Neil Rodgers. I'm the president of the Urban Development Institute of Ontario, UDI.

The organization has acted as the voice of the land development and real estate industry in Ontario for over 40 years. Our members constitute the collective force in guiding, creating and improving Ontario's built environment. The institute serves as a forum for knowledge and is actively involved in all facets of urban public policy research and advocacy, working with private and public sector stakeholders across Ontario. Our members are vital contributors to the province's economy and its sustainable growth. We are pleased to have this opportunity to speak to Bill 175, The Sustainable Water and Sewage Systems Act.

Safe drinking water is non-negotiable for this government. It is also something the people of Ontario expect will not be compromised. The proposed act provides for good planning, promotes water conservation and is an integral part of this government's clean water strategy.

Currently in Ontario, we are faced with a critical need to invest in our water and sewer infrastructure. This bill begins to address this issue specifically. Therefore, we are supportive of the bill, since maintaining a plentiful and healthy water supply requires a sustainable investment by government and consumers. However, Ontario's

sewer and water infrastructure in many municipalities is not modern, and in some cases is deteriorating.

Mr Justice O'Connor stated in his report, part two, that the risks of unsafe drinking water could be reduced to negligible levels by simultaneously introducing a number of measures. In his findings, he concluded that the following approaches should be implemented: (1) a multi-barrier approach—measures to prevent contamination; (2) a cautious approach—prudent decisions affecting drinking water; (3) the management approach, which would be quality management or operating safety; and (4) oversight through effective provincial regulation. I think you have to look at these approaches as a sieve: if one doesn't catch it properly, hopefully the other three will.

In our opinion this legislation, if passed, will become part of the line of defence to ensure that Ontarians can expect safe, clean drinking water in perpetuity. However, paramount to the multi-barrier approach is not just oversight, regulation or quality assurance. A critical component of the system is ensuring that the sewer and water systems are financially sustainable, safe and in a state of good repair.

The distribution system is the final barrier before delivery to the consumer's tap. Even when water leaving the treatment plant is of extremely high quality, if precautions are not taken with respect to the distribution system, its quality can break down and deteriorate, and in extreme circumstances, dangerous contamination can occur. Distribution systems are effectively composed of water mains and the like. They are expensive, but they do have a long life cycle. Because it's largely buried, distribution infrastructure tends not to be a top municipal priority relative to the host of other competing municipal priorities, such as community centres and the like.

The development industry is responsible for installing sewer and water mains as part of the land development process. Across the province, over \$1 billion is invested annually in water and sewer infrastructure every year. Out of that figure, approximately \$300 million is front-ended by the development industry through the payment of development charges. However, the development charges only apply to growth-related capital resulting from new development. They do not apply to operating costs and/or replacement and upgrades of existing sewer and water systems. It's important to remember this fact and to recognize that the source for capital to pay for sewer and water distribution system replacements is currently limited to municipal reserve funds, which may not necessarily be fully capitalized for the cost of the replacements, or from time to time municipalities do receive funding from senior levels of government. In practice, not all of Ontario's municipalities have appropriate reserves for sewer infrastructure replacements, partly because the outcome impacts the property tax or water rates. This leads to underinvestment in water systems, because much of the infrastructure is literally out of sight and out of mind. The issue at the root of the problem here is the sustainability of investments in sewer and water infrastructure.



I want to add a sidebar to this discussion for the committee's benefit: the Urban Development Institute has been actively pursuing bringing sustainability to infrastructure investments—sewer, water, transit and the like—for Canada's and Ontario's urban regions to the federal government. Certainly with the release of the Liberal caucus task force's urban report, the Judy Sgro report, we are hoping there may be some new thinking on this issue, but more importantly that there will be a steady stream of investment from senior levels of government. Without a sustainable funding model, municipalities cannot adequately plan for the long term for new infrastructure, let alone the replacement of old and deteriorating infrastructure, which can become dangerous to public health.

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The underpricing of water has led to deferred maintenance and overconsumption by users. Deferred maintenance ultimately leads to potential risks to public health and deteriorating infrastructure. This bill includes provisions to ease the transition to full cost recovery, a feature that should give a degree of comfort to the municipal sector and consumers to avoid price spikes in water rates.

