



**STAFF REPORT
ACTION REQUIRED**

Progress Report on a City of Toronto Environmental Reporting and Disclosure Program

Date:	June 18, 2008
To:	Board of Health
From:	Medical Officer of Health
Wards:	All wards
Reference Number:	

SUMMARY

Over the past three years, Toronto Public Health (TPH) has examined ways to track and reduce exposure to harmful substances that are used or released by industrial, commercial and institutional facilities in the city. TPH has examined which substances are present in our local environment, reviewed approaches used across North America, and consulted extensively with businesses, residents and community organizations on options to reduce the use and release of toxic substances that would best suit Toronto.

TPH has developed an Environmental Reporting and Disclosure Program that would track and reduce key toxic substances present in Toronto’s environment, and especially its air. The proposed program would not duplicate existing reporting programs, but rather would provide important new information that is not captured through the National Pollutant Release Inventory given its much higher reporting thresholds.

This report describes the key elements of a proposed municipal Environmental Reporting and Disclosure Program which would require local businesses and City of Toronto operations to track and publicly report their use and release of substances of priority health concern (“the 25 priority substances”), and support them in finding ways to reduce these hazardous substances. Attached is a technical document that provides details of the proposed program, including a draft bylaw.

The provincial government recently announced its intention to develop an Ontario-wide toxics use reduction program, and is expected to provide details of the program later this summer. Given the potential for overlap between this provincial initiative and the City’s Environmental Reporting and Disclosure Program, the Medical Officer of Health (MOH) needs to learn more about the province’s emerging toxics use strategy so as to ensure that the proposed Toronto program does not conflict with or duplicate the provincial program.

Following a review of the provincial program, the MOH will report back to the Board of Health on the extent of overlap, if any, between the provincial program and the proposed City of Toronto program. The MOH will make recommendations on the appropriateness of adopting an Environmental Reporting and Disclosure Bylaw for Toronto that does not conflict with or duplicate proposed provincial legislation.

Local businesses and the community would benefit from increased information and support for pollution prevention, under either new provincial legislation or a Toronto-based reporting program. This report therefore recommends that TPH develops and implements, in consultation with City divisions and other partners, a new pollution prevention program for Toronto businesses that supports reduction or elimination of the 25 priority substances.

RECOMMENDATIONS

The Medical Officer of Health recommends that:

1. the Board of Health forward this report and attachments to the Premier and Ontario Minister of Environment, and request the Ministry to develop a toxics use reduction program that addresses the health of urban residents by:
 - a) including the 25 substances that have been identified as a priority health concern in Toronto by the Medical Officer of Health on the list of chemicals to be addressed in the Provincial program;
 - b) setting substance reporting thresholds low enough to collect information on small and medium-sized facilities;
 - c) creating capacity-building programs on environmental reporting and pollution prevention for all affected facilities; and
 - d) ensuring disclosure and easy public access to information collected through the program;
2. the Medical Officer of Health report in October 2008 on the status of the provincial toxics use reduction program;
3. the Medical Officer of Health report as soon as sufficient details of the proposed provincial program become available on:
 - a) the extent to which it addresses the health of Toronto residents;
 - b) reporting gaps, duplication and conflict, if any, between the provincial program and the proposed City of Toronto Environmental Reporting and Disclosure Program; and
 - c) the appropriateness of adopting an Environmental Reporting and Disclosure Bylaw in Toronto; and

4. funds in the amount of \$221,400 gross/\$55,350 net (including 2 positions) be included in the 2009 Operating Budget Submission for Toronto Public Health to develop and implement, in consultation with Economic Development, Culture and Tourism, Toronto Water, Toronto Environment Office, and provincial, industry and community partners, a pollution prevention program that:
 - a) encourages businesses to reduce or eliminate the 25 priority substances;
 - b) includes an incentive program that provides rewards and recognition to facilities that adopt environmental best practices for pollution prevention;
 - c) provides pollution prevention resources and outreach to Toronto facilities; and
 - d) supports the implementation of other City of Toronto programs that encourage environmental improvements such as energy, electricity and water conservation, smog and greenhouse gas reduction, water quality and climate change adaptation.
5. this report be forwarded to Budget Committee for consideration during the 2009 Operating Budget process.

