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Thursday 23 February 2017

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Jeudi 23 février 2017

**Standing Committee on
General Government**

Burden Reduction Act, 2017

**Comité permanent des
affaires gouvernementales**

Loi de 2017 sur l'allègement
du fardeau réglementaire

Chair: Grant Crack
Clerk: Sylwia Przedziecki

Président : Grant Crack
Greffière : Sylwia Przedziecki

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

**STANDING COMMITTEE ON
GENERAL GOVERNMENT**

**COMITÉ PERMANENT DES
AFFAIRES GOUVERNEMENTALES**

Thursday 23 February 2017

Jeudi 23 février 2017

The committee met at 0901 in committee room 2.

ELECTION OF VICE-CHAIR

The Chair (Mr. Grant Crack): Good morning, everyone: members of the committee, support staff. Ms. Thompson, it's great to see you back on the committee.

Ladies and gentlemen, I'd like to call the Standing Committee on General Government to order. Today we are here to continue the public hearings aspect on Bill 27, An Act to reduce the regulatory burden on business, to enact various new Acts and to make other amendments and repeals.

Prior to the commencement of the public hearings, I would like to advise members of the committee that I have received notice from Mr. Colle submitting his resignation as Vice-Chair of the Standing Committee on General Government, which I will accept. As such, I would entertain a motion to replace Mr. Colle as Vice-Chair. Ms. Hoggarth.

Ms. Ann Hoggarth: I move that MPP Anderson be the Vice-Chair for the Standing Committee on General Government.

The Chair (Mr. Grant Crack): Any further nominations?

Ms. Catherine Fife: Chair? Just a question.

The Chair (Mr. Grant Crack): Question, Ms. Fife?

Ms. Catherine Fife: Does Mr. Anderson have to be here to accept the nomination?

The Chair (Mr. Grant Crack): No.

Ms. Catherine Fife: Okay.

The Chair (Mr. Grant Crack): Any further nominations? It is a motion. Any further nominations? There being none, by acclamation, I will—

Interjection.

The Chair (Mr. Grant Crack): Oh, so we've got to move it. Any further discussion? If not, those in favour of the motion? Any opposed? I declare the motion carried, and as such, Mr. Anderson has been elected as Vice-Chair for general government.

**BURDEN REDUCTION ACT, 2017
LOI DE 2017 SUR L'ALLÈGEMENT
DU FARDEAU RÉGLEMENTAIRE**

Consideration of the following bill:

Bill 27, An Act to reduce the regulatory burden on business, to enact various new Acts and to make other

amendments and repeals / *Projet de loi 27, Loi visant à alléger le fardeau réglementaire des entreprises, à édicter diverses lois et à modifier et abroger d'autres lois.*

**CANADIAN MANUFACTURERS
AND EXPORTERS**

The Chair (Mr. Grant Crack): Moving on to business, our first delegation this morning is the Canadian Manufacturers and Exporters, Ontario. I believe there are a number who are here with us today, so I would invite one or all of you this morning up to the front. We look forward to your presentation. You have up to 10 minutes for your presentation, followed by nine minutes of questioning, three from each party. I believe—is it Mr. Howcroft? Welcome, sir. The floor is yours. If you'd like to introduce everyone, it would be much appreciated.

Mr. Ian Howcroft: Thank you very much, Chair and members of the committee. We appreciate to be here. My name is Ian Howcroft and I'm vice-president of CME Ontario. With me are Rob Hattin, a member of our national board and former chair of the national and Ontario boards; and George Vincent, who was chair of the Ontario board of directors and with Imperial Oil. Paul Clipsham is CME's director of policy. Eric Bristow is a member of Canadian Fuels, a director of policy at Canadian Fuels, and we work closely with him. He also happens to be a professional engineer, and we work closely with him on many issues around environment, health and safety, particularly the industrial exception. Given that he wasn't able to secure a position, we wanted to include him in our presentation this morning.

On behalf of CME, we're here in support of the permanent retention of the industrial exception which appears in schedule 2 of Bill 27, pertaining to clause 12(3)(a) of the Professional Engineers Act of Ontario. The retention of the industrial exception will allow Ontario manufacturers to continue to demonstrate leadership and progress on safety while maintaining an important competitive advantage. I think it's important to recognize that the industrial exception has been in the legislation since, I think, about 1981.

