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Jeudi 6 avril 2006

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public accounts**

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Auditor General:
Ministry of the Environment

**Comité permanent des
comptes publics**

Rapport annuel 2005,
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Ministère de l'Environnement

Chair: Norman W. Sterling
Clerk: Katch Koch

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ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON PUBLIC ACCOUNTS

COMITÉ PERMANENT DES COMPTES PUBLICS

Thursday 6 April 2006

Jeudi 6 avril 2006

The committee met at 0938 in committee room 1, following a closed session.

2005 ANNUAL REPORT, AUDITOR GENERAL MINISTRY OF THE ENVIRONMENT

Consideration of section 4.08, Environet.

The Chair (Mr. Norman W. Sterling): Welcome, Mr. Kivisto, to our committee. My name is Norm Sterling. I'm the Chairman of the committee. I would ask you, as our normal process is during these hearings, to go ahead with your statement, under which I understand you will introduce those people sitting with you at the table. During the question period, if you call other members of your delegation forward, I would ask you to introduce those people at that time. The floor is yours, sir.

Mr. Paavo Kivisto: Thank you, Mr. Chair, and thanks for the opportunity to give an update on the Ministry of the Environment's progress in addressing both the Auditor General's and this committee's findings and recommendations. We've been here a few times on this issue, and I hope you'll agree with us that we've made very significant progress in many areas. So my remarks will cover that. You've got a copy of the speaking notes, I believe, and I'll run through that. I may skip a little bit just to make sure that I don't consume too much time, to give you more of an opportunity to discuss things with us.

I'm joined this morning by senior management people from the ministry and others, and I'll just name them for you. They'll put their hand up, and if there are others, other than the three of us at the table, speaking, I'll make sure they introduce themselves before they make their comments.

Jim Smith, who's on my right, is the chief drinking water inspector and the assistant deputy minister of the drinking water management division. Michael Williams, on my left, is the assistant deputy minister of operations division. John Lieou, who's sitting behind me on the left, is assistant deputy minister of the integrated environmental planning division, which is our policy division. Carl Griffith, who's behind me as well on the left, is the assistant deputy minister, environmental sciences and standards division. Allan Gunn is our assistant deputy minister of corporate services. Des McKee is the chief information officer for the land and resources cluster.

We also have other specialists on board, should we need to get into detail on some of the questions, and we'd be happy, certainly, to respond to any questions following the remarks.

I've been at the ministry now for months, and it's a busy place. I've been learning a lot of the ministry's functions and operations. I'm quite impressed with the calibre of staff. They're knowledgeable, they have a lot of expertise, they're very committed, and they're working hard.

I've also reviewed the Auditor General's and this committee's findings and recommendations and the work that has been done and the work that's under way to address them. I can tell you, the ministry has been working in a determined and diligent way to remove the asterisks on all the recommendations. I can also say with confidence that there's been great progress made, to the point the ministry is now using its information and technology to effectively support its program delivery. This is particularly true of the drinking water program.

A few remarks about Environet, and that's what we're here to speak about in terms of your findings and recommendations: Environet is not about just technology; it's not about boxes; it's a strategy. It aligns the ministry's programs and program delivery with an information management framework supported by information management technology. We're taking a ministry-wide approach to determining program priorities and working with the IT group to turn those into solutions to support the delivery. It's an information management framework that sets directions for program areas for managing their information assets. We have an information strategy that's flexible, scalable, reusable and able to meet the needs of our programs.

We continue to work on other developments in terms of applications for integrating more functionality into the Environet strategy. Each individual project that gets approved is funded on the basis that it will contribute to the development of that Environet infrastructure. Information technology solutions are designed and built to be flexible, reusable, and operate in conjunction with each other. This means less delay and cost as we develop the system to support our priorities.

In terms of the summary of the original Auditor General's recommendations, I just want to run through that with you, because it set for me a context of where we were in 2003. As we talk about where we are now, I hope you'll appreciate, as I've learned to appreciate, that

things are very different and that we're much more sophisticated in our approach to information.

With respect to the drinking water information system—folks in the ministry call it DWIS, and I always struggle with acronyms—it is the findings of the Auditor General that we need to make sure that drinking water is properly monitored and that appropriate inspections and follow-ups are conducted in a timely fashion.

Specific findings included that: the information system was unable to determine if all waterworks were submitting test results; not all laboratories were notifying the ministry of adverse water quality incidents; some database records were inaccurate; the information system was not always updated to reflect current standards and regulations; and the system couldn't produce reports for management monitoring.

On the hazardous waste information network, the Auditor General found that we needed to improve the monitoring of hazardous waste movement; promote the adoption of electronic manifests; develop analytical and reporting tools; and improve follow-up actions.

On the subject of OnAir, the findings of this committee and the Auditor General were that we need to complete the inventory of facilities that should be reporting, verify that facilities are approved to emit the substances they report on, and periodically verify the data received.

The Auditor General and this committee also talked about our need to ensure that inspection coverage is risk-based, inspectors have access to and use compliance information, and inspection resources are allocated effectively.

I'd like to run through each of these areas for you briefly.

The drinking water information system represents the greatest progress of the ministry since the original report. We have taken a source-to-tap strategy for protecting the drinking water system, using integrated data acquisition and information management as a fundamental component of the safety net that's in place.

Other aspects of the safety net include a comprehensive regulatory framework, timely and reliable testing, and a comprehensive inspection program and stringent requirements for licensing, training and certification that benefit from the information systems.

I want to give some examples of the progress made, and I'll speak about data quality, effective response and management of adverse water quality incidents, effective inspection planning using a risk-based approach, assessing non-compliance, and public reporting. I think those are the essence of the thrust of the findings and recommendations of this committee.

At the end of 2005, there were more than 4,900 drinking water systems registered with the ministry. In the first nine months of the current year, ending December, more than 900,000 test results were reported to the ministry. There's a huge volume of information coming in. Over this period, the drinking water inspectors inspected 100% of municipal residential drinking water systems on about 130 different compliance requirements.

To ensure that accurate information guides our decisions and supports credible public reporting, the inspectors and program staff use two sophisticated and integrated information systems: the drinking water information system and the laboratory and waterworks inspection system. Both systems were designed to minimize human error in data input and to automatically cross-check data against regulatory requirements.

Staff is now aided by the automatic calculation of information through measurement unit conversions. Drop-down menus are used. There's automatic verification that values are within an acceptable range, and there are on-line help menus.

We have detailed business processes in place for front-line staff to enable an end-to-end approach to managing this data and taking appropriate actions if there are gaps, inaccuracies or conflicts, and we review that data on a regular basis to ensure its quality.

On the matter of public safety, those two systems are critical and an integral part of making us able to effectively respond to and manage adverse water quality incidents that threaten public safety.

I want to walk you through an example of what happens if there's E. coli in a water sample submitted to one of the 58 licensed laboratories. The legislation requires the laboratory to provide immediate notification of an adverse water quality incident to the spills action centre. This is a seven-day, 24-hour-a-day operation that the Ministry of the Environment has. They also have to provide immediate notification to the owner/operator of the water system and to the local medical officer of health.

At the spills action centre, when that notice comes in, an officer records this information into the drinking water information system. An inspector is notified and a priority field response is initiated, along with verification that in fact the owner/operator is responding and taking corrective action in accordance with the regulations. We also check with the medical officer of health to make sure that they're responding to it.

The adverse water quality incident is recorded in DWIS and is automatically transferred to the laboratory and waterworks inspection system, where it's assigned to an inspector to carry out the field response. The inspector enters the findings of the field response and the required actions into the inspection system.

This process has one more important requirement to close the loop on the incident. The owner/operator is required by law to report the incident to the spills action centre seven days after receiving the report from the laboratory and verify that the incident has been resolved.

Upon receiving that notice, the spills action centre updates the report in the drinking water system, and the inspector assigned to the case is notified through the inspection system to ensure closure of the incident. Jim Smith, the chief drinking water inspector, can give you further details in subsequent questions you may have. It's a very sophisticated system. It's end-to-end, it flags non-

compliance, and we follow up to ensure that the water quality is safe in the province.

