

PPSReview

**Product & Packaging
Stewardship Review**

MANAGING WASTE RESPONSIBLY

An information service for municipal governments
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DEPOSIT-RETURN MAKES SENSE ON ALL FRONTS

New report targets LCBO containers

A new analysis from *Product & Packaging Stewardship Review* on wine and liquor containers in the Ontario waste stream was released in late August.

Wine and Liquor Container Recovery in Ontario: the 2002 Perspective looks at the quantities, recovery rates and costs to Ontario municipalities of managing the empties from the Liquor Control Board of Ontario (LCBO). The report concludes

a deposit-return system—whoever operates it—would see higher recovery, make more environmental sense and save municipalities millions of dollars each year.

The full report (16 pages, pdf) is available from the PPSR website (www.productstewardship.org). What follows is the executive summary.

“Wine, liquor and cooler bottles make up a significant portion of the Ontario waste stream—a little less

than half of all glass and a small part of the plastic containers generated by householders.

From a recycling point of view, the cost to collect and sort containers, except aluminum cans, is considerably higher than the revenue which comes from the sale of the material.

Once regarded as a staple in the blue box, glass containers have become a pariah. As more and more programs commingle their glass with other containers, the problem with contamination of other materials and wear and tear on equipment and belts has been steadily growing. The value of clear glass containers has halved in the past 10 years and most programs now have to pay to move coloured glass to its secondary markets.

Polyethylene terephthalate (PET) plastic containers are very light and thus their collection and processing cost is very high.

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YOUR INVITATION TO CONTRIBUTE

Fair comment project

The Fair Comment Project was set up in 2000 in response to a growing “chill” on discussion about the best way to manage waste in Ontario. The aim is to promote discussion and to share information about how other jurisdictions manage and finance their waste management programs in the hope that we can all learn from each other.

To this end, the project supports the production and distribution of *Product & Packaging Stewardship Review (PPSReview)*, as well as supporting specific research (such as the Wine and Liquor Container report referred to above).

We recognize it is not in some people’s interest that this discussion take place. We make no apologies for this. We believe this work is very important.

Also, we recognize that given the scarcity of funding support, some may feel constrained from offering their opinions on these issues. To learn more, or to contribute, please visit the website (www.faircommentproject.com) or email us (bbc@albedo.net). Confidentiality is guaranteed.

Welcome to our new readers

Some of the readers of this edition of *PPSReview* will be seeing it for the first time. Welcome aboard. We believe there is a need for a wide range of approaches to waste management and that one size may not necessarily fit all. As always, we welcome submissions from individuals with their experiences—whatever may be their perspective.

Ben Bennett, publisher

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Briefly...

IRISH BAG TAX PAYING OFF

The introduction of a tax on plastic shopping bags in Ireland (see *PPSReview* March 2002), is paying dividends. The Irish government reported that the 10p levy (about 20-cents CAN\$) introduced in March on supermarket bags, has cut the country's use of non-recyclable bags by more than a billion units. In addition, the 10p green tax earned 3.5 million euros (about 4.5 million CAN\$) for the Dublin government to be used on environmental protection. Before the legislation was enacted, an estimated 1.2 billion free bags were handed out to Irish shoppers each year. "The reduction has been immediate and the positive visual impact on the environment is plain to see," said Martin Cullen, the Irish environment minister.

Guardian - Tuesday August 20, 2002

JAPAN'S TAKE-BACK LAW EXCEEDS TARGETS

Just over a year since implementation, Japan's law requiring retailers to collect used electric and electronic goods has surpassed its targets. 73% of televisions were collected for recycling (55% target), 59% of refrigerators, 56% of washing machines (both 50% target), 78% of air conditioners (60% target), 78% of personal computers (50% target), 60% of notebooks, 72% CRT displays, and 71% of NiCad batteries.

Recycling Laws international July-Aug 2002

BIODEGRADABLE COMPUTERS?

