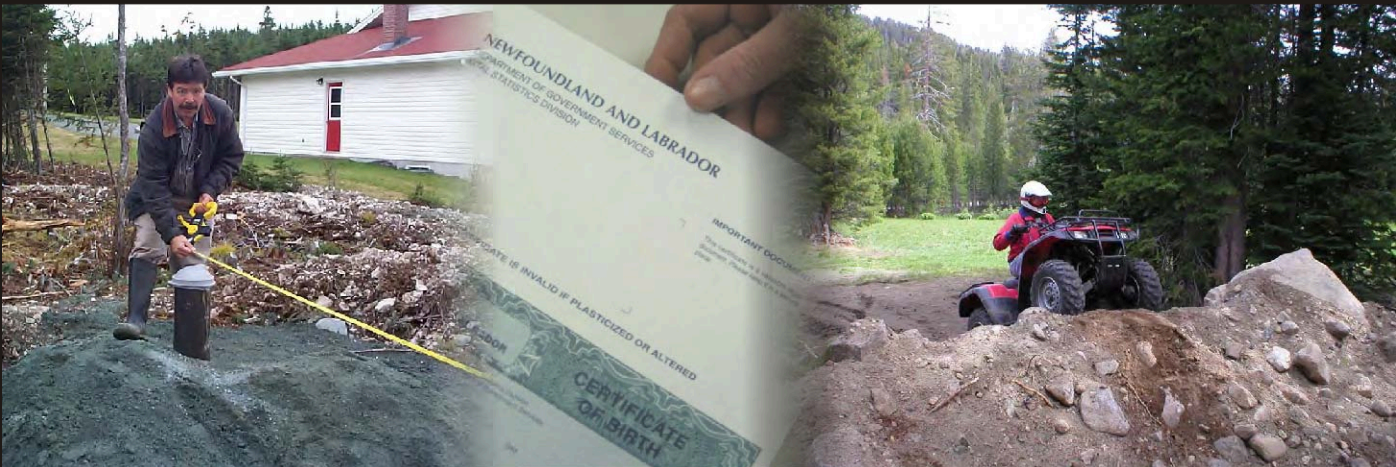


# Annual Report 2004-05



# *Minister's Message*



Pursuant to the 2004 Speech from the Throne, it is my honour to present the Department of Government Services Annual Report for fiscal year 2004-05.

The mandate of the Department of Government Services is to provide accessible and responsive services in the areas of public health and safety, occupational health and safety, the protection of consumer interests and the preservation of vital events and commercial transactions. In fulfilling this mandate, the Department administers more than 100 pieces of legislation through a staff complement of approximately 500 positions in over 40 communities across the Province.

The Department is organized into three Branches - Government Services, Consumer and Commercial Affairs, Occupational Health and Safety. It is accountable for 17 additional public entities.

The purpose of this document is to promote a better understanding of departmental activities and policy directions. This is accomplished by providing an overview of the Department and highlighting key statistics, accomplishments and identifying potential challenges for fiscal year 2005-06.

I would like to take this opportunity to acknowledge all those who contributed to this report and the diligent work and dedication of the staff of Government Services.

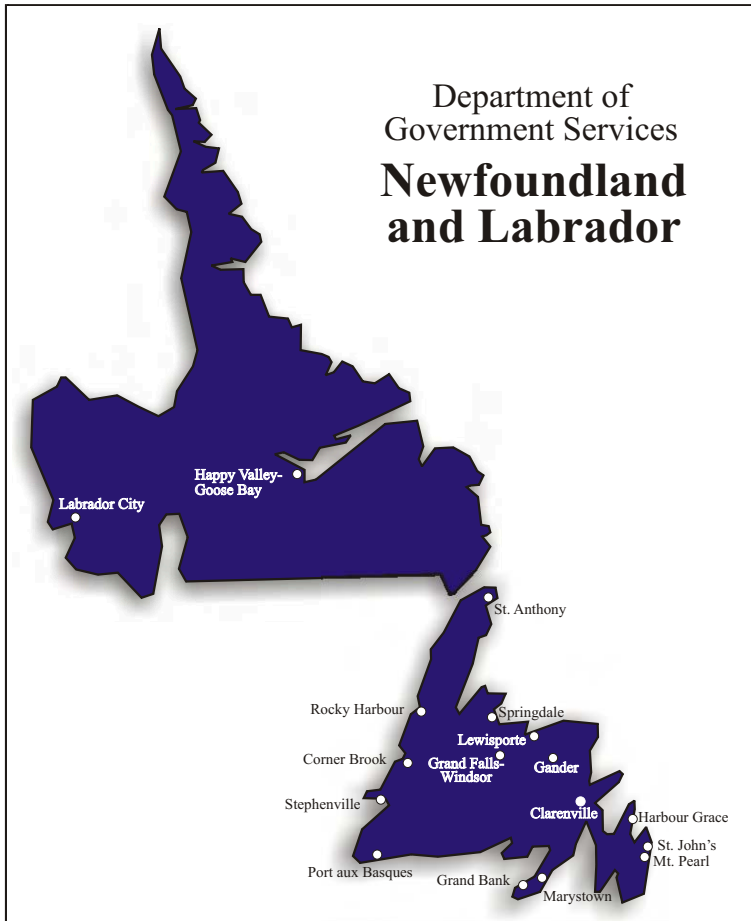
Dianne Whalen  
Minister

# TABLE OF CONTENTS

<b>1.0</b>	<b>Minister's Message</b>	<b>i</b>
<b>2.0</b>	<b>Departmental Overview</b>	<b>1</b>
<b>3.0</b>	<b>Public Entities</b>	<b>7</b>
<b>4.0</b>	<b>Shared Commitments</b>	<b>9</b>
<b>5.0</b>	<b>Statistical Highlights</b>	<b>12</b>
<b>6.0</b>	<b>Key Accomplishments and Challenges Ahead</b>	<b>19</b>
<b>7.0</b>	<b>Budget</b>	<b>23</b>
<b>8.0</b>	<b>Financial Statements</b>	<b>24</b>

# Departmental Overview

The Department's mandate is to provide accessible and responsive service to protect the public and occupational health and safety of the residents of Newfoundland and Labrador, and to safeguard consumer interests. This authority is derived from more than 100 pieces of legislation (statutes, regulations, standards and codes of practice) and offered through more than 40 communities across the province. The Department employs approximately 500 people and is organized into three branches:



## 1. Government Services Branch:

Provides accessible, efficient one-stop services to the public and business community in the areas of public health and safety, highway safety, driver and vehicle registrations, building accessibility, vital statistics, controlled use of land, and environmental protection. It also provides printing services to designated entities and government document purchasing via the Queen's Printer.

## 2. Consumer and Commercial Affairs Branch:

Provides protection for consumers and the public, regulates provincial financial services, and facilitates commerce in the Province.

## 3. Occupational Health and Safety Branch:

Protects the health and safety of the province's workforce through the development and enforcement of occupational health and safety legislation, inspection of workplaces and the investigation of workplace complaints, serious injuries and fatalities.

