

April 18, 2019

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RE: Discussion paper on reducing litter and waste in our communities (ERO number 013-4689)

Overview

For more than a century, the Ontario Chamber of Commerce (OCC) has supported economic growth in Ontario by advocating for business priorities at Queen's Park on behalf of our diverse 60,000 members, including local chambers of commerce and boards of trades in over 135 communities.

Last month, the Ministry of Environment, Conservation and Parks released a discussion paper on waste management: *Reducing Litter and Waste in Our Communities*. The proposals in this paper will impact the entirety of Ontario businesses, from the producers that put goods into the economy to the industry that processes the waste.

Appropriate regulation of the waste management sector is critical for our province. Well-designed policies create new business opportunities and enhance environmental sustainability without cumbersome regulations which risk limiting investment and innovation. To create a successful framework, government should set targets for specific outcomes, such as reductions in greenhouse gas emissions, while allowing the private sector to determine the most efficient way of meeting them.

Additionally, waste diversion programs only work well if enough people comply with them. As noted in the discussion paper, education and awareness around the impacts of litter and waste are imperative. The private sector is committed to sharing responsibility with government for informing Ontarians about how to dispose of the materials they consume.

The OCC would like to comment on four key areas of concern to our members: the transition to producer responsibility, managing food waste, approvals process for waste management activities, and circular procurement.

1. Transitioning to Producer Responsibility

Transitioning to extended producer responsibility poses a number of risks for residents and businesses across Ontario. In order to avoid disruptions to daily recycling activities, minimize costs, and maximize diversion rates, the Ontario government should take the following considerations into account.

A. Deposit Return Systems

As noted in the discussion paper, several provinces have implemented deposit return systems for plastic bottles and other containers to reduce litter. The reality is that these systems – which target only 2 percent of the waste stream – result in unnecessarily high prices for consumers, as producers are unable to control end-of-life management costs.

Further, a deposit return system would compete directly with Ontario's already established Blue Box system. Beverage container materials, mainly aluminium and PET, are valuable and should remain in the Blue Box system.

Instead of implementing a deposit return system, we urge the Province to allow the private sector to find the most efficient means of meeting waste diversion targets. To encourage innovation, targets should focus on outcomes that matter, namely the volume of greenhouse gases emitted from waste instead of the volume of materials sent to landfills.

Incorporating this flexibility is critical for encouraging stakeholders to develop innovative and cost-effective solutions for waste diversion, thereby realizing the full benefits of producer responsibility. For example, in Manitoba, provincial targets led beverage producers to form the Canadian Beverage Container Recycling Association (CBCRA) program, an industry-led initiative to divert beverage containers from landfills. Producers pay certain fees per container and the CBCRA uses those funds to pay for recycling infrastructure and public education campaigns.

Under the CBCRA program, costs to producers – and by extension consumers – are far lower than they would be with other models, such as deposit systems. This is because the CBCRA achieves economies of scale and ensures that SMEs are not at a disadvantage by charging each producer the same fee per unit. In addition to cost benefits, the CBCRA program provides consumers with more convenient access to recycling bins than they would have with the Blue Box alone. Industry stakeholders suggest a similar program could be effectively implemented in Ontario.

B. Designating Additional Materials

The discussion paper also indicates that the Ontario government may designate new materials not covered by any of its existing diversion programs. Ontario businesses currently manage

successful take-back programs to recover many of the same materials mentioned in the paper, including fluorescent bulbs, appliances, and batteries. Importantly, these programs are not government-run, instead, they are voluntary and reportedly working very well.

Rather than implement new programs, the Province should work with the private sector to take inventory of existing initiatives and consider formalizing them. Data collected from business-led programs should be included in calculations of Ontario's waste diversion rates and can be used to identify opportunities for further action. However, any attempt to designate additional materials must be informed by cost-benefit analyses and risk assessments, developed in collaboration with the private sector.

One barrier to the success of existing programs is a lack of public awareness. Government should and can play an important role in informing the public about existing initiatives and how to access them. We also support the idea of harmonizing what is collected in the Blue Box system across the province to improve compliance and reduce costs.