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On risk-based inspection planning, both those systems have substantially increased the effectiveness of our inspection program by enabling the ministry to give more attention to systems with serious compliance issues and in helping inspectors plan their inspections.

We have two levels of inspections we've introduced: full inspections and focused inspections.

Focused inspections began in 2005-06. The inspection system enables drinking water inspectors to identify systems that have a good compliance record. These systems are eligible for a streamlined inspection that focuses on key health-based regulatory requirements. The focused inspections reduce the time required to complete an inspection for both the inspector and the regulated community. This provides an incentive for system owners to strive for good performance.

At a system level, the inspection system permits a drinking water supervisor and a laboratory supervisor to plan, assign and track inspections. It enables drinking water or laboratory inspectors to prepare inspection-ready worksheets, record inspection results and produce client-ready inspection reports.

The inspection system also facilitates the tracking and reporting of adverse water quality incidents, orders, and systems that have deficiencies. The inspection system provides drinking water inspection staff with an at-a-glance historical overview of systems' compliance histories. This facilitates risk assessment and priority-setting during inspection planning. It's what was recommended by Justice O'Connor.

And finally, the inspection system can readily adapt to business changes such as program or regulatory changes that impact our inspections.

In terms of assessing non-compliance, since the auditor's report of 2003 and the recommendations of this committee, the drinking water management division has developed a comprehensive strategy to address issues of drinking water system non-compliance.

The ministry has a risk-based approach to assessing non-compliance. Both information systems are powerful tools in helping us to do that.

The drinking water system can generate a range of reports that are used by drinking water inspectors and program staff to assess the performance of drinking water systems, including areas of non-compliance.

Operating procedures require follow-up with system owners who have been identified, through either the system or other sources, as being potentially non-compliant for matters such as not registering with the ministry, failing to notify us of a laboratory service they have engaged, as well as failing to meet sampling requirements.

On public reporting, the chief drinking water inspector has a legislated responsibility to report on the overall performance of Ontario's drinking water systems and on

the efficiency of the ministry's drinking water inspection program.

These information management systems offer both the data and the tools to provide the public with key information on water quality and on compliance for drinking water systems across the province.

The chief drinking water inspector's message in his May 2005 report, that "overall, Ontario's drinking water is safe and of very high quality," was based on an assessment of the information held in both those information systems.

In 2004-05, this was the first year that all inspection data were recorded in the inspection system. Reporting on province-wide compliance to the public is also now a possibility. For example, the ministry can identify the top compliance issues that need addressing by using a risk-based assessment of the inspection data. With the completion of the inspections for 2005-06, the ministry will be able to systematically analyze the nature of drinking water compliance issues from year to year.

The key compliance findings are being communicated to the regulated community by the drinking water inspectors and through conferences and seminars. It's also highlighted in the chief drinking water inspector's annual report.

We are working with the Walkerton Clean Water Centre, which has a mandate to deliver training to operators across the province and to bring these compliance issues to their attention through the mandatory courses they need to take for certificate renewal. This will also improve compliance.

I want to mention a couple of IT systems applications that we're working on now, just to show that work hasn't stopped. We're continuing to improve our use of information. One is the operator certification system. There are about 5,000 certified licensed drinking water operators in Ontario. This new operator certification information system, which will be launched this summer, will support certificate renewal and provide operators with the ability to register for exams and certificates and check on their accumulated training and learning hours for certificate renewal purposes. It will be integrated with the other drinking-water-related Environet applications to provide our inspectors with additional tools for assessing compliance.

We're also developing a drinking water portal to provide a single point of access to information of interest to the public, external stakeholders and ministry staff. This includes making information such as drinking water test results, regulatory requirements, compliance, and enforcement results and status available to those who have access.

I'd like to talk briefly about the hazardous waste information network. Although the system is not at the same level of maturity as the drinking water systems, it is moving in the right direction. This committee and the Auditor General noted that there was a low participation rate for electronic manifesting. Unfortunately, that continues to be the case now. We have not made progress on

that. There hasn't been any significant movement on uptake, and it's a problem that we need to continue to work at.

We've had meetings with all the major stakeholders, which represent two thirds of the carriers that handle approximately 70% to 80% of all the hazardous waste in Ontario. They talked to us about the issues on the ministry's side and on their side in terms of systems. We also heard about the industry's long-standing preference for and comfort with paper manifests. There's a lack of incentive for them to move to the electronic transfer of data.

That said, though, we have made some positive changes to HWIN. One change has been made as a result of feedback. We've worked hard to streamline the registration process, and it's working. The number of calls to our help desk during the annual registration period has been chopped in half, from about 13,000 to 6,000.

Since 2003, HWIN's analytical and reporting capabilities have been improved. Compliance reports have been improved and developed for HWIN, and financial accounting reports have been developed.

In addition to our risk-based inspection program for hazardous waste, there is follow-up whenever the HWIN system finds discrepancies and unauthorized movements of waste shipments. Where non-compliance is found, we take the appropriate abatement to get compliance.

On OnAir, I note that the Auditor General was satisfied with the ministry's response to the original findings, but I just want to let you know about a couple of things we're doing. We have enhanced our screening process and quality assurance methodology in consultation with Environment Canada. We're continuing to work with the federal government to further harmonize reporting requirements under regulation 127 and the national pollutant release inventory. This work includes nine joint Ministry of the Environment-Environment Canada emission reporting workshops that are planned for this year.

On inspections, I'd like to talk about an area where Environet is critical to improving our effectiveness in planning activities. Solid progress has been made. The Auditor General recommended that the ministry develop Environet reports that analyze the state of the environment and compliance with regulations to support our risk-based inspections. The ministry heard this message and has implemented a risk-based inspection planning process not only for water inspections but for the other media as well. The approach is comprehensive and it's flexible.

The ministry's drinking water management division handles drinking-water-related inspections while the operations division deals with inspections related to other media. In the ops division, there are three categories of risk to the environment and human health: high, moderate and low. They plan their inspections accordingly. Based on the risk ranking of facilities, inspection staff focus on those with the highest risk. This approach on inspections and enforcement is comprehensive and complementary.

District inspectors provide geographical coverage for facilities in all sectors. It's enhanced by the sector compliance branch, which targets high-risk sectors through what we call sweeps. This approach allows the division to allocate inspection resources to ensure optimum coverage for the highest-risk sectors and facilities. We've incorporated some flexibility to provide coverage for emerging sectors of risk or for situations arising out of new policy directions or new regulations.

Ministry staff use a number of data management tools and systems that guide the risk-based inspection planning. Reports and information generated from across all program areas and databases inform work planning and priority setting. We're continuing to work hard to improve our reporting tools to further assist and analyze our data so we can plan better and allocate our resources better.

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Just to conclude, I think we've worked hard to address the findings of the Auditor General and this committee. Environet now provides our staff with more and better information than they've ever had before. Staff and managers have access to information and reports to plan inspections to focus on higher-risk sectors and facilities. The information systems help identify non-compliance, and staff follow up with appropriate abatement and enforcement activities.

The ministry has an Environet strategy with a commitment to ongoing investments in improving access to, and use of, its information assets for policy development and program delivery. In other words, the work is not done, but we have a plan and are working hard at it.

In conclusion, the work that has been done to address the auditor's and this committee's recommendations has resulted in the Ministry of the Environment being in a much stronger position to fulfill its responsibilities.

The Chair: Thank you very much. Questions from the committee?

Perhaps I could just ask one before we get in. Perhaps the weakest area of our ability with regard to the information systems we're looking at is with regard to the hazardous waste area. Deputy or staff, when you talk about hazardous waste, can you classify it in groups, from hazardous wastes that would be most damaging to our environment down to those which, while classified as hazardous waste, are not as damaging or are of less concern to our province as a whole?

Mr. Kivisto: I'm going to ask my colleagues to answer the detail on that, but I just want to point out a couple of things. What's not working in HWIN is the electronic manifest reporting. That doesn't mean to say that people aren't reporting hazardous wastes and their movement around the province. We are inputting the data at the ministry and then following up any discrepancies filed with the exemption reports, and those are followed rigorously by the operations division. We are enforcing the law. It's costing us time and money in terms of support staff having to input the data. So it's causing us extra work, but there is rigorous enforcement of the standards in the province.