Financial Impact

This report recommends that the Board of Health 2009 Operating Budget Submission include funds in the amount of \$221,400 gross/\$55,350 net (including 2 positions) for a new pollution prevention program for City of Toronto. This request will result in an annualization impact of \$98,800 gross / \$24,700 net in the Toronto Public Health 2010 Operating Budget.

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

DECISION HISTORY

The Board of Health has previously considered findings and recommendations from the Medical Officer of Health (MOH) related to environmental reporting and disclosure. Reports also refer to this issue as “community right-to-know” and “access to environmental information.” These reports are available at http://www.toronto.ca/health/hphe/toxic_chemicals/toxicchemicals.htm.

The Environmental Reporting and Disclosure Program has its origins in the City’s 2000 Environmental Plan, in which City Council unanimously recommended that Toronto develop a community right-to-know bylaw that empowers community members to know the location, sources and health effects of toxic chemicals in their community. A right-to-know strategy was also included in the 2002 “Action Plan for Cancer Prevention in the City of Toronto” adopted by Council that year.

At its January 17, 2005 meeting, the Board of Health recommended that the MOH consider practical and effective community right-to-know strategies, including regulation, that the City could implement.

On June 19, 2006, the Board received a report entitled “Access to Environmental Information: Preventing Pollution, Avoiding Risks” that reviewed opportunities for increasing access to information on chemicals. The report concluded that despite existing reporting regulations and voluntary programs, there is a significant lack of data on toxic chemical emissions from Toronto facilities, and that additional reporting could stimulate pollution prevention to reduce potential exposure to these substances. The Board of Health requested further work and consultation with stakeholders on options for future action.

In June 2007, City Council unanimously endorsed its Climate Change, Clean Air and Sustainable Energy Action Plan. This plan included a recommendation to “request the Board of Health to develop a proposed reporting program for the use and release of toxic air contaminants and explore the reporting of greenhouse gas emissions.”

In July 2007, the MOH reported that 25 substances commonly used and released from industrial, commercial and institutional facilities existed in Toronto’s air at levels of health concern. The Board of Health recommended at its July 9, 2007 meeting that the MOH consult with the City Solicitor and key stakeholders and report in spring 2008 on a proposed bylaw that would require facilities to report to the City on the use and emissions of these substances of priority health concern.

This report has been prepared in consultation with staff at City Legal, Economic Development, Culture and Tourism, Toronto Water and the Toronto Environment Office.

ISSUE BACKGROUND

Community right-to-know programs exist around the world. They collect and publish information about chemicals being used or released by facilities. These reporting programs complement other regulations aimed at reducing or managing chemicals by providing valuable data to governments, informing the public and stimulating businesses and institutions to prevent pollution.

Reporting programs can stimulate pollution prevention in several ways. First, reporting requires facilities to carefully track chemicals. This provides a facility with detailed data to help them identify inefficiencies and opportunities for improvements. Secondly, governments and industry associations commonly provide additional guidance to businesses to identify and implement measures to reduce chemicals or use safer alternatives. Finally, disclosing data introduces public scrutiny and enables communities to become informed and engaged in local health issues, which further motivates companies to reduce chemicals.

The National Pollutant Release Inventory (NPRI) is Canada's primary reporting program. NPRI has been credited with lowering emissions by 27 per cent¹ since it began in 1993. In the United States, emissions reporting to the Toxics Release Inventory have decreased by 46 per cent between 1988 and 1999. The Massachusetts Toxics Use Reduction Act enabled the state to meet its goal of reducing toxic waste generation by 50 per cent in just 10 years.²

TPH has carefully considered the need for a local environmental reporting and disclosure program. Over the past three years, TPH has researched substances in our local environment, reviewed similar programs in Canada and other countries, and consulted City staff, other governments, businesses, residents, agencies representing workers, and health and environmental organizations about options that could best serve Toronto.

