

# **HANSARD**

**NOVA SCOTIA HOUSE OF ASSEMBLY**

**COMMITTEE**

**ON**

**PUBLIC ACCOUNTS**

**Wednesday, March 28, 2018**

**Legislative Chamber**

**Report of the Auditor General - November 1, 2017**

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## **Public Accounts Committee**

Mr. Allan MacMaster (Chairman)  
Mr. Gordon Wilson (Vice-Chairman)  
Mr. Ben Jessome  
Ms. Suzanne Lohnes-Croft  
Mr. Brendan Maguire  
Mr. Hugh MacKay  
Mr. Tim Houston  
Hon. David Wilson  
Ms. Lisa Roberts

[Mr. Brendan Maguire was replaced by Mr. Bill Horne.]

In Attendance:

Ms. Kim Langille  
Legislative Committee Clerk

Mr. Gordon Hebb,  
Chief Legislative Counsel

Ms. Nicole Arsenault,  
Assistant Clerk, Office of the Speaker

### **WITNESSES**

#### Department of Environment

Ms. Frances Martin,  
Deputy Minister

Ms. Lorrie Roberts,  
Executive Director - Policy

Mr. Adrian Fuller,  
Executive Director - Inspection, Compliance & Enforcement

Mr. Andrew Murphy,  
Executive Director - Sustainability & Applied Science

Mr. Jason Hollett,  
Executive Director - Climate Change



House of Assembly  
*Nova Scotia*

**HALIFAX, WEDNESDAY, MARCH 28, 2018**

**STANDING COMMITTEE ON PUBLIC ACCOUNTS**

9:00 A.M.

CHAIRMAN

Mr. Allan MacMaster

VICE-CHAIRMAN

Mr. Gordon Wilson

MR. CHAIRMAN: I call this meeting of the Public Accounts Committee to order. This morning we have the Department of Environment with us as a witness to discuss the Auditor General's November 1, 2017 report which focused on environment issues in the province.

We do have a member who's celebrating a birthday today. Mr. Horne, happy birthday to you.

I would like to remind everyone to place their phones on silent. We will start with introductions.

[The committee members and witnesses introduced themselves.]

MR. CHAIRMAN: Ms. Martin, you may proceed with opening comments.

MS. FRANCES MARTIN: Good morning everyone. Thank you for inviting us here today to speak to the recommendations of the November 2017 Auditor General Report. I'd like to thank and acknowledge the senior team that's here with me this morning, to ensure that we're able to fully address all the questions you have. Additionally, I'd like to thank the staff in the Department of Environment, who are located throughout the province, who work day in and day out on behalf of the environment.

Every day at the Department of Environment, we use science and expert opinion to make decisions with one goal in mind, and that's protecting the environment and the health and safety of Nova Scotians. We have a great deal of regulatory responsibility. We enforce 35 acts and more than 85 sets of associated regulations. They cover air, land, water protection, matters of public health, animal welfare, wildlife conservation, and aquaculture, just to name a few areas of responsibility.

We conduct more than 22,000 inspections in a year, and about a third of those are related to enforcement of the Environment Act. We take this responsibility very seriously, and when the Auditor General makes recommendations for improvement, we listen and we take action. In the 2017 report, the Auditor General gave us recommendations on our climate change program, and on our Environmental Assessment process. We welcome these recommendations, and we're working hard to ensure that we address them, and continue to improve.

Focusing on climate change for a minute, I am pleased to report that we've already made progress on the three recommendations related to climate change. Our primary focus on this front for the past two years has been building our cap-and-trade program to meet the federal requirements for a price on carbon by January of 2019. This is a tight time frame, and it is a massive amount of work. This work will help us with the Auditor General's recommendations for more public reporting.

In May, we will be getting greenhouse gas data from Nova Scotia companies, and most of it, for the very first time. This data will feed into our annual reporting on the cap-and-trade program. Once it begins, we will be required by law to report to Nova Scotians on this program each and every year. Once the cap-and-trade program is in place, we will turn our attention to publishing progress updates on all climate change work on a regular basis. Our next scheduled update will be in 2019.

We will also continue to report every year on climate change goals, and we will do this in two ways. One, is as we have done under the Environmental Goals and Sustainability Prosperity Act, and the other is through Environment and Climate Change Canada as well - the federal department.

As the Auditor General noted, we have already accomplished most of the actions and the goals that had been set out related to climate change. This represents a great deal of work, done by many government departments, by the electricity sector, by municipalities, and by individual Nova Scotians who've changed their habits, and have made investments to help us fight climate change.

Of course, there is always more work to do, and we're committed to developing and updating the plans on key areas of focus every two years. We are currently working with the Department of Agriculture for example, to identify issues and opportunities for

that department and that sector. Once this is complete, we will work with other departments to identify the next key areas of focus in 2019 and 2020, and beyond.

It's important to periodically review our ranking in terms of climate change risk, and while the types of climate change risk for Nova Scotia have not changed, their probability and potential effects may have. We've committed to reviewing our risk ranking every five years based upon the latest science. We will conduct the next review in 2019.

Moving on to another important area that was subject to the Auditor General's review, that being environmental assessment or EA as we call it - we follow the process that is set out in the Environment Act and the regulations. We review projects that are submitted to determine if they meet our environmental standard. This is a robust process and it includes an opportunity for public comment and expert input.

Also, it should be noted that for most projects, the environmental assessment is the first step. There are other regulations in place to ensure that once the minister has made an EA decision, there are approvals in place to ensure that the environment is protected. Almost every project that requires an EA approval also requires another type of approval. Often this can be for example an industrial approval.

It should give Nova Scotians the confidence to know that our regulatory work is much broader than the EA process itself, and while our EA process is robust, it is just one part of a bigger system to protect the environment.

The main issue in our EA process that the Auditor General identified was that we needed to do a better job of documentation. When he looked at a sample of EA terms and conditions, he didn't find documentation to verify that we had followed up to ensure compliance. Since his report, we have reviewed the terms and conditions, and we are confident that we have followed up on all of the terms and conditions in our EA process.

Further, I am pleased to advise that we have already completed all but two of our actions to address the seven recommendations, and those relate to EA approvals including terms and conditions are now entered into our computer system known as SNAP - that's the System for Notification and Approval Processing. This allows staff and different divisions of the department to track terms and conditions and ensure compliance.

We've also updated our EA checklist to maintain a record of communication with other departments on each project, and the last point to focus on - we are now using a routine sheet to document the information sent to the minister for decision on each project as well as the decision itself. So that is following through on the specific EA recommendations. We've nearly completed our update of our internal guide for following up on EAs, and it's in the final stages of completion and will be completed very soon.

Lastly, we are well underway with our review of the standard terms and conditions that we will include in environmental assessment approvals. Our EA and compliance staff are working together on these recommendations and this project to ensure we will complete it in the coming fiscal year.

In terms of the previous audits, the Auditor General also commented on a variety of our previous audits. We have completed more than half of those recommendations, and all of the rest are underway, and we will be complete on most of those in this coming fiscal year. The auditor also commented on accounting for contaminated sites in the province's financial statements. He found that the Department of Finance and Treasury Board is properly accounting for these sites in accordance with the Canadian Public Sector Accounting Standards. He also considered the Boat Harbour cleanup - which we will talk about, I'm sure, and we did talk about when I was here about a month ago. If you have any further questions on that, I'd be glad to speak to you.

So, in closing, my colleagues and I are here today and we're happy to answer any questions on the AG reports. Thank you.

[9:15 a.m.]

MR. CHAIRMAN: Thank you, Ms. Martin. We'll start with the Progressive Conservative caucus. Mr. Houston, you have 20 minutes.

MR. TIM HOUSTON: Thank you for those introductory comments. Deputy, when did you join the department as the deputy minister?

MS. FRANCES MARTIN: I joined in February three years ago.

MR. HOUSTON: At that time when you joined, there were a series of Auditor General recommendations that really hadn't been attended to. Were you surprised by the number of recommendations that were outstanding?