The mandate of the Department of Government Services is derived from the Department of Government Services Notice under the Executive Council Act, Section 4, which states that the Department is responsible for the supervision, control and direction of all matters related to:

- vital statistics;
- motor vehicles;
- the regulation and operation of Government Service Centres throughout the Province;
- provincially regulated financial institutions;
- commercial registrations;
- consumer protection;
- residential tenancy disputes;
- compliance with occupational health and safety legislation, including radiation health and safety; and,
- the administration of the Acts set out in the Schedule to the Executive Council Act.

## **Lines of Business**

### **Enforcement of Legislated Requirements:**

The Department of Government Services enforces legislated requirements in public health and safety, occupational health and safety, environmental protection; consumer protection and provincially regulated financial services through the administration of approximately 100 Acts and Regulations.

### **Licensing, Permitting, Registration and Inspections:**

The Department of Government Services provides licenses, permits, registration, inspection services and other approvals through designated sites for: marriages; births; deaths; legal name change; gender change; drivers; vehicles; food/liquor/tobacco establishments; waste disposal and septic systems; boilers and pressure vessels; elevating devices; electrical installations; electricians; amusement rides; building accessibility; commercial and institutional water supplies; building design approvals for fire and life safety; recreational facilities; personal care homes; day care homes; abattoirs; asbestos disposal; angling and small game; pensions; insurance adjusters, agents, brokers and representatives; security dealers, advisers, and salespersons; real estate agents and salespersons; mortgage brokers; collection agencies; automobile dealers; private investigators and agencies; lenders; security guards and agencies; salvage dealers; charitable gaming; prepaid funeral service providers; companies; deeds; personal property; mechanics liens; condominiums, cooperatives; limited partnerships; lobbyists; radiation emitting devices; asbestos abatement contractors; mine rescue personnel; explosive magazines on mine sites; and, underground diesel equipment. Select licensing application information is available on the following government website, <http://www.gov.nl.ca/gs/gs>.

### **Conflict Resolution:**

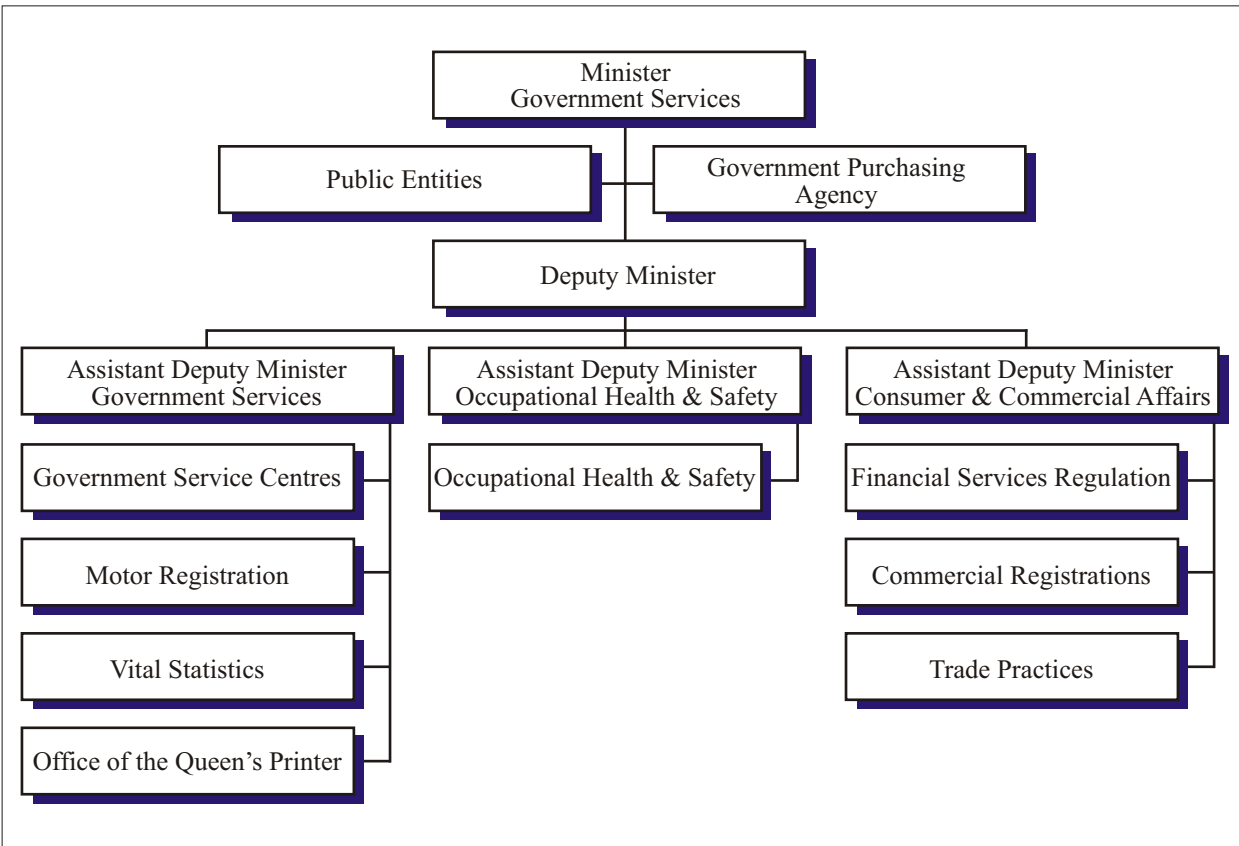
The Department of Government Services provides conflict resolution services through designated sites for disputes related to: landlords/tenants; the provincially regulated financial services industry; consumer complaints; occupational health and safety complaints and compliance orders; outcomes of engineering and buildings accessibility inspections; and, suspension of driver licenses.

### **Office of the Queen's Printer:**

The Department of Government Services provides internal printing and microfilming services through the Office of the Queen's Printer. The Queen's Printer book store, located in the

Confederation Building, provides government legislation and various government reports to the public for purchase. Select documents and purchasing information is available on the following government website, <http://www.gov.nl.ca/gs/gs/oqp/>.

The Department is organized into three branches and is accountable for 17 public entities. The following organizational chart depicts the Department's reporting structure.



The **Government Services Branch** provides a variety of services internally to government and externally to the people of this Province. This is accomplished through four divisions:

1. Government Service Centres:  
provides one-stop services to the public and business community in the areas of public health and food safety; public safety, environmental protection and access to a variety of government permits and licences.
2. Motor Registration:  
develops, administers, maintains and audits highway enforcement programs to achieve safety on public highways; tests and issues driver licences and other photo identification cards; maintains and manages driver's conviction, suspension,

accident and medical records; issues vehicle registrations and oversees automobile dealers; collects HST, RST, traffic court fines, and other government revenues.

The Motor Registration Division participates fully on the Board of Directors and committee structure of the Council of the Canadian Motor Transport Administrators (CCMTA) which provides policy and program advice to the Canadian Council of Ministers Responsible for Transportation and Highway Safety.