Manufacturing in Ontario represents approximately 750,000 direct jobs, and another 1.2 million to 1.5 million jobs are indirectly dependent on manufacturing. Last year, the manufacturing sector generated about \$290 billion in output, and it represents about 80% of our exports.

It's also important to note that it is the sector that has the highest multiplier effect for every investment dollar that's made. For every dollar invested in manufacturing, it generates about \$3.50 in total economic activity. It is the largest, most important sector, and we need to do everything we can to retain and grow that sector. We have a great campaign for "Good Things Grow In Ontario"; we need a "Great Things Made In Ontario" campaign to recognize the success of Ontario manufacturers, celebrate that and help grow that.

Safety is a top priority in manufacturing, and this is supported by the numbers. Ontario has the lowest per-employee fatality rate of any province except perhaps Prince Edward Island, depending on when the numbers are examined. Furthermore, Ontario has the lowest lost-time injury rate of any province for manufacturing, and if you check the chart at the bottom of the page, it shows that Ontario is the lead jurisdiction when it comes to manufacturing lost-time injuries. We have achieved these results and will drive further improvements by fostering a culture in which safety is everyone's business. There is not a safety performance issue relating to the existence of the industrial exception.

Further, if I can refer you to the chart on page 3, it shows the history of lost-time injury rates in the manufacturing sector. We've seen a reduction of approximately 60% to 70% over the time period of the last 10 years. It's even more impressive if you go back to the mid-1990s. The CME takes health and safety very seriously. We are a leader in that. We've done work with many partners, developed business results through health and safety, and for almost 15 years, we have run three safety groups successfully.

We have met frequently with—and in preparation for our views on the industrial exception, we worked with and used information we obtained from—the WSPS, the WSIB, the Ministry of Labour and the Ministry of Economic Development, as well as our members.

There is an issue of the accountability of directors and officers. They can face significant fines, criminal charges and imprisonment for contraventions of the OHSA. There's a lot that companies have to be aware of and are aware of.

The repeal of the industrial exception, if it went forward, would have shifted the situation to a point whereby safety would have become the purview of only one profession, to the detriment of what we've all accepted here for decades, the internal responsibility system, which is enshrined in the health and safety act and enshrined in the business community in Ontario.

I'll turn it over to Paul to take us through some of the other specifics.

Mr. Paul Clipsham: Thanks, Ian.

Had the industrial exception been repealed, the cost to the Ontario economy would have been in excess of \$100 million, with no benefit in terms of safety. Given the fierce competitive pressures facing Ontario manufacturers, these increased costs translate into a potential loss of

investment, loss of competitiveness and loss of jobs for Ontarians—again, with no benefit.

The government has made the right decision to retain the industrial exception, and we feel strongly that this additional step to enshrine the change in legislation is necessary to ensure that we are not faced with this issue again.

We're pleased that the government indicated the need to retain the industrial exception at the highest level, including the Premier and the Minister of Finance, in the 2015 fall economic statement. It is our hope that this change will lead to broad implementation of the Ontario regulatory policy and a closer relationship between government and industry in the development of legislation and regulations that impact all Ontarians.

We are urging this committee to unanimously support the permanent retention of the industrial exception as enshrined in Bill 27. We also have a signed letter, which we've circulated. It was signed by 26 other associations, collectively representing over 10,000 Ontario businesses, calling for the retention of the industrial exception.

With respect to the broader issue of regulatory burden, we welcome the attention this bill brings to the issue. Despite laudable efforts by this government through the Red Tape Challenge and other measures, CME members continue to report high levels of regulatory burden. We're urging all parties to strive to achieve improved policy and regulatory outcomes at lower cost. This will help to ensure a vibrant future for manufacturing and the Ontario economy.

Thank you for your attention, and we would welcome questions or discussion at this point.

The Chair (Mr. Grant Crack): Okay, thank you very much. We appreciate the presentation.

We'll start with the official opposition today. Mr. McNaughton.

Mr. Monte McNaughton: Great. Well, thank you very much and thanks for being here. Special thanks to the manufacturing sector—I represent southwestern Ontario, and it's the heartbeat of our economy down there. We continue to push the government to encourage more manufacturing growth in the province.