MS. FRANCES MARTIN: When I joined three years ago, there were a number of reports that had been completed by the Auditor General. Drinking water and contaminated sites would be two of those that come to mind. I was updated by the staff in the department in terms of the progress on those reports.

I was impressed with the work the department had completed, and I also recognize - and we can get into more detail later - that in some instances it was necessary to put new regulations in place in order to meet the Auditor General's recommendations. That's a fairly extensive process, which starts with the review of the program, with the development of a discussion paper, with consultation with stakeholders, and so on.

What you're seeing here today is the culmination of a considerable amount of work over time. We have made substantive progress on and completed a number of the recommendations.

MR. HOUSTON: No doubt some of the recommendations are more onerous to comply with, but some aren't - we're talking about things like drinking water and food safety. They're pretty serious issues for Nova Scotians. It just strikes me as disappointing, I guess, that some of these recommendations that the Auditor General comes up with, can take years to address.

I don't think Nova Scotians have a great deal of confidence in the Department of Environment on many of the bigger files. When you see the recommendations sit there for years, it doesn't help that.

How do we get to a point where recommendations from the Auditor General sit there for years? Is it a lack of resources? Are they not prioritized? What would be your sense, as a new deputy coming into the department and seeing these recommendations? Was it a priority of yours to act on some of those?

MS. FRANCES MARTIN: It's always a priority to act on the recommendations from an AG report. Just to pick up on a couple of your comments, I have every confidence, and Nova Scotians should as well, in terms of the safety of our drinking water and its quality, as well as food safety and other aspects of environmental protection.

You certainly hit on it in your question to me - that is that there are a variety of recommendations that are quite complex. They do take time to complete. Certainly, there are simpler ones, and the simpler ones tend to get addressed pretty quickly. In fact, it's not unusual when an Auditor General's Report goes public that there would be some recommendations that have already been acted upon.

I indicated in my earlier answer that there are times when we need to put new regulations in place; that takes time. Some of the important steps in putting forward new regulations, or if we need significant new policies - it's really critically important to conduct a thorough consultation with stakeholders, and all of that takes time. In addressing the recommendations, we need to make sure that we get the details right, so that does take time.

If you look at the recommendations that are in the chapters that are in front of us today, you will see that we have either completed or are making substantial progress on all of the recommendations.

MR. HOUSTON: There's a recommendation from the May 2014 report around drinking water: "The Department of Environment should evaluate whether the current

requirement for water testing by inspectors at registered facilities is appropriate and implement changes where required.”

The recommendation is that the department should evaluate whether the current requirement for testing is appropriate. That’s a recommendation from May 2014, and as of February 2017, that recommendation was not complete. Is that recommendation complete today? Has the department evaluated whether the current requirement for testing is appropriate?

MS. FRANCES MARTIN: Could I just clarify which number that recommendation is?

MR. HOUSTON: That is from the May 2014 - Chapter 5.5.

MS. FRANCES MARTIN: Yes, in fact, we have completed that piece. When we look at standards associated with drinking water, we rely quite heavily on our colleagues across Canada. I think I mentioned when I was here before, we have the Canadian Council of Ministers of the Environment - for many years, they have been working on the science and evidence associated with what standards are appropriate and safe in terms of drinking water, and we adopt those standards.

In the process of adopting those standards, we build requirements into approvals for municipalities, which are largely who we’re regulating here. Also, as this recommendation implies, we go on and do internal reviews to make sure that we are, in fact, following the procedures in the department.

MR. HOUSTON: So, from the department’s perspective, when the Auditor General comes back and looks again, that will say “complete.”

MS. FRANCES MARTIN: That - Chapter 5.5 - will say “complete”, yes.

MR. HOUSTON: In your opening comments, you mentioned the follow-up on the terms and conditions. A number of projects are approved with terms and conditions. The Auditor General reported that his finding was basically that there was very little follow-up on terms and conditions. You addressed that in your opening comments and said that the department has now - you used the words “followed up” on all terms and conditions. In that follow-up, did you find that all of the terms and conditions had been met?

MS. FRANCES MARTIN: If you’re asking globally about all of the recommendations that are in front of us today, what I would say is that when we do our internal reviews...

MR. HOUSTON: Sorry, no. What I remember from the Auditor General’s Report the last time was that most projects had been approved. I forget the numbers - it was like



43 out of 52 or something had been approved. My feeling from hearing that was that if you apply for a project, it's probably going to get approved. Most of them had been approved - I don't have the numbers at hand so I apologize.

My sense was that most of the projects that were approved, were approved with terms and conditions - here's your approval, but you need to do this and this and that. When the Auditor General looked at whether the department was monitoring the terms and conditions and whether they had been met, most of them hadn't been followed up - nobody was watching. Nobody was tending the shop to see if the terms and conditions were being met.

I don't have the numbers at hand - and you might recall - but of the projects that were sampled, there was no evidence in the file at the department that anyone was watching to see whether the terms and conditions were actually met. That was my general sense. That was something that has been on my mind.

In your opening comments, you referenced the Auditor General's finding. You referenced it in the context of saying that the department had followed up on all terms and conditions. In other words, the Auditor General noted that nobody was watching the terms and conditions. I think that's what you were referring to in your opening, when you said the department has now followed up on all those terms and conditions.

So I'm asking specifically about projects that were approved with terms and conditions that the Auditor General initially said, nobody is watching to see whether those terms and conditions are being acted upon or respected. I think you referred to it and said that the department has now followed up on that, and taken a look at that.

I guess my question is, in that follow-up, was everything okay? Did the department identify instances where there were terms and conditions? Maybe nobody had looked before, but when the department went to look they're like, oh boy, they're not following the terms and conditions and approval.

MS. FRANCES MARTIN: I really appreciate you asking that question because it does give a good opportunity to clarify. That was the Auditor General Report that was released in November 2016. It related to a review that the AG's Office did on environmental assessment. What was identified was an issue related to documentation in terms of the files that the Auditor General examined. In those particular files that were examined, there wasn't evidence in those files of follow-up. Because of the critical importance of that, we did a follow-up review - internal to the department - of those specific files to ensure that there was, in fact, follow-up.

Environmental assessment is a robust process and if a project is approved, very often it is approved with terms and conditions. Those terms and conditions then become important in terms of when that project leaves the planning phase and enters the real world,

and often there's construction or some action that's taken. At that point, what we are looking at is, for example, other approvals in the department. It may be a watercourse alteration, it may be an industrial approval, or what have you.

We agreed with the Auditor General that we did, in fact, have an issue in terms of how we documented those files. We were thorough in doing our review to make sure that each and every term and condition in the EA process did, in fact, translate into a requirement in one of our other approvals. That was an important piece for us to satisfy ourselves with, and I can report here today that we did have evidence of continuity from the environmental assessment process into the approval process.

I made reference in my opening comments to an IT system. We refer to it as SNAP, and it's the System for Notification and Approvals Processing. We have been using that system over the past year, and because of that information on environmental assessments and all of our other approvals being housed in one IT system, we're quite confident now that we won't have questions into the future about documentation.

The key point here is, are we providing oversight and the appropriate environmental protection? In fact, we are through our approvals process, and we do have continuity between one and the other.

MR. HOUSTON: Thank you. You have a lot on your plate - I think you referred to 35 Acts. Do you have the resources you need to get the job done?

MS. FRANCES MARTIN: I feel very confident that we do have the resources necessary to do the job. In fact, in 2016 we had a variety of other services transferred from other departments - Agriculture, Fisheries and Aquaculture, Natural Resources, and the public health side of the Department of Health and Wellness. That has given us greater opportunity in terms of locating staff closer to where they need to be doing their inspections and work of that nature. It has also allowed us in some instances to gain some efficiency through cross-training and so on. As I said, with our new IT system we're in a better position than we ever have been.

MR. HOUSTON: When will the details of the cap-and-trade program be worked out?

MS. FRANCES MARTIN: As I indicated, we go live in 2019. I will ask my colleague Jason to give you further detail on that. We have one set of recommendations out; we have other areas that we are continuing to consult on.

