



To: Community Safety Committee

Date: January 14, 2005

From: John Irving, P. Eng.
Manager, Building Approvals

File:

Re: Provincial Government Safety Standards Act

Staff Recommendation

That the attached report, on the impact to the City of the new provincial government *Safety Standards Act* and *Safety Authority Act* and their associated regulations, be received for information.

John Irving, P. Eng.
Manager, Building Approvals
(4140)

Att. 1

FOR ORIGINATING DIVISION USE ONLY		
CONCURRENCE OF GENERAL MANAGER		
REVIEWED BY TAG	YES <input type="checkbox"/>	NO <input type="checkbox"/>
REVIEWED BY CAO	YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>

Staff Report

Origin

The provincial government passed the Safety Standards Act and the Safety Authority Act in March 2003. Both Acts and their associated regulations came into effect April 1, 2004. The City does not do electrical inspections but continues to provide gas inspections under an agreement with the Province.

A staff report, dated April 29, 2004, was prepared and submitted to the Community Safety Committee (see Attachment 1) dealing with the implications of this legislation.

Council resolved:

“That staff continue to address unresolved matters and issues (as outlined in the above noted report).”

The following provides an information update on the impact of this resolution.

Findings Of Fact

Changes Since The New Acts Have Been Implemented

Prior to the new Acts, there were eleven municipalities in the province that provided electrical and/or gas inspection services. Following the new Acts, only one municipality discontinued their inspection services and delegated the services to the new independent B.C. Safety Authority, formerly known as the provincial Safety Engineering Services Division.

The City, together with the other nine municipalities that currently provide electrical and/or gas inspection services, plus the B.C. Safety Authority and the Ministry of Community, Aboriginal & Women's Services formed a committee called the “Safety Standards Act Administrators”. The purpose of this committee is to have on-going communication between all affected parties. During the last seven months, this committee has dealt with administrative, policy and regulatory issues pertaining to the new Acts.

This committee has been successful in implementing a number of amendments to the legislative requirements. One important change under the Gas Regulation in terms of inspections, is that now the jurisdiction of local government is defined by a 120 kw limit to each meter rather than restricted to 120 kw limit to a single building. This reverts back to standards in place previous to the new Acts, and increases the efficiency of the inspection programs.

Also, to ensure that skill levels are maintained, the committee is currently reviewing the years of experience required for technologists to qualify as Field Safety Representatives.

Impact To Staff Inspection Time

In the previous report to Council, staff identified a potential increase of staff inspection time due to work done by less-skilled individuals. In the seven months since the adoption of the new Acts, staff have not noticed a significant increase in sub-standard works performed in the field nor any incidents related to safety concerns with gas inspections. Other municipalities have also noted no significant increase in staff inspection time as a result of the new regulations.

Table 1 (attached) provides a comparison of the inspections failure rate over the last 21 months in seven month periods. The percentage results show a slight increase of failed inspections but does not conclusively relate to an increase in staff inspection time due to the implementation of the new Acts and its regulations.

Appointment of Safety Manager and Officers

Under the new Gas Safety Regulation, there are a number of terminology changes. The Safety Manager replaces Chief Inspector, and the gas inspectors are now referred to as Safety Officers. The appointment of these positions needs to be defined in the Building Bylaw, and we will be bringing this forward to Council in the near future.

Financial Impact

There is no financial impact.

Conclusion

On April 1, 2004, the new Safety Standards Acts came into effect. Since then the City along with the municipalities that provide inspection services, the Ministry of Community, Aboriginal & Women's Services and the new Safety Authority formed a committee called the "Safety Authority Act Administrators". This committee is responsible for administering the new Acts, suggesting regulation changes, sharing information and ensuring that safety systems are maintained at a high standard.

To-date, there is little evidence to suggest that the new Acts and Regulations have necessitated an increase in staff inspection time. Also, there has been no reports of safety concerns related to gas inspections.



Gavin Woo, P. Eng.
Code Engineer
(4113)

GW:jd

TABLE 1 – Gas Inspection Statistics

OLD SAFETY STANDARDS ACT – PRIOR MONTHS				
Date (7 Month Periods)	Inspection Attempts	Number of Inspections		Failure Rate
		Passed	Failed	
July 1, 2002 to February 1, 2003	3,704	2,215	1,489	Fr = 1489/3704 = 40.2%
February 1, 2003 to September 1, 2003	3,685	2,124	1,561	Fr = 1561/3685 = 42.4%
September 1, 2003 to April 1, 2004	4,648	2,621	2,027	Fr = 2027/4648 = 43.6%

NEW SAFETY STANDARDS ACT – SINCE INCEPTION				
Date (7 Month Periods)	Inspection Attempts	Number of Inspections		Failure Rate
		Passed	Failed	
April 1, 2004 to November 1, 2004	4,001	2,154	1,847	Fr = 1847/4001 = 46.2%

Staff Report

Origin

At the March 22, 2004 regular Council meeting, a representative of the BC Federation of Labour spoke to Council about the potential impacts to the City of the new provincial government *Safety Standards Act* and its associated regulations. Council subsequently resolved:

That the correspondence (dated March 3rd, 2004, from the BC Federation of Labour), regarding New Safety Standards Act and Regulations, be referred to staff to investigate and report to Council, through Committee, on the implications of the changes to the City.