I'm just curious: Yesterday, the deputy minister said that this piece of legislation will save businesses in total \$31.5 million per year, but there have been a number of outside panels who have said that red tape and regulations cost businesses in excess of \$14 billion per year. Does this legislation go far enough in reducing red tape for manufacturers? If not, what else should the government be doing?

0910

Mr. Ian Howcroft: I'll start. I think the bill is a step in the right direction. I still think there's a lot more that can be done. We have been working closely with the government and other partners to identify areas where it's rife for opportunities to improve regulatory burdens. It's one of the top issues that we hear about. We hear about electricity prices and concerns on costs with cap-

and-trade, and also the cumulative regulatory burdens, and we have to find solutions to deal with this.

We're here to support the bill moving forward, because I think if we don't retain the industrial exception, that will add significant costs to an already stressed and overburdened manufacturing sector. I think the costs are significant with regard to the industrial exception. We had looked at numbers of about \$119 million to about \$190 million for the costs of this. I know others have put forward to PEO that the costs would be \$2 million, but as I understand those numbers, that was just restricted to the licensing fees that PEO would receive for that; it didn't take into the costs the additional costs that businesses would have to incur by hiring consultants, dealing with the issues, lost time waiting for someone to sign off on things—that was a huge cost.

Mr. Monte McNaughton: One other thing, quickly: We see this piece of legislation coming forward, and we know that around the corner the government is going to be bringing in legislation dealing with the Changing Workplaces Review. Do you have concerns about that process and some of the ideas that have been floated? If so, what are some of your concerns?

Mr. Ian Howcroft: Yes, we have major concerns. We've met with the Ministry of Labour and the Minister of Labour numerous times, identifying our concerns around the Changing Workplaces Review. We think the targets should be focusing on those vulnerable workers who need the help. Increasing more regulatory burdens that aren't being adhered to is going to capture those who are playing by the rules or doing the right things, and still miss those that they're trying to address. We can provide this committee with copies of our submission on that.

Mr. Monte McNaughton: Thanks.

The Chair (Mr. Grant Crack): Ms. Thompson.

Ms. Lisa M. Thompson: I just want to go back to something that is on record for you, Ian, going back to June 17, 2013. You had said specifically that PEO was never able to prove how the removal of the industrial exemption would boost health and safety, a driving factor behind their initial bid to see the original regulation passed. Do you still stand by those words?

Mr. Ian Howcroft: Yes. I have seen no evidence that has any relation to eliminating the industrial exception improving health and safety. We have questioned much of the information that was provided back then by PEO. I think some of the statistics were misinterpreted or put forward with inaccurate comparisons.

We have provided the information that we have received from the WSIB and the Ministry of Labour, which shows that Ontario has the best health and safety performance record across the country, and manufacturing has continued to improve dramatically its health and safety performance. It's far different than what was portrayed by PEO back in 2013 and 2014.

Ms. Lisa M. Thompson: Very good. One last question: With regard to the Changing Workplaces Review, do you feel that you've had an opportunity to have an

authentic consultation with regard to the impacts? Or do you see opportunities to improve that review process?

Mr. Ian Howcroft: We've had many opportunities to have consultation. I guess the litmus test of if the consultation was authentic is in what we will see the final results to be. We're hopeful that we were able to have an authentic consultation process that will result in regulatory decisions that meet the business competitiveness requirements, while also helping the government meet its objectives.

Ms. Lisa M. Thompson: Very good. Thank you.

The Chair (Mr. Grant Crack): Thank you very much. Ms. Fife.

Ms. Catherine Fife: Thank you very much for coming in and for sharing your time with us. Eric, it was mentioned that you weren't able to get a spot as a delegation here for the committee?

Mr. Eric Bristow: I had a spot, actually, on Monday, but with the change, I wasn't able to adjust, so what I did is that I decided to couple in with CME, and I did provide a separate supportive letter from the Canadian Fuels Association.

Ms. Catherine Fife: Okay. It was interesting for me, because we do have a whole afternoon open for delegations, if they chose to come.

Mr. Eric Bristow: Yes. I didn't have sufficient time to prepare for a separate delegation, so I decided to link in with this one.

Ms. Catherine Fife: I understand. Thank you.

Bill 27 is a huge piece of legislation—an omnibus piece of legislation—and I now have two minutes and 30 seconds to delve into the details of this legislation with you.