The act proposes that municipalities be required to provide an implementation schedule outlining their project plan for full cost recovery, and we support this. At present, municipalities use different methods of determining water rates, and in general few of these methods include long-term investment needs or what will be needed for repair, rehabilitation and/or expansion of related infrastructure. As a result, it's difficult to pin down an estimate of this shortfall.

Legislating full cost accounting and recovery ensures that safe drinking water is a priority municipal service that cannot be traded off for other municipal services. Instilling in the minds of consumers, through municipal accountability, the provisions of the bill will lead to modern sewer infrastructure, water conservation practices by consumers and safe drinking water for all concerned.

UDI is supportive of full cost pricing and accounting legislation. We believe it's the only way to secure much-needed new, upgraded and replacement infrastructure to protect public health and the environment and the concept of sustainable investment. It is a sound and stable means for implementing municipal budgeting purposes. With this in mind, we want to commend the government for moving ahead on this particular policy.

UDI supports Bill 175 and is satisfied that there is a section in the legislation that requires municipalities to have dedicated reserve accounts. This particular concept is quite familiar to the development industry since we sought, and received, similar provisions for reserve accounts through the introduction of the Development Charges Act in 1997. In doing so, it has delivered transparency, accountability and fairness, principles that I think everyone can and should support.

UDI believes this bill is a good framework, and it is our view that it must be strengthened if we are to achieve

a goal of creating sustainable water and sewage systems. Folks before me have spoken to a number of ideas that will add assistance to this bill, and I won't speak in detail about those, but we certainly support them.

This bill marks an important step in the multi-barrier approach to ensuring safe drinking water for the people of Ontario. We must not become complacent about this issue. We must ensure that Justice O'Connor's recommendations are fully implemented and that the tragedy of Walkerton is never repeated.

At issue here are a couple of things: the cost of delivering full cost recovery to consumers and protecting Ontario's water supply. The two, to some commentators, should be considered mutually exclusive. However, in light of what happened in Walkerton and the cost of realizing user pay and full cost accounting of water delivery, the debate must not be confused. Safe drinking water and public health and safety cannot be argued to the point that the debate is just about money. Ontarians are prepared to pay for water, but not prepared to suffer the consequences of not making the right decision. This bill must receive your support.

**The Vice-Chair:** That allows for a couple of minutes of questioning by the third party.

**Ms Churley:** Thank you very much for your presentation; indeed I appreciate it. We have heard the same recommendations several times about the approach that you recommend we should take.

I just want to say, as I've said to others, that I support user-pay, full cost recovery, in principle. But we have to be really careful in the assumption that if the users have to pay for everything, including very expensive capital upgrades, then it just wouldn't work. As we know—we just saw rotting pipes—the kind of serious infrastructure work that needs to be done is in the billions of dollars over time. We have to think this through and, so far, mostly we've been receiving the "in principle" recommendation that it be user-pay, which we all support. In fact, I support including source protection in that user-pay.

But I take a different approach, and I think it's critical if we're going to get enough funds, that there be a partnership between the province and the municipalities for the capital funding, whether it's interest-free loans or grants over time with a built-in conservation component, so that for that piece of it at least some municipalities get some grants to be able to do that. Would you support that approach, as we try to figure out what we're talking about here when we talk about full cost recovery?

**Mr Rodgers:** Your question is a good one. In a perfect world, we would have had legislation like this 20 or 30 years ago and we wouldn't have come to the brick wall that we're potentially going to face in certain municipalities. So your point is correct.

I think what the development industry would support on this issue also is, "If senior levels of government have to come to the table as a transition, in addition to getting this bill through, with either grants or loans to municipalities to bridge that gap, by all means, that would be something we would certainly support."

