

NOVA SCOTIA ENVIRONMENT AND LABOUR

ANNUAL ACCOUNTABILITY REPORT
FOR THE
FISCAL YEAR 2005-2006

December 2006

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1. **Accountability Statement**

The accountability report of Nova Scotia Environment and Labour for the year ended March 31, 2006, is prepared pursuant to the *Provincial Finance Act* and government policy and guidelines. These authorities require the reporting of outcomes against Nova Scotia Environment and Labour's business plan information for the fiscal year 2005-2006. The reporting of department outcomes necessarily includes estimates, judgements and opinions by department management.

This accountability report is the responsibility of department management, and is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the department business plan for the year.

Minister

Deputy Minister

3. Introduction

This Accountability Report provides information on Nova Scotia Environment and Labour (NSEL)'s performance in relation to the goals, priorities, performance targets, and budget expenditure targets presented in its 2005-2006 business plan.

During 2005-2006, NSEL continued to focus on improving the effectiveness of its regulatory programs, as well as on reducing "red tape" or unnecessary regulatory burden. A particular area of focus continued to be regulatory compliance promotion - through activities such as training and education and developing of best practices. Related accomplishments include:

- streamlining regulations under the *Environment Act* to exempt smaller gravel and sand pits from the requirements of the Environmental Assessment regulations;
- amending the Elevators and Lifts regulations to allow for 3 year periods for licence renewal;
- implementing a pilot project on streamlining the septic approval process;
- conducting several knowledge days for staff as part of the Learning Strategy.

The department contributed to increased protection of human health and the environment, and stronger consumer protection, by:

- establishing *Diving Regulations* under the *Occupational Health and Safety Act* which will apply to the commercial diving industry in NS and by providing training on the regulations prior to their implementation;
- establishing new *Amusement Devices Safety Act regulations* to adopt new standards and increase insurance for amusement owners. Training courses were also developed and delivered to mechanics to help improve safety in this industry;
- introducing improvements to the *Credit Union Regulations* which strengthened governance and accountability measures for Credit Union directors.

Another notable achievement for 2005-2006 were the passage of changes to the *Special Places Protection Act* which made it easier to designate nature reserves. An addition of lands to the Eigg Mountain- James River Wilderness Area was completed by the Town of Antigonish, which added land around the town's water supply to the wilderness area.

Together with the Workers Compensation Board, the department worked with stakeholders to develop and recommend improvements to governance and accountability for the workers' compensation system which culminated with the passage of a legislative change and the appointment of new members in July of 2005.

More detailed information on the results achieved by NSEL in 2005-2006 can be found in:

- Section 4 of the report which outlines the results achieved in each of NSEL's core business areas:
 - ▶ Promote continuous improvement in the quality, coherence and effectiveness of our regulatory systems in protecting the public interest and in supporting sustainable economic competitiveness.
 - ▶ Promote safe and healthy workplaces/work practices and safe facilities and equipment.
 - ▶ Promote sustainable management and protection of the environment and

- ▶ natural areas.
 - ▶ Promote employment standards, fair processes for wage compensation, effective labour-management relations, and fairness for injured workers.
 - ▶ Protect the interests of insurance and financial services consumers and pension plan members.
 - ▶ Protect the public interest with respect to gaming, sale of liquor, operation of theatres and amusements, and distribution of film products in Nova Scotia.
 - ▶ Manage the department's human resources efficiently and effectively.
- Section 5 which summarizes the financial results achieved by NSEL for 2005-2006; and
 - Section 6 which presents the results achieved for the performance measures established for each of NSEL's core business areas.

NSEL's 2005-2006 business plan is available on our website at:

<http://www.gov.ns.ca/enla/pubs/docs/NSELBusinessPlan06.pdf> . If you wish to receive a printed copy of the business plan, please contact the Policy Division at 902-424-4944.

4. Department Priorities and Accomplishments

Core Business Area 1: Competitiveness and Compliance Initiative

Promote continuous improvement in the quality, coherence and effectiveness of the department's regulatory systems in protecting the public interest and in supporting sustainable economic competitiveness. This priority is being addressed through red tape reduction and regulatory streamlining; strengthening NSEL's regulatory policy and accountability framework; and building capacity to improve the quality and consistency of compliance activities.

- NSEL commenced development of a regulatory management policy to guide the crafting of new regulations, and also developed an improved assessment guide to the policy alternatives to regulation.
- A compliance framework was developed and implemented to outline the range of options and activities that will strengthen compliance with the department's legislation and policy.
- Through the Competitiveness and Compliance Initiative (CCI) a new program was developed to train and improve the capacity of inspectors as part of a broader Regulatory Learning Strategy.
- CCI will prepare a separate annual report after a full year of its operations.
- Creation of CCI office to focus on greater coherence and consistency in regulatory policy and practice.
- Labour Standards participated in Mind Your Business Sessions for new companies, and developed a self-audit program to ensure pay deductions and benefits were calculated correctly.
- Development of an activities tracking system began for the four larger inspectorates of the Department.

Core Business Area 2: Public Safety and Occupational Health and Safety

Improve public safety and the efficiency of related regulatory programs by updating and consolidating legislation related to equipment safety. This process will begin with a review of the Amusement Devices Safety Act and the Steam Boiler and Pressure Vessel Act in 2005-2006. In 2006-2007, NSEL plans to develop consolidated equipment safety legislation incorporating these Acts, along with the Crane Operators and Power Engineers Act, Elevators and Lifts Act, and Electrical Installation and Inspection Act. Consolidation of the legislation will facilitate more timely updating of legislation to reflect technology change and will improve consistency by enabling the adoption of standard tools such as a common compliance model.

- The amendments were completed and implemented for the *Amusement Devices Safety Act* to improve safety on rides and improve insurance coverage for businesses.
- The mechanics training program for the *Amusement Devices Safety Act* was developed and implementation is ongoing, with an enrolment of over 30 mechanics. The program is conducted jointly by the Chief Inspector and the NS Community College.
- Initial preparatory work was initiated on the proposed consolidation of the public safety legislation, so that work could begin in the next fiscal year.
- Legislative changes were made to the *Building Code Act* to allow for minimum qualifications of building inspectors; stiffer penalties for violations lead to the loss of life or a catastrophic effect on a community; and to have a more inclusive Building Advisory Committee.

Improve the overall safety of NS workers through an integrated workplace safety strategy that combines accident prevention and education; Work with Energy to develop legislation to provide NS offshore workers with the same level of workplace safety as land-based workers. Introduce changes to governance and accountability for the workplace safety and insurance system.

- The Diving Regulations were passed and training was implemented to ensure the commercial diving industry understood the regulatory requirements.
- NSEL continued discussions that led to the tabling of legislation governing offshore workers.
- The changes to the *Workers Compensation Act* resulted in the appointment of new representative stakeholders to the WCB Board of Directors.

Core Business Area 3:

Environmental protection and natural areas management

Lead implementation and ongoing development of the Province's Green Plan and implement the commitments for which NSEL has lead responsibility. Introduce amendments to the Environment Act to update and strengthen the Act; improve the quality of regulatory compliance activities carried out through improvements in policy, training and access to specialized scientific and technical expertise; protect and manage provincial water resources through completion of year three action items of the Drinking Water Strategy for Nova Scotia. Year three of the strategy's action plan focuses on working with municipalities to develop drinking water supply protection and treatment plans and operational strategies; working with other departments and stakeholders to promote the safety of drinking water provided by registered and non-registered public drinking water supplies; and developing outreach/educational programs to promote safety of private drinking water supplies.

- NSEL issued a progress report on the Green Plan in December 2005, which outlined the activities and implementation strategies adopted by key government departments to achieve Green Plan objectives.
- NSEL completed the drafting of amendments to the *Environment Act* and prepared a Discussion Paper and Guide to the amendments in preparation for the Spring 2006 session of the legislature.
- Continued work was undertaken on regulatory compliance policies, culminating in the implementation of a new compliance policy to guide staff in their administration of the Act in May of 2005.
- NSEL completed all the 2005-2006 Drinking Water Strategy action plan commitments on time and within budget. They included:
 - ▶ implementing new revised regulations for water and wastewater facilities that required all operators of water and wastewater facilities to renew their certification every 4 years.
 - ▶ completing the third year items and fully implementing the drinking water strategy.
 - ▶ commenced work with the departments of Education and Health on a Code of Practice for schools and health-care facilities that do not require full certification.

