

Deputy Minister Transformation Video Transcript

Hello, everyone.

Thank you for joining me today.

We've created this video because I wanted to speak to you directly about the ministry's plans to reshape and transform our role in managing Ontario's natural resources.

The ministry's Transformation Plan, which I will outline in this message, will essentially become our business-planning roadmap over the next three years.

MNR has a long and respected history of overseeing the management and conservation of Ontario's natural resources.

In recent years, however, and as both the Environmental Commissioner and Mr. Drummond have noted in their respective reports, our ability to deliver on these responsibilities has been compromised.

Over the past two decades, MNR's annual budget has declined as a proportion of government spending.

At the same time, our regulatory and legislative mandate has expanded and become more complex.

Significantly, much of this additional mandate is core to our government's agenda, including the Green Energy Act, the Far North Act and the Endangered Species Act.

Consider this:

- Since the 1990-91 fiscal year, the ministry's budget has been reduced from 1.6 per cent of the provincial budget to 0.5 per cent.
- Staffing levels have been reduced from approximately 5,800 FTEs to about 3,300.
- However, during the same period, our legislative responsibility has grown from 28 pieces of legislation to 46.

The result is that, for several years, we have been managing a significant internal deficit - in the range of \$50 million annually.

We've been managing this financial deficit largely by deferring capital investments, shrinking the size of our staffing complement, and relying on under-spending in business assistance programs.

This situation is not sustainable for a number of reasons that will be familiar to you, our front-line staff.

- Shrinking resources continue to challenge our ability to meet our regulatory and legislative mandate;
- Financial constraints limit our ability to recruit, retain and train staff;
- Our stakeholders are frustrated by the ministry's limited human and financial resources;
- The environmental community has set a high standard for our mandate to manage Ontario's natural resources - and they're disappointed;
- Public expectations for service are increasing;
- Increasing expectations and expanding priorities mean that we are forced to juggle competing demands; and
- The Environmental Commissioner continues to criticize our ability to protect the province's natural resources.

For all of these reasons ... and because our government is committed to reforming the delivery of public services in the province ... we have developed a plan to fundamentally change how and what the ministry will do in the future.

It's a plan that will preserve, but reshape, the ministry's role in natural resource management.

It's a plan that will support economic growth and job creation.

And it's a plan that will achieve financial sustainability for the ministry over the course of the next three years.

The realization of our plan will create a modern and more strategic ministry:

- A ministry that is focused on core business lines of fish and wildlife forestry
... Crown land management ... water ... parks and protected areas non-
renewable resources ... and public safety;

- A ministry that provides modern, streamlined services for individuals and businesses ... from licences and permits to regulatory approvals;
- A ministry that has an increased reliance on risk-based decision-making across larger management areas;
- And finally ... a ministry that is financially sustainable.

I should note that our plan incorporates many of the recommendations that fed into the Corporate Steering Committee review over the past year. I know some of you were involved in those teams, and others fed ideas into it. You will see your work reflected in our plan.

It is a plan that demands we make some difficult decisions ... decisions that will be publicly visible and controversial.

But I assure you, they are decisions that are necessary to create a work environment where we can meet our responsibilities.

They are necessary to modernize the ministry ... to get it on solid financial ground ... and to help the government reform the way we deliver services to Ontarians while meeting the goal of a balanced budget by 2017-18.

Let me walk you through the major elements of the plan and explain what they mean.

The first element of our plan is streamlining MNR approvals.

Currently MNR administers a complex set of legislation and regulations with extensive licensing and permitting processes for reviews and approvals. Applications and approvals take too long and cost the ministry and Ontarians too much money because the processes are labour-intensive, complicated and not standardized.

This needs to change.

So we are proposing to modernize our approach to natural resource management by amending legislation and regulations and reviewing Environmental Assessment requirements.

The proposed legislation would allow the ministry to employ different delivery models for our core business. For example, we could delegate the authority to issue certain types of licences or permits to a non-governmental organization.

The proposed legislation would also allow us to adjust the frequency of resource planning activities. For example, the amount of time between certain types of management plans could be extended.

Finally, the proposed legislation would allow for a shift toward a "permit-by-rule" authorization system with fewer individual authorizations. A "permit-by-rule" system is one where individuals or organizations are deemed to have approvals if they confirm their compliance with standards established in regulation, as opposed to detailed review by ministry staff.

In addition to the proposed legislative changes, we will update policies and automate our licensing and permitting processes.

We intend to bring online the processes for issuing more than 300 different types of licences and permits. We will invest in the necessary information technology to do this.

We will also learn from others - building on the experience of the Ministry of the Environment in modernizing their certificates of Approval process.

These changes will help individuals and businesses access services faster and more efficiently ... and it will allow the ministry to provide these services with fewer resources.

By the end of year three, MNR should have a modern, responsive regulatory framework. And bringing processes online will make it easier to seek approval to access Ontario's natural resources, while maintaining the province's commitment to healthy ecosystems that support sustainable development.

The second element of our plan is transforming operational delivery.

