

The Regional Municipality of York

Committee of the Whole
Environmental Services
May 2, 2019

Report of the Commissioner of Environmental Services

Provincial Discussion Paper on Reducing Litter and Waste in our Communities

1. Recommendations

1. Council endorse comments identified in Attachment 1 (York Region Response Letter) and Attachment 2 (York Region Detailed Comments), which were submitted to the Ministry of the Environment, Conservation and Parks in response to Environmental Registry of Ontario posting 013-4689: Reducing Litter and Waste in Our Communities Discussion Paper. Due to the timeframe provided, it was not possible to bring the response to Regional Council for endorsement prior to submission. Any additional comments or clarifications by Council will be sent to the Province to supplement staff comments. Key recommendations for endorsement include:
 - a. Begin implementation of extended producer responsibility for Blue Box to make producers responsible for their waste
 - b. Include the 4th R (Recovery) in diversion calculations to recognize the benefits of recovering the value of resources
 - c. Develop Green Bin compostable standards that align with existing processing systems to provide clear rules
 - d. Coordinate and implement action on single-use plastics and other problematic materials to help reduce plastic waste going into landfills and waterways
 - e. Ensure extended producer responsibility requirements include public spaces and Industrial, Commercial and Institutional sectors to help prevent and reduce litter in communities
2. The Regional Clerk circulate this report to local municipalities and the Ministry of the Environment, Conservation and Parks.

2. Summary

The Ministry of Environment, Conservation, and Parks issued Reducing Litter and Waste in Our Communities Discussion Paper to obtain feedback on eight key areas:

- Preventing and reducing litter in neighbourhoods and parks
- Increasing opportunities to reduce waste
- Making producers responsible for their waste
- Reducing and diverting food and organic waste
- Reducing plastic waste going into landfills and waterways
- Providing clear rules for compostables
- Recovering the value of resources
- Supporting competitive and sustainable end markets

The discussion paper contained specific questions that Regional staff have responded to.

3. Background

Province issues discussion paper on reducing litter and waste to expand upon commitments in previously circulated Made-in-Ontario Environment Plan

On March 6, 2019, the Province issued the discussion paper on Reducing Litter and Waste in our Communities which expands upon commitments in Preserving and Protecting our Environment for Future Generations: A Made-in-Ontario Environment Plan. These two papers discuss several waste management priority areas included under the *Waste-Free Ontario Act* such as shifting responsibility for municipally operated diversion programs to producers and the Food and Organic Waste Policy Statement. In addition, the province addressed new areas of focus including litter in our communities, inclusion of the 4th R, recovery of energy from waste, in the diversion rate calculation and exploring ways to reduce single use plastics.

***Waste-Free Ontario Act* will have major impact on municipal waste management, particularly the diversion programs**

In November 2016, the *Waste Diversion Act, 2002* was repealed and replaced by the *Waste-Free Ontario Act*. This new legislation will have a major impact on municipal waste management and waste diversion programs in Ontario, including the Blue Box Program, tires, electronics and household hazardous wastes. Ultimately, the Act shifts current municipally operated diversion programs to full producer responsibility whereby the producers are responsible for costs and operation of delivering these programs. The Act also includes a Food and Organics Waste Framework that sets Provincial policy direction related to reducing and diverting food and organic waste.

Municipalities and other stakeholders in the waste sector continue to advocate for improvements to municipal waste programs including the blue box program

Municipalities and other stakeholders have been advocating for full producer responsibility as it relates to the Blue Box Program for a number of years. Table 1 summarizes communications to Council over the years on the evolving waste management legislation.

Table 1
Communications to Council on Provincial Waste Management Legislation

Date	Communication
September 2013 Report	Review of Bill 91, Proposed Waste Reduction Act, 2013
June 2015 Report & Presentation	Pending Waste Reduction and Resource Recovery Framework Legislation Update
February 2016 Report & Presentation	Waste-Free Ontario Act – Update on Proposed Waste Management Legislation
June 2016 Memorandum	Update on Waste-Free Ontario Act
June 2017 Report & Presentation	Update on moving toward full producer responsibility under the Waste-Free Ontario Act
January 2018 Memorandum	Update on Consultation Timelines for Amending the Blue Box Program Plan towards Full Producer Responsibility
February 2018 Memorandum & Presentation	Update on Proposed Amendment to Blue Box Program Plan
March 2018 Report	Update on moving towards Full Producer Responsibility under the Waste-Free Ontario Act
February 2019 Memo	Proposed Made-in-Ontario Environment Plan - Staff Comments Submitted to the Province

Provincial discussion topics align with SM4RT Living Plan and the *Waste-Free Ontario Act*

Overall, through their discussion paper the Province is signalling alignment with the Region’s SM4RT Living Plan that focuses on reduction and reuse. The discussion paper continues to signal interest in transitioning plans for diversion programs to full producer responsibility including the Blue Box program as intended under the *Waste-Free Ontario Act*. Further analysis is provided in the following section.

4. Analysis

Inclusion of the 4th R in provincial diversion calculations raised

This discussion paper marks the first time that the Province has formally asked whether the 4th 'R' (recovery of energy from waste) should be considered in Provincial diversion rate calculations. It has been the position of Regional Council that recovery be considered in waste diversion and staff indicated strong support for this in the Region's response.