I just want to ask a question around some of your stats on safety. Workplace safety in the province of Ontario has been increasingly politicized. You're quoting the Ministry of Labour, some 2012 stats, and you're quoting WSIB stats as well. Do you have independent research that has looked at the Ontario workplace health and safety record independently, without the politics in play?

Mr. Ian Howcroft: We used the resources that we had: the Ministry of Labour, the WSIB, the WSPS. I think we also referred to the Association of Workers' Compensation Boards. We did not retain an independent study for ourselves. We used the best information that was available, as well as reviewing that by our members—the health and safety experts that we have on our workers' comp, health and safety and other committees.

Ms. Catherine Fife: Okay. One of the goals of this piece of legislation is this word “burden,” and it addresses competitiveness, actually, in the province of Ontario. There are some changing pieces, if you will, based on the election to the south and the responsiveness of the Ontario government around hydro costs.

If we want to reduce the burden to manufacturers in Ontario, we need to address the high hydro rates. Do you think anything in this piece of legislation addresses the high hydro rates in Ontario?

Mr. Paul Clipsham: Nothing that we've seen in there. Certainly, this is an important step in the right direction, but I think reducing regulatory burden and improving the environment for manufacturers is a journey, not a destination. This is an important piece, but there are lots of other things that have to come into play. Hydro rates are absolutely one of them that we continue to talk to the government about—the need for a more competitive electricity rate environment in Ontario. We're continuing to call for relief in that area, and we're hoping to see some of that.

Ms. Catherine Fife: Thank you very much.

The Chair (Mr. Grant Crack): Thank you. We'll move to the government side: Ms. Martins.

Mrs. Cristina Martins: Good morning. It's great to have you here. Thank you for coming.

I really liked your line when you referred to ensuring that we keep manufacturers in Ontario. The made-in-Ontario piece is very important to me, as an Ontarian.

I'm just going to, if I may, in a quick second, quote something you said back when we were travelling with the budget committee: "The common perception that manufacturing in Ontario is in decline is largely backwards." Thank you for sharing that with us at the time.

My question for you today—and I think you may have touched on this briefly—is, how do you estimate the cost impact of removing the industrial exemption, and how does that vary from what was presented by PEO? There truly is a huge, huge discrepancy, so help us understand that better.

Mr. Paul Clipsham: Yes, good question. As I understand it, the PEO was only speaking to the increase in licensing fees, which would amount to about \$2 million. But it doesn't take into account, from a business perspective, what those additional costs would be in terms of hiring additional engineers, who of course would be paid a premium, and having them on staff at all times.

The biggest piece is around the loss of production. If you don't have an in-house engineer—if you're a small company, maybe you don't have the luxury of having one—you have to bring in a consultant. You might have to wait for them to come. It can be very, very costly if you have to shut down a facility for a prolonged period to bring in somebody to have this additional stamp on the equipment.

Insurance costs and other elements weren't considered in terms of the overall impact on the economy.

Mrs. Cristina Martins: Who assisted in preparing that—

Interjection.

Mrs. Cristina Martins: Did you have something else to add?

Mr. Robert Hattin: Yes, ma'am. Robert Hattin. I'm with an automation company. We design safety systems.

I think what's changed is actually the process around how you implement safety. I think what happens is—and I've seen it first-hand; I can compare British Columbia to

Ontario. There is a culture of "safety first" in Ontario. You see it by leading companies like Eric represents, but also companies such as Dofasco and so forth—large companies as well as small companies.

Where you see, out in BC, where an engineer is tasked with that safety thing amongst other things, that person's time slice—not necessarily proficient in all aspects of it, and as we see from this graph, the outcomes around safety are much different. So any time there's a fatality or any other incident like that, it shuts companies down.

I think we would be stepping back to go to a regime where it may be less safe, not more safe. My comment to Paul was, those things haven't even been factored in. What is the value of a death or an incident?

0920

Mrs. Cristina Martins: So how do manufacturers ensure safety, then? Because this is a piece that we're hearing, right? We want to ensure health and safety. One death is too many, so we want to make sure that we have our workers be safe. How do we ensure this?

Mr. Eric Bristow: Eric Bristow, Canadian Fuels Association. I've been in the business for about 40 years, and I've been a manufacturing manager for about eight years. I know first-hand the critical components for protecting people's safety.