3. Vital Statistics:  
registers and certifies all vital events (births, deaths, marriages) and issues related documents to support personal identification needs. Registers adoptions and legal name changes, and certifies clergy and civil authorities for the solemnization of marriage.
4. Office of the Queen's Printer:  
provides legislation and publications to government and the general public, as well as internal printing and micrographic services to government departments.

The **Consumer and Commercial Affairs Branch** provides protection for consumers while facilitating commerce in the Province. This is accomplished through three divisions:



1. Financial Services Regulation:  
regulates individuals and companies that provide financial products and services to the public. The regulated sectors include insurance, securities, pensions, real estate, mortgage brokers, prepaid funerals and deposit taking loan and trust companies.
2. Commercial Registrations:  
registers transactions for real and personal property in the Province and all corporations, cooperatives and limited partnerships, for the purpose of ensuring these companies uphold their legal responsibilities as prescribed by legislation. It also registers mechanics liens and condominiums.
3. Trade Practices:  
regulates individuals and corporations to ensure a fair and equitable marketplace, protects the interests of consumers, mediates and adjudicates disputes between residential landlords and tenants, and regulates charitable and non-profit organization's lottery fund-raising activities. It also licenses and regulates the collection agency, private investigation and security guard service industry.



Budgetary decisions made for fiscal year 2004-05 called for a reorganization of this Branch. As such, the former divisions of Trade Practices and Licensing, and Residential Tenancies were combined to form the Trade Practices Division. The Securities Division was combined with the Insurance and Pensions Division to establish the Financial Services Regulation Division. These changes were implemented upon the release of the Estimates 2004-05 on March 30, 2004.



The **Occupational Health and Safety Branch** is dedicated to promoting and protecting the health and safety of workers throughout the province. Responsibilities include development and enforcement of occupational health and safety legislation, inspection of workplaces and the investigation of workplace complaints, serious accidents and fatalities. The Branch consists of one Director of Occupational Health and Safety and is organized into five units:

1. Inspections (Eastern Region)
2. Inspections (Western Region)
3. Occupational Health
4. Compliance and Regulatory Affairs
5. Strategic Planning and Regulatory Development

## Public Entities

The Department is also accountable for 17 Public Entities, two of which, the Credit Union Deposit Guarantee Corporation and the Government Purchasing Agency, provide independent annual reports, upon approval by the Minister of Government Services, to the House of Assembly.

The remaining entities provide annual activity letters. These entities are as follows:

- Boiler/Pressure Vessel Advisory Board
- Boiler/Pressure Vessel Appeal Tribunal
- Buildings Accessibility Advisory Board
- Buildings Accessibility Appeal Tribunal
- Central Purchasing Authority
- Consumer Protection Fund for Prepaid Funerals
- Driver's Licence Medical Advisory Board
- Driver's Licence Suspension Review Board
- Embalmers and Funeral Directors Board
- Financial Services Appeal Board
- Insurance Adjusters, Agents and Brokers Appeal Board
- Occupational Health and Safety Advisory Council
- Public Accountants Licensing Board
- Radiation Health and Safety Advisory Committee
- Real Estate Foundation

Of the 17 Public Entities reporting to the Minister responsible for Government Services, the following five did not meet in 2004 - 05.

### **Radiation Health and Safety Advisory Committee**

The Radiation Health and Safety Advisory Committee is established under Section 11 of the *Radiation Health and Safety Act*. The duties and responsibilities of the Committee include:

- providing advice to the Minister on the administration of the Act and regulations;
- promoting educational programs to those who may be exposed to radiation;
- advise the Minister with respect to non-ionizing radiation emitting devices;
- reviewing professional qualifications of persons applying for appointment as inspectors;
- any matter relating to radiation health and safety that the Minister has referred to the Committee for its advice.

The Radiation Health and Safety Advisory Committee was inactive during 2004-05.

**Boiler Pressure Vessel Appeal Board**

The Boiler Pressure Vessel Appeal Board is appointed by the Lieutenant-Governor in Council under the authority of Section 25 of the Public Safety Act, SNL1996 P-41.01. The board's mandate is to make decisions regarding a person aggrieved by an action taken under the Public Safety Act or the Boiler, Pressure Vessel and Compressed Gas Regulations. The board was inactive for the 2004-05 fiscal year.

**Boiler Pressure Vessel Advisory Board**

The Boiler Pressure Vessel Advisory Board is appointed by the Lieutenant-Governor in Council under the authority of Section 29 of the Public Safety Act, SNL1996 P-41.01. The board's mandate is to report to and advise the minister on the application of the Public Safety Act and the Boiler Pressure Vessel and Compressed Gas Regulations and on other matters that may be assigned by the minister regarding systems or devices. The board was inactive for the 2004-05 fiscal year.

**Buildings Accessibility Appeal Tribunal**

The Building Accessibility Appeal Tribunal is appointed by the Lieutenant-Governor in Council under the authority of Section 20 of the Buildings Accessibility Act, RSNL1990 B-10. The tribunal's mandate is to hear appeals of notices, decisions, directions or orders confirmed or varied by the director under section 17 of the Buildings Accessibility Act. The tribunal was inactive for the 2004-05 fiscal year.

**Buildings Accessibility Advisory Board**

The Buildings Accessibility Advisory Board is appointed by the Lieutenant-Governor in Council under the authority of section 18 of the Buildings Accessibility Act, RSNL1990 B-10. The mandate of the board is to report to and advise the minister on the application of the Buildings Accessibility Act and regulations, and on other matters in relation to the Act and regulations that may be assigned to the board by the Minister. The board did not formally meet but consulted on buildings accessibility issues.

## Shared Commitments

In fulfilling its mandate, Government Services collaborates with many other departments/agencies, industry, and federal/provincial/territorial (F/P/T) governments and regulatory agencies. Our approach to addressing those issues which challenge our ability to fulfil our legislated responsibilities is directly impacted by the strength of our collaborative relationships with our partners and key stakeholders.

### Government Services Branch



#### Departments/Agencies

The Government Service Centres are responsible for delivering permitting, inspection, licensing, and enforcement services on behalf of a number of other departments/agencies in which the partners retain legislative and policy responsibility. In particular, in 2004-05, Government Services had formal MOUs with three departments/agencies; Environment and Conservation, Health and Community Services, and the Newfoundland and Labrador Liquor Corporation.

The Vital Statistics Division performs certain functions related to adoptions on behalf of the Department of Health and Community Services and also has information sharing arrangements with a number of federal and provincial departments and agencies. These arrangements are in compliance with applicable provincial legislation.

---

GSCs perform services for many departments/agencies, including the following:

- Environment and Conservation
  - Health and Community Services
  - Municipal and Provincial Affairs
  - Natural Resources
  - Newfoundland Liquor Corporation
  - Office of the Fire Commissioner
- 

#### Industry

As part of its legislated mandate, the Government Service Centres work closely with industry to fulfill the Department's responsibilities and ensure regulatory practices in the public health and safety fields are current and consistent with other jurisdictions.