Transitioning to extended producer responsibility and standards for compostable products supported

Strong municipal support was voiced for transitioning the Blue Box Program to producers through extended producer responsibility. It is anticipated that moving to extended producer responsibility will remove or reduce the cost to manage Blue Box materials from the tax base and provide an incentive for producers to design their products for recyclability. The discussion paper included questions around how transition should occur. Staff recommended an approach consistent with the Municipal 3Rs Collaborative with respect to timing that allows for sufficient consultation and provides certainty to municipalities and producers to make informed business decisions (Attachment 3).

Given that more compostable packaging and products are being introduced by manufacturers, staff suggested the Province define standards for compostable products. Developing standards for compostability will help ensure that items entering the Green Bin will effectively break down and create a high-value compost product. The Green Bin is one of the most costly streams to manage, and these costs are borne entirely by the municipal tax base. It is crucial that the Green Bin not become an outlet for products better managed and paid for by producers through the Blue Box system.

Regulation of single-use plastics as well as diversion targets for public spaces and the commercial sector are appropriate actions at Provincial and/or Federal levels

Finally, staff supported Provincial and/or Federal action where municipalities have limited ability to impact change. Single-use plastics can be challenging to manage through the Blue Box as municipal governments have limited tools at their disposal to influence a change in packaging design. This is something better addressed by Provincial and Federal governments who have greater legislative and policy authority over these products and their design.

Staff also supported setting ambitious diversion targets for the industrial, commercial, and institutional sector and in public spaces to reduce plastic waste going into parks and waterways. The municipal sector has consistently outperformed industry due to a continued drive by municipalities to increase their diversion rates. Provincial leadership is required to drive meaningful improvement in diversion rates for public spaces and the industrial, commercial, and institutional sector by designating common litter items under extended

producer responsibility with ambitious targets. Setting ambitious targets for these materials will drive producers to implement innovative solutions and provide the greatest increase in Province-wide diversion rates and litter reduction.

5. Financial

The total cost to deliver integrated waste management services in York Region is approximately \$300 per household per year, providing good value to taxpayers when compared to other typical household costs like cell phone services totalling over \$900 per year.

Outcomes from discussion paper could result in savings for municipalities but actual cost implications are dependent on future provincial action

There are several aspects in the discussion paper that could result in future budget implications, but those are not clear at this time. Several initiatives that the Province is exploring could result in cost savings for municipalities. Provincial leadership on reducing plastic and food waste could translate to less waste municipalities are required to manage once disposed. More significant cost savings to municipalities could be realized should transition to full producer responsibility occur as the costs associated with delivering the blue box program will shift to producers.

In 2019, the Region budgeted 16 per cent of waste operating costs for the blue box program based on a forecasted 85,000 tonnes. While the discussion paper signals the Province is favourable to transitioning the blue box program, determining the long term savings and implications on budgets will be better understood once details on transition are available.

While the discussion paper signals the Province is interested in transition, municipalities continue to advocate for action on this initiative as the Blue Box program continues to face challenges. Recent changes in end markets with tightening contamination limits by China, have significantly impacted global paper and plastic recycling resulting in reduced revenues and in some cases paying to move materials to end markets. In 2018, \$7 million in capital was invested in the Region's Material Recovery Facility to improve the quality of the materials and better position the Region to re-enter global markets and recover the almost \$5 million in lost revenues last year. Municipal management of ever changing products and packaging, low value materials and uncertainty with global markets resulting in continued pressure on the tax base is no longer sustainable. Producers are best positioned to assume full responsibility for package and product design that results in better environmental outcomes and reduced costs to tax payers.

6. Local Impact

Region solicited comments and feedback from local municipal staff on the Provincial Discussion paper on Reducing Litter and Waste in our Communities

The Region solicited comments from our local municipal partners to ensure feedback represents the interests of our collective integrated waste management system. A number of local municipalities have also submitted their own responses to strengthen the municipal position and address additional concerns outside the joint submission.

7. Conclusion

Timing of Provincial consultation period for discussion paper did not allow for Regional Council review prior to submission

The Province released the Reducing Litter and Waste in Our Communities Discussion paper on March 6 for a 45 day consultation period. Staff comments (Attachments 1 and 2) were submitted on April 20 to meet the submission deadline. Due to the timeframe provided, it was not possible to bring the response to Regional Council for endorsement prior to submission. However, any suggestions or clarifications Council wishes to make will be sent to the Province to supplement staff comments.

Municipalities remain committed to pursuing transition to full producer responsibility with improved service levels and environmental outcomes

As leaders in the province in waste diversion, York Region and our local municipalities remain committed to delivery of a Blue Box Program in the best interests of our communities. Staff will provide further updates on outcomes from the Provincial discussion paper and its implications to transitioning the Blue Box Program Plan to Regional Council once available.

For more information on this report, please contact Laura McDowell, Director Environmental Promotion and Protection at 1-877-464-9675 ext. 75077. Accessible formats or communication supports are available upon request.

Recommended by: **Erin Mahoney, M. Eng.**
Commissioner of Environmental Services

Approved for Submission: **Bruce Macgregor**
Chief Administrative Officer

April 17, 2019
Attachments (3)
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