MR. CHAIRMAN: Mr. Hollett.

[9:30 a.m.]

MR. JASON HOLLETT: Thank you for the question. As Deputy Minister Martin has said, we've done a lot of work over the past year on the cap-and-trade program. This time last year we held our first consultation session. In the meantime, we have amended the Environment Act to give the minister the authority to put together regulations. We also have passed the first set of regulations to require companies in Nova Scotia to report on greenhouse gas emissions for the very first time.

In terms of a go-forward plan, we're hoping to be out with consultation on the details of the cap-and-trade program later on this Spring in order to be able to get the regulations in place in time to meet the federal government's deadline of January 2019.

MR. HOUSTON: The first set of regulations that you passed, are they public?

MR. HOLLETT: Yes, they are.

MR. HOUSTON: Has the department done an analysis - is this going to reduce greenhouse gases, the cap-and-trade system?

MR. HOLLETT: As part of the direction that's given by the federal government under the cap-and-trade program, we have to commit to have caps on greenhouse gas emissions from covered sectors, and those caps need to decline over time, so greenhouse gas emissions will need to decline.

MR. HOUSTON: Does the department have an analysis of how it's going to reduce in Nova Scotia over the next 10 years?

MR. HOLLETT: We are in the middle of putting that work together right now, and those are the details that we would like to consult on with Nova Scotians, and the industry and companies in Nova Scotia.

MR. HOUSTON: When you have the analysis that says this is the plan, does the federal government have to sign off on that, that they agree to it?

MR. HOLLETT: Yes, that's correct. In early January, the federal government's Environment Minister and the Finance Minister sent around some guidance to provinces and territories on the process over the coming year for how they will work with provinces and territories on implementation of carbon pricing.

If you were to choose the federal government's approach, you had to notify them by the end of this month. Provinces and territories that are putting together their own systems need to submit the details of those plans to the federal government by September, which they will evaluate using their own resources.

MR. HOUSTON: By September, okay. So, there's going to be consultations over the summer, I guess?

MR. HOLLETT: Spring and potentially into summer. Those dates haven't been finalized.

MR. HOUSTON: So there will be consultations, and then by September, the province will be submitting a plan to the federal government?

MR. HOLLETT: That's correct.

MR. HOUSTON: Then the feds will sign off on that or not, I guess?

MR. HOLLETT: The feds will evaluate it, that's correct.

MR. HOUSTON: They'll evaluate that by January, did you say?

MR. HOLLETT: I think their intent is to have feedback back to the provinces well in advance of that. If they don't accept the province's system, they'll have to implement the federal government's backstop.

MR. HOUSTON: Obviously, the government must think the feds are going to accept their system.

MR. HOLLETT: The federal government has been fairly clear - they have released three sets of guidance over the past 18 months on what their expectations are to meet their carbon pricing benchmark. It started back in October 2016, and they released further clarification last August, and then again in early December. We do have the guidance that they have published, and we are working to fit our program within that framework. We do have regular conversations with our colleagues at Environment and Climate Change Canada on those.

MR. HOUSTON: So, you're trying to fit it into the box?

MR. HOLLETT: That's correct.

MR. HOUSTON: You're trying to make the cap-and-trade plan fit their requirements. Do you have a document that you can share with us that says, these are the requirements of the federal government and this is where we are right now?

MR. HOLLETT: Yes, we can provide either a link or the documents from the federal government that they have provided on the carbon pricing benchmark guidance.

MR. HOUSTON: Can you compare that to where we stand in Nova Scotia? You don't have that info as to where we stand in Nova Scotia yet, do you?

MR. HOLLETT: What I can provide is the three sets of documents that they have provided for the benchmark. We have some discussion documents that we put in place as well, when we consulted on the cap-and-trade program last year. We can provide that as well.

MR. HOUSTON: Those discussion documents would be the Nova Scotia situation as it is today?

MR. HOLLETT: That's correct, yes.

MR. CHAIRMAN: You have about 40 seconds remaining.

MR. HOUSTON: That's very kind of you, but I'll pass that to the NDP. (Laughter)

MR. CHAIRMAN: We'll move to the NDP caucus. Ms. Roberts.

MS. LISA ROBERTS: Thank you. Your department agreed to the Auditor General's recommendation that the department update plans and goals related to climate change. I don't know if you can put a percentage on this, but how much of that effort is actually wrapped up in developing the cap-and-trade system? Is that the substance of our work right now around climate change?

MS. FRANCES MARTIN: A fair number of the AG's recommendations did relate to updating and public reporting. The aspects of public reporting are actually built right into the current set of recommendations that we put in place. Thematically it's public reporting; it will be built into the work as we go forward.

MS. ROBERTS: Into the work of the cap-and-trade system or into other work? I'm just trying to figure out if the cap and-trade work is - to what extent is that our work on climate change in terms of setting goals and our means for moving forward?

MS. FRANCES MARTIN: To answer your question, being transparent about our cap-and-trade system, what it is, how it's functioning and so on is built into the regulations that were put in place, and will be built into the future regulations that will be developed, that frame the cap-and-trade system for Nova Scotia.

MS. ROBERTS: Okay. Because of the system that we're building around cap and trade, would it be fair to say that we're not going to be setting goals, for example, related to transportation, related to reductions of greenhouse gas emissions from transportation because transportation will not be captured under cap and trade?

MS. FRANCES MARTIN: I'll ask Jason to address the detail on that.

MR. HOLLETT: Transportation will be captured under the cap-and-trade program. The emissions that will be covered in Nova Scotia will be somewhere between 80 to 90 per cent of the total emissions from the province. In our cap-and-trade program we'll be covering large industry obviously, the electricity sector and fuel suppliers who provide the fuels for the transportation sector, so that will also be captured.

MS. ROBERTS: We can basically expect, as I understand it, new climate change goals in 2018. Is that what I heard earlier?

MS. FRANCES MARTIN: I have to refer back to my comment earlier - Jason maybe you can take that question on?

MR. HOLLETT: Yes, we will have a new climate change program focused on the cap-and-trade program primarily in order to reduce greenhouse gas emissions in the province.

MS. ROBERTS: But then we're going to be looking at the risks related to climate change and mitigation in 2019 - I'm just wondering why that order of things. Why aren't we setting goals in relation to the actual risks that are going to be happening?

MR. HOLLETT: Maybe if I just describe a little bit of the work that my team does. On the mitigation side, the reduction of greenhouse gas emissions, a significant portion of the work we're doing right now relates to the cap-and-trade program which will cap greenhouse gas emissions, require them to decline over time, and set up the rules and regulations associated with that.

We also have a team that works on climate change adaptation issues, that is preparing the province for the impacts of climate change that we know are going to happen regardless of how we reduce our greenhouse gas emissions here in the province. That work continues; it definitely does not halt as we work on the mitigation side as well. We're working very closely with our colleagues in other departments and communities across the province.

I think the recommendation that you're referencing relates to updating the risk profile of some of these things we can expect that will continue to happen in the province. The science becomes better year after year and, every once in a while, you need to go back and re-evaluate the risk profile of some of the impacts that we'll see to see if there are changes and to see if that requires any change in priority and focus for us.

MS. ROBERTS: So work on the Chignecto link for example, that critical infrastructure piece - that will be looked at in 2019?

MR. HOLLETT: That may be a piece that we're evaluating. We've done lots of work with our colleagues across Atlantic Canada. Some of the work we've done in concert with them and NRCan was a study that identified some of the vulnerabilities that are associated with that link and the risks of climate change, including sea level rise, increased storm surge, changing precipitation patterns, and extreme weather. So yes, we would absolutely be continuing that work.

MS. ROBERTS: The Auditor General's Report highlighted a gap in the department thinking around climate change preparedness, especially regarding health impacts. The department was not working with the Department of Health and Wellness to address expected increases in ultraviolet rays, outbreaks of West Nile virus, increased rates of respiratory problems, and I guess we could add Lyme disease to that. How has the department since responded to address that gap?