Michael Williams, assistant deputy, operations, will talk about what they've done in terms of findings on the kinds of hazards to the environment and the sweeps they've done of that sector.

The Chair: I guess where my question is leading is, if we are most concerned about the most hazardous of the hazardous waste areas, perhaps a strategy—notwithstanding that you're getting paper and having to convert the paper into the system is somewhat of an answer, it doesn't give as timely information as if the information is immediately transferred electronically. Therefore, my greatest worry would be those hazardous wastes that are "lost" for a period of time and we don't know where they are or where they're not. So I guess my question was leading to, why would you not implement a strategy to take care of the very, very critical substances that are out there and work toward embracing all of them as you develop your liaison with the people who are transporting this waste?

Mr. Kivisto: As I understand the question, it's are we able to classify risk within that sector and plan our inspection enforcement ability appropriately?

The Chair: And your information systems.

Mr. Kivisto: Exactly. Mike?

Mr. Michael Williams: Basically, what we do in the hazardous waste sector is break it down into about four component parts. I'm going to tell you what the component parts are and then what we do, because we don't strictly rely on what I'm going to call the filing system of HWIN; we have a multipronged approach to make sure we can deal with hazardous waste.

There are basically four areas that we break hazardous waste down into: We talk about the waste generators, those who produce the stuff we need to pay attention to; we look at hazardous waste disposal sites, where it finally goes; we look at transfer and processing of the hazardous waste; and we look at PCB storage sites. We use them in our risk program because they have varying degrees of risk, depending on the chemicals they use or the products or by-products from them.

What we do in the division—I'm going to answer your question by telling you what we do about the paper piece, but I want to give you the whole piece, because the paper piece is a little bit of a weaker link in the system. We've got a pretty comprehensive framework on that. The generators are required to register their waste annually. The carriers and the receivers have to report to us. So it's like a chain of command right from start to finish. If somebody doesn't report or the system doesn't work about getting a movement or a shipment or a receipt in place, we've got other things in play that compensate for that.

When we talk about HWIN as a system, when it finds discrepancies, or what we call exceptions, you're quite correct to say, "But isn't it kind of after the fact when people report in and you look at records? What's going on in the real world out there today?" I'm going to tell you about that, but first about the paper trail.

The district offices take all the information that's fed to us from HWIN and analyze it. They break it down into

shippers, receivers and generators, and they take a look and say, "What are these findings telling us?" In some cases, we take a look at the authorizing documents, called certificates of approval, which the government issues for them. Quite candidly, sometimes we find there are simply mistakes that have been made—paper administrative mistakes—but we follow up on every one of the exception reports that come in to us from HWIN. I want to give you some examples.

When the Auditor General took a look at this when the program was in its infancy and we were using it to help inform what was going on in the hazardous waste sector, I believe there were about 5,000 exception reports that were found in those early days. At that point in time, to be perfectly candid, we didn't do a lot with those. But we learned from the Auditor General's remarks, to the point that in subsequent years the manifests that come in for all the waste movements are now referred to my division and every one of them is followed up.

After 2002-03, I can tell you, for example, that we had 156 receivers and 187 carriers that had exception reporting in 2004-05; those are the exact numbers. All the staff followed up on them. There were 13 receiver companies that accounted for 77 of those exceptions, and there were 24 carrier companies. Every one of those was checked, and 100% of the exceptions that were reported to us were administrative errors of one form or another. That's the trail-processing piece.

Today, as my colleague in the other division gathers whatever data is coming in from HWIN, we follow up on all of it. But that's only one piece of the puzzle. The other piece is the four categories of hazardous waste that I started to tell you about.

The districts have an inspection program. We look at hazardous waste operators, transfer stations, generators, etc., on an annual basis. That's under our risk-based inspection program. We put them through the tool. We decide which of those facilities, which shippers and which receivers we should pay special attention to because they're in what we call a higher risk category to either health or the environment, and we go and do a full inspection. When the inspection is done, we don't let go of that until there's compliance and they're brought 100% into compliance.

Varying degrees of compliance are found. I can just tell the committee that when the sector compliance branch, formerly known as the environmental SWAT team, goes out, they look at the really high-risk stuff. I think we've been before the committee before, and we use words like "midnight dumpers" and things like that—by the nodding of heads, I think people know what we mean. We send them into those areas, and they find very high levels of non-compliance and follow up with every one of them till they're done. At the district level, we're finding about 35% non-compliance, and again much of it is administrative non-compliance.

I want to assure the committee that notwithstanding the current deficiencies we have with reporting in HWIN, we do have a comprehensive hazardous waste inspection

program in our district offices to deal with it, as well as our sector compliance branch.

The Chair: Okay. Mr. McNeely first and then—

Ms. Deborah Matthews (London North Centre): Could I just ask a procedural question?

The Chair: Sure.

Ms. Matthews: Because this is my first meeting of this committee, I just want to understand how this works. Does each party get an equal amount of time?

The Chair: That's what we try to do in terms of the total balance of time.

Ms. Matthews: So the time you use is counted as your party time?

The Chair: Yes.

Ms. Matthews: Perfect. Thank you very much.

Mr. Phil McNeely (Ottawa–Orléans): Mr. Deputy Minister, one of the things we hear in the news these days is that we're going to move toward different concentrations on our environment, and air quality is one of the things. We talk about the deaths that were caused in Walkerton, but with air quality I think we talk about 1,600 or 1,800 deaths a year in Ontario. So this is very important. We see that a lot more coal-fired plants are coming on stream upwind from us through the Bush policies. We also see the federal government moving more towards a Bush approach to the environment, and I'm very concerned.

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On page 8 you say you have a lot of consultation with Environment Canada. Have you seen a change to date with the way Environment Canada is going on, or do you think that you're going to be able to go on with this co-operation and work that you've listed on page 8?

Mr. Kivisto: We work hard on all three media—air, water and land. Certainly on the air issue, we're working on two fronts. One is within the boundaries of Ontario. There is a suite of initiatives under way to improve air quality through Ontario policies and programs. I just want to highlight a few of them for you.

From things such as tackling Drive Clean, which is vehicles, and in January of 2007 introducing ethanol into fuel, we're going to improve some of the emissions coming out of vehicles in the province. There are regulations in place to tighten the standards on industry over a long period of time, so that we're going to see improved air quality through industrial emissions. This government has announced the coal closure plan for the province, and that's certainly going to contribute as well. There have been investments in transit. That's going to remove cars off the road and contribute to better-quality air. That's just to mention a few; there's a lot at play to do what we can, in a measured way, to impact on air quality.

You're right to say that we know that more than 50% of our smog issues have their sources in the shared airshed and come to us from the midwestern states. We're not waiting for the federal government. We are working hard to influence US policies and, as well, working collaboratively with our American neighbours, particularly at the state level, to pressure for change and find

solutions for air quality. That will improve our air quality here and those downstream from us. Our air moves into Quebec and also the northeastern states.

We've recently launched publicly a comment on US policy out of the EPA that we believe is not helpful to air quality in the US and in Ontario, trying to pressure a change through the legal process that the Americans have. We are pursuing, specific to the US states that feel the same way, and working with them to see what can be done to influence US policies and programs. We're reaching out to some of the midwestern states to look for ways that we can work with them to encourage them to learn from one another and improve air quality. I made a trip to Ohio just for that purpose.

At the same time, what is the federal government doing? We have a new government. They've talked about a clean air act. It isn't clear yet what policies they're going to bring to play in terms of air quality. We need their help, especially on international matters. I've talked to my colleague deputy and I will continue to talk. I'm meeting with him in May to explore those opportunities. There's a meeting of all the deputy ministers of the environment in early May in Saskatoon, and I'll be exploring their perspectives on this issue as well.

The number you used in terms of deaths in Ontario, I think you can multiply it by three. Our study from a year ago talked about over 5,000 people dying from air quality issues in Ontario, with many multiples of that being admitted to hospital. It's a serious issue and it needs attention, and we're giving that attention.