**Ms Churley:** Do I have another minute?

**The Vice-Chair:** One short question.

**Ms Churley:** Most of the submissions we've received from several people have this same information, and I'm starting to get curious about it. It's the suggestion that Environment deal with the environmental aspects and SuperBuild deal with the finances of it. I'm not sure where that's coming from because, although SuperBuild is a fund right now, I get very alarmed, and I just want you to know that so far I don't support that suggestion. I just went through estimates, where we found out that SuperBuild had millions of dollars, and a whole bunch of it—I don't have the numbers in front of me—was never given to the municipalities and, as far as we can tell, it has been put back into general revenue; except, when I asked the Minister of the Environment about his input into this money going specifically to sewer and water projects—SuperBuild did that—he didn't know why the money was not spent, when we have all these needs out there. So I'm afraid I'm quite concerned about that recommendation, given what's happening to date.

I don't know if you have an answer to that. I'm just telling you my opinion from what I've seen so far. I would just like to know where that idea is coming from.

**Mr Rodgers:** I didn't present that idea and I don't have a particular opinion on that.

**Ms Churley:** I thought it was in your submission as well.

**Mr Rodgers:** No.

**The Vice-Chair:** Thank you very much, then. We appreciate your coming in today. Thanks for taking the time to come out.

#### RANKIN CONSTRUCTION INC

**The Vice-Chair:** Our next presenter is Rankin Construction Inc. Please introduce yourself. You have 15 minutes to use as you please. You can use the whole time or you can allow time for questions.

**Mr Dave Pagnan:** Good afternoon, Mr Chairman, and members of the committee. My name is Dave Pagnan. I am the chief estimator for Rankin Construction Inc. Today I am representing Rankin Construction. I am also the current president of the Ontario Sewer and Watermain Construction Association and past president of the Hamilton and District Sewer and Watermain Association. I am pleased to have this opportunity to present our views on Bill 175, the Sustainable Water and Sewage Systems Act.

Rankin Construction is a family-run company founded in 1978 by Mr Tom Rankin. Our annual volume is \$40 million to \$45 million per year, providing a wide spectrum of construction services. We have developed an expertise in highways, bridges, marine, environmental, industrial-commercial, and of course sewer and water main construction. Our projects take us throughout the entire province, but primarily we're based out of Niagara and the Hamilton region. Our client base is also wide-ranging, from numerous municipalities, provincial and

federal governments as well as the private sector such as Dofasco, Tim Hortons, Loblaw's and Sobeys.

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Naturally, Rankin Construction is committed to the maintenance and expansion of the province's vast network of water and waste water systems. We are therefore supportive of Bill 175, because maintaining a plentiful and healthy water supply requires a continuous investment by government and consumers.

This legislation is an important step toward ensuring that Ontario's water and sewage systems are financially sustainable, good for public health and certainly environmentally friendly. Currently, we are faced with a critical need to invest in our water and sewage infrastructure. I have a few examples.

In the city of Hamilton, combined overflow sewage discharges directly into the Redhill Creek and Hamilton Harbour, especially during heavy rainfalls. Consequently, raw sewage can be seen floating around the harbour and parts of the valley on any given day.

This problem highlights the state of our deteriorating infrastructure, as well as past construction practices using combined sewers to minimize cost. While yearly budgets have included funds for sewer separation and massive combined sewer overflow tanks, it is painfully obvious that there is still a lot of work to be done. Currently, the city of Hamilton has approved a 12% increase in sewer and water rates for the year 2002 and has announced an accelerated budget that has been proposed for the next five years to address these concerns.

Another example in the region of Niagara is the township of Wainfleet, where the deteriorated infrastructure for 300 homes along the shoreline of Lake Erie is threatening the existing water supply. Recent studies just concluded that a large majority of these individual septic systems in the area filter directly out to Lake Ontario and surrounding lands. Given that the area is totally dependent on private wells, the township and the region have accelerated efforts to provide water and sewer systems to ensure safe, clean drinking water.

In the same region, a local newspaper reported that the city of Welland experiences 33% water loss in their 50-year-old water system. This loss of water has a fixed cost of \$1 million and the associated costs such as emergency repairs, erosion, sinkholes and associated road repairs are unknown.