Fujitsu and Sony have worked out how to use bio-degradable plastics in their high-tech products. This fall, Sony will reintroduce a Walkman tape player, with 90 per cent of its casing made from vegetable-based plastic, known as polyactic acid. It is a corn-based polymer. Fujitsu plans to use the same plastic in the shell of its Biblo laptop computers starting in 2004. The natural polymer is as strong as the plastic found in computers, and disintegrates in just a few months, with the speed depending on the soil composition, temperature and the extent to which the plastics are exposed to air. The degradable plastic is produced with less petroleum, and emits no dioxin when it is burned or buried.

New York Times - July 18, 2002

DESIGNING "ECO-FRIENDLY" ELECTRONICS

The Danish environmental protection agency recently released "The DesignGuide" for engineers, environmental specialists, and managers of companies producing electrical and electronic equipment. The guide provides a basic understanding of the products and their relationship to the environment, on-line tasks and responsibilities, developing choice and measurement metrics, data, and tools relevant to materials used in these products.

www.gnteknik.dk

U.S. MOVES TO BAN MERCURY THERMOMETERS

In September, the US Senate unanimously passed a bill that would phase out sales of mercury thermometers except by prescription, within 180 days after enactment and improve management of surplus mercury. The bill also authorizes \$20 million in funds for collection of mercury thermometers and a thermometer exchange program. In addition, the bill creates a federal interagency task force to make recommendations regarding the proper management of surplus mercury. The bill also authorizes the Environmental Protection Agency to spend \$1 million per year to manage surplus mercury.

<http://www.mercurypolicy.org/>

CALIFORNIA APPROVES CATHODE RAY TUBE RECYCLING FEE

The California Assembly and the State Senate has approved a recycling law that will place advance disposal fees on new computers. After January 2004, the bill would impose a Cathode Ray Tube (CRT) recycling fee of \$10, on every purchase of a CRT device. Funds would make up the "Cathode Ray Tube Recycling Account", which would cover the establishment of a recycling and refurbishment program. Diversion and recycling targets are also laid out in the bill, which now goes to Gov. Gray Davis. Gov. Davis has not indicated whether he will sign it.

<http://www.leginfo.ca.gov/>

Product & Packaging Stewardship Review is published by Ben Bennett Communications as part of the Fair Comment Project. It is faxed or emailed to municipalities as a communications service aimed at providing a broad range of stewardship and associated information from across Canada, the United States and overseas. The current issue of PPSReview, and past issues, are available for viewing on the Internet (www.productstewardship.org).

Anyone wishing to support the Fair Comment Project may email Ben Bennett (bbc@albedo.net). Confidentiality is guaranteed.

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NOTICE: this publication, AND the views expressed, have NO connection with the Association of Municipal Recycling Coordinators of Guelph, Ontario.

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Nova Scotia ads belie dairies' "commitment to recycling"

"Are the new milk cartons 100% recyclable everywhere in Nova Scotia?," asked the ad with the Atlantic Dairy Council (ADC) logo. It also provided the answer: "Yes!"

Well, not really. The fibre is certainly recyclable, but unless someone is going to collect all the loose spouts from the pulping operation in Asia, (where the milk packaging is sent), dry them, somehow bale them and find a market for them, they are not being recycled. (Although, they may well be burned.)

The ad, which can be viewed on the Farmers Dairy website (http://www.farmersdairy.ca/new_twist/recycle.htm) has more questions—and answers:

"Does the new spout hinder recycling? No!" (Absolutely, according to municipal recycling officials.)

"Should the spout be cut out of the carton? No!" (Some programs are asking people to remove the plastic spout and discard it; others are asking the spout to be removed and placed in the recycling bag.)

"Are Nova Scotia dairies

committed to recycling success? Yes!"

(Staff in a major Nova Scotia municipal program were advised about the new Farmers Dairy packaging "the same day the product was on store shelves.")

Although no advance notification was provided, the local dairy received approval for the new container approximately four years ago from the Nova Scotia Dairy Council. Some dairies' commitment to public relations appears to be stronger than their commitment to recycling.)

The ADC says in the letter included as part of the ad display, that

there are "inaccurate" statements about the "environmental friendliness" of new milk packaging which incorporates a plastic spout.

Since the ads appeared this past summer, the question of recyclability has been investigated by government officials. While all plastics are technically recyclable, the cost is often very high and the revenue negligible.

