



STAFF REPORT ACTION REQUIRED

Review of Fireworks By-law and Incidents in 2008

Date:	January 19, 2009
To:	Licensing and Standards Committee
From:	Toronto Fire Services
Wards:	All Wards
Reference Number:	p:\2009\ClusterB\FIR\ls0902.doc

SUMMARY

The new harmonized fireworks by-law has been in effect for one year. The by-law regulates the sale of fireworks by both permanent and temporary fireworks vendors, requiring them to obtain vendor permits. There were a total of 72 permits issued, with 11 permanent and 61 temporary permits in 2008. In addition, there were 30 fireworks incidents with an estimated loss of \$112,122.00. Fire Services will continue to monitor the number of incidents caused by fireworks. It is imperative that fireworks be used in a safe manner and regulated as stipulated in the Ontario Fire Code and Explosives Act.

RECOMMENDATIONS

Toronto Fire Services recommends that:

1. The Fireworks By-law be amended by requiring the vendor to purchase and maintain a liability insurance policy or alternatively, the vendor must be shown as a named insured on the distributor's liability insurance policy.
2. The appropriate City staff be authorized and directed to implement the recommendations in this report.

Financial Impact

The first year's experience resulting from Council's approval at its meeting of September 26 and 27, 2007 of new permit fees for the sale of fireworks is as follows:

Fireworks Permit Fee	Category	Total Permits Issued in 2008	Total Fees Collected in 2008	MLS Amount	Fire Amount
\$2,500.00	Permanent Fireworks Vendor	11	\$27,500.00	\$2,310.00	\$25,190.00
\$500.00	Temporary Fireworks Vendor (under 25 kg)	40	20,000.00	\$8,400.00	\$11,600.00
\$750.00	Temporary Fireworks Vendor (over 25 kg)	9	\$6,750.00	\$1,890.00	\$4,860.00
\$1,500.00	Temporary Lease Fireworks Vendor	7	\$10,500.00	\$1,470.00	\$9,030.00
\$1,500.00	Temporary Mobile Fireworks Vendor	5	\$7,500.00	\$1,050.00	\$6,450.00
Total Fireworks Permits & Fee Revenue in 2008		72	\$72,250.00	\$15,120.00	\$57,130.00

The total amount collected from fireworks permit fees in 2008 was \$72,250.00 from 72 vendors. As indicated in Toronto Fire Services' previous report on the new proposed fireworks by-law, the Municipal Licensing and Standards Division recovers \$210.00 per permit against its costs of processing permit applications; the remaining portion of the fee covers Fire Services' inspections, other enforcement activity, and public education costs.

Fire's attributed costs in 2008 for enforcing the Fireworks By-law was covered by Fire's \$57,130.00 share of the permit revenue. Fire's costs are based on staff time for inspections of vendor premises, staff time at public education events and for investigations of non-permitted vendors. While the permit fees for the most part offset attributed staff costs, Council also approved that any additional revenue be allocated towards enhancing the fireworks educational program.

Based on the 2008 volume of permits, there are no implications for the 2009 Recommended Operating Budget. Enforcement of the Fireworks By-law during 2009 will continue to be achieved by temporary re-assignment of current Fire Prevention staff, at key times in the year, resulting in no additional budget pressure. If a trend develops in 2009 that indicates an increase in permit volume and inspection workload, then the 2010 Fire Services' Operating Budget will be adjusted for both costs and revenue.

The Acting Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

City Council, at its meeting held April 23 and 24, 2007, authorized a new harmonized fireworks by-law to be effective starting January 1, 2008 (see link to report below).
<http://www.toronto.ca/legdocs/mmis/2007/ls/bgrd/backgroundfile-2000.pdf>

City Council, at its meeting held September 26 and 27, 2007, authorized amendments to the fireworks by-law permit fees effective January 1, 2008 (see link to report below).
<http://www.toronto.ca/legdocs/mmis/2007/ls/bgrd/backgroundfile-6408.pdf>

COMMENT

Toronto Fire Services consulted with the Canadian Pyrotechnic Council, which represents leaders in the fireworks industry, concerning a review of safety issues related to the use of fireworks. The Canadian Pyrotechnic Council recognizes the importance of enforcement and fire inspections to ensure that safety standards regarding the sale and use of fireworks are followed. This protects the interests of the public, the City, and the industry. There were a total of 72 permits issued with 11 permanent and 61 temporary permits in 2008.