Although yearly budget increases have been committed, the city finds itself flushing the water system 24 hours a day to maintain chlorine levels acceptable under the new regulation 459, another example of our old deteriorated systems not being able to meet today's standards, and a waste of valuable natural resources.

We have been a proponent for full cost pricing and accounting legislation for many years. We believe it is the only way to secure much-needed new, upgraded infrastructure and to protect public health and the environment. With this in mind, we commend the government for moving to implement this policy.

We are particularly pleased that there is a section in the legislation that requires municipalities to have dedicated reserve accounts. While we believe the bill has a good framework, history indicates that during the finalizing of municipal budgets, libraries, arenas and parks are visible improvements that the public appreciates while sewer and water infrastructure suffers because they are out of sight, which unfortunately renders them with less priority.

The tragedy in Walkerton and the examples provided above educated the public and municipalities about the consequences of years of neglect, and public opinion polls confirm they are prepared to pay more for safe, clean water.

I am aware that the Ontario Sewer and Watermain Construction Association has made suggestions for strengthening the bill. First, full cost pricing of the cost of supplying water and sewage systems should be legislated as mandatory for all municipalities and built into the water rates. Putting this principle in the legislation will signal the government's serious intent and, most important, it will ensure that full cost pricing becomes a reality in Ontario. While we agree with the concept that municipalities should be allowed flexibility in how they achieve this goal, we do not think there should be any flexibility about whether they implement full cost pricing. Second, legislation should adapt a specific date for compliance. We recommend that the government phase in the policy change over a five- to eight-year period. This will help municipalities manage the transition to full cost pricing and protect consumers from undue rate increases.

This time frame would also allow the industry to partner with the various suppliers and unions to ensure good quality workmanship and products in a timely fashion and as cost effectively as possible.

Third, we think the legislation should entrench the user-pay principle to prevent municipalities from being able to hide the costs of water service within the property tax. Only through a transparent user-pay method will conservation occur. As Justice O'Connor said, "Requiring people to pay the full cost of water they use ... gives them a better appreciation of the value of water, and encourages them to use it wisely."

Fourth, we believe the legislation could be improved with a more precise definition of "full cost pricing." This will ensure a level playing field for consumers, and municipalities will know what they are paying for and that the same costing methodologies will be in place across the province. Currently, the Ontario municipal benchmark initiative, an association of municipal and regional CAOs, is attempting to detail the accounting principles to be universally adapted.

Fifth, the legislation should be amended to include metering. Metering is the most effective way to ensure that each user's consumption is tracked and billed, allowing consumers to see exactly the amount of water they have used, the relation to the cost, and promote conservation, efficiency and environmental protection.

Hamilton has already moved to mandate full metering for all its residents.

If the legislation and the proposed amendments come into force, the government will need to ensure both environmental and financial compliance with the municipalities. This is a monumental task for one ministry alone to oversee. To address this, we agree with the suggestion that the best way to ensure that the legislation is implemented as intended is to amend the legislation to dictate which ministry is responsible for overseeing the environmental aspects of the bill and which is responsible for the financial aspects of the bill. The Ministry of the Environment should be responsible for environmental oversight, while the Ministry of Finance and SuperBuild should be given the financial oversight responsibility.

In conclusion, the attendance at these committee hearings by Ontario Sewer and Watermain Construction Association members, who have seen at first hand the condition of our aging sewer and water infrastructure, highlights our commitment to ensure these systems across the province are financially and environmentally sustainable. Much like the provincial debt, this problem has gone neglected over the years and must be addressed by legislation to ensure our future and our children's future in this great province.

Thank you for the opportunity to address the committee. I look forward to any questions.

**The Chair:** Thank you very much. That affords us two minutes per caucus for questions. We'll start with the government benches.

**Mr Wayne Wettlaufer (Kitchener Centre):** Thank you very much, Mr Pagnan, for coming in. This morning, Mr Bisson of the NDP suggested that this could be dealt with through taxation as opposed to metering, as opposed to user-pay. I'd like you to state again for the record, maybe for emphasis, what your position is.

**Mr Pagnan:** The association feels very strongly around the user-pay, based on the metering, in that it's going to promote conservation, and we're firm believers that you should only get what you pay for. People will appreciate it more and respect it more.