This research and consultation have identified important gaps in existing reporting programs that could be addressed with a new local approach. Overall, existing programs primarily involve large facilities and emissions, but do not engage the majority of small and medium-sized operations that exist in Toronto. For example, while 352 Toronto companies reported to the NPRI in 2006, this represents only 4 per cent of the estimated 9,600 facilities thought to be using or releasing chemicals in Toronto.³ If these missing data on chemical use and emissions were routinely collected, facilities could better identify pollution prevention opportunities, local government could better understand and address local health and environmental conditions, and Torontonians would be more informed.

In a large urban centre like Toronto it is important to consider the total impact of chemical releases on human health. Although the use or release of chemicals from each facility may meet provincial standards, current regulations do not address the total cumulative exposure to chemicals from many facilities of all sizes in close proximity to where people live.

In January 2008, TPH released a framework for an Environmental Reporting and Disclosure Program for public consultation. It proposed mandatory reporting requirements for facilities using or releasing any of 25 priority substances above specified thresholds, and sought feedback on implementation issues, access to the information and supports for affected businesses. The consultation document is available at http://www.toronto.ca/health/hphe/enviro_info.htm.

TPH received 541 written submissions, mostly from residents, on the consultation document. Community organizations, businesses, worker agencies and City agencies and divisions also offered feedback. Since January, TPH has also met with business stakeholders, community organizations, the provincial government and City staff to discuss the proposed program.

Overall, stakeholders support new work to help local businesses adopt pollution prevention but there is a difference of opinion on the approach that TPH should pursue. Residents, community organizations and worker agencies strongly support mandatory

reporting and disclosure, while the business community tends to oppose a regulatory approach at the local level.

TPH has compared voluntary and mandatory reporting programs to determine the best option for Toronto. TPH continues to see a mandatory approach as necessary to collect more complete, reliable data and more fully engage those facilities using priority substances. This report therefore presents an Environmental Reporting and Disclosure Program that is similar to what was proposed in January 2008 but has been revised to reflect stakeholder feedback.

COMMENTS

TPH has developed a proposed Environmental Reporting and Disclosure Program that would serve to address and reduce key substances in Toronto. The program would foster reduced exposure to 25 priority substances found in Toronto's environment by requiring local businesses and City operations to track them, report them, and find ways to reduce their use and release. In the development of this program, TPH investigated potential duplication with other government environmental reporting programs.

The proposed Toronto program would address many of the health, environmental and economic challenges unique to an urban centre like Toronto. For example, the majority of facilities using or releasing the priority substances are small or medium-sized, and are located within or close to residential neighbourhoods. The long-term cumulative exposure to chemicals from many facilities in close proximity to where people live creates significant potential for adverse health impacts. The Environmental Reporting and Disclosure Program would collect data from all sizes and types of businesses, help them to consider ways to reduce their use and release of the priority substances, and empower the community with easily-accessible information about local environmental conditions.

In March 2008, the Ontario government announced the development of a toxics reduction strategy that will include legislation to reduce toxic substances in the air, water, land, and consumer products. They have appointed an expert panel with representatives from the scientific and medical communities to advise which toxics should be the focus of immediate attention, action and reductions. The advice of the Panel will be considered by government in the development of proposed new legislation which is expected to be announced later this summer. More information can be found at <http://www.ene.gov.on.ca/en/toxics/index.php>.

As the Province develops its strategy, TPH will work together with Provincial colleagues to develop the areas of common interest and work toward a comprehensive toxics reduction program that considers Toronto's needs. This staff report and the attached technical report, including a draft bylaw provide details on Toronto's proposed Program and may guide the development of the provincial strategy.

This report also recommends reporting back to the Board of Health in the fall on the status of the provincial program. Once more details are known, the MOH will report on the extent of overlap, if any, between the proposed provincial program and the Toronto program, and recommend a course of action that meets the health needs of Toronto residents.

Elements of an Environmental Reporting and Disclosure Program for Toronto

TPH has developed the elements of an Environmental Reporting and Disclosure Program that would meet Toronto's needs and draw from successful reporting programs in Canada and the United States.