Reduce emissions of sulphur dioxide, mercury, and nitrogen oxides in accordance with commitments under the provincial Energy Strategy and national/ international agreements. Increase air quality monitoring capacity by continuing to build and maintain a network of air monitoring stations and through partnerships with organisations such as Environment Canada's National Atmospheric Pollution Surveillance program.

- The Department of Environment and Labour continued to implement a strategic plan for air management focussing on airshed management, education and awareness, and reviewing and updating terms and conditions of industrial approvals.

- Continued to work with other Provinces on a new national standard for mercury emissions from coal-fired power plants.
- NSEL has also continued to improve its ambient air monitoring network which provides data essential for managing air quality in NS.

Develop an action plan to remove barriers to private land stewardship. This will include consideration of measures such as identifying potential funding mechanisms for land securement, addressing property and income tax disincentives, improving coordination amongst conservation partners, and amending the Special Places Protection Act to reduce "red tape" related to Nature Reserve designations.

- In 2005-2006, the province designated two wilderness areas and made an addition to an existing wilderness area at Eigg Mountain in Antigonish.
- NSEL worked to implement Government amendments to the *Special Places Protection Act* that removed the requirement that every nature reserve have a management plan, and that re-established the special places advisory committee.

Contribute to continuing improvement in the Province's solid-waste resource management performance by developing an electronics recycling program which will keep electronics out of landfills, reduce the associated hazards to human health and the environment, and create jobs for Nova Scotians. In consultation with stakeholders, carry out a review of Nova Scotia's hazardous waste program to enhance environmental protection, improve cost-effective use of regulatory resources, reduce red tape and jurisdictional duplication, and provide greater flexibility and predictability for industry. Implement a pilot project to streamline the on-site sewage disposal system application and approval process, resulting in faster turnaround times for applicants and a refocusing of inspections resources to strengthen the audit, compliance and enforcement components of program delivery.

- NSEL conducted a major consultation on implementing a system to recycle electronics, developed draft wording for the regulations, and conducted further research on how a system could be implemented in the Atlantic Region.
- NSEL implemented a pilot project to streamline on-site disposal system approvals in out the larger regions served by our Halifax Regional office and in Bridgewater. A public consultation was conducted on new on-site sewage regulations to prepare for implementation to the entire Province at a future date.

Core Business Area 4: Employment Standards and Labour Services

Collaborate with Workplace Safety and Insurance System partners on joint initiatives, and develop components of the strategic plan for the Workplace Safety and Insurance System which relate to delivery of the Workers' Advisers Program. Implement Government decisions resulting from the Minimum Wage Review Committee's report and the subsequent response from the Minister.

Achieve client service standards for:

- ▶ ***services provided to injured workers by the Workers' Advisers Program***
 - ▶ ***conciliation services provided under the Trade Union Act***
 - ▶ ***services provided to employment standards complainants.***
-
- New regulations were passed to exempt information technology professionals from the application of section 40(4) of the Labour Standards Code governing overtime.
 - Two increases were implemented in the minimum wage, one in October 2005 and one in April 2006.
 - Staff of the Workers' Advisers Program and OHS Division participated in the development of Workplace Safety and Insurance System performance measures and targets. The performance targets will assist in efforts by the four participating agencies - NSEL's Workers' Advisers Program and OHS Division, the Workers' Compensation Appeal Tribunal, and the WCB - toward continuing improvement of Workplace Safety and Insurance System efficiency and effectiveness.
 - The Workers' Advisers Program continues to work with the Workers' Compensation Appeal Tribunal and the WCB to identify areas for improvement and implement changes to the system-wide appeals process which will improve decision making and service to injured workers.

Core Business Area 5:

Pension, Financial Services, and Insurance Regulation

Promote and protect the interests of insurance and financial services consumers and pension plan members. Continue to work with the Canadian Association of Pension Supervisory Authorities (CAPSA) on the development of model pension law. Work with industry to reduce the number of drivers in Facility Association; review and consider the implications for consumers of the recommendations of reports by the NS Insurance Review Board on the use of gender as a rating factor in auto insurance and on Property and Casualty insurance; work with industry to implement the 2004 amendments to the Credit Union Act.

- CAPSA continued to discuss the highly contentious principles and strategic initiatives outlined in the model pension law.
- A regulatory change was implemented for NS universities to increase the time frame for resolving outstanding solvency deficits.
- Government approved amendments to the *Credit Union Regulations* to update governance and accountability measures and fully implement the legislative changes made in 2004.
- The Superintendent of Insurance worked with industry on a plan to depopulate the number of drivers in Facility Association, the high cost insurer of last resort. Audits were made of insurance brokers records and efforts were made to ensure that drivers who were no longer a risk were move into the regular insurance market.
- Further review was conducted on the NS Insurance Review Board's study on gender, and on property and casualty insurance.

Core Business Area 6:

Alcohol, Gaming, and Amusements Regulation

Promote consumer protection in gaming and amusement activities and the service of alcohol. Implement a video classification service to inform consumers about the nature of videos and video games, and a process for the application and enforcement of age restrictions for the rental or sale of video games in Nova Scotia, in accordance with Fall 2004 amendments to the Theatres and Amusements Act. Implement a revised film classification process which brings Nova Scotia's classification scheme in closer alignment with those of other jurisdictions. Implement initiatives resulting from the provincial gaming strategy consultations which have implications for regulatory compliance processes.

- New regulations were implemented to provide for information and appropriate rating of video games, and to enforce the age restrictions.
- The division continued to work on harmonization of the film classification process with other jurisdictions.
- NSEL continued to implement initiatives relative to the Gaming Strategy which included amendments to the Casino Regulations in December 2005.
- Nova Scotians were given an opportunity to comment on the Socioeconomic Study on Gambling terms of reference and the draft request for proposals. This study will be the first of its kind conducted in Canada.

Core Business Area 7:

Manage NSEL's human resources efficiently and effectively.

Implement human resource management initiatives in accordance with NSEL's human resource action plan, the Corporate HR Plan and the French language services plan. Implement year one components of the HR program and develop a continuous learning strategy.

- A Career Planning Initiative has been developed and implemented in the department which provides a process for employee development and workforce planning through the creation of employee career development plans, identification of talent pools and critical roles in the department as well as recruitment and retention strategies. Activities have also focussed on building a solid foundation for performance management to support the Career Planning Initiative as well as the development of skills, tools and resources to support managers in the practice of effective leadership.
- The department initiated a Healthy Workplace Program and committee which is employee focussed and driven and whose mandate is to increase the visibility and importance of healthy workplaces, foster a safe, healthy and supportive work environment and to integrate and support the corporate healthy workplace framework and initiatives.
- The first annual Minister's Awards of Achievement were presented in February 2006, recognizing a number of employees in the department for exemplary public service. This event will form the cornerstone of recognition programs and events that will be developed in the department to positively reinforce business objectives, performance excellence, commitment to public service and increase employee motivation and morale.

5. Financial Results

Nova Scotia Environment and Labour's 2005-2006 expenses and staffing levels are summarized below.

Nova Scotia Environment and Labour Budget and Actual Expenses		
Program and Service Area	Estimate 2005-2006 (\$ thousands)	Actual 2005-2006 (\$ thousands)
Ordinary Revenues¹	65,658	69,833
Gross Expenses	45,588	41,037
Net Program Expenses	27,947	27,059
Salary and Employee Benefits	29,398	27,788
TCA - Capital Purchases	105	17
Provincially Funded Staff (FTEs)	464	442

Note: Financial Institutions Division was relocated to Dept. of Finance in early 2006.