**Mr Wettlaufer:** Thank you.

**The Chair:** Any other quick questions?

**Mr R. Gary Stewart (Peterborough):** I'm not quite sure you can answer this, but we saw two samples of the build-up of sludge and everything else in these pipes over 30 or 40 years. Can they not be flushed out on a regular basis to get rid of most of that? It appears to me by the look of it, and I'm certainly no engineer, like it has been there for a lot of years. If it's done on a regular basis, can that help to cure it on new pipes—not on old, but on new ones?

**Mr Pagnan:** Yes. Most municipalities do have a regular maintenance program, and obviously it's almost like the investment in the infrastructure in that at times it gets neglected and ignored, and then you see those water main pipes that they were passing around.

**Mr Stewart:** So it's a lot of human error, or human lack of concern, but you can't get rid of that now.

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**Mr Pagnan:** In the city of Toronto—someone alluded to that earlier—there is a reaming-out process.

**Mr Stewart:** But that's the only way?

**Mr Pagnan:** Yes. You ream it all out and then you cement and mortar-line the inside again. But it doesn't give you the same life expectancy. It's just like a band-aid: 60% efficient, I think.

**Mr Stewart:** But new pipes going in now—

**Mr Pagnan:** They're plastic.

**Mr Stewart:** It doesn't build up as long as you do the maintenance on a regular basis?

**Mr Pagnan:** Correct.

**Mr Stewart:** OK, thank you.

**Mr Bradley:** I think everybody has stated in principle the validity of having full cost pricing. When I look at people on low and fixed incomes who are being hit with several increases at a time, it becomes quite onerous on those individuals—and that's not your problem to solve.

Let me ask you this question: you have described a deficit which I think most of us around here would agree exists in most municipalities in terms of the capital works, in other words, the great need for capital works, not only for new pipes, but also to replace those which are there, and sewage treatment plants and so on. Do you think it would be advantageous, at least at the beginning, before municipalities build up these funds, to have a special program financed by senior levels of government, perhaps through infrastructure and other mechanisms, to assist municipalities in addressing that deficit that exists now, and then allow the full cost of water to be paid in the future, for future works that have to be done and further repairs that have to be done?

**Mr Pagnan:** I definitely think there has to be a phase-in period. Some of the larger municipalities, like Hamilton, Halton and the region of Niagara, in short, have already headed toward a full cost pricing basis. But you're definitely going to need some capital input to some of the outlying areas and to the smaller municipalities that can't afford to replenish their systems at all.

**Mr Bradley:** There was a program once called LifeLines—it was brought in, and I hate to say this, in the late 1980s—which allowed the provincial government to pay a certain portion of the costs and the local government to pay a certain portion of the costs. It was exactly for replacing the pipes that we've seen before this committee. Do you think a program like that could be advantageous, at least, again, at the beginning, if not 10 years down the line, when we have full cost pricing?

**Mr Pagnan:** Yes. I think 10 years down the line everything will be fine. At the beginning, yes, you're going to need something to replace it. I know the federal government has an infrastructure program going at the same time. Federal, provincial and municipal all used to commit to certain levels of investment and then put out the projects based on that.

**Mr Bradley:** As one who voted for sewer projects all the time when I was on municipal council while others

were wanting fancy new buildings and so on, it's music to hear you talk about the need for those things which are underground. When you're Minister of the Environment, you get to cut the ribbon at sewage treatment plants, not new arenas or civic centres or things like that. Thank you very much, sir.

**The Chair:** Thank you, and I'm sure the statue has already been commissioned.

**Ms Churley:** Well, I bettered him on that. I just want you to know that when I became a city councillor here in Toronto, I suited up and went down in the sewers with some of the workers. I recommend that everybody do that. It's quite an eye opener when you get down there and see. It's amazing. Maybe the committee should do it. It's a recommendation.