C. A Predictable Transition

A successful transition to producer responsibility in Ontario must be gradual and predictable, with targets phased in over a period of time that is pragmatic for both producers and municipalities. Since businesses will pick up the costs, it stands to reason that their needs should largely inform the transition process. Government can play a key role as convener, bringing together producers and those within the waste processing industry to collaborate on developing acceptable transition plans.

We urge the Province to commit to not changing these plans once they have been developed. In the past, plans were withdrawn suddenly, after stewards had dedicated considerable resources to setting up new systems. Predictability is critical to avoiding undue costs for businesses.

2. Managing Food Waste

Effectively banning food waste from Ontario landfills is unrealistic. Enforcement is one major problem, as source separation is simply not feasible within most facilities in the industrial, commercial, and institutional (IC&I) sectors, including hospitals and shopping malls. Businesses have no way of forcing consumers to separate food waste from other materials, particularly when packaging is contaminated with food. Enforcing the ban at landfills is equally impractical, as those who receive the waste cannot control its contamination.

Moreover, Ontario currently lacks enough anaerobic digestion facilities to process pure organic waste, and building more facilities is not cost effective. Without a destination, this waste will end up in landfills in other provinces and/or the United States, thereby negating any environmental benefit of a ban.

A more economical and environmentally friendly solution involves technology that captures methane and produces renewable natural gas (RNG), a clean energy source that is used as fuel and is sold into the natural gas pool. This technology – already implemented in many modern landfills in Ontario – has been shown to reduce methane emissions by over 80 percent.¹ At minimum, if the Province does move forward with a landfill ban, it should exempt facilities with the capacity to produce RNG.

In dealing with food waste, there is considerable room for improvement in residential composting, particularly in dense population centres with high-rise buildings. Establishing more accessible, user-friendly systems for composting, combined with consumer education, would go a long way in reducing the amount of food waste that ends up in our landfills.

3. Approvals Process for Waste Management Activities

The discussion paper includes a number of proposals to change the approvals process for waste management activities.

The OCC is opposed to the idea of providing municipalities and the communities they represent with more say in the landfill approvals process. The *Environmental Approvals Act* and the Code of Practice for Preparing and Reviewing Environmental Assessments (EA) give municipalities and communities ample opportunity to influence the process. Proponents have a positive track record of addressing their input and concerns at every step.

With only 12 to 15 years of landfill capacity left, Ontario needs to take immediate action to site additional landfills. Proponents in Ontario are already subject to a rigorous, lengthy, and costly EA process which typically takes 5 to 10 years. Giving municipalities a greater say in approvals would add redundant red tape to an already onerous process, discourage investment, and aggravate Ontario's waste management challenges.

For the same reasons, we are pleased with proposals to improve the efficiency of EAs. This includes continued implementation of a one-year service standard for higher-risk requests and creating an alternative or streamlined EA path for proven technologies that recover value from waste. Our position is that any facility or technology that recovers value from waste should be considered waste diversion, including thermal treatment and landfills that produce RNG.

4. Circular Procurement

Something regrettably absent from the discussion paper was a commitment to circular procurement. Given its significant buying power, government is in a prime position to shift markets towards lower levels of waste. Currently, there is no requirement for recycled content in public sector procurement.

¹ Karlis Vasarais and Jack Carr. 2017. "Beyond Bans – Challenges and Opportunities for Economically Viable Reductions in Food Waste Volumes and Waste Sector Emissions."

Government should set standards for waste levels and/or greenhouse gas emissions generated by the products it purchases while remaining technology-agnostic to encourage innovation among suppliers. Importantly, Ontario must work together with other provinces to harmonize standards across Canada, and with international best practices, to ensure businesses are faced with a single set of standards.

Overall, the OCC is pleased that the Government of Ontario is committed to consulting further on improving waste management, as several questions and concerns remain about the merits and implementation of proposed policies. We look forward to working together and welcome the opportunity to discuss our positions in further detail.

Sincerely,



Rocco Rossi
President and CEO
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cc:

Hon. Rod Philips, Minister of the Environment, Conservation and Parks
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