¹ Ordinary Revenue variance is largely associated with an increase in general insurance premiums. In the Business Plan for 2005-2006, the estimate for Revenues was incorrectly stated at \$16,104.0. The revenue estimate for 2005-2006 was \$60,874.0.

6. Performance Measures

Core Business Area 1:

Competitiveness and Compliance Initiative:

The Outcome: Promoting continuous improvement in the quality, coherence and effectiveness of our regulatory systems.

A separate report will be tabled on CCI initiatives and achievements will be tabled when it completes a full year of operations. To achieve the objective of better regulation, CCI is directing its efforts through five strategic streams: Improving the Regulatory Framework; the Science Strategy; the Learning Strategy, Compliance Promotion and Regulatory Improvement.

Core Business Area 2:

Public Safety and Occupational Health and Safety

The Outcome: A safe work environment

A safe work environment is a desired outcome within the department's core business area of public safety and occupational health and safety. The department works with employers and employees to promote compliance with a legislative framework that reflects current workplace standards. Creating safe working environments, minimizes workplace hazards and risk. In turn, this reduces the likelihood of accidents resulting in workers' compensation claims.

Three measures are used to track progress toward this outcome. The first tracks targeted inspections for which an occupational health and safety (OHS) order is not issued. The number of Workers' Compensation Board (WCB) claims and duration claims due to injury provide the basis for the remaining measures under this outcome.

The Measure:

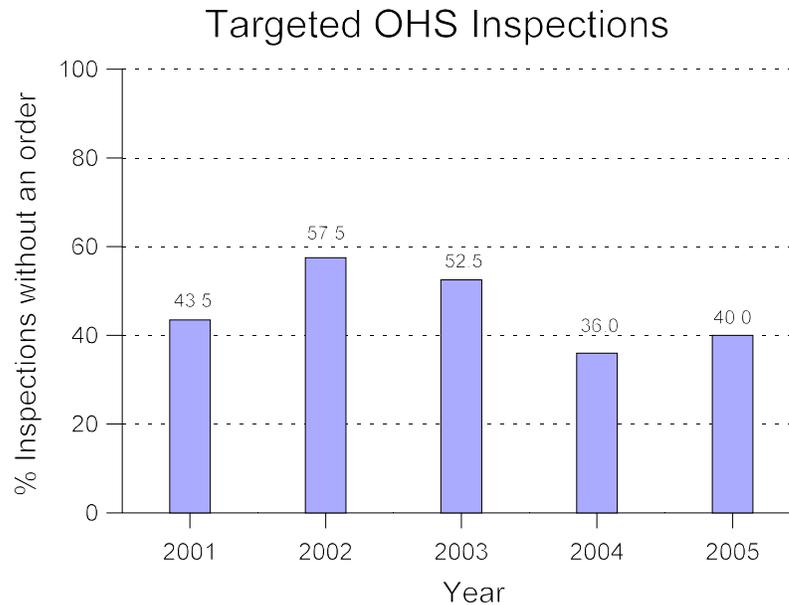
annual percentage of targeted inspections where an occupational health and safety order is not issued

What Does the Measure Tell Us?

Workplace inspections provide an important tool to promote compliance with the legislative framework. A targeted inspection system has been established in which firms that have higher accident frequencies are identified and inspection of these firms is given priority over general inspections. If a workplace does not comply with OHS legislation, an officer can issue a compliance order. Tracking the total number of targeted inspections where an order is *not* issued provides an indication of the level of compliance with OHS legislation in these firms. From this measure the department can monitor trends in compliance levels over time.

Where Are We Now?

In 2005, the percentage of targeted inspections that did not result in an order being issued, increased slightly to 40 per cent, up slightly from the 36 per cent reported in 2004. This finding appears to support a conclusion that higher accident frequencies, the basis of our targeting program, are associated with firms that are not complying with current occupational health and safety laws. The finding also supports a conclusion that the division's targeting practices are bringing officers to workplaces which are most in need of regulator intervention.



Where Do We Want To Be?

The department's target is to increase the percentage of targeted inspections where no order is issued from the 2001 base year measure of 43.5 per cent. This will be achieved by ongoing compliance promotion and education of clients relative to the OHS requirements.

The Measure:

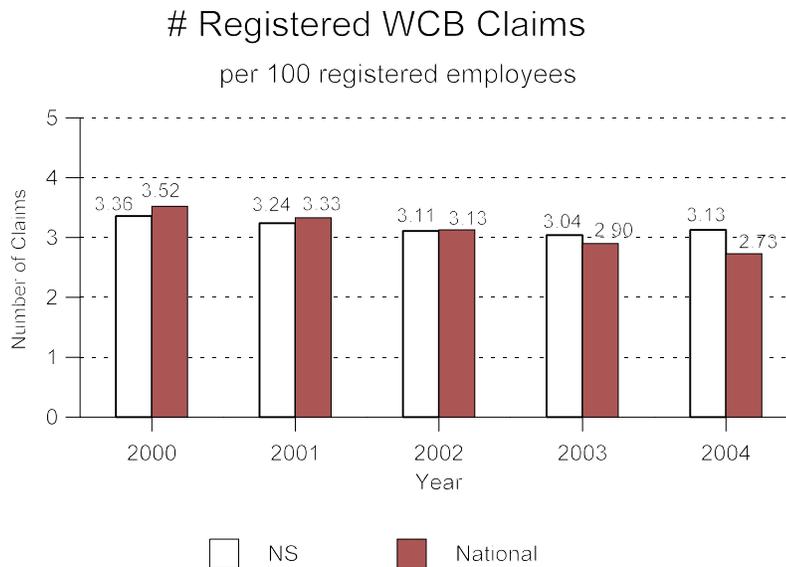
annual average number of new registered Workers' Compensation Board loss time claims per hundred estimated WCB registered employees, compared to the national average

What Does The Measure Tell Us?

The average number of registered WCB loss time claims per hundred employees is indicative of the number of workplace injuries occurring in the workforce covered by WCB. This is calculated based on the Injury Frequency measure used by the Association of Workers' Compensation Board of Canada, as reported for all jurisdictions across Canada. The measure allows government to monitor trends, compare to national averages, and set targets for reductions in accidents. The measure for Nova Scotia is compared to the national measure for Injury Frequency.

Where Are We Now?

The most recent available data for Nova Scotia (2004) indicates an average of 3.13 claims per 100 estimated employees. This is slightly higher than the national average of 2.73 claims in 2004. Although the trend indicates fewer claims over time, the rate of reduction at the national level is at a faster pace than that within the province.



Where Do We Want To Be?

Our target to 2005-2006 has been to be at or below the national average. From 2000 to 2002 we have met this target. The number of claims in Nova Scotia in 2004 was 3.13 per 100 employees, however, which was slightly higher than the national average of 2.73. We will strive to reduce the number of claims by working closely with the Workers' Compensation Board to identify high accident firms and sectors and frequent types of accidents, and to use this information to target compliance promotion activities and inspections more effectively.

The Measure:

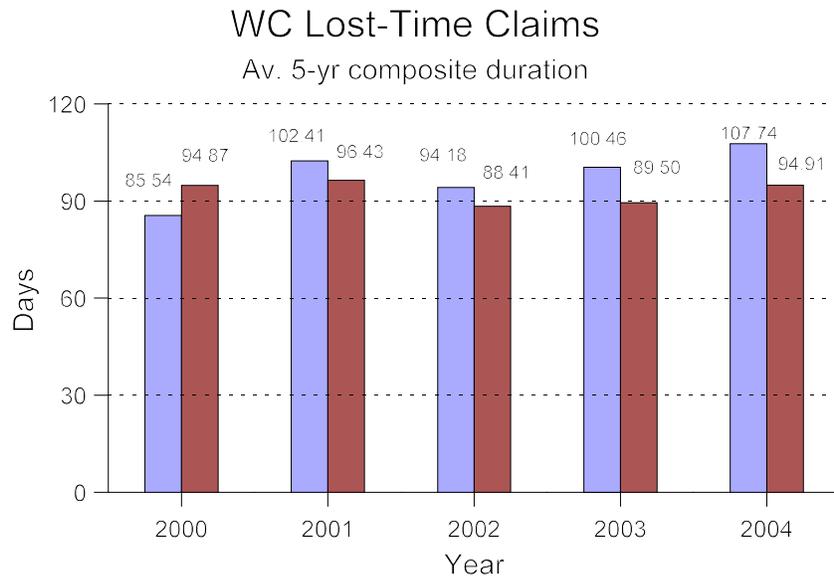
average five-year composite duration of Workers' Compensation lost-time claim compared to the Atlantic Canada average

What Does The Measure Tell Us?