**Mr Bradley:** I'm prepared to take your word for it, Marilyn.

**Ms Churley:** I've had a keen interest ever since, but not just in the pipes, and I appreciate that's where you're coming from. As you know, these two bills deal with a lot more. What either of them doesn't deal with is source protection. One of the amendments I will be making is that source protection costs be part of the full cost recovery, with the caveat—I agree with Mr Bradley on this—that there have to be infrastructure capital programs from both senior levels of government. Of course, to the extent that we can keep the water clean before it goes into the pipe, we're better off. Would you support having that as part of the full cost recovery?

**Mr Pagnan:** I think source protection actually will become part of 175—

**Ms Churley:** But it isn't in it now, as part of what full cost recovery would be used for.

**Mr Pagnan:** It's not?

**Ms Churley:** No.

**Mr Pagnan:** I'm a little confused, then. When you say source protection, do you mean like the lakes?

**Ms Churley:** Protecting the water at the source, the groundwater source, and keeping out the contaminants and pollutants and all of those things before it goes into the pipe; not dealing with pipes and pumps but with keeping it clean in the first place, that those costs should be part of full cost recovery.

**Mr Pagnan:** Oh, yes, I think they should be. The example I mentioned in Wainfleet, with the septic systems leaking out and with all the private wells around—

**Ms Churley:** Yes, it's critical.

**Mr Pagnan:** That's an example where replacing the sewer would enhance the source protection right away.

**Ms Churley:** How?

**Mr Pagnan:** There's no more sewage leaking into the ground that can contaminate wells. The sewers right now are leaking because they're deteriorated and they're on a septic system.

**Ms Churley:** That's one piece of it, but all the other kinds of source protection are not in this bill or the safe drinking water bill. It sounds like you would agree that we have to take those into the whole source protection aspect.

**Mr Pagnan:** Even in Hamilton, separating the sewers would eliminate going into the lake too.

**Ms Churley:** Yes, it would go a long way.

**The Chair:** Thank you very much for coming before us. We appreciate your comments.

#### COUNCIL OF ONTARIO CONSTRUCTION ASSOCIATIONS

**The Chair:** Our final presentation this afternoon will be from the Council of Ontario Construction Associations. Good afternoon. Welcome to the committee.

**Mr David Frame:** Good afternoon, Mr Chairman, members of the committee. Thank you for the invitation. My name is David Frame. I am president of the Council of Ontario Construction Associations.

I'll start with a little bit about our organization. We represent the ICI and engineering construction sector in Ontario and are pleased to have the opportunity to present our views on Bill 175. We've appeared before this committee in the past, but it might be helpful at this time to outline briefly who we are and the organizations we represent.

The Council of Ontario Construction Associations, COCA for short, is a federation of 41 associations representing employers in the industrial, commercial, institutional and heavy sectors of the construction industry. A list of our members is attached to this presentation. Our member associations in turn represent about 7,000 contractors from the familiar large companies that you see on almost a daily basis, like AECON, PCL, Ellis-Don, Eastern, Kenaidan, Black and McDonald, to the one- and two-person plumbing or painting companies that are active in your neighbourhoods.

Together with our colleagues in the home building industry, we represent the second-biggest industry in Ontario. Most people think of the automotive industry or tourism or agriculture when they're asked to name the largest industries, but in fact construction provides employment for well over 300,000 people, contributing greatly to the economy of Ontario. We are proud of the role our industry plays in Ontario. The men and women who work with us have an above-average wage that is among the highest of any sector in the province.

The construction industry has made significant gains in the quality of employment experience as well. For example, since accident statistics were first compiled by the Workers' Compensation Board in 1965, the frequency of workplace injuries resulting in lost-time work has declined by 339%. That's right: construction work is now four times safer than it once was, and our industry is determined to work even harder to make our safety performance the best in the world. This is also an indicator that the industry is evolving. Greater use of heavy equipment and technology means there's less of putting your back into it and more of getting your head into it.

Construction provides a fabulous opportunity for our young people to bring their technical skills to high-paying, rewarding jobs. The industry has an extensive network of training facilities, and we are usually challenged to fill vacancies that are needed for qualified workers.