The Motor Registration Division coordinates joint efforts with the Department of Transportation and Works, liaises with commercial transportation firms, associations, and individual drivers to develop and maintain harmonized standards for highway safety. Motor Registration Division represents the province on the CCMTA, a federal/provincial territorial group which coordinates national highway safety policy.

### **Federal/Provincial/Territorial Governments and Regulatory Agencies**

The Government Service Centres participate on national committees to standardize various codes and technical requirements (i.e., fire, electrical, and boilers) across Canadian and international jurisdictions. These include the National Public Safety Advisory Committee (NPSACC) and the Provincial-Territorial Policy Advisory Committee on Codes.

The Vital Statistics Division is working with the Vital Statistics Council of Canada Security Subcommittee to implement minimum security level standards across all jurisdictions and the Council on Identity to develop a framework for common definitions of identity.

### **Consumer and Commercial Affairs Branch**

In its role to protect consumers and facilitate commerce in the province, the Consumer and Commercial Affairs Branch collaborates with a number of industry associations and F/P/T governments and regulatory agencies. In some instances, this involves direct membership of a departmental representative while, in other instances, ongoing consultation is involved.

#### **Consumer and Commercial Affairs Stakeholders**

##### **Departments/Agencies**

- Department of Tourism, Culture and Recreation

##### **Industry**

- Association of Professional Engineers and Geoscientists
- Canadian Institute of Mortgage Brokers and Lenders
- Canadian Life and Health Insurance Association
- Canadian Motor Vehicle Arbitration Plan
- Certified General Accountants Association of Newfoundland
- Certified Public Accountants Association of Newfoundland
- Embalmers and Funeral Directors Board
- Institute of Chartered Accountants of Newfoundland
- Insurance Brokers Association of Newfoundland
- Insurance Bureau of Canada
- Investment Dealers Association
- Law Society of Newfoundland
- Newfoundland and Labrador Funeral Services Association
- Newfoundland and Labrador Society of Fund-Raising Executives

##### **Industry (Continued)**

- Newfoundland Association of Architects
- Newfoundland Automobile Dealers Association
- Newfoundland Real Estate Association
- Newfoundland Security Guards and Private Investigators Agencies Association Limited
- Public Accountants Licencing Board
- Real Estate Foundation Board
- Society of Management Accountants of Newfoundland

##### **F/P/T Governments and Regulatory Agencies**

- Canadian Association of Pension Supervisory Authorities
- Canadian Association of Real Estate Licencing Law Officials
- Canadian Council of Insurance Regulators
- Canadian Gaming Regulators Association
- Canadian Insurance Self Regulatory Organization
- Canadian Securities Administrators
- Consumer Measures Committee
- Joint Forum of Financial Market Regulators

## Occupational Health and Safety Branch

Partnerships and consultations are the best means to ensure effective, relevant legislation and standards with which employers and employees may readily comply and which facilitate harmonious, productive, safe and healthy workplaces.



### Departments/Agencies

The Occupational Health and Safety Branch continues to collaborate with the Workplace Health, Safety and Compensation Commission to implement the recommendations of the Provincial Accident Prevention Strategy 2003-2006. Work is progressing between the Governments of Canada, Nova Scotia, Newfoundland and Labrador as well as offshore petroleum boards, in the development of a new legislative framework to incorporate an offshore occupational health and safety legislative and enhanced regulatory regime in the offshore. When completed, the improved legislation will bring offshore health and safety on par with land based activities

### Industry

The Occupational Health and Safety Branch collaborates extensively with industry stakeholders on the implementation of new and revised legislative requirements. Such stakeholders include, but are not limited to:

- Newfoundland & Labrador Construction Safety Association
- Safe Communities
- Newfoundland and Labrador Federation of Labour
- Canadian Federation of Independent Business
- Fish, Food and Allied Workers
- St. John Ambulance
- Canadian Red Cross
- Royal Life Saving Society
- Safety Net
- Marine Institute of Memorial University
- Canadian Standards Association
- Newfoundland and Labrador Safety Council
- Newfoundland and Labrador Employers' Council
- Other provincial government departments

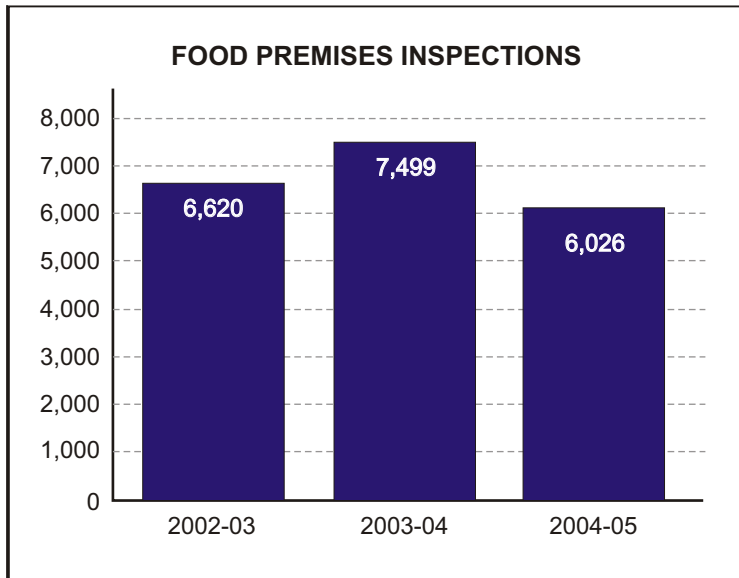
### Federal/Provincial/Territorial Governments and Agencies

The Occupational Health and Safety Branch regularly consults Federal/Provincial/Territorial governments and agencies in the development and implementation of new legislation and codes of practice and represents the interests of the province on several national committees.

# STATISTICAL HIGHLIGHTS

The programs and services offered by the Department of Government Services varies widely and ranges from the issuance of small game licenses, to the registration of births and deaths, enforcement of safe and healthy occupational practices and the protection of consumer interests. The following statistical data highlights the outputs of the Department's activities for fiscal year 2004-05:

## Government Services Branch:



The Government Service Centres collected \$17,891,755 in revenue in 2004-05, served approximately 160,000 individuals and responded to some 200,000 telephone calls.

Food Premises inspections decreased in 2004-05, in part due to the month long Public Service strike at the beginning of 2004-05. It should be noted that the risk-based system employed by environmental health inspectors allows for lower risk premises to require fewer inspections. This creates a fluctuation in the required number of inspection of food premises in any given year. GSCs also

collected 19,311 water samples, representing an increase of 4 percent over 2003-04.