This is calculated using the Average Composite Duration of Claim measure, as reported by the Association of Workers' Compensation Board of Canada for all jurisdictions across Canada. Measuring the average duration of loss claims receiving benefits over a five year period helps to indicate the severity of injuries occurring in the workplace. Usually, the longer a worker receives benefits, the more severe the injury. Other factors may influence this measure, however, such as shifts in healthcare policies and practices.

Where Are We Now?

In 2004 the average number of compensable days in this category in Nova Scotia was 107.74 days. The Atlantic Canada average for the same period was 94.91 days. As noted above, many factors may influence this value.



Where Do We

Want To Be?

Together with the WCB and other WSIS partners, the department's target is to have the average five year composite duration of lost-time claims in Nova Scotia below the Atlantic Canada average. The department will continue to work closely with the WCB to identify high accident firms and sectors and frequent types of accidents, and to use this information to target compliance promotion activities and inspections more effectively.

The Outcome: Safe public places

Safe public places is a desired outcome within the department's core business area of public safety and occupational health and safety. Elevators and escalators represent one area of risk to public safety. The department addresses this risk through regulations and inspection processes.

The Measure:

annual number of incidents reported involving injury from elevators and lifts per 100 units licensed in the province

What Does The Measure Tell Us?

Any incidents (involving injury) that occur relating to elevators and lifts are required to be reported to the Chief Elevator Inspector. By tracking the number of incidents that occur each year on elevators and lifts, the department is able to measure the effectiveness of the safety system in place for these devices, monitor trends, and tailor inspection and enforcement initiatives appropriately.

Where Are We Now?

In 2005 there were 0.71 incidents reported per 100 licensed units. This means that incidents involving injury occurred in less than 1 per cent of the licenced units. This represents a slight increase from the 2000 base year measure of 0.56 incidents per 100 licensed units.



Where Do We Want to Be?

The department's target is to keep the number of elevator and lift incidents at or below the base year number of 0.56 incidents per 100 licensed units. The department will work to achieve this target by ongoing consultation with the industry, inspections and enforcement of the *Elevator and Lift Act* and regulations.

Core Business Area 3:

Environmental Protection and Natural Areas Management

The Outcome: Clean and safe drinking water

Nova Scotia Environment and Labour (NSEL) is committed to sustainable management and protection of the environment and natural areas. A desired outcome in meeting this commitment is clean and safe drinking water.

The Measure:

percentage of population served by municipal water supplies that receives water meeting the health-based criteria for bacteriological quality, as stated in the Guidelines for Canadian Drinking Water Quality, at all times during the calendar year

What Does The Measure Tell Us?

Approximately 60 per cent of Nova Scotians obtain their drinking water from municipal water supplies. Health Canada, together with provincial health and environment

ministries, has established the *Guidelines for Canadian Drinking Water Quality*. This document specifies the health-based criteria for a number of parameters, including bacteria content. NSEL tracks the proportion of people serviced by municipal water supplies who have access to drinking water meeting the health-based criteria for bacteriological quality. This measure helps to provide an overall picture of access to quality drinking water. It also helps to gauge the effectiveness of *NSEL Guidelines for Monitoring Public Drinking Water Supplies* and the *Water and Wastewater Facilities and Public Drinking Water Supplies Regulations*.

Where Are We Now?

NSEL's boil water advisory database provides a tracking system for municipal water quality based on the health-based criteria for coliform bacteria (in the *Guidelines for Canadian Drinking Water Quality*). In 2005, 98.0 per cent of the population served by municipal water supplies received water meeting the health-based criteria for bacteriological quality at all times during the calendar year. This is comparable to 2004 results and shows improvement over the results obtained in the previous three years (2001 - 96.5 per cent, 2002 - 96.5 per cent, 2003 - 95.7 per cent; 2004 - 98.4 per cent; 2005 - 98.0 per cent).

Where Do We Want To Be?

Our on-going target is to maximize the percentage of population served by municipal water supplies that meet the health-based criteria for bacteriological quality. NSEL is contributing to this outcome by implementing Nova Scotia's drinking water strategy, supporting development of municipal water supply protection plans, and enforcing the *Water and Wastewater Facilities and Public Drinking Water Supplies Regulations*, including *NSEL Guidelines for Monitoring Public Water Supplies*.

The Outcome: Clean air

Clean air is an essential component of a healthy environment as well as human health. Many contaminants affect Nova Scotia's air quality and the department works actively to reduce them. Measuring the air emissions of sulphur dioxide, mercury, and nitrogen oxides helps to track the progress made toward this outcome, as described below.

The Measure:

annual total sulphur dioxide (SO₂) air emissions (tonnes) in the province

What Does The Measure Tell Us?

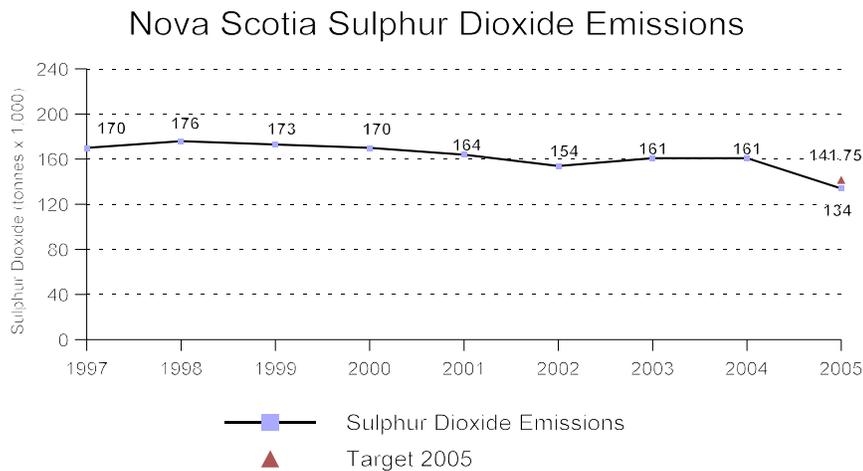
Sulphur dioxide (SO₂) is a prevalent and potentially harmful air contaminant that affects air quality. It is a major contributor to acid rain and smog, and can have significant effects on human health if concentrations are elevated. Improved air quality is therefore partly dependent upon reduction in SO₂ emissions. Through reductions in SO₂ emissions, we are effectively working toward our clean air outcome.

Where Are We Now?

Sulphur dioxide emissions have fluctuated over the past five years (see graph below). In 2004 approximately 161,000 tonnes of SO₂ were emitted in the province, primarily through electricity generation. In 2005 this had lowered to 134,000 tonnes (estimate). This is below our target of 141.75.

Where Do We Want To Be?

The *Air Quality Regulations* were amended in March of 2005 and included a lowering of the provincial SO₂ emission cap to 141,720 tonnes per year. Reductions will be accomplished by working with major industries and establishing a requirement to reduce SO₂ emissions through the use of lower sulphur fuels and process upgrades.



The Measure:

annual total mercury (Hg) air emissions (kg) from electrical power generation in the province

What Does The Measure Tell Us?

In Nova Scotia mercury emissions are produced primarily by thermal electrical power generation. Mercury has serious effects on both human and environmental health. Through reductions in total mercury emissions, we are effectively working toward our clean air outcome.

Where Are We Now?