Trying to remove loose caps from a sorting line in a material recovery facility (MRF) would be "like trying to pick up

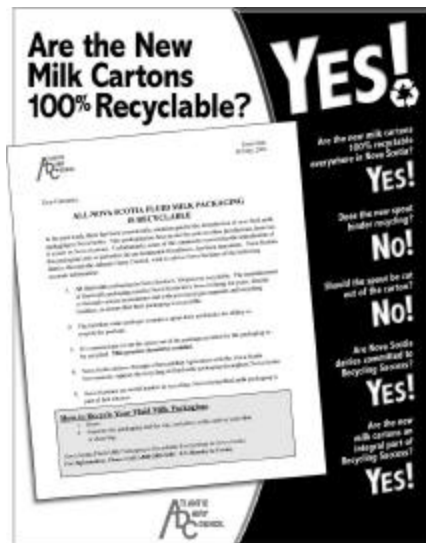
hubcaps off of the 401", as one program adviser described it.

In addition to the problems with the milk containers intended for home use, there is a littering issue with the smaller, take-out containers, which feature a small pull-out plastic disks.

Under the province's stewardship agreement with Atlantic Dairy Council, signed last year, the dairies should take care of any increased handling costs. In anticipation of the extra costs, Farmers' increased the price of its new packages by five cents, even though they will not be subject to

added costs under the agreement until next year. In recent weeks, another new dairy package has appeared on store shelves in Nova Scotia: a plastic jug. It is eminently recyclable,

easily removed from sorting lines, and easily marketed.



This Nova Scotia ad suggests some dairies' commitment is more to public relations than to recycling.



Nova Scotia's new milk packages with spouts: Recyclable? Hardly...

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WDO board holds first meeting

The new Waste Diversion Ontario board held its first meeting on September 5. Tim Moore, President of The Clorox Company has been named chair. One of three CSR delegates, Mr. Moore is also chair of CSR.

Other board members are Lionel LaLonde, Bas Balkissoon, Terry Cassidy, and Peter Crockett, from the Association of Municipalities of Ontario (AMO); Geoff Wilson, (Loblaw—CSR); Jeff O'Neill (Pepsi-Cola—CSR); Andy Brandt (LCBO); Diane Brisebois (Retail Council of Canada); Jeff Newton (Brewers of Ontario); Anne Kothawala (Canadian

Newspaper Association); Ron Hoare (Canadian Paint & Coatings Association); Suzanne Elston (Recycling Council of Ontario); Keith West (MOE);

The non-voting minister-appointed non-government position has not been filled.

The Observers are Irving Granovsky (Paper & Paperboard Packaging Environmental Council); Cam McKnight (Ontario Community Newspapers Association); Blair McArthur (Ontario Waste Management Association), and Marina Kovrig, (Canadian Consumer

Specialty Products Association).

The board has formed a task force which will oversee administration until the organization is established.

The working group, which is being chaired by John Hinds (CNA) includes two CSR staff, MOE and AMO staff, two employees from KPMG, which was retained to provide "management and business consulting services", and representatives from the RCO, the Brewers, the LCBO, the Retail Council of Canada, the Association of Municipal Recycling Coordinators and the Municipal Waste Integration Network.

LCBO container recovery — from page 1/6

"Prices paid for recovered PET containers are extremely volatile. In the past 12 months, they have halved.

In British Columbia, wine and liquor containers were added to the province's deposit legislation four years ago. They had previously been collected in the blue box. BC's recycling program is now primarily concerned with collecting fibre materials and food containers. Very little coloured glass is now seen in blue boxes in BC.

Removing Liquor Control Board of Ontario (LCBO) containers from the municipal recycling program in Ontario would mean shorter stops at the curb, and thus less time required for

collection. While there may be short-term issues with existing contracts, reducing the amount of material collected would provide the opportunity to have fewer trucks or to add other materials to the diversion stream.

By its very nature, glass is a potential hazard and reducing its volume by up to half would mean fewer injuries for sorters and reduced maintenance and replacement of sorting equipment.

The current payments by the LCBO, at \$4 million, cover less than half of the estimated \$11 million cost. With the proposed Waste Diversion Act funding model based on *sharing* recycling costs, municipalities would still save half the cost of collecting the LCBO containers (\$5.5 million) if they were collected via another system.