MR. HOLLETT: We work regularly with departments and agencies across the province to try to deal with issues as they arise. The impacts of a changing climate - and some of the ones you listed there are really good examples of health impacts - are ones that we need to increasingly focus on in our work. I think that as we get into our commitments and our response to the OAG report - we committed to identifying new areas of priority focus, and we have also committed to re-examining the risk profile of some of those issues so that we can understand which ones we need to spend more time focusing on.

MS. ROBERTS: I'm going to move to contaminated sites for my next series of questions. At Public Accounts here in February, the department said that as part of the environmental assessment process, Northern Pulp would have to explain why alternative effluent treatment systems, like a closed-loop system, are not desirable or not possible.

What criteria is the department using to determine whether Northern Pulp's reasons for not using a closed-loop system are adequate?

MR. CHAIRMAN: Ms. Martin.

MS. FRANCES MARTIN: What I indicated earlier, related to closed loop or any other sort of technology, is that an environmental assessment process is quite a robust process that looks at a range of evidence and science. There are obligations on the proponent - in this case it would be Northern Pulp - when they register a project. Some of the information that we would be looking for is technical information and evidence related to alternatives. If they are registering with one solution in mind, we would expect as a part of the registration package to have an examination of what some of the other alternatives are.

MS. ROBERTS: Northern Pulp has said that a closed-loop process is not possible because it is a bleached kraft mill. However, critics have pointed out that a closed-loop

system actually would be possible if Northern Pulp shifted to producing unbleached pulp, which is a slightly different product but also a product with a market.

Would your department consider requiring Northern Pulp to shift its production process in order to reduce the environmental impacts of its effluent?

MS. FRANCES MARTIN: I would speak to the environmental assessment process generally. The very essence of it is to look at what is being proposed, what risk factors are associated with it, and what the best science and evidence are associated with mitigating impacts. That generally is what we would look for with any project that is registered. Northern Pulp has not registered a project yet, so I don't really want to speculate on what the content may be.

MS. ROBERTS: It would still be possible for the department to judge that it needs a more robust argument to justify its lack of pursuit of an alternative, I guess? The Auditor General's report documents the escalating cost - the greatly escalating cost - of the clean-up of Boat Harbour.

It does seem ironic that at the same time that we are investing a lot of money to clean up Boat Harbour, we are also likely to move forward on an industrial approval for an effluent treatment system which will further contaminate, when there could be an option of a closed-loop system that would not contaminate or would be treated on site.

[9:45 a.m.]

MS. FRANCES MARTIN: Again, I just reiterate that, from a process point of view, the environmental assessment process is quite robust. It provides opportunity for public comment. It does put obligations on the proponent to ensure that they have done their homework in terms of the details associated with the solution they're proposing as well as the alternatives.

Our department, at the end of the day, is keenly interested in ensuring that the environment and human health are protected. I can't really get into the stage related to any specifics around what may or may not be proposed.

MS. ROBERTS: Related to contaminated sites again, I'm somewhat puzzled that Triangle Petroleum's waste ponds near Kennetcook - from Nova Scotia's one experiment with fracking - are not on the list of contaminated sites. My most recent understanding is that that company is not undertaking to clean up that site, yet it's not on the list. Can you shed some light on why those 20 million litres of wastewater are not on the list of contaminated sites?

MS. FRANCES MARTIN: I'm going to ask my colleague Adrian to address that.



MR. CHAIRMAN: Mr. Fuller.

MR. ADRIAN FULLER: That site actually has been cleaned up and remediated. The material was taken out of those ponds and then treated in Debert, so we consider that not to be a contaminated site because it has been dealt with. I think that project was completed some time just before Christmas, but I would have to confirm that as well. We could get back to you on that.

MS. ROBERTS: Where could we find reporting on the amount of public funds that were spent to deal with that site? I didn't realize it had been completed in December.

MR. FULLER: Sorry, what was the question?

MS. ROBERTS: The question is, where can we find an accounting of the public expense involved in the cleanup of that project?

MR. FULLER: That's something that I'll have to get. TIR was the lead in the actual cleanup of that project, so it would be the responsibility of that department.

MS. ROBERTS: Moving to a different recommendation from the Auditor General related to species at risk, there was also a fairly recent Auditor General's Report on that. The Auditor General questioned whether there was an adequate assessment of the cumulative impact of different projects that might, one by one, pass through the environmental assessment project. What is the assessment of the cumulative impact? How is the department trying to capture, assess, and mitigate the cumulative impact on species at risk?

MS. FRANCES MARTIN: Thank you for that important question. We certainly work with our colleagues at Natural Resources, who are the lead on species at risk. In our department, we have a fair amount of expertise to add to those discussions.

One of the important steps the province is taking, and I think it's a real area of pride, is the commitment to setting aside 13 per cent of our land mass for protected areas. We know that species are at risk because the waterways and the old growth forests - the various habitats they rely upon - are intruded upon in one way or another. We're over 12 per cent now in terms of the part of the province that is set aside for protection, and we are committed and working hard to get to 13 per cent. That would be a really significant commitment on the part of the government, to be addressing species at risk.

MS. ROBERTS: The Auditor General's Report shows that that's actually not proving to protect species at risk, because we continue to add more species to the list. Would you agree?

MS. FRANCES MARTIN: I would agree that species at risk is certainly a complex area, but I would stand by protection of habitat as an extremely important component of protecting species.

MS. ROBERTS: Does your department consider environmental racism when assessing projects? Is there anyone in the department kind of looking at the department's work around environmental assessment through that lens?

MS. FRANCES MARTIN: Again, a very important area. In the Environment Act, we do have a commitment to public consultation and ensuring that all Nova Scotians have the opportunity when it comes to certain projects taking place - often some of the larger ones going forward. It's often a requirement of proponents that they need to have a community liaison committee in place - that is a committee that would be representative of the community that would have a special interest in whatever project it may be, and the obligation there to share information ongoing with those committees. That is built in to how we do our work. Environmental assessment is the same - a 30-day comment period.

Those are all opportunities to make sure that we are listening to Nova Scotians and their concerns related to projects. We do weigh that information in terms of our decisions.

MS. ROBERTS: That would be in the case of a new project that is being proposed and going through the environmental assessment project. What about in the case of historic projects? I think of a dump in Shelburne for example, which has been in operation for decades, and which the community has very clearly identified as being an instance of environmental racism.

Is there any resource in your department for communities to seek assistance in redressing cases of environmental racism where we're not talking about a new project with a new proponent?

MS. FRANCES MARTIN: A good point of clarification there. Again, if it is an activity that is regulated by the department - and particularly, if it's one that is regulated under some form of approval. What's important in terms of how we relate to that is to ensure that we are doing our utmost to make sure that the particular activity is meeting its commitments of its approval. That may involve monitoring and may involve other sort of reporting. With the processes that we have in place, we identify projects based upon their risk - risk to the environment, human health - and schedule inspections accordingly.

That's a big piece in terms of, if it's an existing facility or an existing activity. Then we make sure that they're meeting their obligations under the Environment Act.

MR. CHAIRMAN: Order, time has expired. We'll move to the Liberal caucus and Ms. Lohnes-Croft.

MS. SUZANNE LOHNES-CROFT: Thank you. It wasn't too long ago that we saw you here. It was good to wake up this morning and read how we are hitting our targets here in Nova Scotia - one of two provinces in Canada. We are leading in Canada so that's reassuring, that your department is working hard and on your toes.

The last time we met, there was an announcement about hiring an environmental prosecutor. I find this very interesting. I'm just wondering, where are you with that? Have you drawn up terms of reference? Who would like to speak to that?

MR. CHAIRMAN: Ms. Martin.

MS. FRANCES MARTIN: Sure, I'll speak to that. Yes, that was a big announcement about a month or so ago, that there would be a dedicated prosecutor for the Department of Environment. It's not only the Environment Act - it's all the legislation and the regulations that we administer.