There is one last item. There's a shared air summit. We had one here in Ontario last year. There's another one being organized for June. It's going to bring together people from government, business, the public and others to talk about air quality and what we can do to improve it in a North American context.

Ms. Jennifer F. Mossop (Stoney Creek): I just want to follow up, if I can, on the air quality questions. It's a key concern. Did you say 5,000?

Mr. Kivisto: I believe the number is around 5,800. It's what we reported in our study last year. I'll just turn to my colleagues to make sure I'm not misreading it. It's 5,800.

Ms. Mossop: And that's 5,800 smog-related deaths?

Mr. Kivisto: Air-quality-related deaths in Ontario, related to transboundary air and our air quality here. That's the estimate by medical experts in Ontario.

Ms. Mossop: That's a pretty alarming figure.

So you are working with the United States. You're working federally, but also with the individual states. What kind of response are you getting?

Mr. Kivisto: It's interesting to note that there are a number of US states that also disagree with the proposed changes in policy out of the US EPA. We've communicated with them and they know what we're doing. We're supporting one another in terms of pressuring the US government to change their policies in that regard. So there's a good relationship, and we have agreements with

them in place that are historic. We're going to renew those agreements so that we continue to work together.

In terms of the reception in Ohio that I had—and it was to pursue this issue with them—they're polite and hospitable. They give us information at a public service level. It's a question as to whether we're going to see concrete action beyond the policy and programs. That's a question of trying to build the relationships, encourage movement and then pressure for change. I think we're trying to do all those things, both legally and through other mechanisms.

Ms. Mossop: Just in terms of hot-spot areas—Hamilton, for one, because of the industrial basin but also along the shoreline of Lake Huron: Oddly enough, Grand Bend comes up as one of the highest on air quality days. Are you doing anything in terms of pinpointing areas like that?

Mr. Kivisto: The report released last year specifically identifies smog levels or quality issues and transboundary issues and, if I remember right, talks about Windsor, for example, having 90% of its air quality originating from the US, and other cities down to 50%. So it's very geographic, as you indicate.

The solution can't be an Ontario solution. It has to be elsewhere. That's why the huge effort we're putting into influencing our American neighbours.

The Chair: Mr. Prue?

Mr. Bill Mauro (Thunder Bay–Atikokan): Chair—

The Chair: I'm sorry, I didn't see your hand. How long are you going to be?

Mr. Mauro: I just have one question.

The Chair: Okay; sure.

Mr. Mauro: Thank you, Mr. Kivisto, for your comments. Have you ever been to Thunder Bay?

Mr. Kivisto: Many times.

Mr. Mauro: It's reported to have the largest concentration of Finnish population anywhere outside of Finland. Are you aware of that?

Mr. Kivisto: I have breakfast at the Hoito also.

Mr. Mauro: Attaboy. It's a landmark; an international landmark. It's good to hear.

One question only: By the acknowledgement of the auditor, your ministry has achieved great success on the drinking water information system side. Of course, in the post-Walkerton era, everyone is very cognizant of the need to move forward on those issues. To this point, it seems as if people are generally satisfied with the progress that's been made in that one piece. My question is, where do you see it going from here? Even though it's moved forward greatly, I'm wondering what is left in that area, in the estimation of your ministry, that still requires work, and where you see it being a year from now.

Mr. Kivisto: I've talked about a couple of examples. The portal, I think, just in terms of the ministry's business—

Interruption.

Mr. Kivisto: That's interesting. Excuse me.

The portal will help us share information internally within the ministry and with the regulated community

and the public and improve access to information and its use on those fronts. I think it's a really important development: transparency and accountability as well as a better use of information.

A big push now is to integrate the operations division information system into Environet. It's a huge challenge. It's a Lotus-based system and, according to the information I was given, is being pushed right to the max. It's very sophisticated, probably as sophisticated as can be, and pushed as far as it can go. We need to gain access to that information system in an integrated way. So we've got work under way, as a priority, to connect operations division inspection information to the rest of the ministry.

We've committed to about a \$5-million investment in IT program development next year, and probably the year after that, and probably over a period of time. These are not on the scale of hundreds of millions of dollars, but, for us, a significant commitment to continuing to improve our user information. It has to be done on a basis of priorities.

I've done enough IT work, between programs that need IT and on the technology side, to understand that you've got to do it in an incremental way. You don't want to do a big-bang thing where you go away and you commit to high risk. So you do it in pilots, you do it in phases. You roll it out, make sure it works, manage risk and get value in terms of information use.

1020

I'm pleased to report that I explored that with the senior management team. There is a plan in place; there are priorities. It's multi-year, and it's being done in a careful way, consistent with direction from the Ontario chief corporate information system officer. We have an IT plan and a strategy on a go-forward basis. We're implementing programs right now that we're on top of to ensure that they provide value not only to the ministry but to its clients and the taxpayers.

The Chair: Mr. Prue.

Mr. Michael Prue (Beaches–East York): I have eight questions. I don't know whether I can get them all in, but with your indulgence, I'm hoping that you can answer them fairly rapidly and we can move along. I really want to see what's happening on the ground.

The first one is, in 2003 the auditor stated that 300 of the 1,476 registered non-municipal waterworks had never submitted any tests to the ministry, and 612 of the 1,476 had not submitted the minimum number of water samples for E. coli bacteria and fecal coliform. What are the numbers today?

Mr. Kivisto: I'm going to turn to Jim Smith. I can tell you that we now have a handle on all of that. We know exactly who's reporting, and what, and what tests are being done. If that's not happening, that's flagged for field staff, and it's enforced and followed up on. We know there's 100% compliance, and we can give you the detailed numbers. Jim?

Mr. Jim Smith: Good morning. In terms of our follow-up, we went through all the records that were identified in that report. At the end of the day, we went

through the methodology, and a number of the systems did require compliance follow-up. We had a number of visits—nine visits, actually, site visits—for those systems. Three provincial officer orders were issued, and there were a couple of further follow-ups as well. So we followed that through.

We learned from that experience, when that audit was done—that was a period in time when the DWIS system was still under development—so we have business processes in place for non-compliance. We have now instituted a quarterly cycle where we run our reports for DWIS non-compliance—specifically, a lack of laboratory service numbers—and also for non-testing. For the last quarter, there were just over 200 systems. We ran it for designated facilities and also for our non-municipal, year-round residential systems.

The process is as follows: The run is made. Staff check that information, and then a letter is sent to the owner/operator of the system advising them that we've discovered this potential non-compliance. We expect a written response within 20 days. If we don't get a response, phone calls are made, and then we follow up again and identify that facility for further compliance checks. That's what we've instituted for potential non-compliance, using the data that is provided to the ministry from the laboratories across the province. It's one of a number of checks and balances that we have in the system for compliance.

Mr. Prue: So all 1,476 that were identified are now 100% compliant?

Mr. Smith: For that period of time, correct, and what I've indicated is for the two system categories that I talked about. The most recent information from the last quarter is that just over 200 of those are being followed up on as being potentially non-compliant for similar reasons.

Mr. Prue: Second question: The auditor found 6,725 water samples with unacceptably high concentrations of regulated substances, 2001-03. Of these, 3,181 were adverse water quality incidents. What are the numbers today? What is the number of adverse water quality incidents reported from 2003 to today, and have they all been addressed?

Mr. Smith: I can speak to that in two parts. As the deputy indicated in his opening remarks, we have a comprehensive end-to-end process for adverse water quality incidents. These are exceedances of standards or other conditions that could compromise the safety of the drinking water.

Number one is the notification requirement. Laboratories and owners and operators must notify the ministry 24/7. They must notify the medical officer of health, the public health unit, and if it's a lab, they must also notify the owner/operator, who in turn notifies us and the local health unit. It's a safety net in place for reporting of notifications.

Those notifications are assessed by the staff at the Spills Action Centre. For example, if we take the adverse water quality incident of greatest concern, which is a

positive finding for E. coli, then a response would be asked for by our inspection staff.

Let me take the opportunity as well—this is where these information systems are vital for us and provide us with considerable advantages. All that information is recorded in DWIS, so the entire record of the notification and if the appropriate notifications were made is recorded in DWIS by our Spills Action Centre staff.