Nova Scotia's electrical power generation sources emitted approximately 170 kg of mercury in 2004. In 2005 this was lowered to 105 kg (estimate). This is significantly less than the baseline measure of 267 kg in the year 2000 (see graph below).

Nova Scotia Mercury Emissions



Source: Nova Scotia Environment and Labour, National Pollutant Release Inventory; Data for 2004 is estimated

Where Do We Want To Be?

The *Air Quality Regulations* were amended in 2005 and established an annual mercury emission cap of 168 kg, commencing March 1, 2005. This target has been met in 2005 and, in fact, Hg emissions for 2005 are significantly below the target.. This target is consistent with the province's Energy Strategy and supports commitments in the Northeastern Governors and Eastern Canadian Premiers Climate Change Action Plan. Future targets will be developed in conjunction with the Canadian Council of Ministers of Environment process to establish Canada Wide Standards for mercury.

The Measure:

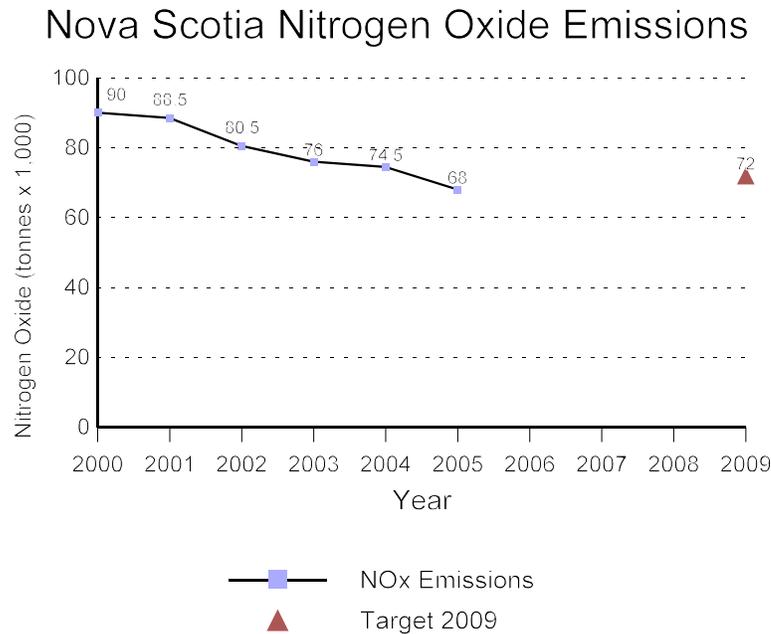
annual total nitrogen oxide (NO_x) air emissions (tonnes) in the province

What Does The Measure Tell Us?

In Nova Scotia, nitrogen oxide (NO_x) emissions are produced by a variety of sources, including thermal electrical power generation, industrial processes and the transportation sector. Nitrogen oxides are a pre-cursor to ground level ozone (smog) and acid rain, and therefore have serious environmental impacts. Through reductions in nitrogen oxide emissions, we are effectively working toward our clean air outcome.

Where Are We Now?

The NO_x data shows a steady decline from the 2000 base year measure of 90,000 tonnes to 68,000 tonnes (estimate) in 2005. This amount is below the target of 72,000 tonnes.



Source: Nova Scotia Environment and Labour; National Pollutant Release Inventory; Data for 2004 estimated

Where Do We Want To Be?

By working with industry, the department is targeting a 20 per cent reduction in nitrogen oxide emissions (from 2000 base year levels) by 2009. This sets our target at 72,000 tonnes of NO_x by 2009. Nova Scotia Power's annual NO_x emissions cap of 21,365 tonnes will take effect in 2009. Our strategy is to work with major industrial sources to reduce emissions, and require the use of low NO_x burners for new and upgraded facilities. Federal initiatives on cleaner vehicles, engines and fuels will also contribute to NO_x emission reductions.

The Outcome: Protected Natural Areas

Nova Scotia Environment and Labour is committed to sustainable management and protection of the environment and natural areas. A desired outcome in meeting this commitment is establishing and maintaining a network of protected natural areas.

The Measure:

total hectares of land protected through NSEL program options

What Does The Measure Tell Us?

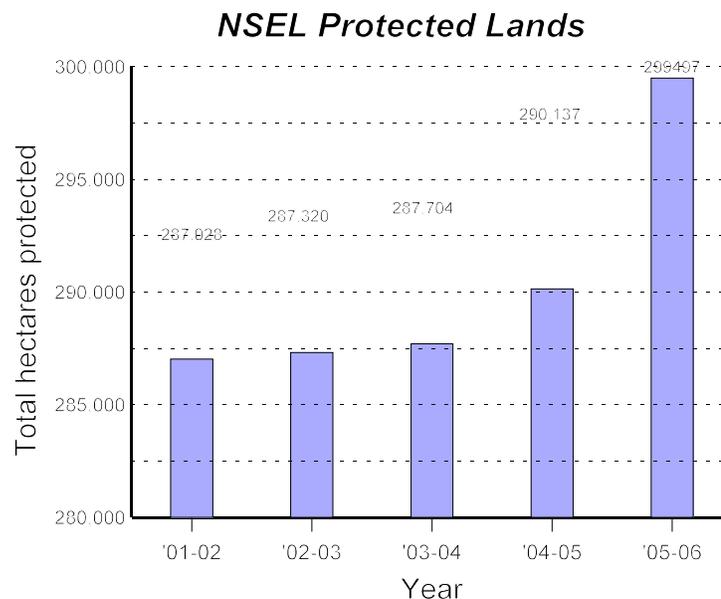
Protected areas are representative examples of the province's natural landscapes as well as sites and features of outstanding natural value. The department supports a number of program options for protection, including:

1. designation of Wilderness Areas and Nature Reserves;
2. acquisition of department priority properties through partnership programs;
3. protection of Crown lands in collaboration with the Department of Natural Resources; and
4. voluntary private stewardship for significant lands.

Measuring the hectares of provincial land protected through department programs helps track the progress made in meeting provincial and national commitments to establish systems of protected areas. This measure also provides an indication of the state of biodiversity conservation in the province, as protected areas provide habitat for a wide range of species.

Where Are We Now?

Through its various program options, the department protected a total of 299,497 hectares throughout the province in 2005-2006. This represents an increase of 12,469 hectares protected, when compared to the base year measure (2001-2002).



Where Do We Want To Be?

Our target over time is to increase the hectares of land in the province under various protection options. The department is proceeding with the process to designate additional Wilderness Areas and Nature Reserves. We have established a process with Department of Natural Resources and key partners through the Colin Steward Forest Forum to work towards a comprehensive system of protected areas to help meet this target. We will also continue to work with industry and land conservation groups to identify and protect new sites on private land.

The Outcome: Shared responsibility for environmental management

Nova Scotia Environment and Labour is committed to sustainable management and protection of the environment and natural areas. A desired outcome in meeting this commitment is to have the responsibility for environmental management shared across all sectors and levels of society. Two measures are used to track progress in this regard. The first helps to gauge community participation in waste diversion, while the second helps to measure industry stewardship.

The Measure:

*annual municipal solid waste disposal rate per capita (Kg/person)
compared with the regional and national disposal rates*

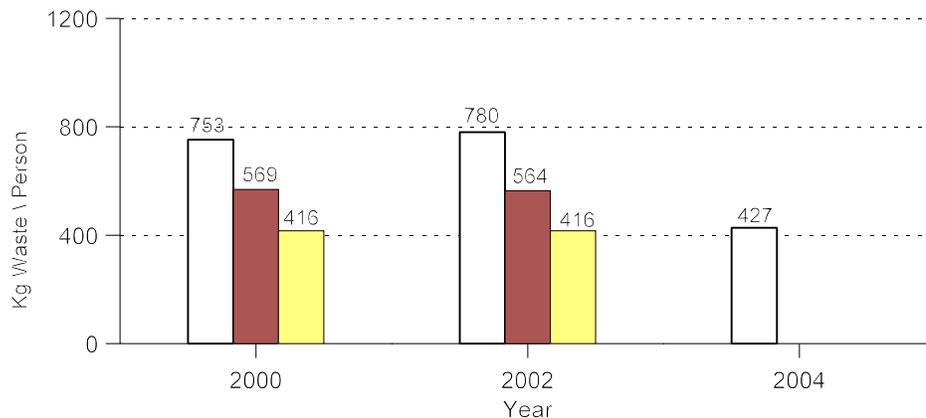
What Does The Measure Tell Us?