Council further directed that staff create a table in the report that compares the current versus new regulations and identifies the impact to the City of the regulatory changes. This report highlights the changes in the regulations that are pertinent to the City and indicates their potential impact, and discusses the concerns identified by the BC Federation of Labour in its March 22, 2004 submission to Council.

Findings of Fact

The provincial government passed the *Safety Standards Act* and the *Safety Authority Act* in March 2003 and both Acts and their associated regulations are scheduled to come into effect on April 1, 2004. The *Safety Standards Act* consolidates five different safety acts into one (i.e., the existing Electrical, Elevating Devices, Gas, and Power Engineers and Boiler and Pressure Vessel Safety Acts). The Act will apply to the regulations, policies and procedures regarding safety in the design, manufacturing, construction, installation, operation, and repair of amusement rides, boilers and boiler systems, electrical equipment, elevating devices and passenger conveyors, gas systems and equipment, pressure vessels, pressure piping, refrigeration systems and equipment, and ski lifts. The *Safety Standards Act* also addresses the provision of permitting and inspection services for these systems. The *Safety Authority Act* establishes an independent safety authority (BC Safety Authority) to oversee the province's safety system.

Currently, the Safety Engineering Services (SES) division of the Ministry of Community, Aboriginal and Women's Services provides all of these services in the province except where a service is administered by a local government. In Richmond, all of the above services are administered by SES with the exception of low pressure gas installation regulatory services.

Analysis

1. Comparison of Existing versus New Legislation

Table 1 (attached) provides a comparison of the current versus new legislation and identifies the potential direct impacts to the City and indirect impacts outside the City. Across all the safety systems, equipment and devices affected by the new legislation, the major areas of change are:

- Creation of BC Safety Authority – the SES is currently responsible for the administration and regulation of the various safety acts. Under the new Act, the Province, through the SES, will remain responsible for safety policy and the new BC Safety Authority will be delegated the administrative and regulatory role. The Authority will be an independent non-governmental

agency with 15 government-appointed Board members and supported by fees charged for services rendered.

- Agreements with Local Governments – the current *Local Government Act* allows municipalities to regulate the installation of certain equipment, including gas systems. Municipal authority for the provision of these services is contained in municipal bylaws. Richmond currently provides gas installation services and fully inspects 100% of all permits issued. The new Act requires municipalities to enter into an agreement with the Province by April 30, 2004 should they wish to continue to provide these services. City bylaws cannot contain or introduce technical standards that are inconsistent with the new Act. In order to continue to provide gas inspection services as part of an integrated building inspection program and to provide a high level of public life safety, the City has entered into an agreement with the Province to continue and maintain a 100% inspections to permit ratio, which is the City's current policy.
- Qualification of Individuals Performing the Work – under existing legislation, certified trades people are required to work on certain types of equipment. Individuals performing this regulated work must prove they are qualified under a major trade apprenticeship program and passed a relevant examination or are presently in an apprentice program, under the constant supervision of a qualified individual. Trades people must also be registered and employed by a contractor. The new *Safety Standards Act* broadens category of workers who can perform regulated work to also allow unqualified workers to perform the work when under the on-site supervision of someone who is qualified to do that work. The workers can also be employed by an owner/builder rather than only by a contractor. There is concern that the use of less skilled workers who may not be under the continual supervision of a qualified individual may potentially negatively impact public safety.
- Safety Officers & Field Safety Representatives – provincial inspectors with the SES and municipal inspectors currently perform safety inspection services for all work performed in the province, including all final inspections. The new Acts will create Safety Officers, who work for the BC Safety Authority and will not be required to inspect all work. The new Acts also create Field Service Representatives (FSRs) for certain safety systems, who can be hired by construction companies to perform on-site inspections including final inspections. Note that FSRs will not operate within the gas services system. There is concern that public safety may be negatively impacted if not all work is inspected and that the role of FSRs may create conflicts of interest as the FSRs can, at the same time, work for the construction company, hold a contractor's licence, be providing on-site supervision, or performing the work itself.
- Equivalent Standards Agreements – current legislation does not allow for self-inspection by companies. The new Acts permit the creation of Equivalent Standards Agreements (ESAs), which are contracts between the BC Safety Authority and a company to allow aspects of the safety system to be undertaken by the company, including installation and inspection. The terms of the ESA must be monitored by an administrator, who is either the Minister or the local government if it has accepted the delegation of authority to administer the Act. An ESA that applies to an area administered by a local government must have the approval of that local government. There is concern that a program that allows for self-installation and self-inspection may negatively impact public safety if companies compromise on safety to reduce expenses.