At the end of the day, our mandate is to protect the environment and protect human health. We do a considerable amount of inspection and enforcement. I referred to some of those statistics earlier.

We know that the vast majority of proponents or citizens, if they're educated on what the requirements are, will ensure that they're meeting their obligations under the legislation we administer. We do know that there's always a relatively small minority where we go through a process of identifying what the requirements and the graduated steps are, and in some instances, we do need to move matters to the court system.

So we're very pleased with the announcement and the commitment of this government to have a Crown prosecutor dedicated to the department's work. The Crown prosecutor is an independent service. They're in the process of putting together the competitive process to identify an individual who will take on that role. We don't have a date on when that person will be named, but we're very pleased. It's a very positive move in terms of protection of the environment.

MS. LOHNES-CROFT: So this person would fall under the Department of Justice?

MS. FRANCES MARTIN: It's actually under Martin Herschorn's group, the Crown prosecutor service. It's not the Department of Justice, per se, I guess.

MS. LOHNES-CROFT: So you'd report to . . .

MS. FRANCES MARTIN: The Public Prosecution Service.

MS. LOHNES-CROFT: Okay. Will there be a connection to you as deputy minister or the Minister of Environment as well?

MS. FRANCES MARTIN: There is a connection to my staff who report to Adrian, which is our field service, so those who are involved in inspections. Insofar as we need to move matters to court, it would be our staff, by and large, who would be conferring with the dedicated prosecutor to identify which cases we ought to take to court and how we construct the best evidence and files to bring forward for successful prosecution.

In addition to that - and this is an important piece of work that the Crown prosecutor will do - they will help train our staff. Collecting evidence for any law enforcement organization is increasingly complex, based upon case law and other matters. That's an important part of our job, and we need to do it very, very thoroughly and diligently. The Crown prosecutor will be very helpful for us in terms of professional development for our staff so that when we go forward it increases our chances of being successful.

MS. LOHNES-CROFT: There was an issue reported about documentation, and that you are making improvements to that. This should really help in the documentation process, especially with your compliance officers.

MS. FRANCES MARTIN: As you'd appreciate, when cases go to court, they get argued on both sides. The more thorough we are, the better our chances are for a successful prosecution.

MS. LOHNES-CROFT: Will there be any way that a citizen can somehow contact this prosecutor, or is this all done within the department and through compliance and recommending that something go to the prosecutor?

MS. FRANCES MARTIN: I guess from our perspective, the main advantage is that our staff, when they see an alleged violation of our Acts, the 33 that we are obliged to enforce, they have someone who will be knowledgeable on those Acts.

[10:00 a.m.]

Your other question related to a citizen - I think that would really be a question maybe better answered by the Public Prosecution Service. I'm not sure exactly what those connections are.

MS. LOHNES-CROFT: There's some self-reporting with compliance, aquaculture for example. I know that sometimes there are oil spills while people are having their furnace tanks filled and whatnot. How successful has self-compliance been with the Department of Environment? We always get questions on that, as MLAs.

MS. FRANCES MARTIN: That's a great question. In our department, we have about 230 people in Adrian's division, that's the field service. It is their core responsibility to be out to inspect and to do the associated enforcement work. More eyes are always helpful and we strongly encourage when citizens see something that may be a concern to

them, we have a 1-800 number they can call, and it's easy to use the Internet now with their smart phones and whatnot, to contact our department.

We do have a rigorous process for following up on complaints. That was certainly something that was the subject of one of the Auditor General's recommendations, to continue to tighten up that process. So if people see, if it's an oil spill or what have you, these especially can happen with an individual homeowner and chances are that they or their neighbours will likely be one of the first ones to see something like that. So, for them to recognize that and call our department is extremely important.

MS. LOHNES-CROFT: Your department's description for your role is to protect the environment by enforcing the regulations and educating companies about them. I think there's a lot of public misconception about the role of the Department of Environment. As a MLA, I get calls to my office - why isn't the Department of Environment on this file, and why hasn't the Department of Environment done this?

Maybe we need to have a little discussion about regulations and law and the role you play, because I think there's a lot of expectation from the public that is misinformation.

MS. FRANCES MARTIN: Yes, certainly. Earlier I mentioned that our role expanded quite a bit in 2016 when we brought on services from Agriculture, from Fisheries and Aquaculture, from Natural Resources, and the Public Health inspectors from the Department of Health and Wellness, so we enforce a range of things beyond the environment per se. We play a really important role in terms of public health, be it with safe body art - which was a set of regulations that was released just recently, body art being tattooing, but a whole variety of other techniques. It's important for that sector to have proper oversight to protect Nova Scotians.

The whole area of food safety is one that we're involved in. I'm sure that like me, you see more and more venues open for food establishments. In the province, we really benefit from a whole variety of farmers' markets and so on, and those are all areas that come under our area of responsibility, so important in terms of public health. We have a system of oversight to ensure that the safety is there.

You are correct, we are the Department of Environment by name, and yet we do a great variety of activities. As I said, we're pretty easy to find and if you or others have questions about what may come under our mandate, and how we regulate in that particular area, we'd be glad to have that discussion at any time.

MS. LOHNES-CROFT: When you take on a new project, you're usually working with TIR, I assume, especially like a clean-up project. Can you sort of speak about what your role is in that? You're not actually doing the physical work - I think people are under the assumption that you do the physical work.

MS. FRANCES MARTIN: Yes, that's a really good question and area of clarification. The Department of Environment is a regulator, and to be an effective regulator we certainly have to have our independence, in terms of our staff that are appointed as special constables, and in so doing, that allows them to do inspection and enforcement work. As a part of that appointment, they have an obligation themselves, to ensure that they are exercising appropriate professional judgement in following the legislation and regulations in the department, and identifying where they see infractions, taking the appropriate action. That means, as the regulator, we can't both design solutions and evaluate them at the same time because we need to have that sort of independence.

So we don't design solutions for how we construct a mine, or how we would do the Boat Harbour cleanup, what have you. In the instance where those responsibilities fall to the province, it may be by and large Nova Scotia Lands, or some portion of TIR that becomes the proponent, and they are the ones responsible for overseeing or making sure that the scientific work is done, so that they can identify what they need to do in terms of managing a contaminated site, as an example. We would treat them as we would any other proponent, if they came from the private sector, in terms of the regulatory requirements, do they need an environmental assessment, and as well, doing the inspection work and any compliance work that may arise from it.

MS. LOHNES-CROFT: Okay. So, when you're doing environmental assessment, you have a Class One, and Class Two. Can you explain the differences, and do they ever switch over after being a Class One, and then finding out, no, they should be a Class Two? Could you explain that in more detail for me please?

MS. FRANCES MARTIN: In the environmental assessment regulations, it lays out fairly clearly the distinction between a project that is Class One and a project that is Class Two.

The Class Two projects tend to be quite complex. They would be projects that would have the potential to have a significant impact on the environment, unless they were properly regulated and reviewed. Examples of those would be the establishment of a new petrochemical facility, a brand-new pulp and paper mill - fairly large industrial facilities. That's a longer process, mind you.

A Class One project relates to a quarry of four hectares, for example, or larger; it might relate to a modification to an existing industrial facility. In both instances, the minister is the decision-maker, and the process is very well defined in the Environment Act, in terms of how many days are available to the minister for review, how many days are available for the public for a comment period.

At the end of the day, any decision will be predicated on whether we have the evidence and information to understand what the risks are to the environment of a given project and, more importantly, if the project is to proceed, what measures we would put in

place to ensure that project has a minimal impact on the environment. That's a high-level overview of two different classes.

MS. LOHNES-CROFT: Here in Nova Scotia, we have a coastal protection Act. Are we the only province that has that, or very few provinces do?

MS. FRANCES MARTIN: If we were to enact legislation, I believe that we would be the only province with legislation to protect the coast. You are correct. This is a commitment of the government, to put in place a coastal protection Act.