It starts with strong leadership. It's underpinned by good and well-defined health and safety management systems and processes and requirements. It's a culture where safety is each person's responsibility and safety isn't parcelled off to this person over here or this engineer over here as their responsibility. You want it embedded in the culture, embedded in the mindset of each person. That's critical to achieving it.

My members, I'm proud to say, are leading-edge across Canada in terms of health and safety and protecting people from being injured. I happen to think that Ontario's comprehensive model, which includes the retention of the industrial exception, is the right approach.

Mrs. Cristina Martins: Thank you.

The Chair (Mr. Grant Crack): Thank you, gentlemen, for appearing before committee and sharing your insight. It's much appreciated. Have a great day.

ONTARIO WATERPOWER ASSOCIATION

The Chair (Mr. Grant Crack): Next on the agenda we have, from the Ontario Waterpower Association, Mr. Paul Norris, who is the president.

I would like to welcome you on behalf of the committee, Mr. Norris, and we look forward to your presentation. You have up to 10 minutes, followed by nine minutes of questioning—three from each party. The floor is yours, whenever you're ready, sir.

Mr. Paul Norris: Thanks, committee members, for the opportunity to provide our input and advice to this key piece of legislation. My name is Paul Norris. I'm president of the Ontario Waterpower Association. Our organization represents the collective interests of the province's primary renewable energy industry.

I am here today to recommend a small but important addition to the bill, one which is not only consistent with the stated intent of the legislation, which is burden reduction, but will also contribute to a shared objective—I hope—of reducing input costs for the production of electricity from waterpower.

I'm going to refer specifically to schedule 11 of the bill, the schedule associated with the Ministry of Environment and Climate Change, and particularly to section 4 of that schedule, dealing with the provisions of the Ontario Water Resources Act.

I propose that the following be added to this section:

“Section 34(3) of the Ontario Water Resources Act is amended by adding the following subsection:

“(3) Subsection (1) does not apply to the following takings of water unless they are prescribed by the regulations:

“A taking of water that is regulated under the Lakes and Rivers Improvement Act.”

The section that I'm quoting already includes exemptions for other activities, so it is simply an addition to that existing provision.

Let me explain the rationale for this recommendation. Section 34 of the Ontario Water Resources Act deals with permits to take water and, notwithstanding that it may be argued that waterpower facilities do not “take” but rather simply “pass” water, the definition of “water taking” under the act captures hydroelectric facilities. While this was once primarily an administrative annoyance, it has grown in recent years to become a significant and unnecessary burden.

It's significant because permitting and approvals requirements such as these are increasing the time it takes and driving up input costs for waterpower development in the province. Timelines have increased from five to eight years for small hydro in Ontario and, based on analysis the association undertook in 2016, up to 20% of the overall project development costs can be attributed to the permitting process. In fact, this is becoming a fixed cost for projects, with the resulting disproportionate burden on small developments. Our analysis also found that these permitting and approvals requirements often result in increased construction and operating costs, adding even more burden to a project.

It's unnecessary because all water power development and operation in the province of Ontario is already regulated by the provisions of the Lakes and Rivers Improvement Act administered by the Ministry of Natural Resources and Forestry. The purposes of the Lakes and Rivers Improvement Act are as follows:

—the management, protection, preservation and use of the waters of the lakes and rivers of Ontario and the land under them;

—the protection and equitable exercise of public rights in or over the waters of the lakes and rivers of Ontario;

—the protection of the interests of riparian owners;

—the management, perpetuation and use of the fish, wildlife and other natural resources dependent upon the lakes and rivers; and

—the protection of the natural amenities of the lakes and rivers and their shores and banks.

In my view, it's a very comprehensive piece of legislation. In fact, since 2011, the Ministry of Natural Resources and Forestry has been modernizing policy with respect to the implementation of the Lakes and Rivers Improvement Act, having published a series of technical bulletins on new dam construction and dam maintenance and operation, among others.

The additional and duplicative requirements of the permit to take water, however, remain to be addressed. The issue is particularly concerning given that the permit to take water is intended to simply implement the outcome of the extensive environmental assessment process.

I want to be clear that I'm not criticizing the Ministry of the Environment and Climate Change, but rather the awkward and antiquated legislative framework that is the Ontario Water Resources Act. My recommendation simply seeks to apply the existing legislation in a more rational and pragmatic manner.