The inspector, when he receives the request and the notification, will search the records for that facility. All that information is there. Now we're talking about LWIS, the laboratory waterworks information system, which would hold that information. They would then make a decision on whether to conduct a field response. They're in contact with the health unit; they're in contact with the owner to ascertain that they followed the corrective actions specified by our regulations, actions such as flushing, taking additional samples, making sure chlorine—if the system is using chlorine—is at appropriate levels. That information, again, is recorded in the system.

Our laws require as well that the owner/operator must, within 24 hours, provide us with a written notification that confirms the verbal information they gave and the actions they've taken. That again is recorded in those information systems.

You can see I'm moving towards the end-to-end process.

Importantly, the inspector also indicates all the actions that he's taken. If he has gone on site to inspect the facility through a field response, he would have taken—or she would have taken—additional samples, would have ensured the appropriate actions were taken, and also made sure the equipment was operating appropriately to our requirements.

The final part of the follow-up is the resolution report. Again, by law, the owner/operator has to indicate to us, within seven days after they've taken the appropriate corrective action, that they indeed have done so. That information is also recorded, which now gives our inspector who is assigned to the case the complete information, and he or she can follow up if any of those pieces are missing.

In terms of the numbers themselves, the number of AWQIs, I can give you that. For the latest period, the period from April to December of last year—it's a partial year of results—there were about 6,800 notifications to us. To put that number in perspective, around 300 of those were microbiological for E. coli and fecal coliform. Those are what we would consider the more serious notifications.

I can tell you that each of these is followed up upon. Everything is recorded in our information systems. I also should note that I personally, as chief drinking water inspector, am notified of significant adverse water quality incidents. I take note of them in my day-to-day responsibilities.

1030

Mr. Prue: Mr. Chair, I'm mindful of the time. That was a really long response till you actually got to the

point I wanted. I understand that everybody's trying their best. I have three more questions on water, and then a couple on other things.

The auditor reported that in 2003 ministry water inspectors were averaging fewer inspections annually, with the total inspection activity at 73% of 1995-96. Where are you today? Are you back to 1995-96 levels? Are you still below? Are you above? Where are you today?

Mr. Kivisto: I'll ask Michael to speak to it. In terms of inspections of water systems, we do 100% of the water plants, so that number is probably absolutely stable, plus the field response inspections. Maybe, if Michael speaks about the other—

Mr. Prue: Is that stable, at 73% of the 1995 standard?

Mr. Kivisto: I'm saying that in terms of the water inspections, because we committed to 100% inspections; we do hundreds of those every year. That's probably a new commitment that wasn't there in 1995-96. In terms of the total number of inspections, Michael will provide you with the numbers.

Mr. Williams: We're absolutely about the same numbers on that. We track the numbers on it, but what I want to convey to you is that we have the same number of inspection staff; the same level of inspection effort is going on year over year in my division. My division has everything except drinking water responsibilities. That has not changed. As a matter of fact, we've just added a few more inspectors, given recent obligations that we have with respect to nutrient management.

I'm mindful of your time, so I want to be really short. The numbers, I would suggest, with respect, don't tell the total picture; it's the amount of time that we're spending in facilities. What we're finding is that the inspections we're undertaking are far more complex. They're taking us much, much longer than they did a decade ago. The approvals are more complex; the follow-up work is more complex relative to the inspection, with a desire to drive 100% compliance at the end of the day.

Our measured level of inspection effort, our horsepower, our capacity number of inspectors, has not changed out there.

Mr. Prue: I'm not sure I understand. There was a 73% inspection activity in 2003 compared to 1995-96. Are you still at that rate?

Mr. Williams: The numbers go up and down.

Mr. Prue: What is the rate for 2005, then?

Mr. Williams: The rate for 2005-06—the last figures I have are up to Christmas last year, because we run on a fiscal year—is 6,500. Now, there'll be another three months worth of inspection effort that needs to be added to that. I can tell you that over the last decade the numbers have gone anywhere from 4,500 to 15,000.

They vary annually, and the reason they vary annually like that is that we have—for example, when we introduced the smog patrol and we had them out there stopping cars to look for smoking vehicles on the streets, we got 3,000, 4,000 inspections out of that. That counts as a number, the same type of inspection that we do when we go into a steel mill like Stelco, where we spend six

months. They each count as one. That's the point I was trying to convey around moving to risk: It's the level of effort that goes into it, and that is not changing, sir.

Mr. Kivisto: It's the same number of inspectors spending the same number of hours in various facilities. Depending on how complex the inspection program is, the numbers will go up. If you can do the inspection in an hour or half an hour, because you're doing a car, the numbers go way up. If you focus on complex issues, it takes longer. So there's been no reduction in staffing levels or inspection effort. The number of inspections will vary from year to year based on our targeting.

Mr. Prue: Let me put it another way: How many new water inspectors have been hired since 2003? How does that compare to the number you had on staff in 1995-96?

Mr. Smith: The number of inspectors went up by 25% since that year. I have a total of 95 drinking water facility inspectors. The ministry also has six laboratory inspectors.

The number of inspections has increased for municipal residential drinking water systems over the last couple of years. We've included stand-alone distribution systems, so the number, for example, of municipal drinking water inspections has gone up from 646 in 2003-04 to 729 in 2004-05. The numbers do fluctuate, because some systems amalgamate and there are some new systems, so they do change from year to year. The staff level went up, and the number of inspections has gone up.

As the deputy noted, we're required by law to inspect municipal drinking water systems, residential systems, one inspection a year. Similarly, laboratories are, by law, required to be inspected as well.

Mr. Prue: Next question: How many of the 357 private drinking water treatment plants and how many of the 1,119 smaller plants and designated facilities identified by the auditor were inspected in 2004-05?

Mr. Smith: What I would like to talk about in that context is the safety net that we have in place for all of Ontario's drinking water systems. I won't take a lot of time on that.

Mr. Prue: It's easy. Were they all inspected or not?

Mr. Smith: The inspection requirements for municipal residential: 100% inspected. For non-municipal systems, as part of our safety net, if we have an adverse water quality incident reported from that system, we may end up inspecting the system because we have some concerns about their water quality.

We have also commenced a strategy for non-municipal systems. There are two parts to that. There are the systems that the government intends to transfer to the Ministry of Health and Long-Term Care, to the local health units. The program rollout for that: It's proposed that next year, starting in 2007, site-specific risk assessments would be conducted for those facilities. So there would be an inspection component, in essence, for those.

For designated facilities and non-municipal residential, which the ministry will continue to have authority for, we implemented a pilot program over the last year

to develop our inspection strategy for those systems. We want to do that hand in hand with the Ministry of Health. We're both using risk-based frameworks and we want the most consistency in terms of how we implement that over the upcoming year.

For the pilot program, we inspected about 100 facilities for the designated and the year-round residential non-municipal.

Mr. Prue: That's 100 out of 1,100.

Mr. Smith: The number for designated is about 1,500, and for non-municipal year-round residential it's just over 300.

Mr. Prue: I know that the province does not want to tread upon the First Nations communities, being a federal responsibility, but they obviously, without doubt, have the worst drinking water and facilities in this province. We saw what happened in Kashechewan. We know there are at least 60 boil-water advisories across northern Ontario. What would it take for this ministry to licence, train and test in those communities? They are all Ontario residents.

Mr. Kivisto: I think the challenge there is one of jurisdiction. Unless there is an agreement with the First Nations and the federal agreement, and a request from both of them for Ontario to step in and do that work, I don't think we're in a position to take it on. We've offered any assistance to the First Nations and the federal government that we can offer in terms of their plans to implement a water quality initiative in the First Nations.

We certainly have responded to requests directly from First Nations to assist, both as a ministry through our technical staff and through the Ontario Clean Water Agency. They provide training and, in some cases, operate systems on a fee-for-service basis.

I just talked to the Walkerton Centre a month or two ago and encouraged them to continue doing what they're doing, which is offering their programs to First Nations.