Communities share responsibility for environmental management through efforts like managing solid waste responsibly. Nova Scotia is working actively to ensure community participation in recycling, composting, and other waste management initiatives. The average amount of waste discarded by each person per year provides an indication of the level of participation in waste diversion options. Low disposal rates suggest that more material is being diverted from the waste stream, either through reduction at source, recycling or composting. By comparing disposal rates in Nova Scotia with those of the Atlantic region and Canada as a whole, we can assess Nova Scotia's performance, relative to the rest of Canada.

Where Are We Now?

This is a new measure, compiled by Statistics Canada in association with other jurisdictions. Statistics Canada reports this data every two years with approximately a two year delay. As the graph indicates, the national per capita disposal rate in 2002 was 780 Kg per person, (revised now to be 753 kg per person; in 2002, the rate was 780 kg per person). In Nova Scotia, we disposed of a little more than half of this amount in 2002, at 416 Kg per person. Nova Scotia's disposal rate has remained relatively stable over time, with a slight increase in the rate to 427 Kg per person in 2004.

Solid Waste Disposal Rates



Source: Statistics Canada

□ Canada ■ Atlantic ■ Nova Scotia

Where Do We Want To Be?

Our target is to maintain the Nova Scotia disposal rate below the national disposal rate. The department will support this goal through continued public education, promotion of industry/product stewardship and enforcement of the *Solid Waste-Resource Management Regulations*.

The Measure:

total number of product sectors under voluntary or mandatory stewardship agreements

What Does The Measure Tell Us?

Private sector participation in environmental stewardship improves environmental performance and helps develop environmentally responsible business sectors. Management agreements with industry sectors reduce waste and increase the use of recyclable materials. Voluntary and mandatory agreements encourage industry to modify products and packaging to reduce disposable waste and to increase product or packaging recyclability. This measure provides an indication of the numbers of products for which an agreement has been negotiated with the Province.

Where Are We Now?

The department has developed a list of product sectors with potential for developing stewardship agreements. As of the fiscal year 2005-2006, eight of the products identified have entered into agreements with the province, including dairy containers, daily/weekly newspapers, residential sharps, beverage containers, tires, used oil, paint and telephone books. This represents a maintenance of the eight agreements in the previous year. The stewardship agreement for marine distress signals (flares) was discontinued because of changes within Coast Guard Canada. Although the flares are currently being recovered through the Royal Canadian Mounted Police network, this initiative no longer constitutes

a formal product stewardship agreement with the province, and therefore is not included in the measure. Other examples of stewardship initiatives that are active in the province, but not counted in the measure include national programs for batteries and cell phones.

Where Do We Want To Be?

The department's target to develop stewardship agreements with 13 product sectors by 2005-2006 has not been met. There are many challenges associated with the establishment of a stewardship agreement, including industry consultation, buy-in and participation. It is also important to note that some targeted product sectors, such as electronics, encompass many products (e.g., computers, printers, televisions, VCRs and other electronic equipment). Tackling this sector requires extensive research and understanding of complex distribution and retail systems. The development of a broad product stewardship agreement for electronics is more resource and time intensive than an agreement for a single product such as newspapers. In 2005-2006, the department developed and consulted the public on draft electronic stewardship regulations.

We will continue to work on stewardship opportunities for products such as electronic goods, fast food packaging, oil containers, household hazardous waste, plastic film, and flyers and magazines. This will be accomplished by working with the Nova Scotia Resource Recovery Fund Board, and through ongoing consultation with industry.

The Outcome: Proactive environmental management

Nova Scotia Environment and Labour is committed to sustainable management and protection of the environment and natural areas. Proactive environmental management — addressing potential environmental issues before the environment is damaged — is a desired outcome in meeting this commitment.

The Measure:

total number of business sectors and municipalities participating with NSEL in environmental management and/or pollution prevention programs and initiatives

What Does The Measure Tell Us?

The department actively works with business sectors and other levels of government to incorporate sustainable environmental management into their operations through the use of pollution prevention plans, environmental management systems, best management practices, and other environmental management tools. This cooperative approach helps to minimize the long term environmental impacts of business and municipal operations. The greater the number of business sectors and municipalities involved, the greater the environmental benefits.

Where Are We Now?

In 2005-2006 there were 14 sectors participating in department programs ranging from

investigating pollution prevention options with municipalities, to implementing best environmental management practices in hospitals.

Where Do We Want To Be?

The target for 2005-2006 is to increase (from the 2001-2002 base year measure of five) the number of business sectors and municipalities participating in these types of initiatives. This has been accomplished by providing technical assistance to businesses, municipalities and provincial government departments, and partnering with business associations, non-government organizations, funding agencies and other levels of government.

The Outcome: Efficient and effective program delivery

Nova Scotia Environment and Labour is committed to sustainable management and protection of the environment and natural areas. A desired outcome in meeting this commitment is the delivery of efficient and effective environmental programs to clients. Two measures are used to track progress in this regard. The first measures the application of a risk-based inspection and auditing program and the second tracks average processing time for on-site sewage disposal system approvals.

The Measure:

percentage of industrial facility approvals in operation for at least one year to which a risk based inspection and auditing program has been applied

What Does The Measure Tell Us?

Regulatory compliance plays an important role in the department's ability to promote sustainable environmental management. The terms and conditions that are developed for approvals stipulate discharge criteria for the facility that will adequately protect the receiving environment. The department targets inspections by using information on primary receptors, performance criteria, treatment controls, scope, and level of impact and reporting requirements as evaluation criteria to rate the facility's risk of negatively impacting the environment. Facilities with the highest rating are inspected more often to determine whether the facility is operating in compliance with the terms and conditions of the approval and whether the facility self-monitoring results accurately represent the discharges from the facility. This measure illustrates the progress made in applying this risk based inspection and auditing program to industrial facilities in Nova Scotia. It also provides an indication of the department's effectiveness in allocating inspection resources, as this program focusses an inspector's time on facilities that pose a higher risk to the environment.

Where Are We Now?

By the end of the fiscal year 2005-2006, approximately 90 per cent of industrial facilities that have been in operation for at least one year have had a risk based inspection and auditing program applied to them. (In the first year of operation, a facility is subject to regular inspections at 3, 6 and 12 month intervals, to help assign a risk level.)

Where Do We Want To Be?

The department revised the target to apply a risk based inspection and auditing program to at least 90 per cent of industrial facility approvals by 2005-2006. Progress will continue to be made in this area by validating data-based assessments at facilities and developing a schedule for risk based inspection audits, as well as developing and implementing an enforcement policy.

The Measure:

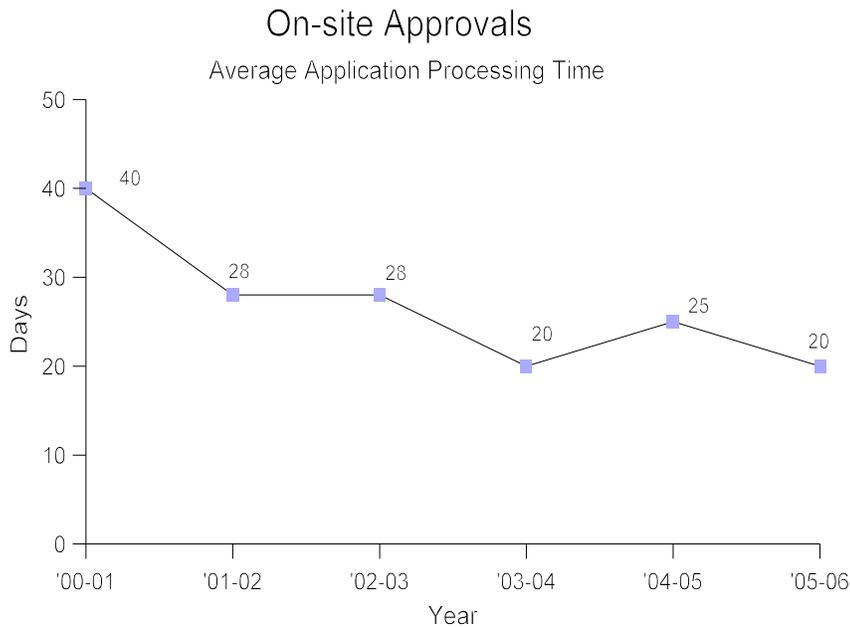
average administrative time (days) to process applications for the approval of the installation of on-site sewage disposal systems

What Does The Measure Tell Us?

