



May 6, 2005

The Hon. David Ramsay
Minister of Natural Resources
Rm 6630, 6th floor
Whitney Block
99 Wellesley St. W
Toronto, Ontario
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Re: EBR Application for Review R2004014 – Aggregates Conservation Strategy

Dear Minister,

Thank you for your response to our Application for Review, filed under section 61 of the *Environmental Bill of Rights* on February 1, 2005.

The Pembina Institute and Ontario Nature welcome the ministry's commitment to continue to develop an aggregates conservation strategy, and to expand the membership of the provincial committee leading this effort. We look forward to participating in this process.

The Pembina Institute and Ontario Nature note the ministry's commitment to continue to work on an earlier Application for Review related to abandoned site rehabilitation. However, we do note that the rehabilitation application has been in process since November 2003.

We are disappointed in the ministry's decision not to proceed with a wider review, as requested in our application study. We do not find the ministry's rationale for the rejection of a wider review, particularly the arguments presented regarding difficulties associated with changing the province's current policy approach to mineral aggregates, compelling.

With respect to land-use planning, our study provided a detailed history of the evolution of provincial policy with respect to mineral aggregates. The direction of provincial policy since the late 1970s has been to preclude any form of development that would interfere with aggregates extraction. More recently, particularly in the 1996 and 2005 versions of the Provincial Policy Statement (PPS), the direction has been to give primacy to aggregates development without regard to other land-use priorities. Indeed, in the past few weeks we have received a number of reports of municipalities being advised that the 2005 PPS not only excludes incompatible development, but also requires that lands be zoned to permit aggregate development, even if this is incompatible with existing land uses (e.g. residential).

In our view, the approach incorporated into the PPS fails to balance aggregates development with other land-use priorities, and is likely to engender increasingly intense conflicts regarding aggregates development in the future.

With respect to the questions of the viability of the options of reducing consumption through recycling and the use of substitute materials, the ministry relies on studies that are now seriously outdated, and fragmentary anecdotal information on current recycling practices. There has been no recent comprehensive assessment of the potential for the use of secondary and alternative materials, as has been the case in the United Kingdom. While there is the potential for acid drainage with the use of waste rock as a substitute for primary aggregates, for example, the extent of the problem, its impact on the use of these materials as substitutes would be a function of the type of rock involved and the proposed applications. Such questions have not been investigated by the ministry.

Nor has there been an investigation of the potential impact of changes in urban development and transportation patterns, along the lines of what the provincial government has pursued through its revised PPS, greenbelt and GGH growth management initiatives, or the use of alternative development standards, on aggregate demand. More broadly, as we noted in our study, the ministry continues to lack basic, up to date information on current consumption and recycling patterns. Such information is essential to the formulation of effective public policy.

With respect to the likely impacts of the policy actions recommended in *Rebalancing the Load*, such as increased extraction fees, we note that experience in the United Kingdom, Sweden and Denmark all suggest that significant changes in the levels and patterns of aggregates consumption can be achieved through changes in public policy. We believe that the experience in the United Kingdom is particularly instructive, given that its situation shares many of the features of the Greater Golden Horseshoe (GGH) region, particularly high population concentrations and intense competition among a variety of land uses.

We are particularly surprised at the ministry's apparent assertion that increases in resource charges would have no impact on demand for mineral aggregates. Such a position contradicts widely accepted principles in environmental economics, and the experience seen in other jurisdictions. The current, extremely low resource charge regime, under which, as the ministry notes in its response there has been no increase in provincial royalties for more than thirty years, on the other hand, provides no incentives to ensure the efficient use of the resource.

More broadly, we are concerned about the degree to which the ministry appears to have missed the point underlying the entire *Rebalancing the Load* study and resulting recommendations. It is precisely the levels of population growth and economic activity in the Greater Golden Horseshoe region, that the ministry cites as its primary justification for not reconsidering the status given to aggregates extraction relative to other land uses that, in our view, makes the maintenance of the current policy approach untenable.

The concentration of population growth means that the land base in the region is under intense pressures for a number of competing uses. These include housing and employment land development, natural heritage conservation, the protection of prime agricultural lands, and other uses which are incompatible with aggregates development. In our view, the establishment of the Niagara Escarpment, Oak Ridges Moraine and Greenbelt plans, all of which remove lands from the possibility of future aggregates development, are reflections of these pressures. It is inevitable that under these conditions the land base available for aggregate development in the region will be further reduced, particularly in the context of further anticipated changes in provincial policy. Aggregate extraction has been identified, for example, as a threat of "provincial concern" to drinking water source waters. This seems likely to result in further restrictions on aggregates development.

Given the significance of the uses of mineral aggregates to the province's economy, the province needs to respond to this situation proactively, rather than with the defensive 'there is no alternative' approach seen from the ministry and industry to date. The experiences we examined in other jurisdictions make it clear that it is possible to bring about significant changes in the use and consumption of mineral aggregates through policy changes. It is crucially important to the province's environment and economic future that Ontario pursues a similar path.

We would be pleased to discuss this matter with you, your staff or your officials.

Yours sincerely,



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The Hon.J.Gerretsen, Minister of Municipal Affairs
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