The program is comprised of several key elements, described in further detail in an attached technical report, which include:

- **A new bylaw**
The City would enact a new bylaw to require annual reporting of chemical usage and emission data. The draft bylaw identifies 25 priority substances that must be reported, the reporting thresholds for these substances and the facilities and activities that are exempt from the reporting requirements. It also establishes penalties for failing to comply with the by-law.
- **Bylaw guidance document**
A guidance document would accompany the bylaw to help facilities understand the bylaw, what information must be reported, common sources and activities that use or release the 25 priority substances, lists of tools to help estimate quantities of substances used and released, and how to report data. TPH has developed a draft guidance document, entitled "Environmental Reporting and Disclosure – Understanding the Proposed Bylaw" that is available at www.toronto.ca/health/hphe/enviro_info.htm.
- **Pollution prevention guidance for facilities**
TPH would develop sector-specific pollution prevention guides that will provide facilities with detailed information about the substances they may use, options for reducing or replacing them, and other environmental best practices. TPH is consulting with technical experts, local business representatives, Toronto and Region Conservation, Toronto Water and Economic Development, Culture and Tourism, on how to best develop and market these guides.
- **Phased timelines for reporting**
The reporting requirements of the program would be phased in over several years to allow facilities, particularly small and medium-sized ones, to learn about the bylaw and ways to track and estimate chemicals.

- **Electronic reporting**

Environment Canada would be a key partner with TPH to develop an online support and reporting system. Discussions are underway to use Environment Canada's One Window to National Environmental Reporting System (OWNERS). This will streamline reporting for facilities that currently report to the NPRI, simplify reporting for businesses new to the program, and facilitate TPH's data management and analysis. OWNERS is also used by other provincial and municipal governments to collect environmental data from industry in a timely, cost-effective and secure manner.

- **Disclosure of Information**

The data collected through the Environmental Reporting and Disclosure Program would be collected, used and disclosed in accordance with the *Municipal Freedom of Information and Protection of Privacy Act* (MFIPPA). The data will be used to support business innovation and TPH research, education and health policy. TPH will, subject to any privacy restrictions that may apply, create an online system that will enable individuals and community groups to search for information reported to Toronto Public Health pursuant to the Environmental Reporting and Disclosure bylaw. Where permitted, the website will link users of the site to pollution prevention information provided by the facilities. In addition, the website will provide health and environmental information about the reportable priority substances.

- **Evaluation**

The stated goal of the program is to protect the health of Toronto residents by reducing their exposures to toxic substances. TPH will evaluate progress towards this goal by measuring indicators such as levels of air toxics present in Toronto's air, numbers of facilities who report, trends in reported data and the public's interest in this information.

New Supports for Local Pollution Prevention

Throughout the development of the Environmental Reporting and Disclosure Program, business and community stakeholders identified the benefits of stimulating local efforts in pollution prevention.

Pollution prevention refers to the use of processes and practices that minimize the creation of pollution or waste. It is more environmentally sustainable and economically beneficial than end-of-pipe measures that control pollution once it has been created. For facilities using chemicals, pollution prevention strategies include replacing a hazardous substance with a less-toxic alternative, adjusting processes to use chemicals more efficiently and recycling rather than disposal of waste products. The Toronto Region Sustainability Program, which helps manufacturers identify pollution prevention options, indicates significant return on investment, and estimates that payback time for businesses implementing certain improvements can be less than a year.⁴

TPH sees the need for a new program that focuses on assisting local businesses, particularly small and medium-sized operations, to reduce or eliminate the 25 priority substances. This program could help businesses prepare for new chemical regulation at either the provincial or local level and enhance local health and environmental protection.

TPH works regularly with other City divisions to implement environmental programs and policies, by contributing expertise in research, health assessment, policy development, and outreach and education programs. TPH would take a leadership role in this new program to address the 25 priority chemicals, and would collaborate with other City divisions and external partners to ensure it supports existing City initiatives,

Based on current estimates, approximately 6,000 industrial, commercial and institutional facilities use and/or release one or more of the 25 priority substances. Most are small and medium-sized operations with little experience in pollution prevention or regular communication with the City regarding the environmental programs it offers to business. TPH sees these businesses as the primary audience for a new program.