The impacts of the new legislation to the City with specific reference to its gas inspection services are detailed in a previous staff report to the Community Safety Committee, dated February 2, 2004. This report is included as Attachment 2.

2. Review of Other Municipalities

There are currently 11 municipalities in the province that provide electrical and/or gas inspection services: the cities of Burnaby, Coquitlam, Kelowna, North Vancouver, Richmond, Surrey, Vancouver, and Victoria; and the Districts of Maple Ridge, North Vancouver and West Vancouver. Based on discussions with these municipalities, all 11 municipalities intend to continue to provide their inspection services.

3. BC Federation of Labour Correspondence

Correspondence dated March 3, 2004 received by the City from the BC Federation of Labour raised a number of concerns with the new legislation and the potential negative impacts to the safety of workers on job sites and overall public safety in the community. Section 1 above and Table 1 summarize the major changes in the new legislation and reflect the concerns cited in the correspondence.

Financial Impact

Under the new legislation, there may be an increase in the potential for liability should the level of gas installation construction deteriorate due to a lower level of knowledge and skills of the individuals performing the work. However, this potential liability is mitigated by the City continuing to provide gas inspection services.

Conclusion

The new *Safety Standards Act* and *Safety Authority Act* implement substantial changes to the administration and regulation of safety systems in the province. Major changes include creating an independent agency, the BC Safety Authority, to undertake the regulatory role, requiring local governments that wish to continue providing inspection services to enter into an agreement with the province to do so, and modifying the qualifications, roles and responsibilities of trades people and inspectors. As a result, there is concern that public safety may be negatively impacted due to the lower level of knowledge and skills required by individuals performing work on safety systems under the new legislation. In turn, the City could potentially face increased liability due to a lower grade of gas installation construction. However, this potential liability is mitigated by the City continuing to provide gas inspection services.

Gavin Woo, P. Eng.
Code Engineer
(4113)

GW:jc

Table 1 New Provincial Government *Safety Standards Act* and Regulations
Comparison of Existing versus New Legislation

Component	Current Legislation	New Legislation	Impact to City	Impact outside of City
Responsibility for administration of the Acts and regulations	Ministry of Community, Aboriginal & Women's Services <ul style="list-style-type: none"> Safety Engineering Services (SES) Division 	BC Safety Authority <ul style="list-style-type: none"> Independent agency with 15 government-appointed Board members Supported by fees charged for services rendered 	<ul style="list-style-type: none"> None; the City continues to conduct its own gas inspection services 	<ul style="list-style-type: none"> Provincial government no longer involved in issuance of permits or inspections Potential staff reduction in provincial government
Local government administration of the Acts and regulations	<ul style="list-style-type: none"> Delegation of authority from SES to local government per the Local Government Act City authority for its gas inspection services is contained in the City's Building Regulation Bylaw City fully inspects 100% of permits issued 	<ul style="list-style-type: none"> Delegation of authority from BC Safety Authority to local government via an agreement for the delivery of inspection services Can implement a risk management inspection level of service as opposed to 100% inspections to permits ratio 	<ul style="list-style-type: none"> The City has entered into an agreement with the Province. City bylaws cannot have technical standards that are inconsistent with the Act City can maintain 100% inspections to permits ratio 	<ul style="list-style-type: none"> None; the City has entered an agreement with the Province.
Qualifications of individuals performing work	<ul style="list-style-type: none"> Individual holds a certificate of qualification Must be employed by a contractor Individual is an apprentice under the constant supervision of a qualified individual Must be employed by a contractor 	<ul style="list-style-type: none"> Individual holds a certificate of qualification Can be employed by a contractor or an owner/builder Unqualified individual is authorized to do the work under the on-site supervision of a qualified individual 	<ul style="list-style-type: none"> None Less skilled individuals performing work may potentially increase staff time to inspect the installed work 	<ul style="list-style-type: none"> Trades people no longer required to be employed by a contractor Potential reduction in the level of public safety Trades people will no longer be required to enter an apprentice program
Safety Officers & Field Service Representatives	<ul style="list-style-type: none"> Provincial Safety Inspectors with the SES and municipal inspectors inspect all work in the province, including all final inspections 	<ul style="list-style-type: none"> Creation of provincial Safety Officers who are not required to inspect all work in the province Creation of Field Safety Representatives who can perform final inspections 	<ul style="list-style-type: none"> None as Field Service Representatives are not applicable under the Gas Safety Regulations 	<ul style="list-style-type: none"> Potential reduction in the level of public safety Potential conflicts of interest due to expanded role of Field Safety Representatives
Self-Inspection Program	<ul style="list-style-type: none"> Not allowed 	<ul style="list-style-type: none"> Creation of Equivalent Standards Agreements Contract between the Province, BC Safety Authority, local government (if applicable) and a company that allows aspects of the safety system to be undertaken by the company, including installation and inspection 	<ul style="list-style-type: none"> None, since the City continues to perform its own gas inspection services with a 100% inspections to permits ratio 	<ul style="list-style-type: none"> Potential reduction in the level of public safety