There would be no inconvenience to residents. Those who chose not to take back their empty containers when buying more product could support community bottle drives, as they used to do with empty soft drink containers.

Once collected via a take-back system, whoever may

be operating it, the recovered containers would be already sorted, for the most part, and intact. With a cleaner, deposit-grade material, marketing the glass would be far less of a problem than the low-grade secondary material currently being produced by the blue box system.

By having them returned intact, there would be an opportunity to clean and refill the empty bottles. This would be a better use of the embedded energy and would provide the smaller wineries and the U-Vint outlets with the option of buying their containers at reduced prices. A refillable bottle would not be subject to the 10-cent Environmental Levy and

this would reduce prices for the consumer.

As mentioned above, the LCBO currently spends \$4 million annually to support recycling. A 1998 study suggested a deposit-return system with an 85% return rate, would generate a net profit of \$2 million for the LCBO. It

would be funded by unredeemed deposits. In addition, the LCBO would not be obliged to support curbside recycling.

Environmentally, increasing recovery rates for recyclable containers is a clear benefit and assists the Province in its diversion goals. Secondly, the opportunity to refill some of the empty LCBO containers will save energy and resources, and is more in line with the 3Rs hierarchy."

- *Wine and Liquor Container Recovery in Ontario: the 2002 Perspective*

"By its very nature, glass is a potential hazard and reducing its volume by up to half would mean fewer injuries for sorters and reduced maintenance and replacement of sorting equipment."

- *Wine and Liquor Container Recovery in Ontario: the 2002 Perspective*

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Trashed Cans looks at slide in US recycling

A combination of startling statistics and highly effective analogies brings the world of soft drink container recycling sharply into focus in *Trashed Cans: Aluminum Can Recycling and Wasting in America*.

Written by Container Recycling Institute (CRI) senior researcher Jennifer Gitlitz, *Trashed Cans* shows how the recycling rate for the high-value material has slumped badly since its 1992 high of 65% to just under 50% in 2001. (The industry puts the figure at 55%).

Ms Gitlitz calculates that in the past 10 years, Americans have thrown out more than 7 million tons of aluminum: enough to manufacture 316,000 Boeing 737 airplanes.

The report discusses the environmental impacts of making new cans, looks at the causes of the decline in recycling and offers suggestions to increase aluminum can recovery.

Resource use in the manufacture of virgin aluminum is dramatically higher than for cans made from recovered aluminum. Much of the damage to the environment takes place at the point of extraction of the bauxite, aluminum's primary source, which is usually overseas.

The report quotes industry sources as saying 4,502 gallons of water are needed to make one ton of primary rolled aluminum, versus 760 gallons for the secondary material. The estimated 3 billion gallons of water per year used to make virgin aluminum would flood more than 18,000 acres to a depth of six inches.

American lifestyles, notes the report, are changing. More and more beverages are being consumed away from home, away from the convenience of a curbside recycling program.

Even the few states which enjoy higher return rates (averaging 80%), courtesy of the deposit return system, are seeing rates decline. The five-cent deposit, imposed in 1971, has a fraction of the buying power in 2002 that it did then. In

COMING EVENTS

September 19-20

Composting Council of Canada
annual conference
Halifax, NS.
Call (416) 536-9892

September 20-21

Extended Producer Responsibility conference,
Metro Hall,
Toronto, ON.
Call (888) 475-2444

September 25-27

Recycling Council of Ontario
annual conference
Belleville, ON.
Call (416) 960-1025

October 2-4

Recycling Council of Alberta
annual conference
Kananaskis, AB
Call (403) 843-6563

addition, reduced unemployment levels have seen a decline in scavenging.

In Michigan, where the deposit is 10 cents, the return rate is 95%, on a par with the Ontario beer bottle system.

Another change has been the increase in the consumption of beverages packaged in aluminum cans. Americans purchase an average of 358 cans per year each, almost one per day. Europeans, in contrast, purchase just 75 cans per year.

The report notes deposit-return is the only way to increase recovery rates and the deposit has to be large enough to encourage the cans' return.