This is a jurisdictional issue, a legislative issue, that complicates that. We're in a situation where we offer and, if there's a request, we assist. If the federal government wanted Ontario to engage, we'd be negotiating some kind of understanding and resource commitment from them so we could beef up our resources to do that program. I await their response to our communications.

1040

Mr. Prue: My last two questions: One has to do with hazardous waste and the other with air quality. What percentage of hazardous waste movements are being monitored by the new hazardous waste information system as of today? The reason I'm asking this is that up to 5,000 unauthorized hazardous waste movements are reported by the auditor as requiring follow-up. How many have actually been followed up?

Mr. Kivisto: Carl Griffith, the ADM for the standards and science division, also manages the HWIN system, so Carl can speak to you about the numbers of exemption reports we've had and how many of them, with Michael, are then followed up on.

Mr. Carl Griffith: The answer to the first part of your question is that we do track all of it. All that is generated

and moved in the province is tracked through the HWIN system.

Mr. Prue: Okay, and of the 5,000 hazardous waste movements—you've followed them up. What have you done with them? How many have had enforcement action or anything done with them?

Mr. Griffith: I'll ask Michael to respond to that.

Mr. Williams: I can speak to that. As I said, I believe, in my response to the Chair's question at the start, the Auditor General had pointed out in the first year of the HWIN program that there were roughly 5,000 incidents that were found. I explained that we didn't focus just on the 5,000 incidents; we did it as part of our regular inspection planning program for HWIN.

But I do have the numbers following on from that. What happened in 2004-05 is that all of the exceptions were referred to my division for action. The total numbers on that were 156 receivers and 187 carriers. Once we removed all of the obvious errors and duplicate occurrences, district staff took action to follow up on 13 receiver companies and 24 carrier companies. The receivers had 77 of those exception reports; the carriers had 128 of the exception reports. We concluded, after our analysis and follow-up, that 100% of the exceptions were administrative errors of one form or another.

I'll give you an example. They would have an incorrect certificate of approval number on the manifest. They would use an incorrect waste classification on the manifest. There was transposition of numbers; for example, 132 would be written down instead of 123, or they carried or received waste that wasn't included in the certificate of approval but was corrected shortly after the shipment. In all cases, the district staff followed up every one of those incidents. They were informed of their non-compliance, either by phone call or letter, or we did a personal visit on that to ensure they were fully compliant. For the subsequent years, we did exactly the same thing.

That's only one portion. You asked me strictly what we do with each HWIN. That's what we do: 100% of them get follow-up in the field.

Mr. Prue: Thank you. My last question is related to a statement made here today: 5,800 deaths in Ontario related to air quality—smog. Can you tell me, is the bureaucracy preparing any reports or bills or anything so that Ontario will introduce a climate change plan? Quebec has one. Manitoba has one. The Suzuki Foundation says that Ontario is lagging way behind, with 5,800 of our citizens dying last year. When can we expect such a plan?

Mr. Kivisto: Let me just, in a thumbnail, repeat some of what I described in terms of the two facets to addressing air quality in Ontario. There are the initiatives that we've got within the boundaries of Ontario. There have been regulatory changes, regulations introduced to reduce submissions from our industrial plants. The government has decided to shut down the coal generation plants. We've introduced changes to the Drive Clean program. There's a law in place to require that fuels in Ontario have 5% ethanol as of January 2007. These

measures, the investments in transit and others, will remove vehicles off the roads. So I think, in terms of our doing legislation and regulation and enforcing that regulation, we have a lot in motion. There's a lot of effort being put in to do that.

The second part is, what are we doing to attack all the 50%-plus air quality problems we get from the shared airshed from the US? That's a matter of pressuring the US government to ensuring that its policies are consistent with improving air quality. We've engaged legal firms in the States to help us. We've filed comments using US process to pressure for change. We've aligned ourselves with other US states that are of the same mind that we are, that that policy is inappropriate, and we'll continue to pursue that course of action.

We are reaching out to Midwestern states to find those which are willing to work with us to find solutions so that we can learn from one another and improve air quality.

We're doing everything we can to effect change outside the boundaries of Ontario. We're hosting the Shared Air Summit this June as part of that commitment.

I think we need to work on two fronts, and we are working on two fronts.

Mr. Prue: I acknowledge that lots of things are going on, but I would take it from your response that there is no timetable, no political will, no bureaucratic movement, to come up with or introduce a climate change plan.

Mr. Kivisto: Climate change is a global issue, and Ontario certainly has been a supporter of the Kyoto agreement. Much of that agreement is centred on what the Canadian government wants to do, and it's really unclear where this government is going to go. They haven't set goals or targets for any jurisdiction or industry within Canada, so we need to create our own agenda. We've done that in Ontario.

The government has made determined efforts to improve the air quality, reflecting climate change and reducing greenhouse gases: the kinds of measures I talked about, in terms of tightening our own regulations on a multi-year basis and enforcing those standards. These are difficult things to do.

There are substantial reductions in NO_x and SO_x standards in Ontario that are being phased in over the next five to 10 years, with significant costs to industry, for the benefit of Ontarians. The movement to require ethanol in fuel is a big change. It's going to improve air quality. The shutting down of coal plants comes at a cost. So I think, as a jurisdiction, we are doing reasonable things, difficult things, to contribute to the quality of air and reduce greenhouse gases within the bounds of Ontario, and then we're working with other jurisdictions to effect a change there. Can more be done? Sure. Will more be done? Sure.

The Chair: Thank you. That was about 27 minutes or so. The other caucuses might want to catch up on the time. Mrs. Munro?

Mrs. Julia Munro (York North): I want to come back to themes that have already emerged with regard to the issue around compliance. Obviously, as legislators

and as people involved in policy setting, clearly the proof of the benefits to any policy setting is the result, the question of compliance. You've given us a number of examples of the vigilance that you are able to undertake. Certainly it's welcoming to hear about the processes, and how the financial commitment necessary to make those processes has now provided you with the tools to provide the kind of inspections and things like that that you are now able to do. I want to focus for a moment on the issue of how you see that process developing into higher levels of compliance as time goes on, because clearly, to me, the demonstration of the value of the investments that have been made in the processes to this date is the level of compliance.

I'd like, first of all, if you would just comment on that, and then we'll talk about specific areas of compliance.

Mr. Kivisto: In terms of a government deciding policy and setting standards, our job as the public service is to enforce those standards. The goal is to ensure 100% compliance. We can't be in every facility 24 hours a day, so you need to have a risk-based approach to assigning resources. I think we described how we do that and how critical the investments and information are to doing that.

We do know the compliance rates, generally, from the inspections that we do. Both Michael and Jim can provide you with the details of that. We should be setting goals in terms of compliance rates for those targeted sectors' facilities so that if we're finding 70% non-compliance, we would drive it to the reverse: 80% compliance or more. That's really what the risk-based approach needs to get to.

1050

Let me just speak about another piece of policy that's going to help the Ministry of the Environment and all the regulatory ministries in Ontario. There's a piece of legislation before the House modernizing regulatory activities, and part of that package—I was very involved in helping to shape it—is to work on a multi-ministry basis and facilitate, through a change in legislation, the ability for ministries to share information for planning inspection purposes on performance of compliance rates of specific facilities and sectors. We coined it as two sides of the same coin. One is looking at high performance. So those sector facilities that are in good compliance, generally, across several ministries should get less attention and would just be recognized for that, while we shift our effort to what we term the chronic violators.

That policy talks about developing and enabling us to share information and then target our resources, individually and collectively, towards the high-risk sectors, the chronic violators, and then implement some policies that will help us to drive compliance rates up. Hopefully, as it works through, we'll see if the Legislature determines that those kinds of directions for us to take are good, but it certainly would help what we do.

In terms of compliance rates that the ministry sees now, if you want to pursue specific numbers we're at, then I would defer to my colleagues.

Mrs. Munro: Yes, I think it would be helpful for us, because obviously the whole reason for the Auditor

General to do what he does and for us as public accounts committee members is to be able to see that progression and then look at and provide support where appropriate; as you point out, you're then able to look at the high-risk areas and look at how you push the compliance rates. Certainly, in that regard we're all on the same page.