This report recommends that TPH, in consultation with other City divisions (such as Economic Development, Tourism and Culture, Toronto Water, and the Toronto Environment Office), business stakeholders such as the Toronto Industry Network and the Toronto Association of Business Improvement Areas, community organizations and the provincial government begin to develop and implement a pollution prevention program through:

- **partnership with local businesses.** TPH would initially seek to partner with 8-10 local facilities within key business sectors to:
 - develop resources that are useful and easy-to-understand for small facilities that have little experience with environmental practices;
 - identify a range of environmental opportunities, including energy efficiency, climate change adaptation and reduction of the 25 priority substances; and
 - pilot test the resources by developing customized pollution prevention plans for these facilities, which identify specific opportunities and their costs and benefits;
- **co-promotion through outreach and training programs.** Once the resources have been developed, TPH would seek ongoing partnerships with business associations and City divisions to promote the resources and deliver presentations and training to reach the estimated 6,000 industrial, commercial and institutional facilities that use and/or release the priority toxic substances;
- **dialogue between the facility and the community.** TPH will encourage and facilitate regular communication between facilities and their neighbouring communities, as is done in the Canadian Chemical Producers Association's "Responsible Care" initiative, as a way to encourage understanding and continuous improvement;

- **recognition for environmental leadership.** TPH would collaborate with other City divisions, through the Green Toronto Awards or a new recognition program, to acknowledge facilities that show leadership in reducing or preventing the use and release of the priority toxic substances; and
- **additional incentives for environmental innovation.** TPH will work with its partners to identify possible external funding sources, links to other City programs, partnerships and other incentives that could expand the reach and success of this program.

Funds, in the amount of \$221,400 gross/\$55,350 net, will be required to develop and implement this new pollution prevention program. Funds will be required for technical expertise in the development of educational/training resources and assistance for facilities as well as promotional/outreach activities. These will be requested through the 2009 Toronto Public Health operating budget.

TPH would also explore external funding and partnership opportunities for this program. For example, the program could support partnerships with the academic community, modeled on approaches in Massachusetts or the Nova Scotia Eco-Efficiency Centre, a collaboration between Dalhousie University, government and private sector partners that trains university students and provides businesses with pollution prevention advice. TPH has also expressed its interest to the provincial government in partnering to support early implementation of a provincial program, pending details of the initiative.

NEXT STEPS

It is important that action be taken to reduce exposure to the 25 priority substances in Toronto and to assist local businesses to pursue environmental best practices. TPH will continue discussions with the Ministry of Environment to learn more about the province's emerging toxics use reduction strategy so as to ensure that the proposed Toronto program does not conflict with or duplicate the provincial program.

More details of the provincial program are anticipated to be released soon. The MOH will report in October 2008 on the status of the provincial program and, as soon as details of the provincial program are known, on the extent of overlap, if any, between it and the City's proposed program. Based on the extent to which the provincial program addresses the health needs of Toronto's residents, the MOH will make recommendations on the appropriateness of adopting an Environmental Reporting and Disclosure Bylaw for Toronto.

The MOH also recommends that TPH receive new funding in 2009 to develop and implement a pollution prevention program in Toronto in consultation with other key city divisions, businesses and the community.

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SIGNATURE

Dr. David McKeown
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ATTACHMENT

Attachment 1: Environmental Reporting and Disclosure – A Proposed Program for the City of Toronto (June 2008)

¹ Harrison, K. and W. Antweiler. Incentives for Pollution Abatement: Regulation, Regulatory Threats, and Non-Governmental Pressures. *Journal of Policy Analysis and Management*. 2003; 22:3. p.370.

² Massachusetts Department of Environmental Protection. 2003. *2003 Toxics Use Reduction Information Release*. www.mass.gov/dep/toxics/priorities/03relfin.doc

³ Morgan, Christopher. Toronto Environment Office, City of Toronto. Personal communication. 2006.

⁴ Ontario Centre for Environmental Technology Advancement. 2005. Annual Report 2004-05. <http://www.oceta.on.ca/TORSUS/documents/OCETAarwebPDF.pdf>