ENVIRONMENTAL HEALTH OFFICER ACTIVITIES 2004-05	
In addition to Food Premises inspections, the following are some of the other inspections carried out by Environmental Health Officers in 2004-05:	
Public Swimming Pools	114
Dairy Farms	60
Septic Systems	1,083
Tobacco Control	3,019
Private Drinking Water	4,500
Meat Inspections	1,235
Child Care Centres	234
Personal Care Homes	153
Schools	315
Park/Summer Camp	74

ENVIRONMENTAL PROTECTION OFFICER ACTIVITIES 2004-05	
The following lists some of the activities performed by Environmental Protection Officers in 2004-05:	
Service Station Fuel Storage	683
Bulk Plant Fuel Storage	112
Spill Responses	367
Waste Disposal Sites	480
PCB Storage Sites	10
Abandoned Vehicles	678
Farms	80
Saw Mills	10
Asphalt	74
Quarries	85
Scrapyards	91

TECHNICAL INSPECTION ACTIVITIES FOR 2004-05	
Additional inspections carried out through the GSCs in 2004-05 include:	
Boilers/Pressure Vessels	5,675
Elevating Devices	869
Welding	571
Buildings Accessibility	1,212
Fire and Life Safety	1,195
Electrical	6,524
Liquor	3,498

During 2004-05 the Vital Statistics Division issued approximately 42,000 certificates. As well, the Division processed approximately 3,000 marriage licences and 500 requests for release of original birth and adoption records to adopted persons and/or birth parents.



The Motor Registration Division (MRD) processed approximately 1.5 million transactions in 2004-05 (e.g. driver's licences, vehicle registrations; permits). Fourteen percent of all vehicle renewals were conducted via the Internet. There were 1,299 Commercial Vehicle Safety Alliance inspections conducted in 2004-05. MRD generated \$67,771,695 in revenue for government during fiscal year 2004-05.

The Office of the Queen's Printer served 2,607 clients in the Book Store, generating a revenue of approximately \$20,573. Printing and Micrographic Services completed 2,120 jobs, generating revenue of approximately \$1,010,262.





**Consumer and Commercial Affairs Branch:**

The Commercial Registrations Division maintains responsibility for the Registry of Companies, Registry of Deeds and the Personal Property registry. In 2004-05, both the number of conveyances and mortgages filed and personal property searches increased approximately by 13 percent compared to the previous year. For this same time period, the number of companies incorporated, registered or amalgamated decreased by 30 percent.

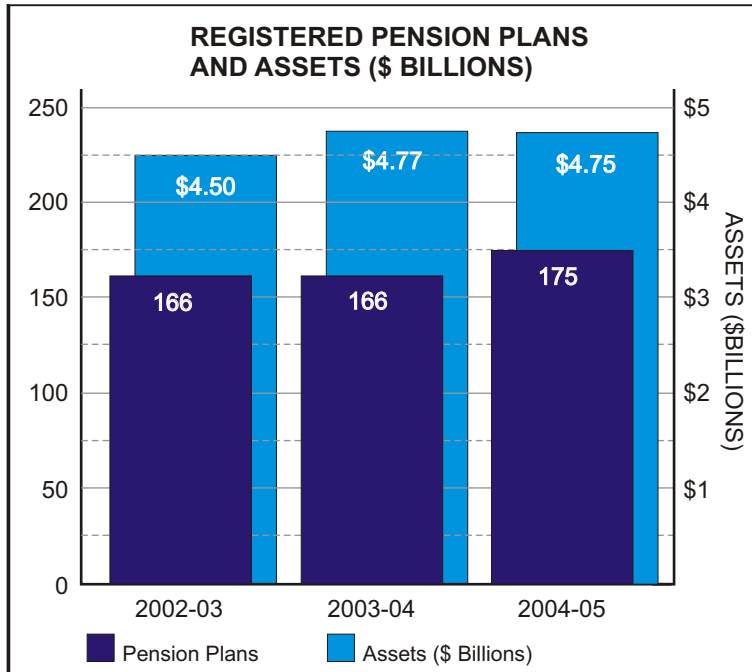
<b>COMMERCIAL REGISTRATIONS STATISTICS</b>	
<b>Registry of Companies</b>	
Total Active Companies	26,000
New Corporations During the Year	2,200
Total Documents Filed	33,500
Total Active Limited Partnerships	370
Total Co-operatives	77
<b>Registry of Deeds</b>	
Documents registered During the Year	60,207
Searches (approximate)	1,000,000
<b>Registry of Personal Property</b>	
Registrations During the Year	75,600
Searches During the Year	24,600

The Financial Services Regulation Division is responsible for regulating the securities industry, the insurance industry, the pensions industry, the real estate industry, the mortgage industry and sellers of prepaid funeral contracts. The following chart contains the number of licensees/registrants at the end of the reporting period and the number of new licenses/registrations which were issued during the year for each category for which statistics are available:

	<b>CORPORATIONS</b>		<b>INDIVIDUALS</b>	
	# of Licences at the end of the Reporting Period	# of Licences Issued During the Year	# of Licences at the end of the Reporting Period	# of Licences Issued During the Year
Insurance	429	89	2,284	722
Real Estate	79	14	485	138
Mortgage Brokers	58	18	Note 1	13
Prepaid Funerals	39	0	Note 2	12
Securities	179	27	5,133	3,081

**Note 1** - The same registration is issued to a corporation and an individual

**Note 2** - All licenses are issued to corporations



The adjacent chart depicts the number of pension plans registered in the province and their total assets.

The number of registered pension plans has increased by 5.4 percent, going from 166 in 2002-03 to 175 in 2004-05.

The Financial Services Regulation Division is placing more emphasis on enforcement in order to protect consumers.

**SUMMARY REPORT - ENFORCEMENT ACTION**  
**April 1, 2004 - March 31, 2005**

**Division Investigations**

Active Investigations:	79
Closed Investigations:	32

---

Total Active Investigations Pending:	47
--------------------------------------	----

**Branch Investigations**

Corporations Act:	4
Credit Union Act:	1

---

5

**Enforcement Action**

Enforcement Undertakings:	4
Cease and Desist Orders:	4
Cancellation of Licences:	5
Statutory charges Pending:	3
Criminal Code of Canada - police referrals:	3
Warnings - Other:	13

---

Total:	32
--------	----

**Appeal Hearings**

Insurance licence suspension:	1
-------------------------------	---

(Superintendent's decision upheld)

**Criminal Investigations**

In June 2004, the Division uncovered evidence of a Ponzi fraud which resulted in consumer losses estimated at \$2.5 million. The Mortgage Broker's licence was cancelled and the matter was reported to police. A joint RCMP-RNC investigation was subsequently initiated.

The following table provides information on residential tenancy activities for the year.

**RESIDENTIAL TENANCIES ACTIVITIES  
APRIL 1, 2004 - MARCH 31, 2005**

	Applications	Hearings Heard	Mediations	Discontinued/Other
St. John's	457	284	90	83
Eastern	53	22	5	26
Labrador	53	24	8	21
Central	36	20	3	13
Western	63	40	11	12
<b>TOTALS</b>	<b>662</b>	<b>390</b>	<b>117</b>	<b>155</b>

**Notes:** Hearing data is incomplete in some regions as there was no system in place to have the Western/Labrador regions report their hearings to us before October, 2004.

