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Chairman and CEO



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April 23, 2021

The Honourable Jeff Yurek
Minister of the Environment, Conservation and Parks
777 Bay St., 5th Floor
Toronto, ON M7A 2J3

jeff.yurek@pc.ola.org

RE: Transitioning Blue Box Program to Full Producer Responsibility

Dear Minister:

Thank you for your continued commitment to improving Ontario's waste management system. Your government is to be commended for implementing full producer responsibility and advancing the circular economy in Ontario during these challenging times. York Region has always been a strong supporter of producer responsibility and we appreciate the opportunity to share our leading municipal waste expertise to help inform this process.

York Region is a municipal leader in achieving the highest diversion rate ranking compared to similar large urban municipalities. Despite this success, recycling performance has stalled across the Province due to a fragmented system struggling to manage a rapidly growing and increasingly complex stream of packaging. As such, we are increasingly concerned that the Blue Box regulation has not been finalized as previously indicated by the end of 2020. Further delay will continue to exacerbate the stresses on the program and continue to burden the taxpayer.

No reason to further delay Blue Box regulation that is based on extensive, balanced consultation with stakeholders

Your government has conducted an extensive consultation process for this regulation that started with a mediation process between producers and municipal governments that was led by David Lindsay. Changes to the Blue Box program have been welcomed by municipalities, property taxpayers, industry and all Ontarians who want better environmental and economic outcomes. The mediation provided a framework and timelines with much needed certainty, to allow stakeholders to begin planning for the successful transition of the Blue Box to full producer responsibility. This set the stage for the broad municipal-industry consensus achieved through a fair and balanced consultation on the draft regulation.

Municipalities have made contractual and asset management decisions based on the timelines published numerous times by your government. We have been awaiting the final regulation which the Province expected to release early this year. Municipalities have continued to manage the costly challenges from the limited end markets and poor packaging design that this transition is intended to address. These systemic issues cannot be resolved by the current system; further delays releasing the final regulation places the entire transition process at risk, with significant financial consequences for municipalities and producers.

York Region and its 9 local municipal partners have aligned contracts and budgets with transition period to minimize costs and ensure seamless service delivery for residents

Delays mean costly contract extensions and additional investments in equipment upgrades and maintenance to continue program delivery for a longer time period. This is on top of the \$7 million net operating costs per year that York Region spends to operate the program. While we appreciate that the pandemic has had significant impacts on the economy and businesses, it has also driven up costs for municipalities seeking to support residents through these trying times. In fact, municipalities are subsidizing the industrial, commercial, and institutional sector as people have continued to work from home over the last year, resulting in increased curbside tonnages in all streams including the Blue Box. The municipal share to fund the Blue Box program in Ontario is currently estimated at \$150 million per year. We cannot ask municipal taxpayers to bear additional costs and disruptions due to a delay in the timelines agreed upon by a majority of stakeholders in this process.

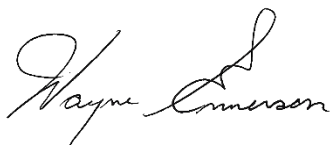
The final regulation should be released as soon as possible and reflect the following agreed upon principles that were included in the draft regulation:

- a broad list of designated materials
- expansion of eligible sources to condominiums, schools, parks and public spaces
- high performance targets to hold producers accountable and drive innovation

Delays or erosion of key policy components of this regulation will impact the Province's ability to achieve circular economy and environmental objectives set out in your government's *Made-in-Ontario Environment Plan* and meet commitments made to the many Ontarians concerned about reducing litter, addressing plastic waste and protecting the environment.

We look forward to this Provincial Government following through on its commitments to transitioning the Blue Box to full producer responsibility as previous governments have failed to do so. The time is now for this Government to release a finalized regulation that includes the agreed upon principles mentioned above and supports a robust and innovative full producer responsibility program for the Blue Box. This will ensure municipal governments, service providers and industry can move ahead with a smooth transition for Ontario.

Sincerely,



Wayne Emmerson
York Region Chairman and CEO

cc: James Wallace, Chief of Staff to the Premier
Bruce Macgregor, Chief Administrative Officer, York Region
Lina Bigioni, Chief of Staff, York Region
Erin Mahoney, Commissioner of Environmental Services, York Region

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