Mr. Kivisto: I'll just make a comment. I asked the same question not too long ago of my assistant deputy minister: "How do we know we're inspecting the right places? Talk to me about what we're finding in the compliance rates." I was happy to hear that we do know, generally, what compliance rates are and that, depending on the program, we're finding high non-compliance in those areas. Now the question is to work with those sectors to improve awareness, promote compliance and enforce compliance so that we see those rates improve.

Perhaps Michael should speak a little bit about the experience in the media that he deals with.

Mr. Williams: Let's go back for a minute to the hazardous waste sector. One of the things we do is roll up the year-end results every year, and I look at it with my directors. We decide what sectors we want to target the following years if we're not seeing changes in compliance, if we're seeing a large number of facilities that just aren't doing what we want them to do. We're just now starting, with the aid of moving our legacy systems over to the Environet-based vision, to be able to get the kind of analysis that will help us on that.

We look at a couple of things. We look at, for example, does the risk ranking change? Some facilities are inherently, by the nature of the work they're doing, higher risk, or the chemicals or things that they're handling are, so you'd always think that they'll be in the high-risk category. Well, if we go in there and find that they're pretty well fully compliant with things, that there's no significant threat to human health, safety or to the environment, our officers have an ability to say that they will move to a moderate-risk category. Ultimately, they will take what my colleague referred to as a focused inspection. We don't have to go in through the whole facility; we focus on where the problems are. So we now have a bit of an analytical capability to do that, and that will be improved in the future.

I want to tell you that we're in the second year, we just completed the second year of the risk-based program, so it's a little early to be able to say, "Yes, we've moved all these facilities here." But I can tell you about some of the changes we've been observing, both with our sector compliance branch doing the sweeps and at the district level. For example, in the hazardous waste arena we're finding that there's 80% to 90% non-compliance, but the non-compliance is for administrative things, like the paperwork I talked about.

As we track that forward in the future we say, "Okay. Nobody is perfect, but that's not a bad place to be on this." Over time, when we went in and looked at the significant waste facilities, very large sites—these things take a long, long time to do, when we go from cradle to grave for an entire facility. We were finding earlier on,

three or four years ago, that each facility was averaging three to four infractions with its non-compliance. Today, last year, they're down to one to two. So I would suggest to you that for those that we're capturing and going back on, we're seeing some measurable improvements.

The other thing we're able to do when we look at the risk-based performance model on this—as the deputy has said, "Convince me that you're targeting the right ones." I'll tell you why I think the division is targeting the right ones. When I asked to see the roll-up of the figures for the last year for which we started—actually, the first complete year of the program was 2004-05—right across all of the districts, for all the media that they took a look at, we were in the neighbourhood of about 40% non-compliance. People might say, "Oh gosh, 40%." Let me tell you what that broke down to, because that's the key thing: 29% of that were administrative issues—the wrong kind of signage, paperwork that was improper, signs weren't posted around a sewage lagoon, the truck didn't have the right kind of triangle marker on it etc.; the remaining 11% was what we would call the problems. When I sit and meet with my district managers and directors, I talk to them about that 11%. That 11%, of the things they found, had the potential to cause risks to human health, safety and the environment.

In the second year of the program, once we found that out in 2004-05, we said, as a policy, "You're now going to go back. If any one of those things fails in a high-risk category, they win a re-inspection next year. You must go back and re-inspect them unless there's an approved abatement plan with timelines on file that the officers approved and accepted." As we start to track that in our systems—I only have up to Christmas of this year, because we just finished with March 31 in the second year, and we're now entering the third year of it—I'm very hopeful that we're going to see improvements. We're going to see some changes in risk rankings.

I would not go as far as to say that we are going to drive the 10% or 11% down to zero, because I think what's important to remember is that, while we do re-inspect where we find problems, we also go out and check new things every year. So we're going to discover, as we go out to a facility we haven't been to before, some non-compliance. The key question is, is it significant or not, and does it fall into that 10% or 11% band, where we really want to pay time and attention?

I'd suggest to you, just from our inaugural first year and three quarters in it, that I think the system is doing better. I think it's also allowing us to allocate our resources much better. The officers can go into the databases that we're now creating. They can look at things like, what's the compliance history of that facility? They can get the certificates of approval. What are the terms and conditions that are significant on those approvals that we need to be following up on? We get information in there now like, are there sensitive receptors beside it? Are we dealing with an industrial park with nothing around, or are we dealing with an industrial setting where there are schools and homes nearby? We tailor our inspections accordingly.

It's a little bit early for me to give you more than the global result, but I can tell you that it's about 10% or 11%, and that's where we're putting our resources.

Mrs. Munro: I really appreciate it, and I do appreciate the fact that this is very new in terms of being able to see any kind of statistical analysis over five years or something like that. Clearly, when you are making those investments and setting those priorities, it's very heartening to hear that that's the kind of early—as you say, inaugural—result.

Just to look perhaps at something like water inspection, is it possible that you could be looking, in the future, at an inspection that essentially is a virtual one as opposed to a physical one?

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Mr. Kivisto: Let me, uninformed as I am, take a stab at it and then we'll see if Jim corrects me. He'll certainly need to make his remarks. In my experience—I've spent much of my experience in a regulatory environment in government; I was in the private sector for a while—I understand that certainly what you see reported to you is health. What's reported to you sometimes doesn't reflect what's, in reality, in the workplace or facility. I believe you need to have a presence on some basis that corroborates reports to reality. I think that if you don't do that, there are fraudulent things. There are errors made in reports. They don't tell you the whole picture. If you go on site and you find out they're using the wrong chemicals, the procedures aren't good, the equipment hasn't been maintained, there's poor management, or whatever, those are hugely important in ensuring the safety of citizens in Ontario.

I think on the drinking water side, we had a classic example in Kashechewan, where the equipment and design originally was probably very good, but over time, the way it was operated and maintained wasn't up to snuff, and Ontario was asked to come in and take a look at it. Our chief inspector and team went in there. I was thoroughly briefed on the findings and, frankly, it was quite troubling that there wasn't the on-site attention oversight that's required. So I would not be a subscriber to a virtual system of inspection. I think you need that, and you need on-site oversight by competent people who know to look for the critical things to enforce compliance.

Mrs. Munro: Thank you. Were you going to respond as well? I wasn't sure.

Interjection.

Mr. Kivisto: I think he's saying I got it right.

Mrs. Munro: Yes. I'm convinced.

The question, just moving on over to the water issue: In the remarks that you provided us with, it talks about the fact that there are 5,000 certified drinking water operators. I think that's one of the things that, historically, was certainly, from our experiences, an essential component and one that obviously had not been looked at carefully enough. Is that enough? Is 5,000 enough? Do we have a sufficient component, or should we have more? Is there a problem with smaller communities having that level of expertise?

Mr. Smith: Certainly, we've made major changes to operator certification. It's been strengthened substantially through requirements for continuous education, on-the-job training. The other major key date that's coming up is, as of May 14 of this year, there no longer will be grandparented operators working in Ontario. Those operators, over the last couple of years, have had to take the necessary training and write the exams, take the exams, to get their operator certificates.

I can say that that's been very positive. There are 5,000. We have not seen a large loss of operators in the system. In the labour market in the north, there are attraction/retention issues. We hear about that, but not to the point where it's alarming or there's a sense that systems will not be able to find qualified and trained individuals.

Mrs. Munro: Again, that's very reassuring for us.

One of the things you mentioned in your report on page 4 was the whole issue around public reporting. Taking that, I wondered whether or not the information system on page 6 that you're referring to about public reporting would include individual reports.

Mr. Kivisto: I'll ask Jim to talk about what the design elements behind a portal will be and what will transpire in the near term, but let me just make some comments about my observations from other jurisdictions.

I was responsible for health and safety for the province of Ontario for a number of years at the Ministry of Labour. I could go to a US site for the health and safety organization. I could see the inspection orders issued to any facility in the country, anywhere, online. I could look at the legal action taken and see a summary of that on site, online, and I'm not a citizen of the US.