Nova Scotia, except for a small connection to New Brunswick, has a considerable amount of coast. We recognize from our work on climate change that it works both ways. In fact, to the questions earlier around adaptation, this is an important piece of work that we're doing. We have to protect Nova Scotians from the coast in terms of those storm events and so on, and we have to protect the coast from Nova Scotians in terms of some of the development that may occur that may not be beneficial, especially for some of our more delicate coastal areas.

Our department, I'm very pleased, is the lead for the government to put together legislation to be tabled in the House. We're still in the early stages of that. We're benefiting from all of the research that others may have done, not only in Nova Scotia. We do have a considerable amount of expertise in Nova Scotia on coastal protection, but we also want to look to other jurisdictions in Canada and elsewhere across the globe, looking for the good examples.

We do know there are provinces in Canada that have policies or guidelines related to the coast. I'm not aware of other provinces that have actually enacted legislation.

MS. LOHNES-CROFT: I would like more questions, coming from a coastal community, but I want to quickly switch over. The forestry industry was very excited to hear about cap and trade when it was first announced. You said that you have done some wide consultations. Have they played a role in your consultation process on cap and trade?

MS. FRANCES MARTIN: They absolutely have played a role. We have been in discussions with the forestry sector from the very beginning of our work on the cap-and-trade system. We have continued to consult with them and participate in some of their workshops and meetings across the province. They are absolutely an ongoing part of the discussions as we continue our work in the development of a cap-and-trade system.

MS. LOHNES-CROFT: Do you feel we're in a good position for doing cap and trade? I know there is talk about some foresters wanting to get a co-op together so they have a lot of strength and can work together on this. Are you working with other departments like DNR and Agriculture on this at all?

MS. FRANCES MARTIN: Yes, absolutely. We are working with all of the other departments in government - Municipal Affairs, TIR, and so on across the board.

Climate change, by definition, is a subject matter that runs across the whole variety of parts of the province and departments' mandates. We have worked, in the past, intensively with them. As Jason indicated earlier, we're intensively working right now on the design of the cap-and-trade system. That's a big piece of work. We're regularly in touch with our federal partners in that regard as well. There are a lot of players there, but it's important that we work with all the interested stakeholders to make sure that we design the best system for Nova Scotia.

[10:15 a.m.]

MR. CHAIRMAN: Order, time has expired. I did allow it to go a few extra seconds there, as I often do. Now we'll move back to Mr. Houston of the PC caucus.

MR. HOUSTON: Thank you for your responses. The government has made more and more information available through portals on the Internet for various things. Is there any opportunity to allow Nova Scotians to access more historical information about environmental issues through a portal? For example, if you are going to buy a property, could you envision a time when you go through a portal and check the environmental history of a property? Do you see a scenario where we're opening up environmental information to Nova Scotians?

MS. FRANCES MARTIN: I'm going to ask my colleague Andrew Murphy to address some of the work that we've done there. I will say, though, we have written right into the Environment Act an environmental registry, and that was the commitment to ensure that there was key information made readily available to the public.

We've been moving, as the rest of government has, on open data. Andrew's group is the one that oversees a lot of that information, so I'd appreciate him addressing the detail.

MR. ANDREW MURPHY: Yes, I'd be happy to do that. We provide both through our website and on occasion through hard-copy materials, various types of data and information to the public of Nova Scotia. We do that across many aspects of our mandate. I'll provide some examples that illustrate where that information is provided.

On the food safety side of our mandate, we provide information on our inspections of local restaurants. If you were to go to lunch after this session you could go onto our website and look up your favourite restaurant and see information on our previous inspections.

As well, you could go on our website if you were interested in air quality information and wanted to know the quality of the air in Nova Scotia. We have a system



of monitors across the province that monitor key air pollutants. That system is part of a broader national network. We do collaborate with Environment Canada on that. At any point through the day, you could see the quality of air in your community.

We also have through our portal the ability to access previous information. If you were a researcher, for example, you could go back and look at a period of time for a particular pollutant and do studies on that. We also provide information and data on water on both our surface and groundwater water supplies, which are important resources for the province.

Another example would be solid waste, we provide data and information on the amount of waste diversion we have in the province, the amount of composting, recycling, and so on.

The last item I'd mention - and these are just examples, there are others - we provide our industrial approvals online, so if you wanted to access an approval that we provided to a particular facility you could go online and search for it and you would be able to see the terms and conditions, the length of time of that approval and so on. Those are just a few examples.

MR. HOUSTON: Thank you for that. Would you be able to get animal welfare reports for food producers or breeders? Would that fall under your department?

MR. ANDREW MURPHY: That would fall under our department, that's correct - animal welfare information, yes.

MR. HOUSTON: Then it would be available online?

MR. ANDREW MURPHY: I'm not certain if we have animal welfare information online. I don't believe we do - I'd have to check. No, we don't, sorry.

MR. HOUSTON: Thank you. Deputy, are you familiar with the 2015 report, Taking Action on Climate Change?

MS. FRANCES MARTIN: Yes.

MR. HOUSTON: Has that report been updated or is it updated on a regular basis?

MS. FRANCES MARTIN: That is a strategy that has not had a recent update. We will update it in time. However, since the federal government has put in place a requirement to place a price on carbon, that is where a fair amount of our effort is going - to ensure that we get the right system in place for Nova Scotians for the businesses that will be directly involved in the cap-and-trade system, and to ensure that it meets the requirements of the federal government.

That's quite a large piece of work. It's very intensive work. We do continue to do work because there are a variety of sides to climate change. Price on carbon is one side. Adaptation is the other side. We are continuing to work with our other departments and partners.

Agriculture is one area that we've been working, and we've had some real successes in terms of identifying crops that will do well - in terms of what is protected in terms of climate change. The wine industry is one of them. We've been working with agriculture there. It has been a great collaboration.

Jason had mentioned earlier some of the other departments that we're working with - other aspects of agriculture in terms of dike lands and so on. That will receive an update, but right now our intensive effort is going to meeting the commitment to have a system that's ready for 2019.

MR. HOUSTON: In terms of greenhouse gas, the Perspectives on Climate Change Action in Canada report said that electricity production is our largest source of greenhouse gases. How can we reduce our greenhouse gases without addressing the source of the issue, which is electricity production?

MS. FRANCES MARTIN: Jason can speak to that in more detail. We are fortunate in Nova Scotia. That report did identify that there are two jurisdictions that were meeting our targets. One of those jurisdictions, of course, is Nova Scotia. That is as a result of a considerable amount of work that we've done over a number of years and agreements that we've had in place with the federal government related to electricity production. Jason?

MR. HOLLETT: That's a great question. The electricity sector is the largest single source of greenhouse gas emissions in the province, which is why we focused a significant amount of our action on that sector. You may be aware that we have hard caps on the electricity sector, in terms of greenhouse gas emissions. It will require them to reduce their emissions by 25 per cent by 2020 and 55 per cent - over half - by 2030. That's a regulated target that the electricity sector has to meet.

That's reinforced by a lot of the good work from our colleagues at the Department of Energy. They have renewable energy targets - 25 per cent by 2015, which has already been met, and 40 per cent by 2020 - and some significant work on energy efficiency to reduce the amount of electricity that's consumed by Nova Scotians. All of those pieces work together to help transition the province to cleaner energy sources.

MR. HOUSTON: There was a climate change risk assessment done in 2005 in the province. Has it been updated since then?

MR. HOLLETT: It has not been updated. It's a document that we review on a regular basis internally. As I mentioned earlier, the science around climate change is

continually evolving and being updated, most significantly by the IPCC - the International Panel on Climate Change that's run out of the United Nations. Through periods of between five to seven years, they regularly provide cumulative updates on the science for climate change, after which we take and downscale to assess the impacts from a Nova Scotian perspective.

We did a comprehensive vulnerability assessment back in 2005, and like I said, we take that information, we work with the best available science that comes to us. We work with other departments and communities to use that information to help guide our actions and our priorities. We have not done a comprehensive update on that, but through the work of the OAG, who has identified this as an opportunity, we've committed to do that in 2019.