In fact, the two ministries have previously attempted to make improvements through streamlining the review and approval process and coordination. In October 2013, the Ministry of the Environment and Climate Change posted a coordinated water power guide on the Environmental Registry, developed jointly with the Ministry of Natural Resources and Forestry and with input from our organization. The EBR posting was never approved, and subsequent discussions with both ministries indicated that implementation of the approach proposed would have resulted in a codependency between the ministries in issuing approvals rather than the intended independence.

The OWA has also submitted options to MOECC on potential amendments to Ontario regulation 387/04 under the Ontario Water Resources Act to achieve the objective of the recommendation that I am making here today. While a number of exemptions and exceptions were added to the regulation in 2016, including one applicable to some temporary construction, the core issue of regulatory rationalization remains.

It is for these reasons that our proposal specifically recommends the use of the section of the Ontario Water Resources Act that provides for an exception unless prescribed by regulation. I'm not looking to not be regulated by the province of Ontario, but simply rationally and once.

Experience over the last number of years on this issue suggests that focusing on what, if any, residual public policy objectives are required to be met after consideration of those already addressed through the Lakes and Rivers Improvement Act is the most prudent and practical path forward. I have attached excerpts from the OWRA and the water-taking regulation for your reference.

I know this isn't a big piece for your consideration, but it is very important if we are collectively interested in reducing the costs of electricity in this province. Some

will argue that this is a nickel-and-dime kind of interest that I have here, but I have been taught that if you take care of the nickels and the dimes, the dollars will take care of themselves. Thanks.

The Chair (Mr. Grant Crack): Thank you very much, Mr. Norris, for your presentation. We shall commence with the NDP. Ms. Fife?

Ms. Catherine Fife: Well, thank you very much, Paul, for coming in and for making a compelling case for the change.

I'm just curious as to what sort of consultation you had with the government prior to this bill, and this section in particular, being revised and your industry getting caught in this.

Mr. Paul Norris: The consultation on the core concern about overlap and duplication dates back at least 10 years to 2008. We had efforts to look at the rationalization. I think we collectively came to the conclusion that there's a hierarchy of legislation, regulation and policy.

There were policy attempts, to be fair. The challenge is the way that the legislation is itself written. Water taking, in the legislation, includes diversions and includes water facilities. But it doesn't recognize that dams, in this case, are already regulated under the Lakes and Rivers Improvement Act.

0930

As I say, in 2013, the Ministry of the Environment, in fact, published a policy attempt on the Environmental Registry. Extensive consultation went into that; we contributed, as did other stakeholders. It was found at the end of the day, based on a legal interpretation, that while the intent was laudable, the implementation of that was impossible. So I'm here because we've tried other mechanisms to achieve the same objective.

Again, my observation has been that if government is interested in reducing the costs of electricity through hydro, our sector, we need to think about reducing the costs of government.

Ms. Catherine Fife: So, just to be clear, this component here adds a burden to your industry.

Mr. Paul Norris: Absolutely.

Ms. Catherine Fife: Okay. Thank you for coming in today, Paul.

Mr. Paul Norris: Thank you.

The Chair (Mr. Grant Crack): Thank you very much. We'll move to the government. Ms. Martins.

Mrs. Cristina Martins: Thank you for being here this morning. My question to you today is, do your members face delays in connecting to the grid? Would the changes that are being proposed benefit your members indirectly or directly? I guess there are two questions in one.

Mr. Paul Norris: Sure. Two separate things: In terms of grid connection, if you're talking about timing delays, the challenge with grid connection generally for our industry is that we have a policy approach that isn't anticipatory. What I mean by that is the ability to connect to the grid is premised on the capacity of the grid the day that you apply. I just said that it takes eight years for us

to build a hydro project, unfortunately; it used to be five in 2011. The core challenge with us is that lack of anticipatory grid connection.

Your second question, directly or indirectly? Absolutely directly.

Mrs. Cristina Martins: Can you just speak to the benefits that would directly impact or change—

Mr. Paul Norris: Yes. The two issues are time and money, and they're not unrelated. If we were regulated appropriately, in my view, as we already are through the Lakes and Rivers Improvement Act—and again, I want to point out that what I am suggesting here still provides that the government could introduce regulation if there were determined to be any residual requirements of the Ministry of the Environment and Climate Change. I'm not suggesting that there isn't a role; I'm suggesting using the enabling piece of legislation to drive that.