The construction industry takes our mandate of building Ontario very seriously. We have been concerned for some time about the deterioration of our infrastructure. COCA is committed to the maintenance and expansion of the province's vast network of water and waste water systems. We are therefore very supportive of Bill 175, because maintaining a plentiful, healthy water supply requires a continuous investment by government and consumers.

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This legislation is an important step toward ensuring that Ontario's water and sewage systems are financially sustainable, good for public health and environmentally friendly. For many years, we have been faced with a critical need to invest in our water and sewage infrastructure.

COCA has long been on record in expressing our concern for the maintenance and expansion of the province's infrastructure. Many aspects of the industry we're talking about are hidden from view—water and waste water systems, for example—and tend to be forgotten by the public and the legislators. They're easy to take for granted or overlook, but they are vitally important to Ontario's economic well-being. And they are not in great shape, as the Provincial Auditor reminded us only a couple of years ago. There is a requirement for expenditure of many millions, indeed billions, of dollars, yet the deficit in infrastructure spending grows every year.

If you check our presentations to the finance and economic affairs committee over the past decade, you will find that we have said the same thing regularly: the time has come to recognize water as a very important resource that requires the same careful management as our other natural resources.

The reality is that Ontario's water resources actually represent a cost centre for most municipalities, because they bill their citizens far less than the actual cost of supplying fresh water. As a result, maintenance and expansion of filtration plants and water systems must be paid for out of the already strained municipal financial resources. It's no surprise that these needs have often taken a back seat to what have been more immediate municipal needs. A full cost recovery system will provide dedicated funds that will allow municipalities, over time, to bring their systems up to the required standard.

There is no reason why the principle of full cost recovery should not be implemented with regard to water systems in Ontario, with the provincial government setting the benchmarks. Water is a resource that's growing in value every day and simply must be husbanded properly.

We have been a proponent of full cost pricing and accounting legislation for many years. We believe it's the

only way to secure much-needed new, upgraded infrastructure and to protect public health and the environment. It is also a means to stabilize business cycles and planning for us and municipalities. With this in mind, we want to commend the government for moving to implement this policy.

We support Bill 175, and we are particularly pleased that there is a section in the legislation that requires municipalities to have dedicated reserve accounts. While we believe the bill is a good framework, it is our view that it must be strengthened if we are to achieve the goal of creating sustainable water and sewage systems. As the bill now stands, there is too much left to regulation and there are not enough provisions entrenched in the legislation.

I am aware that the Ontario Sewer and Watermain Construction Association has made suggestions for strengthening the bill. They were just explained to you by the speaker immediately preceding me, so as to not bore you, I will not go through those again other than to say that we support them, with the major theme being the importance of incorporating full cost pricing into this legislation.

I'll move over to page 7, halfway down. If this legislation and the proposed amendments come into force, the government will need to ensure both environmental and financial compliance by municipalities. This may be a monumental task for one ministry alone to oversee. To address this, we agree with the suggestion that the best way to ensure that the legislation is implemented as intended is to amend the legislation to dictate which ministry is responsible for overseeing the environmental aspects of the bill and which is responsible for the financial aspects of the bill. Obviously, the Ministry of the Environment should have responsibility for the environmental oversight, while the Ministry of Finance and, in this case, the SuperBuild programs there right now, would have the responsibility for the financial oversight.

Again, thank you for the opportunity to address the committee. I look forward to your questions.

**The Chair:** Since you are our last speaker, I'll be a little more generous and offer a minute and a half for each caucus.

**Mr Bradley:** I want to first of all commend the Ontario Sewer and Watermain Construction Association for ensuring that the position of the construction industry is well represented before the committee. Its chief lobbyist should get an increase in pay for this, I think. What you've had to say on it has been very instructive. I think you have brought to our attention again, and maybe to the public's attention through this committee, the genuine need that's out there.

I guess the areas where we have some concern—for me, I represent a major urban city, so it's not as great. But how do you see this playing out in very small municipalities and hamlets? There have been problems, which have been talked about—Wainfleet was one—where there's a genuine threat to the water supply

because of existing septic tanks and so on. How do you see those municipalities, hamlets or villages fitting into this in terms of the financing?