**Telephone Calls and Office Visits**

There were approximately 11,091 telephone calls and 3,669 visits to our three offices. We established a toll free number to make access easier for landlords and tenants across Newfoundland and Labrador.

**Reconsiderations**

There were seven reconsideration applications received, a very small percentage of actual disputes heard.

**Appeals to Supreme Court of Newfoundland**

We are aware of one appeal to the Supreme court.

**Education**

We have distributed information to 200+ community groups across the island and presented talks on our legislation to a number of groups (e.g. foreign students, MUN students, Newfoundland and Labrador Housing offices etc.).

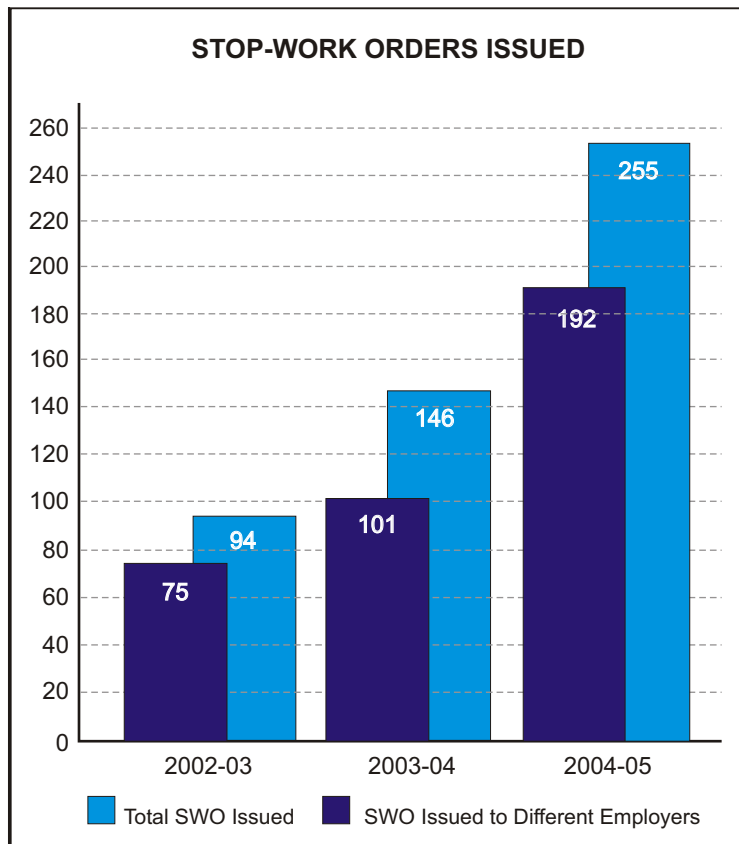
## Occupational Health and Safety Branch:

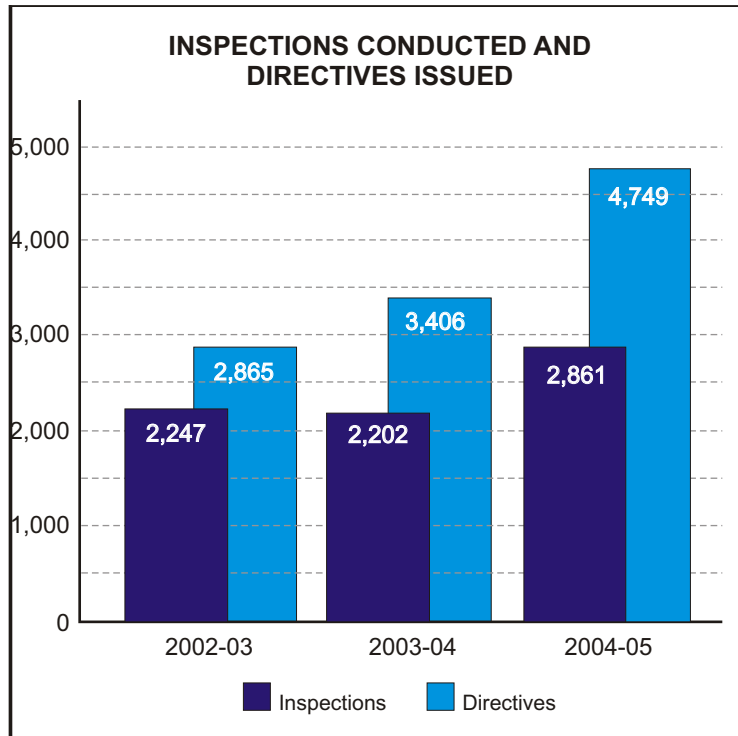
The Occupational Health and Safety Inspections Branch has increased the number of inspections conducted over the past three years by approximately 27 percent. In 2004-05, there were 2,861 inspections conducted, compared to 2,202 conducted in the previous year. The construction, service and manufacturing industries have been the focus of the majority of the enforcement activity. These industries combined account for over 80 percent of the total inspections conducted. Of the total number of inspections carried out in 2004-05, 53 percent (1,514) did not require the issuance of an order; 47 percent (1,347), did result in an order being issued.

Inspection-related enforcement activities are also initiated through client-generated requests that are made to the Division.

These are issues brought forward by the general public, RNC/RCMP, 911 calls, etc. When received, they are categorized as either a complaint, injury, incident, work refusal, or request for inspection. The majority of client-generated inspection assignments for 2004-05 resulted from complaints (70 percent or 411); 20 percent (118) involved the reporting of a workplace injury.

Over the past three years the number of stop work orders (SWOs) issued have increased by 171 percent highlighting a zero tolerance approach to serious violations of occupational health and safety legislation. In 2004-05, 192 companies were issued a total of 255 SWOs. Hazardous situations where stop work orders have been issued include: fall protection, general duties of employer, chemical substances, ventilation, asbestos removal and powered mobile equipment.





In 2004-05, 4,749 directives were issued, representing a 66 percent increase since 2002-03. Directives are issued for specific violations of Occupational Health and Safety legislation. The top five violations for which directives have been issued include: work places, first aid, powered mobile equipment, electrical requirements, and safety belts and lifelines.

The number of charges being laid for failure to comply with Occupational Health and Safety legislation fluctuates from year to year. The statute of limitations to initiate a prosecution under the *Occupational Health and Safety Act or the Regulations* is two years from the date of the alleged offence. Between April 2004 and March 2005 the

Occupational Health and Safety Branch laid charges against 15 entities. One prosecution has concluded resulting in a fine of \$4,000. All others are ongoing. In fiscal year 2003-04 two charges were laid, resulting in fines of \$16,000 and \$4,000 respectively.

In addition to fines, government expanded the powers of the court on conviction for violations of the *Occupational Health and Safety Act and Regulations* to include creative sentencing. This form of prosecution requires a convicted party to do more than pay a *monetary* sum. It is used to impose an educational obligation to better inform the workplace parties and the general public of occupational health and safety issues and procedures. In 2004-05, in addition to a fine, the judge imposed creative sentencing requiring the accused to prepare and present a presentation at a local conference, erect a billboard identifying an approved health and safety message, and to fund a one-day safety seminar to be delivered on two separate occasions.