MNR is a highly decentralized organization with more than 200 locations across the province. This includes regional, district, area, park and forest fire offices, as well as forestry, fisheries and scientific research stations.

The legislative, policy and regulatory reforms I just spoke about will also allow us to transform the way we deliver our core business.

While a field presence is required, we will take a Qsk-based approach to move away from detailed review and approval of site-specific activities. Planning and decision-making will move to larger management units and regional scales. The ministry will also manage a higher level of risk in resource management decisions, compliance and enforcement, monitoring and assessment.

And within three years, MNR will have a more focused, efficient, regionally-based field delivery organization.

The third element of the transformation plan is a reduction in stewardship and partnership funding.

We will engage in fewer and more strategic partnerships, focusing on partnerships aligned to ministry priorities and business needs, and establishing clear expectations and accountabilities.

This will include refocusing our funding relationships with stewardship and Aboriginal partners, and reducing or eliminating direct business assistance programs for industrial sectors, such as forestry.

The Forest Sector Prosperity Fund and the Loan Guarantee Program, which have already been wound down, will not be revived. This supports the government's intention to consolidate its business assistance programs.

And we will develop a new model to support stewardship delivery and partnerships. This model will re-orient ministry stewardship assistance away from direct staff support and towards programs that meet MNR's priorities through partnerships that promote biodiversity conservation.

In addition, MNR will reduce its involvement where other stewardship-related organizations are already active, thus reducing duplication.

The fourth and final element of our plan is rationalizing our science and information functions.

This is consistent with the changes in field-delivery approaches and technology-enabled advances in science and monitoring.

These science and information functions will continue to be delivered - but with a stronger focus on ecosystems rather than individual species, and within a consolidated organizational structure.

Resource monitoring programs will be re-designed to reduce delivery costs. These programs will be consistent with the ministry's higher tolerance for risk and the move to landscape-level planning.

y *'' We will retain capacity to undertake applied research; however, we will also look to expand partnerships with universities and other jurisdictions.

Those are the four key elements of the transformation plan.

I can tell you that this plan has the full support of Minister Gravelle. I can also tell you that the expectation is for us to ensure its successful implementation.

Let's look at our next steps in implementing the plan.

The first step is the legislative changes. These amendments are included in the legislation that is accompanying the provincial budget.

Should the legislation pass, the next step would be consultation with stakeholders and the public on the development of regulatory changes. I would expect that to take place through the summer and fall.

At the same time, we'll be moving forward with the information technology solutions for automating permitting processes.

It is critical that we have these foundational pieces in place so that we can make the changes to our business that I have described, to allow you the discretion to do your jobs.

As you know, I've asked Bill Thornton and Rebecca Ramsarran to lead a small Transformation Secretariat to coordinate the delivery of our plan across divisions.

The secretariat will work closely with representatives of each division as we move forward over the next three years.

They'll also be sharing more information as it becomes available through this website. Also on this site, you have the opportunity to provide comments and to ask questions by email.

Over the past 20 years, there has been Significant change at MNR. It may feel to many of you that the ministry has been in a constant state of flux.

But you have risen to the occasion each and every time. It's important to recognize that positive results have come from some of these previous change initiatives.

In 1997, MNR created the Aggregates Resources Trust, which now undertakes many important revenue collection and disbursement activities, and also performs a number of essential functions such as the rehabilitation of abandoned pits and quarries. This is just one of many examples of how we can deliver services differently.

I know that working for MNR is more than just a job - it's a paSSion. And it's this passion that gives me the confidence to say that we will emerge from this transformation as a more modern, flexible and responsive organization. We will be no less dedicated to our core mandate.

And three years from now, we will continue to be a proud organization trusted by our government and the public to oversee the management and conservation of Ontario's natural resources.

Not only will we have addressed our historic financial pressures, but we will also have contributed to the Province's commitment to balance the budget by 2017-18.

Understand this means fewer people, places and programs. The full details of what the plan will mean to staffing levels and facilities are not yet decided.

We have heard through the Employee Survey that you expect the ministry's senior managers to provide effective leadership by communicating clear expectations and direction. We are committed to sharing information with you as we make progress on implementation.

I'm counting on you to manage relationships with stakeholders who will also be struggling with what the ministry's transformation will mean to them. Part of your role will be communicating the opportunity stakeholders will have to help shape the details around our new approach.

Despite the government's financial situation ... despite the tough choices we'll have to make ... I'm optimistic about what the future holds for our ministry.

Like many deputies before me, I was struck when I joined the ministry by the tremendous dedication of MNR staff.

So being able to do the work more effectively ~. to spend less time managing dense processes and more time focused on outcomes ... to provide faster and more responsive service ... these are changes that are long overdue for our ministry, and will be welcomed.

Now let me conclude:

There are challenges ahead, but I'm confident that we've set the right course for the ministry.

We have a solid plan that is squarely focused on transforming our business and making us financially sustainable for the long term.

Our plan is an exemplary piece of work that I can tell you has garnered the respect of our colleagues in other ministries and our political leaders. I am proud that I will be working with you to implement it.

I look forward to speaking about it more with all of you as I travel across the province over the next several months.

Thank you.

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