The timelines, in terms of an additional permit process you have to go through—it's a separate permit process you have to go through. As I said, it generally follows four years of environmental assessment, right? In terms of cost, that delay costs money and the actual requirements that come out of the permit cost money. I'd be happy to speak to some of those if you're interested.

Mrs. Cristina Martins: Thank you very much for your recommendations. We'll consider that.

Mr. Paul Norris: Thanks.

The Chair (Mr. Grant Crack): Thank you very much. We'll move to the official opposition. Ms. Thompson.

Ms. Lisa M. Thompson: Thank you for coming, Paul.

Mr. Paul Norris: Good morning, Lisa.

Ms. Lisa M. Thompson: Good morning. As you know, Bill 27 is titled Burden Reduction Act, but I'm wondering, specifically from your perspective, can you give us examples of how permitting requirements create additional burdens for water power facilities?

Mr. Paul Norris: Sure, and I'll use this one in particular. Let me explain what the instrument of a permit to take water is versus an instrument under the Lakes and Rivers Improvement Act, just so we're all on the same page. Really, the outcome of those two processes is a requirement to manage water levels and flows; that's what it is—upstream and downstream. The Lakes and Rivers Improvement Act has a section, section 23, that gives the minister the authority to require an operating plan for the facility. A permit to take water manages water levels and flows, so there's duplication built into that framework.

A good example would be, if it's about managing water levels and flows, going through the permit-to-take water process for a small hydro facility that doesn't manage water levels and flows. So you have monitoring requirements, you have reporting requirements—you're basically measuring how much water is going through your facility depending on how much rain falls. I get the concept. Again, I'm not arguing that there shouldn't be a mechanism in place, but MNR has it.

Ms. Lisa M. Thompson: Got it. So don't duplicate it.

Mr. Paul Norris: Don't do it twice.

Ms. Lisa M. Thompson: Yes.

Mr. Paul Norris: Again, I want to emphasize that I'm not proposing an all-out exemption. I'm just saying, use the provisions of the legislation that already exist that allow for an exception unless otherwise prescribed in regulation. I'm happy to work with the government and the ministry on the definition of that regulation, if it's appropriate.

Ms. Lisa M. Thompson: Very good. Great example. I appreciate that very much. In your presentation, you also said that the EBR posting was never approved.

Mr. Paul Norris: Yes.

Ms. Lisa M. Thompson: How frustrated are you with the EBR, generally speaking? Is it serving its purpose? Does it need to be rejigged or thrown out? I'm curious to hear your response.

Mr. Paul Norris: I think we would have a good conversation about its purpose before I answer the question of whether or not it was serving it.

Ms. Lisa M. Thompson: Okay.

Mr. Paul Norris: I think that's the question, right? What do we want it to be, and for whom? I think that like a lot of things that are introduced with good intentions—legislation is another example, to be quite honest. If you don't build in a monitoring, evaluation and assessment, and improvement framework by design, you end up five or 10 or 15 years later, saying, "We should blow it up."

What's important to me, whether it's the EBR—which, yes, can be frustrating—or whether it's other pieces of legislation that we haven't built into that

adaptive management framework, is getting to a point that we have to decide to do something fundamental about it as opposed to building in an evaluative framework that allows us to test the assumptions over time.

Ms. Lisa M. Thompson: Okay. Thank you. I appreciate that.

The Chair (Mr. Grant Crack): Thank you very much. That concludes the questioning component. Mr. Norris, we'd like to thank you for your presentation and answering questions this morning.

That ends the public hearings component. I would like to ask members of the committee, given the change in the order from the House, if there would be an interest from the members to have legislative research provide a summary of the witnesses that have appeared before committee prior. Are there any thoughts? Ms. Fife?

Ms. Catherine Fife: We only had six delegations, I think, maybe seven. I don't see any need to have a research paper. The opinions that were expressed to us are pretty clear.

The Chair (Mr. Grant Crack): Okay, thank you. Any further discussion? Then I will assume and conclude that there will be no research summary provided by our legislative research counsel here, Mr. McNaught. Congratulations, Mr. McNaught.

That ends the public hearings component. I will see you next Monday at 2 p.m. and we will consider clause-by-clause consideration. Don't forget that the amendment deadline is 9 a.m. tomorrow, which is Friday the 24th.

Thank you very much. This meeting is adjourned.

The committee adjourned at 0937.

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