I'd love to see Ontario at a point where every inspection report that's written is available for anybody to look at. The challenge we have is, how do we get there? I certainly want to see information that the ministry has available that would normally be FOI-able anyway—just put it out there. We have 6,000 FOI requests coming into the ministry, and it's growing. It's taken us a massive amount of effort to respond to that. It's a huge driver for us to take a good, hard look at what these requests are about, and can't we just get that information out there without having to drive the results? So we've got work under way to do that.

Jim will talk to you a little bit about what that portal will do in terms of making transparent the results of water tests and inspections in that program.

Mr. Smith: Reporting is fundamental to the safety net for drinking water in Ontario. I'm obligated to report by law in terms of what I see happening across Ontario for drinking water systems. System owners/operators are also obligated by law to report their system findings for the year.

In terms of the portal specifically, it's moving one step beyond what people are normally used to when going on the Internet and going to a website. It allows for customization and it allows for the user to select the type of information they would like to see.

For drinking water, one is, we're working on the enabling technology. That's well in hand. Secondly, we're working on the content that we need in the organization, that our partners need and what the public would like to see. Certainly, what I would like is GIS-based mapping, so a member of the public can go in and, on a map of Ontario, they can see where their facility is, their drinking water system, and point and click and start getting information that is of interest to them, that they can customize around adverse water quality incidents or drinking water information or some basics around the systems themselves. That's all possible with the technology today, and also very possible because we have DWIS and LWIS in place, which allows us then to capture that information and provide it in a form that's meaningful.

Mrs. Munro: Thank you. I have one final question, and that has to do with the whole issue around hazardous waste transport and the ongoing challenge, I guess, in terms of moving from paper to electronic. Is there a way of creating or is there already in existence some kind of incentive—I'm thinking in terms of ease as opposed to anything more tangible—to encourage that shift from paper to electronic?

Mr. Kivisto: Everything is on the table to drive change, and we will do what we need to do to drive that change. We are doing a review of that. I understand the value of getting electronic information. We think we have parts of that sector that just aren't sophisticated enough to take advantage of it; we have others that are resisting it. We're going to determine whether we get there through persuasion, whether we get there through incentives, or whether we get there through something else, but we will get there.

The objective that we talked about a few years ago of getting to 60%, 70% electronic: We're nowhere near that. Will we get there? I don't know, but it won't be for a lack of effort. I think it's going to take multiple things to effect that.

There's a huge incentive for us to do that. As the Chair pointed out earlier, it's to ensure that we have real-time information to effect our enforcement responsibilities, but it's also that we're spending a lot of money on clerical staff entering data. I'm looking for a cost-effective organization, and if we can avoid that work, eliminate that work and the errors that it causes, we're going to do that. So it's under active review, and solutions will be found with our folks in that sector.

The Chair: Further questions?

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Mr. McNeely: A very short question. It has to do with the Greater Toronto Transportation Authority, which was mentioned in the budget. That's going to cover 60% of the population of Ontario, I believe, and the Places to Grow legislation and all that we're doing. I'm very impressed with what I've heard today about what you've done with water quality etc. If we're looking at the 50% of air quality that we can control ourselves, I understand about half of that is related to transportation. It may not be at quite that level.

What involvement do you see in future priorities that's not in what we have done and maybe not in the auditor's report? But when you put on priorities, if you're going to be looking at air quality, what role do you see for the Ministry of the Environment and yourself with the Greater Toronto Transportation Authority when it gets rolled out? It was mentioned in the budget.

Mr. Kivisto: Transit and facility in transit is a really important investment for citizens and governments to make. It will reduce the number of vehicles on the road. It will help the economy.

In terms of air quality, I just got a briefing that I glanced at last night. It's interesting to know that, for nitrous oxide, transportation is 63% of the source, whereas for SO₂, it's 67% industrial. For volatile organics, it's the miscellaneous—paints, general solvents, printing—from other sectors.

So we have, depending on the substance, different sources of smog-causing pollutants. That's why, in terms of having an impact through policy and program on air quality, you need to target various facets of society and the economy to effect the change. I think the job of the public service is to present that kind of information to governments to make their policy decisions, and what I've described earlier is that we've got movement on all of those fronts in an Ontario context, recognizing that we need to address not only coal plants but vehicles, transit, fuel and others. I'm pretty impressed in my four short months in terms of just the very comprehensive agenda that the Ministry of Environment has in place to tackle air quality.

The Chair: Okay. There's one area where I think clarification needs to be provided, not so much pertaining to this report, but I noticed it in one member's question to you; that is, to differentiate between air quality as it affects humans and the deterioration of their health and maybe these 5,800 and the problem with regard to air quality, as such, dealing with climate change. The two are not the same. Carbon dioxide is a greenhouse gas, yet vegetation wouldn't exist unless we had carbon dioxide.

You have Dr. Chan and Mr. Piché here with you. I don't know whether members of the committee would appreciate a differentiation between the two and where they cross over. I think it's really important for members of the Legislature to understand the distinctions so that we understand how policy may be made in the future with regard to these two different problems.

I don't know whether members would like to ask these two experts who are with us today or whether I should request a written document delineating the difference between the two and asking for the crossover. I just don't know what the schedules of the members of the committee are. What is your desire on that? Because I think it's a significant problem that citizens and legislators mix when they're thinking about air quality.

Mr. Kivisto: Mr. Chair, what if we just gave you a thumbnail sketch of the two? You're right, but I flow pretty freely between both and I may not have been disciplined in my articulation of circumstances. So I think Ed Piché would probably be a good person to do

that, as long as we can constrain him in terms of his desire to give you a full science. Greenhouse gases are—

Mr. Mauro: Sorry; before he begins, Mr. Chairman, I think, for our group, we're satisfied to receive a written document.

The Chair: Okay. Perhaps, then, Mr. Piché could give us a differentiation between the two problems and which gases, emissions and particles are causing the health problems and which are causing the climate change problems and where they cross over.

Mr. Kivisto: Do you want two pages or 20?

The Chair: Two.

Mr. Kivisto: All right. We'll undertake to help Mr. Piché craft a two-pager on the difference between air quality and climate change.

The Chair: As a last request, you mentioned 5,800 premature deaths caused by air quality.

Mr. Kivisto: Smog.

The Chair: Can you provide us with the background on that number?

Mr. Kivisto: What we can do is give you the report that was tabled last summer. That's not two pages, but you can find a section in there on that. We'll forward that to the committee.

The Chair: Thank you very much. I'll just ask the members of the committee to remain for a few minutes after the delegation is completed, and we'll talk about the report that we may write.

I'm sorry; the auditor did have one question he wanted to ask.

Mr. Jim McCarter: Just a very quick one. You mentioned that what was reported doesn't always reflect reality—it sounds like something an auditor would say—and that you felt that on-site inspection by competent people was necessary. I know with respect to the OnAir program, it's largely up to the polluters to publicly report where they were exceeding the limits. Is there on-site

inspection going on there to make sure that what they report reflects reality?

Mr. Kivisto: There's a difference between OnAir and our enforcement of air standards. OnAir is used to monitor trends and develop policy. It's helpful that way. We have an inspection program based on air quality standards that makes sure that people are meeting the standards.

Mr. McCarter: That would pick it up.

Mr. Kivisto: And we do cross-check in terms of our data and the federal government's to make sure that what's being reported makes sense. So it's not as if we just accept it without some questioning about ensuring that reports are reasonable in terms of the data we are tracking.

If I may, Mr. Chair, before we leave, I was listening to the radio the other morning, and I heard some comments about the Auditor General being caught in a predicament around his pension. I have had occasion to speak to him—

The Chair: Members of the Legislature don't have those problems.

Mr. McCarter: Are we still in camera?

Mr. Kivisto: I just wanted to make a comment here in front of you that Jim McCarter has done a fabulous job. He's a pleasure to work with. He's fair, he raises the right issues and he has a lot of value to the citizens of Ontario. It's never a pleasure to be here, but it's an important function, and he does it well. He's really improved the relationship and the acceptance of recommendations from the Auditor General between client ministries and his office. For that, I thank him.

Mr. McCarter: Thank you.

The Chair: Thank you very much.

The committee continued in closed session at 1119.

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