**Mr Frame:** It's clearly a problem that's not going to be solved quickly. Some of the larger communities, as was mentioned, are already on their way to be able to do this. They have a few more resources to be able to get there. Smaller communities, obviously, are going to need more time to get there. It's our understanding that AMO is already stepping forward to work with them and is coming forward with ideas on how that might happen. Time is the real answer. We've mentioned the Ministry of Finance playing a role with the current SuperBuild program. Likely, incentives would also be needed to help them get there.

**Ms Churley:** Thank you for your statement that you wouldn't bore us with the recommendations we've heard many times before. I appreciate that, so I won't bore you with my standard response to those. I think you heard me express my concerns about some of the recommendations we need to be looking at.

So I'm just going to ask you—we've spent a lot of time talking about the pipes and pumps, which are very important, but as you know, I have a keen interest in the Safe Drinking Water Act because I first came forward with one, and we're not talking about that very much. I recognize that this is your particular interest and why you addressed it, but I wonder if you have any thoughts or comments on it. I'm desperate for somebody else to talk about the Safe Drinking Water Act. If you have had a chance to look at it, I wonder what your views on that might be, in the 50 seconds left.

**Mr Frame:** As the previous speaker indicated, the treatment side and the water purification side are connected with each other, obviously. If less polluted water is leaking into our groundwater system, that's going to be less of a problem for contamination of the water table—

**Ms Churley:** I interrupted only because the government's Safe Drinking Water Act doesn't deal with source protection either. We don't have time to discuss it, but I believe, as did Justice O'Connor, that source protection is a critical piece; that we can do all these things, but without the linchpin of protecting the water at its source, another Walkerton can still happen. I'm not diminishing the importance of the issues you're talking about—they're very important—but I don't want us to forget about some pieces that are missing from these two bills.

**Mr Frame:** This legislation is one important and vital piece to addressing the whole problem. Obviously, it isn't 100% of it.

**Ms Churley:** I appreciate it. Thank you.

**The Chair:** Anything from the government?

**Mr Miller:** We're moving to full cost pricing. I'd like to get an idea: how much are we underbilling the amount people pay for water and sewer right now for the average household?

**Mr Frame:** I don't have a number on that and I don't know how recent the survey is. Some are paying full

cost, but obviously a lot of them aren't. I simply don't have that number right now and I don't know if it has been produced.

**Mr Miller:** Any idea of what the whole infrastructure deficit might be? Is there a value for that?

**Mr Frame:** I don't have that number, no.

**Mr Miller:** OK. It seems to me that for this to be manageable for people, especially those on fixed incomes, municipalities should be phasing in increases. You're talking about five to eight years to have full cost pricing fully implemented. I would think municipalities should be starting right now to increase water and sewer bills 5% or 6% so it's going to be more manageable for people.

**Mr Frame:** Obviously, some can get there a lot faster than that. Some are going to require something in that neighbourhood to get there.

**The Chair:** Thank you very much. We appreciate your coming before the committee this afternoon.

**Ms Churley:** I just have a quick question to ask of you, Chair, before we break. Don't bang that gavel.

**The Chair:** OK, go ahead.

**Ms Churley:** I just wanted to ask if we could have some information from perhaps the minister or ministry staff as to their intentions on a capital fund or infrastructure fund. I believe it's probably likely, based on what the member for Bruce-Grey-Owen Sound said yesterday, that negotiations are going on with AMO around that. I think it would be useful for me to have that. I don't even need a dollar figure at this point. I keep asking this question and bringing it up. We don't know what model we're talking about here and I have a lot of concerns about it. Could we get some information as to what the intention of the government is to deal with the capital costs of infrastructure?

**The Chair:** Thank you for the question. I know ministry staff are in attendance taking notes and I'm sure, if that information is something they are in a position to divulge, they will send it to the clerk, and I'll make sure it's circulated to all the members of the committee if such an answer is received.

In the absence of any other questions, comments or suggestions, this committee stands adjourned until 10:30 tomorrow in Ottawa.

*The committee adjourned at 1651.*

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