MR. TIM HOUSTON: 2019.

MR. HOLLETT: That's correct.

MR. HOUSTON: Okay. So, the taking action on climate change document that the Auditor General highlighted and said that it didn't provide sufficient information and also, the perspectives on climate change and then we have the risk assessment. Are they merging into a new approach, would you say?

MR. HOLLETT: I think as the deputy mentioned, a significant portion of our focus right now on the mitigation side is to get the cap-and-trade program in place. That's a requirement of the federal government and it's a fairly comprehensive program. We're spending the majority of our resources on getting that in place but also, as I mentioned earlier, adaptation still remains a significant focus.

MR. HOUSTON: They go hand in hand, right?

MR. HOLLETT: That's correct. It's important for us to transition to a low-carbon future and to contribute to the global effort to reduce greenhouse gas emissions but there's no doubt that the impacts of climate change are going to continue. I think that we're seeing that right now here in Nova Scotia, and we may be seeing that more than some other regions, given the fact that we do live on the coast and we do experience some of these more extreme weather events - sea-level rise, extreme precipitation pattern - more frequently in the future. We do need to continue to work on those.

MR. CHAIRMAN: Order, time has expired. We move to the New Democratic Party caucus. Ms. Roberts.

MS. ROBERTS: Thank you. I wanted to just ask a quick follow-up to Mr. Hollett. We talked about cap and trade, and fuel oil being covered under that cap and trade. I'm wondering how the department is working with Transportation and Infrastructure Renewal

to reduce transportation-related greenhouse gas emissions by smart decisions around placement of public infrastructure investment in highways, and so forth.

MR. HOLLETT: That's a great question. Those types of policy decisions do have impacts on transportation issues in the province. Sustainable transportation issues are more a policy focus of our colleagues at Department of Environment, but we do work closely with them on their work.

From the perspective of the cap-and-trade program, really what we're trying to do is to provide an incentive to companies to reduce their greenhouse gas emissions overall. We're not prescriptive on the methods at how they should be reducing that. One of the things that a cap-and-trade program does is allows the lowest cost GHG-reductions options to flow to the surface, and that's something that you rely on the private sector to do. Government doesn't make those types of decisions for the private sector.

MS. ROBERTS: Thank you.

MR. CHAIRMAN: The honourable Dave Wilson.

HON. DAVID WILSON: Thank you for being here. I want to go back to Chapter 1, the accounting of contaminated sites. I know in the Auditor General's Report, it was indicated that the total liability for the province in 2017 was \$212 million which, most of that - \$198 million - pertains to two sites, Boat Harbour and SYSCO, and we know that that increased from the prior year about 24 per cent.

What's the expected liability for 2018? I know we're going through Budget Estimates, but I probably won't have an opportunity to ask questions in Environment, so I'm wondering what the total liability for 2018 will be. Is it still around that \$212 million or has it increased?

MS. FRANCES MARTIN: That's a good question. I know that that material is in front of us here this morning. Just to explain our role, we are the regulator. So, our role is to ensure that the requirements of the Environment Act and the Contaminated Sites Regulations are followed. The question you're asking, I believe, is really more a question for the Department of Finance and Treasury Board and/or the Department of Transportation and Infrastructure Renewal.

MR. DAVID WILSON: Okay, I appreciate that. We're going to try to get to Finance and Treasury Board; I don't know if we'll make it there. I thought I'd give it a shot here if it was something in front of you.

Similar to the costs of Boat Harbour and stuff, that wouldn't be something that you would have in front of you? I think, more or less, you respond to the audit and the work

that's being done - is that correct? You wouldn't know potentially what costs are involved this year in the cleanup for Boat Harbour?

[10:30 a.m.]

MS. FRANCES MARTIN: No, we're not involved at all on the accounting or costing side of these projects. As the regulator, we would review what's proposed and ensure that the commitments are met under the Environment Act.

MR. DAVID WILSON: Thank you for that. Some of the work from the Auditor General's Reports are beneficial to us because in more recent times they give five questions Nova Scotians would ask. I will take a couple of those from the Auditor General's Report that is provided to members of this committee.

One of them is - and I thought I knew the answer so I'm interested to see if it is anything different - who is responsible to cleanup contaminated sites for organizations like the Nova Scotia Health Authority and the IWK? I would assume that would just fall on the province, but do you have a specific answer: Who would be responsible for those cleanups for NSHA and the IWK sites if there was contamination found?

MS. FRANCES MARTIN: We would look to those particular organizations, the Nova Scotia Health Authority or the IWK. If they have a contaminated site, it would be their responsibility. They may confer and consult with the Department of Transportation and Infrastructure Renewal, but it would be primarily those organizations that we would look to if it was contamination related to property they owned and managed.

MR. DAVID WILSON: Thank you for that. I do know we have a short timeline here in the second round and since we have you in front of the committee, I'm just wondering what role your department has when other departments are creating legislation that could impact the environment? For example, more recently are changes to the Mineral Resources Act which are in front of the House, going through the process, dealing with a potential mining site in Nova Scotia.

Do you play a role or were you consulted by - I think it is the Department of Natural Resources it falls under - when they are proposing changes to legislation that will have an impact on the environment? I wonder if maybe you could give a quick response to that.

MS. FRANCES MARTIN: We can have a couple of different roles, based upon the example you just used. Our protected areas group would have a certain perspective and role and interest in legislative proposals that would be advanced related to mining. We would also have our staff under Andrew's group that might look at it in terms of contamination of soil, air, and water.

Then the third area, and it really depends on the specifics of what is being proposed, would be under Adrian's group. His group is the field service that is out around the province for inspection and compliance. They might be interested in the proposal based upon how you can write it in such a way that it is mostly easy to enforce and the requirements are clear.

We might have a variety of perspectives on a given piece of legislation that goes forward that might relate to the mandate of our department.

MR. DAVID WILSON: I know that we have all these different pieces of legislation. Would it be beneficial to ensure that even though it's the Mineral Resource Act, that there are protections of the environment in that Act?

The reason I ask is that we had Law Amendments Committee and I had the opportunity to sit in the committee, and we heard from a number of residents from the Wentworth Valley who were concerned about a proposed gold mining project there. Not one of them said they were against mining, against the economic spinoff of that type of work, but they were concerned about their waterways and watershed and where they get their water.

There were a number of them who proposed amendments to the Mineral Resources Act that would make sure that the waterways are a concern when mining projects are permitted. It was indicated that that should be in another piece of legislation - other legislation covers that type of protection - but I would think that the more protection we have, the more legislation, hopefully it minimizes the negative impact to our environment.

Would you agree with that, or are we off base, where those kinds of amendments and changes should be in a separate Act and we shouldn't have something like the Mineral Resources Act be strong on talking about the environment and protecting it?

MS. FRANCES MARTIN: I certainly agree with a number of points, and that is when it comes to a mining project, or another project of that sort of magnitude, protection of our water and other natural resources is extremely important. It's also important when developing legislation that we don't unduly or inappropriately have duplication.

The vast majority of mining projects do trigger an environmental assessment, so that's an opportunity to look quite broadly not just at soil and water and so on but at migratory birds and other important species. That's a comprehensive process, and as indicated earlier, at the end of an environmental assessment, if the project is approved, very often there's an extensive list of terms and conditions that are necessary in order for that project to go forward.

If the company chooses to move forward on that basis, the next stage is often an industrial approval, and that's where we would ensure that all of the specifics around the specific watercourse and so on are taken into account and protected.

MR. DAVID WILSON: Okay, I appreciate that. I think the residents of that area are just concerned, and it was an opportunity for them to be in front of a committee of the House to talk about impact of the environment when we see development or work being done in their area.

Another area of concern - I know we don't have much time - was a recent clear-cut in the Wentworth Valley, where residents and people who use that area for pleasure really notice a difference in the waterways and some of the rivers after the clear-cut. What role does the department play in ensuring that when that type of project goes ahead, the impact isn't what residents have been seeing and hence why they are so concerned about potential mining projects?