The department recognizes that while environmental protection is a priority, it must also provide timely service to its clients. When a proposed building project requires an on-site sewage disposal system, municipal units require that an approval for the installation of the system is issued from the department prior to granting a building permit. Reduced turnaround times in the processing of on-site sewage disposal system approvals benefit developers and home builders by minimizing delays in obtaining their building permit and in construction.

Where Are We Now?

In 2005-2006 the average administrative time to process applications for on-site sewage disposal systems was 20 days. This is a significant reduction from our 2000-2001 base-year measure of 40 days, and well within our legislated time requirement of 60 days.



Where Do We Want To Be?

The target is to decrease average turnaround time for on-site septic system approvals by 50 per cent, to 20 days (from 2000-2001 base-year data of 40 days). The target will be reviewed in 2006-07 to reflect further improvements in turnaround time anticipated as a result of a project to assess the feasibility of a registration process for on-site systems.

Core Business Area 4:

Employment Standards and Labour Services

The Outcome: Efficient and effective client service

Employment standards and labour services represent a core business area for Nova Scotia Environment and Labour. This core business area includes the Workers' Advisers Program. A desired outcome in meeting this core responsibility is the delivery of efficient and effective service to clients. Three measures contribute to the assessment of this outcome, including two that measure staff assignment times, and one that measures client satisfaction.

The Measure:

average time (weeks) for Labour Standard Code complaints to be assigned to an officer

What Does The Measure Tell Us?

This measure provides an indication of effectiveness in assigning complaints made under the *Labour Standards Code*.

Where are We Now?

This is a new measure for which baseline data has been developed. In 2005-2006, the time of assignment for Labour Code complaints was 1.07 weeks.

Where Do We Want To Be?

The department has set a preliminary target of assigning complaints made under the Labour Standards Code to an officer within two weeks of receipt. This will be re-assessed once baseline data is compiled. The department will work to achieve this target through streamlining the Labour Standards Code complaint intake system, along with updating technology, and training staff.

The Measure:

average Workers' Advisers Program service response time (weeks) for injured workers seeking legal advice and representation

What Does The Measure Tell Us?

This measure tracks the average time that elapses from when an injured worker first requests service from the Workers' Advisers Program, until an Adviser meets with the worker.

Where are We Now?

This measure was introduced by Workers' Advisers Program in the 2005-2006 Business Plan to measure timeliness of client service. In 2004-2005, clients waited an average of 1.9 weeks to meet with an Adviser. This was down slightly from the wait time in 2003-2004 of 2.1 weeks. The average wait time increased slightly in 2005-2006 to 2.3 weeks.

Where Do We Want To Be?

The department has been successful at keeping the wait time for injured workers seeking services from the Workers' Advisers Program below the target of 4 weeks. This is achieved by maintaining an efficient and timely intake process and by upgrading technology.

The Measure:

percentage of clients satisfied with Workers' Advisers Program service at the time of case closure

What Does The Measure Tell Us?

This is a new measure, compiled from a client satisfaction survey distributed to all Workers' Advisers Program clients, upon closure of each case file. It gauges the level of client satisfaction with the quality of service provided by staff.

Where are We Now?

Results from the 2005-2006 client survey indicate that 94 per cent of the respondents felt that staff did their very best to provide the best possible service. This is the same as the previous year's results (2004-2005 - 94 per cent).

Where Do We Want To Be?

A client satisfaction rate of 80 per cent has been established as a minimum target. The department will continue to strive for excellence in client service through an efficient intake system, training for Advisers and implementation of best practices.

The Outcome: Stable labour relations environment

A stable labour relations environment is a desired outcome within the department's core business area of employment standards and labour services. One way to measure the stability of the labour relations environment is to track the percentage of work time lost due to strikes and lockouts in the province.

The Measure:

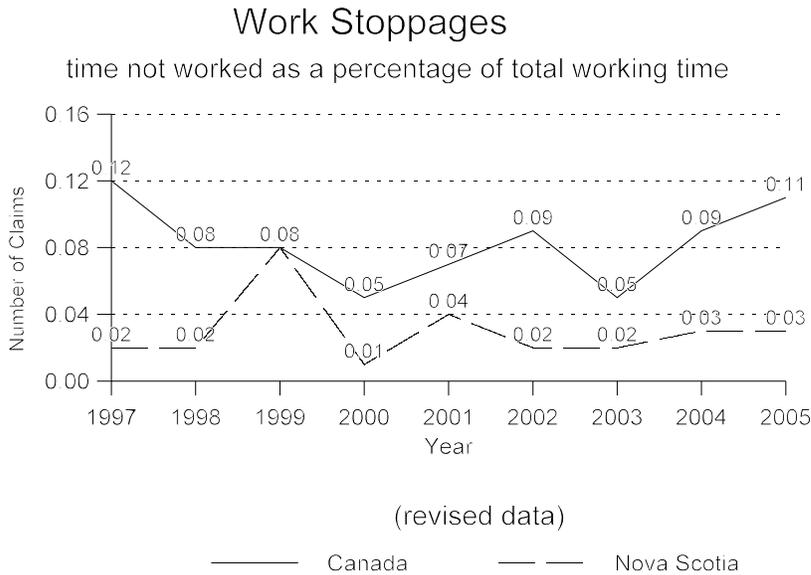
percentage of working time lost per year due to strikes and lockouts in NS compared with the annual national average

What Does The Measure Tell Us?

This measure is one indicator of labour stability, an important factor for economic competitiveness. Comparison with national rates helps the department monitor trends, set targets, and determine priorities.

Where Are We Now?

In recent years Nova Scotia has shown a high degree of labour stability. Time loss in the economy has been consistently at or below the national average (see graph below). The percentage of working time lost due to strikes and lockouts was 0.03 per cent for Nova Scotia and 0.09 per cent nationally in 2005.



Where Do We Want To Be?

Our ongoing target through to 2005-2006 has been to remain at or below the national average for percent of work time lost. This has been accomplished through effective use of the conciliation and mediation processes.

Core Business Area 5

Pension and Financial Services Regulation

The Outcome: Security of retirement income for members of private pension plans

A desired outcome within the department's core business area of pension and financial services regulation is security of retirement income for members of private pension plans.