Toronto Fire Services regulates five types of fireworks vendors:

- \$2,500.00 annual fee for Permanent Fireworks Vendors - retailers that sell fireworks year round from a permanent location in the City of Toronto.
- \$1,500.00 annual fee for a Temporary Mobile Fireworks Vendor's Permit - retailers that sell Family Fireworks from an outdoor trailer or tent or other authorized location as stipulated in the Explosives Act at temporary locations.
- \$1,500.00 annual fee for a Temporary Lease Fireworks Vendor's Permit - retailers that lease any part of a retailer's store in the City of Toronto on a temporary basis solely for the purpose of selling Family Fireworks.
- \$ 500.00 annual fee for a Temporary Fireworks Vendor's Permit under 25 kg - retailers that conduct business in the City of Toronto from a permanent location. The typical vendor is a small convenience store that sells fireworks.
- \$ 750.00 annual fee for a Temporary Fireworks Vendor's Permit over 25 kg - retailers that conduct business in the City of Toronto from a permanent location.

The following outlines an overview of fireworks incidents:

Fireworks Incidents – 2001 to 2008

Year	Number of Incidents	Estimated Loss
2001	11	\$2,217.00
2002	12	\$10,100.00
2003	16	\$72,020.00
2004	9	\$46,950.00
2005	66	\$430,168.00
2006	44	\$1,926.00
2007	52	\$16,635.00
2008	30	\$112,122.00

Two events occurred at row houses/town houses, totalling \$29,500.00, and at two units over 12 stories at \$30,000.00 and \$50,000.00, for a total of \$109,500.00. The remaining amount of \$2,622.00 is from 11 minor events. Toronto Fire Services will continue to monitor the trend of incidents related to fireworks.

Enforcement Issues and Costs:

Permit fees for vendors that sell Family Fireworks on a permanent or temporary basis assist Toronto Fire Services with resources to administer and enforce the fireworks by-law, and assist in promoting public safety with respect to the use and sale of fireworks. The enforcement of the fireworks by-law during the Victoria and Canada Day holidays and the 7-day periods before each of these holidays is implemented through temporary reassignments of current Fire Prevention staff. Toronto Fire Services will need to observe data from 2009 to indicate if permit fees are increasing or decreasing. An increase in the number of permits will provide additional resources to increase inspections and public education.

While Toronto Fire Services reviewed the 30 incidents recorded in 2008, there were no notices of violation under the Ontario Fire Code or Federal Explosives Act. A team of Federal enforcement officers conducting inspections during the Canada Day and Victoria Day periods did not charge any vendors or individuals selling fireworks illegally. To increase enforcement of the by-law, Toronto Fire Services is assisted by Municipal Licensing and Standards. In 2008, Municipal Licensing and Standards reported 2 seizures of fireworks from vendors without permits.

Family fireworks are powerful pyrotechnic devices with the potential to cause damage if misused and are also regulated under the Explosives Act. Regulating vendors of family fireworks by means of permits and other conditions in the fireworks by-law, as well as inspections by Toronto Fire Services, will help make their sale and use safer.

Through a Special Occasions Discharge Permit, set at a reasonable amount of \$25.00, the by-law allows for religious and cultural celebrations in our multicultural society to discharge fireworks. However, even on statutory holidays like Victoria Day and Canada Day, Toronto Fire Services receives calls from citizens who see smoke or hear explosive sounds. With the new ability to discharge family fireworks for religious and cultural events through a Special Occasions Discharge Permit, Toronto Fire Services will receive more of these calls. It is important for Toronto Fire Services to be able to account for and document that the fireworks were authorized. Applicants for a Special Occasions Discharge Permit will have to submit a site plan to a Fire Prevention Officer to check for fire safety. A copy of the approved site plan and date of the event will remain in the files to allow Toronto Fire Services to respond to complaints or concerns from the public.

When there are problems at the site, Toronto Fire Services will respond to the incident and charges could be laid under the fireworks by-law. Toronto Fire Services could also notify the appropriate authorities if the requirements of the Explosives Act were not followed.

Amendment to the By-law:

In obtaining a permit, a certificate of Insurance is required by the City of Toronto and it is required that the vendor purchase and maintain the liability insurance policy. Fire Services has been advised by the Canadian Pyrotechnic Council that in the fireworks industry most vendors have an extended policy from their distributor. The distributor

provides the Insurance for the vendor. It is suggested that the vendor's liability insurance policy be purchased and maintained by the vendor or alternatively, the vendor must be shown as a named insured on the distributor's liability insurance policy. Both requirements will provide the necessary insurance requirements.

CONTACT

Jim Stoops, Executive Officer
Toronto Fire Services
Phone: 338-9550, Fax: 338-9060
E-mail: jstoops@toronto.ca

Richard Mucha, Manager, Licensing Services
Phone: 392-3084, Fax: 392-3102
E-mail: rmucha@toronto.ca

SIGNATURE



William A. Stewart
Fire Chief