## KEY ACCOMPLISHMENTS AND CHALLENGES AHEAD

### Key Accomplishments:

#### **Government Services Branch:**

In 2004, the Motor Registration Division undertook a review and consultation process with stakeholders on the safe use of ATVs, including a new restriction on the age of ATV operators of full-size machines. Legislative amendments were brought forward in the Spring 2005 session of the legislature. Motor Registration also participated in the development and implementation of new cargo securement regulations for the commercial trucking in January 2005.

The Engineering and Inspections Division of the branch continued to work with the Buildings Accessibility Advisory Board on the Board review of the Buildings Accessibility legislation and invited public comments on the Board's recommendations.

#### **Consumer and Commercial Affairs**

##### **Residential Tenancy:**

Administrative reforms to the Residential Tenancies Section of the Trade Practices Division have seen average wait times for hearings between landlords and tenants reduced from two to three months to two to three weeks. Increased emphasis has also been focused on mediation, education and awareness in an attempt to resolve such disputes outside of the formal hearing process or to avoid such disputes from happening in the first place. The Division has also been exploring the possibility of conducting hearings through video conferencing technology to reduce wait times in remote locations.

##### **Commercial Registrations:**

The internet phase of the new electronic document management system for the Registry of Deeds and the Registry of Companies, Companies and Deeds Online (CADO), became operational on June 14, 2004 followed by the internet phase, January 17, 2005. The system was developed by x-wave at a cost of \$4.6 million under a fixed price contract which will be recovered over a three-year period through fees from clients using the service. CADO offers enhanced registration and search capabilities for both registries. The public can register new companies, file annual returns and carry out searches in the Deeds and Companies database online.

**Insurance reforms:**

- A nine percent reduction in Third-Party Liability premiums based on a \$2,500 deductible on pain and suffering claims, lost wages paid on 100 percent of net wages instead of gross wages, and elimination of double recovery of insurance claims.
- Mandated reductions on collision (27-37 percent), comprehensive (19 percent), and uninsured motorist (11 percent) coverages, resulting in average premium reductions of about 15 percent (including the nine percent reduction on liability).
- The introduction of new underwriting guidelines used by insurance companies to determine rates and whether to insure a person.
- Claimants will have a 25 percent reduction in their compensation for not wearing a seatbelt.
- Drivers may now legally exclude anyone from coverage. This includes parents wanting to exclude driving-age children from their policy.
- Other consumer protection measures, including mandatory monthly payment plans and interim claims payments until the amount is settled.
- Disclosure to drivers placed in Facility Association to ensure they are fully aware that they are in Facility Association and why.

These reforms provided consumers with overall average savings of 15 percent on their automobile insurance premiums.

**Occupational Health and Safety Branch:**

The Occupational Health and Safety Act has been amended to assist small business owners in meeting legislated occupational health and safety program requirements while still maintaining healthy and safe workplaces. The Act now specifies where fewer than six persons are engaged at a workplace and the designation of a Worker Health and Safety Representative is impracticable, the employer may designate a Workplace Health and Safety Designate to monitor the health, safety and welfare of workers employed at the workplace. The Designate may be either a worker connected with the management of the workplace or the employer, if the designation of a worker is not practicable.

## Challenges Ahead

### Government Services

The Branch continues to be challenged in the timely delivery of public services under resource constraints. Notwithstanding, the Department is confident that the key priorities of protecting public health, public safety and the environment are being met.

Improvements to legislation governing ATVs and off-road vehicles such as snowmobiles and trail bikes will remain a priority in the coming year. Public education on the importance of safe and responsible use of these vehicles is an on-going challenge and efforts will be enhanced in this area.

The review of the Buildings Accessibility legislation will continue with a view to ensuring persons with physical and sensory disabilities have access to public buildings.

The Department will continue to develop and promote the availability of on-line services and e-commerce to improve public access to government.

### Consumer and Commercial Affairs

Further consultations regarding auto insurance reforms will be conducted over the next year. Additionally, the Public Utilities Board will undertake a review of homeowners, commercial and marine insurance.

Phase four of the Companies and Deeds online system will commence in 2005-06. This will enhance the online services of Commercial Registries.

In September 2004 the Minister signed a Memorandum of Understanding with all provinces and territories, except Ontario, to create a Passport System of Securities Regulation in Canada. When implemented this system will streamline and reduce duplication in securities regulation.

### Occupational Health and Safety

#### Regulatory Review

The process of reviewing and improving the Occupational Health and Safety Regulations is ongoing. To ensure that the regulations are current and align with best practices, a review of existing regulation, stakeholder comments, and other jurisdictional regulations is being undertaken with a view to regulatory amendments. It is anticipated that this phase will be completed by late 2005, at which time extensive stakeholder consultation will commence.