The Measure:

percentage of plan members covered by pension plans registered with the province that are (a) 100 per cent funded; or (b) have a strategy in place to achieve full funding within 5 years

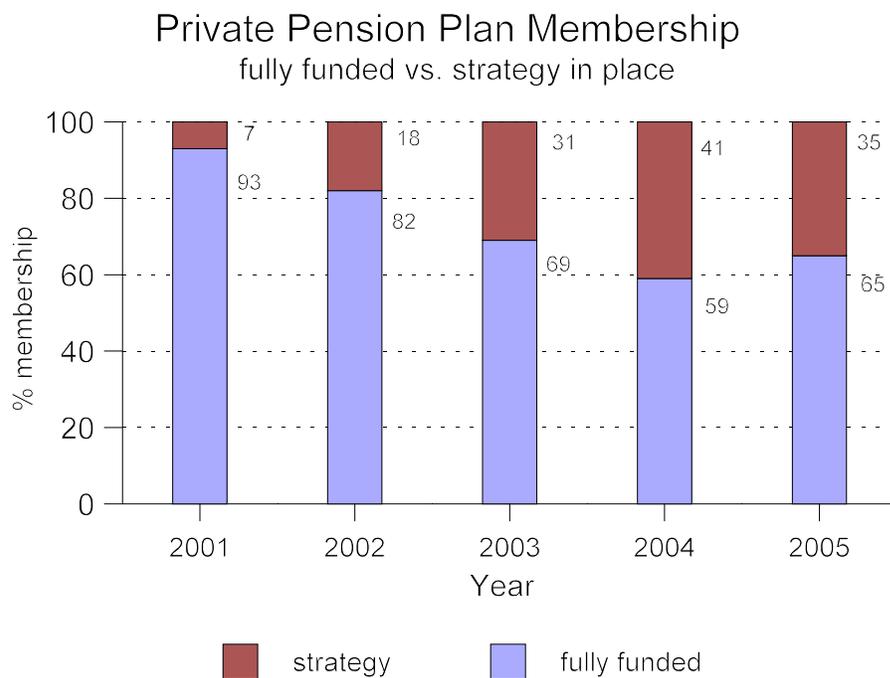
What Does The Measure Tell Us?

The measure tracks the percentage of plan members covered by private pension plans

registered under the *Pension Benefits Act* that are 100 per cent funded, compared with the percentage of members of plans that have a strategy in place to achieve full funding. The level of funding for a plan is highly dependent on market fluctuations and is expected to vary from year to year. In addition, changes to the *Pension Benefits Regulations* in 2004 have modified pension plan funding requirements. Plans are no longer required to fund “grow-in” benefits under a solvency valuation. This change means that in future reports more plans will be included in the funded category, compared to the previous determination of funding status. This change will influence the trend of this measure over time, as each plan completes its three-year cycle of reporting.

Where Are We Now?

In 2005, 100 per cent of plan members were covered by plans that were either fully funded (65 per cent) or that have filed a strategy to achieve full funding in a five year period (35 per cent). With the exception of 2005, there has been a steady decline in the percentage of plan members in plans that are fully funded since the 2001 base year. This is reflective of the investment market and continued low rates of return. As each plan is assessed on a three-year cycle, the measure reflects this averaging.



Where Do We Want To Be?

The target is to continue to maintain 100 per cent of plan members registered in fully funded

plans, or in plans which have filed a strategy to achieve full funding in a five year period. This will be accomplished through ongoing review and analysis of valuation reports and data to identify solvency and funding problems, and overseeing employer payments required under legislation to bring pension plan to full funding.

Core Business Area 5:

Alcohol, Gaming and Amusements Regulation

The Outcome: Consumer protection related to alcohol, gaming and amusement activity

Consumer protection is a desired outcome within the department's core business area of alcohol, gaming, and amusements regulation. One of the department's strategies to protect consumer interests and public confidence in the alcohol and gaming services sector is to conduct site inspections and work with licensees to ensure they comply with all applicable acts and regulations.

The Measure:

percentage of liquor, gaming and amusement licensees inspected per year that are in compliance with acts and regulations

What Does The Measure Tell Us?

Tracking the percentage of licensees inspected who are in compliance helps the department assess how well regulations are both understood and obeyed. Monitoring compliance allows the department to identify specific problem areas so that resources can be used effectively.

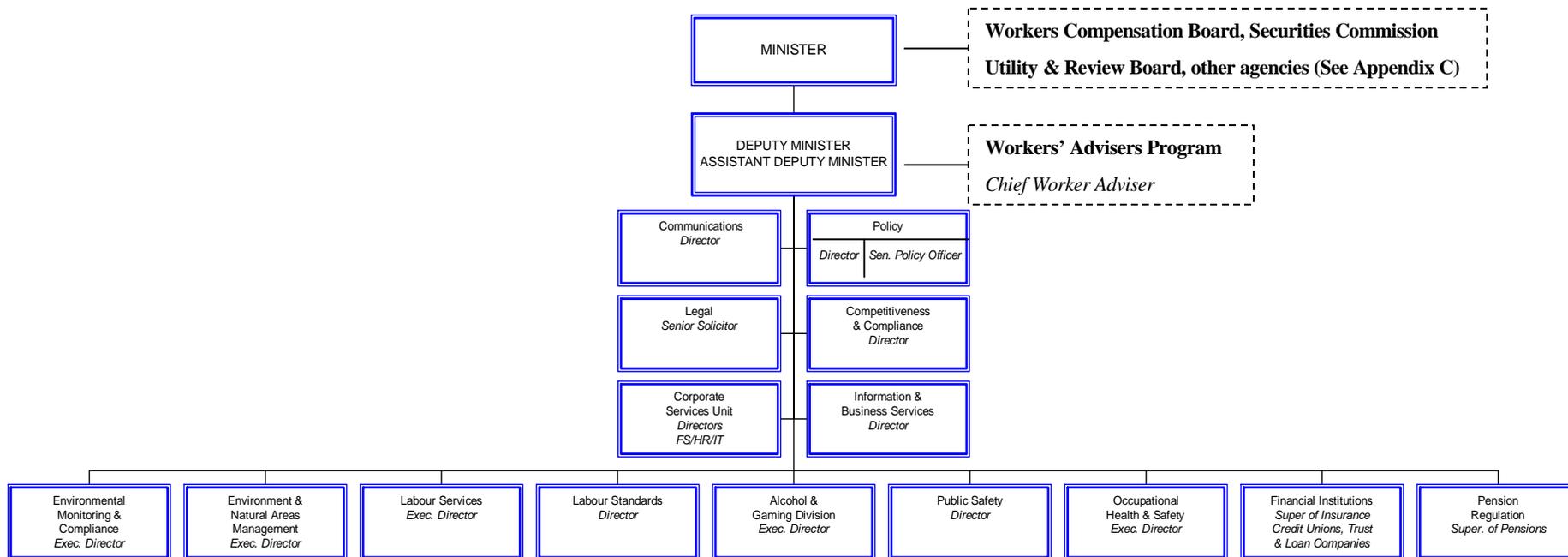
Where Are We Now?

In 2005, 99.4 per cent of inspected licensees within sectors involved in alcohol, gaming and amusement activities were in compliance with corresponding acts and regulations. The compliance rate has remained consistently high over the past five years (2000 - 98 per cent; 2001 - 95 per cent; 2002 - 96 per cent; 2003 - 99.8 per cent; 2004 - 99.8 per cent; 2005- 99.4 per cent).

Where Do We Want To Be?

Our ongoing target to 2005-2006 is to maintain a compliance percentage in excess of 95 per cent. This target is achieved by monitoring problem areas and working with licensees to increase awareness of regulations and policies.

Organizational Chart



Agencies, Boards, Commissions and Tribunals

- Board of Examiners for Certification of Blasters
- Construction Industry Panel
- Crane Operators Appeal Board
- Crane Operators Examination Committee
- Credit Union Deposit Insurance Corporation
- Elevators and Lifts Appeal Board
- Environmental Assessment Board
- Film Classifiers
- Fire Safety Advisory Council
- Fire Safety Appeal Board (which is the Utility and Review Board)
- Fire Services Advisory Committee
- Fuel Safety Advisory Board
- Labour Relations Board
- Labour Standards Tribunal
- Minimum Wage Review Committee
- Nova Scotia Building Advisory Committee
- ²Nova Scotia Insurance Review Board
- Nova Scotia Securities Commission
- Occupational Health and Safety Advisory Council
- Occupational Health and Safety Appeal Panel
- On-Site Services Advisory Board
- Pay Equity Commission
- Power Engineers and Operators Appeal Committee
- Power Engineers and Operators Board
- Radiation Health Advisory Committee
- Resource Recovery Fund Board
- Utility and Review Board
- Workers' Compensation Board

²Under responsibility of the Minister responsible for the *Insurance Act*