Visit CRI's website to order the 53-page report:
(www.container-recycling.org).

EPR conference set for Toronto

Extended Producer Responsibility – Taking It Back: The Next Generation of 3Rs, is the theme of an conference jointly sponsored by The Ontario Environment Network, the Clean Production Network, the Canadian Autoworkers, Great Lakes United and the Toronto Environmental Alliance.

To be held September 20-21, 2002 at Metro Hall in Toronto, the speakers include: Dr. Gary Davis, Dr. Kenneth Geiser, Dr. Jack Layton, John Jackson, Katrina Miller, and Nick DeCarlo. Topics will cover beverage containers, electronics, paint, tires and used oil. Registration is \$35. For more information contact Janet McNeil at 1-888-475-2444.

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Opinion Piece

The opinions expressed in this column are not necessarily those of PPSReview

Will the boys in the backroom be running the WDO show?

by Jay Arthur

Back in the summer, when the Ministry of the Environment (MOE) held its information sessions about the Waste Diversion Act (WDA) and associated goodies, there were questions about the potential for unnecessary bureaucracy.

Some of those attending had visions of a sprawling secretariat with staff, consultants and subcommittees and a payroll to match.

The chief architect of the WDA and its associated goodies is Keith West, the big cheese of the waste management policy branch.

In theory, of course, the whole thing is the minister's handiwork but let us not kid ourselves. We have seen five ministers of the environment (some with, some without energy) since the latest round of stewardship discussions began in the late 1990s.

So, whatever we have ended up with after all these years of promises, obfuscation and false starts is a product of the bureaucrats. I'm sure the lawyers got their hands on it too but the meat and potatoes work has come from the staff.

There is inevitably a bureaucratic flavour, then, and you can understand that there would be a concern that Waste Diversion Ontario (WDO) and the Industry Funding Organizations (IFOs) which will be established by it will end up as some huge unwieldy megalith.

The concern has been doubly enforced by the inclusion in the WDA of a little clause that says the Province would not be on the hook for the administrative costs. Not only would monies raised from industry be used to support recycling, they would also cover "a reasonable share" of the cost of running the machinery of the WDO,

and "a reasonable share" of any costs incurred by the Province would be on their tab, too. Nice work if you can get it. Other than the expenses for the board members, the time put in by municipalities, industry and organizations who comprise this multi-stakeholder initiative would *not* be covered, however.

"Whatever may make sense for establishing other waste diversion programs, the priority right now is to set up the funding mechanism for the blue box. That would show that the Province and industry were taking this effort seriously."

At the summer information session where the administration question was raised, assurances were given that the WDO "does not have to be a huge bureaucracy".

This no doubt was a relief to many, but the way this thing is being set up, we either end up with the much-feared bureaucracy or we let others do the work and, in effect, write the rule book. And remember, bureaucracy is not necessarily on the public payroll, not directly anyway.

With the WDO, we have a board of directors playing a primarily symbolic role. The representatives are mostly politicians or heads of companies, so would know little of the nuts and bolts of esoteric things like recycling. Sure, they can make decisions, but with no background knowledge about the issues, they have no basis on which to make a decision.

So a committee (a "working group") was set up to look after the real work, and that committee will make recommendations for the board to rubber stamp. Enter the bureaucrats.

The working group has people who have a better sense of the everyday recycling world. They also have, God bless 'em, eager staff from various associations, including the one who just happens to be chairing the WDO board, who bring to the table policies and structures for the working group members to rubber stamp.

This working group then engages consultants to set up an operating agreement and more consultants to find staff.

And of course all this hinges on the delivery of a letter from the minister (written by MOE staff), which will ask the WDO board to provide him a plan for the establishment of a blue box program.

Part of that plan will be the establishment of an IFO, either from scratch or based on an existing body.

Meanwhile, we already have a blue box program. All we need is cash from industry to support it.

Whatever may make sense for establishing other waste diversion programs, the priority right now is to set up the funding mechanism for the blue box. That would show that the Province and industry were taking this effort seriously.

Or does all this machinery merely allow the opportunity for someone to throw a wrench in the works and to put off yet again the day that municipalities see money for their recycling programs?

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