MS. FRANCES MARTIN: Again, in terms of forestry practices or any other practice that may relate to land-based activities that have the impact to negatively impact on our waterways, we do have requirements in our regulations and policy guidelines in terms of best practice. We have a fair amount of educational material as well.

Every year, the department puts a considerable amount of effort into how we communicate the requirements for protection of the environment - whether it's contaminated sites or watercourse protection or what have you. We have regulations. They can be hard to read sometimes, but we translate a lot of that information into fairly simple-to-read requirements.

MR. CHAIRMAN: Order. Time has expired. We'll move to the Liberal caucus.

Mr. Gordon Wilson.

MR. GORDON WILSON: I'd like to start off by saying that I have all the extreme confidence in your department and what you're doing. It's been a privilege to sit on Public Accounts and you've been here a few times. I see that you're coming back next week, actually - not you, but the AG is coming back on his report 2014-2015, and I believe water is going to be in those discussions.

Again, I do want to congratulate your department. Also, the report that came out yesterday - the Climate Change Action Plan - can't be understated, I don't think. It's a report card and it's a good report card. I think my concern would be with other provinces and why they aren't doing what Nova Scotia has been leading in, so thank you on that.

I'm here to congratulate, but also here to question. I do have some areas that I think are important to touch on. I noted there were 47 different submissions in the report either

that we were working in progress towards or completed or other various places where the AG agreed with what we were doing. There were two that I did want to ask about. One was Recommendation 3.2, right off the bat, “The Division should establish procedures to obtain objective evidence to validate the accuracy of monitoring reports received from approval holders.” You did not intend to implement that. Could you give us a reason why that’s not in the best interest of the department to implement that one?

MS. FRANCES MARTIN: Thank you for the opportunity to provide some clarification on that piece. Our department is mandated to protect public health and the environment. It is a department that through the course of our work, invariably we’re involved in some pretty significant technical and scientific matters and discussions related to how we ensure that we have appropriate protection.

In cases of contaminated sites, for example, how we regulate and ensure that responsible parties are doing what they need to do, to strike the balance between ensuring that our department is looking at and spending our time on the most important areas of risk and that we have the time to focus on that - an important part of how we develop the contaminated sites regulations is, we do rely upon professionals in the private sector. Many of them would be working in consulting companies: engineers, geoscientists, hydrogeologists, and a variety of other people with significant technical expertise.

They are regulated by their professional bodies and considering that, it means that they have professional obligations to conduct themselves according to the requirements of that profession. We felt that, in terms of the oversight that we provide on the reports and information that’s provided to us, we do review and scrutinize the information that’s submitted to us. In this case, we didn’t feel it was appropriate to have oversight on the professionals who do already have some pretty significant oversight in terms of their professional bodies. That’s why we landed where we did on that particular one.

I will say though that for any individual who supplies the department either false or misleading information, it is an infraction under the Environment Act. We have pursued that in the past where we felt in an instance that we were supplied misinformation, but we do feel that the professionals in Nova Scotia with oversight from their professional bodies are supplying appropriate information.

MR. GORDON WILSON: I do remember in your opening remarks that you talked about evaluations by professional experts. I should have assumed that was part of the answer.

The second one is Recommendation 5.8, “The Department of Environment should obtain documented acknowledgement from facilities that they have received the audit report.” That’s the only other one that I was curious about. Can you give me a status on that?



[10:45 a.m.]

MS. FRANCES MARTIN: Sure, I'll ask my colleague, Adrian, to speak to that one.

MR. FULLER: It's a great question. How we are responding to that is that most times when inspectors are in the field doing those audits, the proponent or the person who owns that property or well is there, so it's often hand-delivered. Sometimes they're not. Sometimes there is a cost that comes with not announcing when you're coming to conduct an audit because we want to make sure we get the coverage and get there when we need to.

In the follow-up on any audit where there are some concerns, issues, or deficiencies, we would follow up with a directive requiring them to do something. That kind of triggers our process to go down that compliance pathway if we need to. That directive or the ask for them to do something - either we go back and hand-deliver it, or we deliver it by registered mail. They are followed up on, and they do get those reports. That starts us down that pathway, and hopefully they'll comply. But it also triggers us to follow up on those issues.

MR. GORDON WILSON: There were 47 recommendations in that report - and I do feel comfortable in your answers to those two. I would almost have to say that every single one of those recommendations are either completed, moving towards completion with dates set, or just not applicable. So again, I do commend you on that and look forward to hearing the AG's response next week.

On thing was touched on but wasn't part of a question within other areas. You mentioned SNAP, but you weren't asked specifically about that. It sounds to me like it is an integral part of meeting a lot of the requirements that you had that were identified. Can you tell me where it's at right now? I believe it's being implemented in two phases. Can you just give me an overview of where we're at with that and what more needs to be done?

MS. FRANCES MARTIN: Sure, I would be glad to speak to the system that we have been working on for some time. We do have current systems, but like many organizations, they serve their time, and then beyond that, there are requirements that we have.

In the context of this discussion, the benefit of an Auditor General review is that we have recommendations that move us to continue to modernize our programs. A lot of that, in today's age, is how you house that inside an information management system that helps the organization do a better job more consistently, better quality - a job of the core business of the organization.

We have about 150 regulated activities that we reviewed. That relates to everything under the Environment Act plus a few things that we're starting to import from some of the activities that have come to the department in the recent past.

This system went live about a year ago inside our department. That allows the staff in our department who are involved in providing industrial approvals or other approvals to have that information on their computers to attach all the associated reports that may be required, and also to help focus our staff who need to do inspections because the requirements inside the various approvals pop up. The high-risk activities get the most and frequent inspections, and the lower risk activities obviously get proportionately a little less attention.

What is important is that it is all housed inside that system. IT systems sometimes aren't the most exciting to talk about. What it really does is position us to make sure that we understand all our requirements, that we have all our documentation together, and that we are out doing the inspections and doing the follow-up work that we know is important in terms of environmental and human health protection.

I guess the other piece of this story in terms of the next phase, and that will happen later in the coming fiscal year, is that the system will go live to the outside world. It's not unusual for a new system to be used internal to the organization as we start to perfect our expertise and make sure that it is functioning the way it was designed.

In the latter part of the coming fiscal year, companies that now apply to us on paper and pay us in the old-fashioned way will be able to use this system that we refer to as SNAP. They will be able to do that online. We're connected with Service Nova Scotia, so a lot of what we refer to as tombstone data, in terms of business name and address, the property identification and all of that information that we have heard from the business community that every time they go to a different department or every time we go to the same department, they have to . . .

MR. CHAIRMAN: Ms. Martin, you have a chance for closing comments. You're welcome to continue along the same vein that you have been answering that question. You do have some moments for some closing comments.

MS. FRANCES MARTIN: Thank you very much. Just very briefly, in closing, I would like to point out that, in a very short time, we have made some very significant progress in addressing the Auditor General's recommendations. We welcome the recommendations of the AG. We take them seriously, and we have acted upon them.

Our actions on environmental assessment, for example, are very nearly complete. Our actions on climate change will be completed within the next fiscal year. Beyond those two reports, we have addressed more than half of the recommendations from the previous audits, and we have aim to finish them in the coming year as well.

I would like to thank you all very much for your questions here this morning and for an opportunity to discuss our progress on those recommendations.

MR. CHAIRMAN: Thank you, Ms. Martin and your colleagues, for being with us this morning answering questions.

We have received correspondence from four departments: the Department of Environment, the Department of Communities, Culture and Heritage, the Department of Transportation and Infrastructure Renewal, and the Nova Scotia Health Authority pertaining to recent meetings. Are there any questions or comments on that correspondence?

Hearing none, our next meeting is on April 4<sup>th</sup>, next week, with the Office of the Auditor General to discuss follow-up of their 2014 and 2015 recommendations.

Is there any further business to come before the committee? Hearing none, this meeting is adjourned.

[The committee adjourned at 10:52 a.m.]