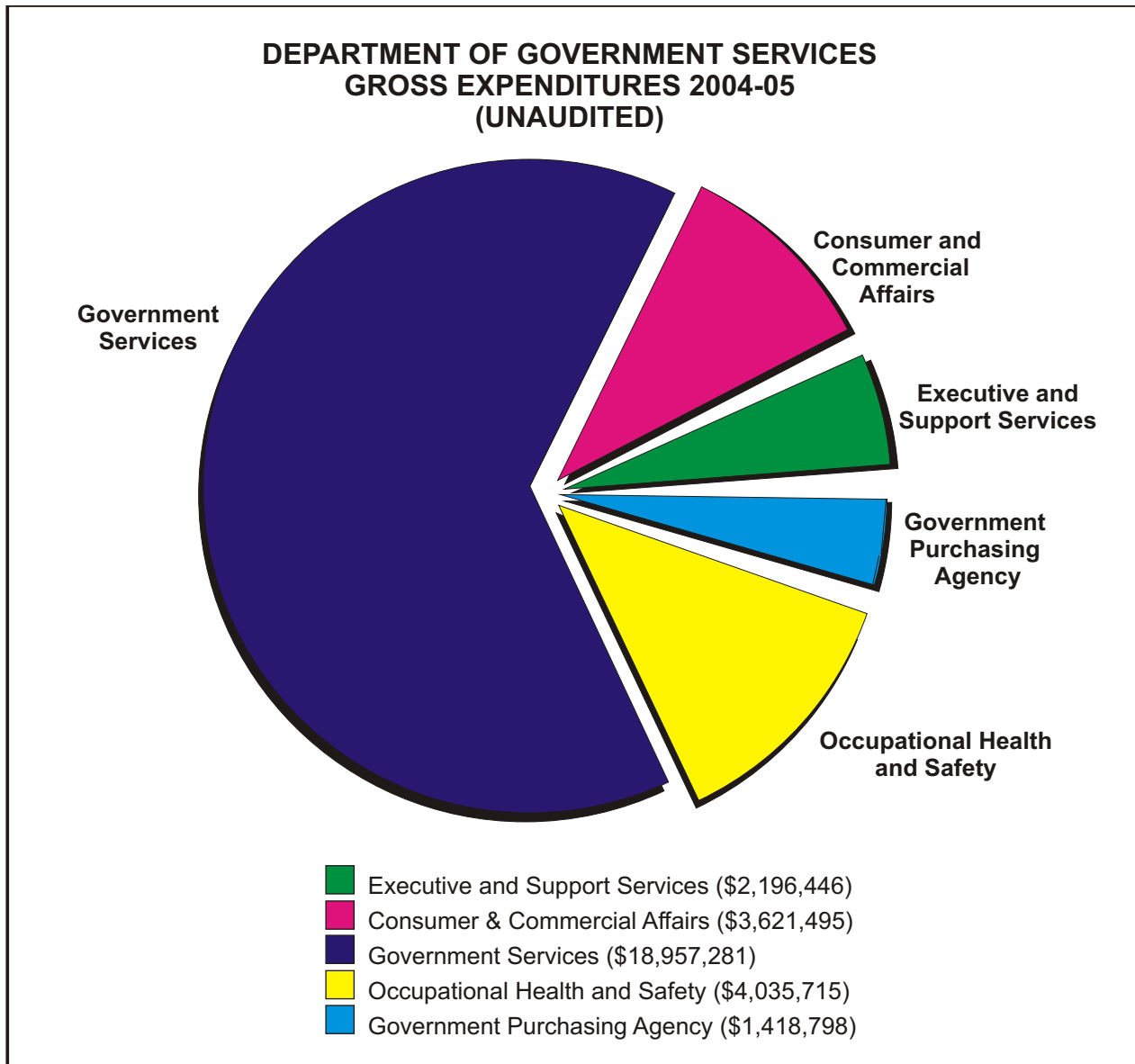


### Diving

In March 2002, the Occupational Health and Safety Division adopted CSA Standards Z275.2-92 and Z275.4-97 as minimum regulation for occupational diving operations in the Province. The CSA Z275.2-92 standard is the Occupational Safety Code for Diving Operations and the CSA Z275.4-97 standard is the Competency Standard for Diving Personnel. Since March 2002, CSA has revised both standards and the Division will be adopting the new editions of these standards in 2005. In addition to these amendments, the Division, in concert with WHSCC, has developed a diving supervisor training program solely for seafood Harvesting and Aquaculture Diving Operations. Individuals identified as diving supervisors for these specific operations will be required to have training as Surface Safety Attendants.

## BUDGET

The Department's approved gross expenditure budget for 2004-05 was \$32,624,300. This includes the Government Purchasing Agency which will be tabling a separate report. Unaudited gross expenditures were \$30,229,735. The following pie chart graphically depicts how this actual gross expenditure is utilized by the Department.



# STATEMENT OF EXPENDITURE AND RELATED REVENUE FOR THE FISCAL YEAR ENDED 31 MARCH 2005 (UNAUDITED)

Expenditure and revenue figures (modified cash basis of accounting) included in this document are based on draft information, as the Public Accounts had not yet been formally released. Readers are cautioned that these figures may be subject to adjustment.

		Actual	ESTIMATES	
			Amended	Original
		\$	\$	\$
<b>EXECUTIVE AND SUPPORT SERVICES</b>				
1.1.01	Minister's Office	206,938	261,100	261,100
1.2.01	Executive Support	759,016	769,400	750,100
	(Less Revenue)	(695,888)	(582,300)	(582,300)
1.2.02	Administrative Support - Capital	1,230,492	1,332,000	1,337,000
		-	(105,000)	(105,000)
<b>TOTAL: EXECUTIVE AND SUPPORT SERVICES</b>		<b>1,500,558</b>	<b>1,675,200</b>	<b>1,660,900</b>
<b>CONSUMER &amp; COMMERCIAL AFFAIRS</b>				
2.1.01	Trade Practices	1,045,096	1,116,500	1,018,100
	(Less Revenue)	(10,110)	(6,500)	(6,500)
2.1.02	Financial Services Regulation	761,565	843,400	948,900
2.1.03	Commercial Registrations	1,814,834	1,942,000	1,898,000
<b>TOTAL: CONSUMER &amp; COMMERCIAL AFFAIRS</b>		<b>3,611,385</b>	<b>3,895,400</b>	<b>3,858,500</b>
<b>GOVERNMENT SERVICES</b>				
3.1.01 to 3.1.04	Motor Vehicle Registration	8,646,948	9,015,400	8,734,900
	(Less Revenue)	(241,147)	(161,000)	(161,000)
3.2.01 to 3.2.02	Permitting and Inspection Services	8,612,147	8,917,200	9,227,500
	(Less Revenue)	(2,643,214)	(3,586,000)	(3,586,000)
3.3.01	Vital Statistics Registry	542,890	563,000	550,000
	(Less Revenue)	(1,982)	(9,200)	(9,200)
3.3.02	Government Purchasing Agency	1,418,798	1,564,700	1,564,700
	(Less Revenue)	(154,795)	(258,000)	(258,000)
3.3.03	Queen's Printer	115,763	163,500	233,500
	(Less Revenue)	(20,573)	(325,000)	(325,000)
3.3.04	Printing and Micrographic Services	1,039,533	1,411,100	1,361,100
	(Less Revenue)	(1,010,262)	(1,300,000)	(1,300,000)
<b>TOTAL: GOVERNMENT SERVICES</b>		<b>16,304,106</b>	<b>15,995,700</b>	<b>16,032,500</b>

		Actual	ESTIMATES	
			Amended	Original
		\$	\$	\$
<b>OCCUPATIONAL HEALTH AND SAFETY</b>				
<b>4.1.01</b>	Administration and Planning	<b>325,411</b>	400,400	389,800
	(Less Revenue)	<b>(262,982)</b>	(389,800)	(389,800)
<b>4.1.02</b>	Occupational Health and Safety Inspections	<b>3,633,290</b>	4,225,600	4,250,600
	(Less Revenue)	<b>(2,808,420)</b>	(4,250,600)	(4,250,600)
<b>4.2.01</b>	Assistance to St. Lawrence Miners' Dependents	<b>58,564</b>	66,000	66,000
	(Less Revenue)	<b>(29,543)</b>	-	-
<b>4.2.02</b>	Assistance to Outside Agencies	<b>18,450</b>	33,000	33,000
	(Less Revenue)	<b>(15,650)</b>	(33,000)	(33,000)
<b>TOTAL: OCCUPATIONAL HEALTH AND SAFETY</b>		<b>919,120</b>	51,600	66,000
<b>TOTAL: DEPARTMENT OF GOVERNMENT SERVICES</b>		<b>22,335,169</b>	21,617,900	21,617,900

#### SUMMARY OF CASH PAYMENTS AND RECEIPTS

	Payments	Receipts	Net
	\$	\$	\$
Current Account	28,999,243	7,894,566	21,104,677
Capital Account	1,230,492	-	1,230,492
<b>TOTALS</b>	<b>30,229,735</b>	<b>7,894,566</b>	<b>22,335,169</b>