

Wine and Liquor Container Recovery in Ontario: The 2002 Perspective

SPECIAL REPORT

**Product & Packaging
Stewardship Review**



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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.¹

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. 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 cost². 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.

Publisher's Note

This report is designed to provide some background and analysis on an issue that never seems to go away. As the readers of *Product & Packaging Stewardship Review* will know, recent developments have heightened awareness of, and interest in, the deposit-return system, particularly as it pertains to the Liquor Control Board of Ontario.

With the appointment of Chris Stockwell as environment minister and the recent announcement of Waste Diversion Ontario, there is an opportunity to step back and take a close look at how we manage containers in Ontario.

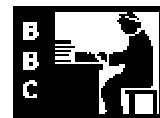
It is hoped that these pages will assist that discussion.

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Ben Bennett, Publisher, *Product & Packaging Stewardship Review*

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1.0 Introduction

In 1998, Ontario's municipalities, faced with increased recycling costs and unstable markets for glass, put pressure on the Province to consider a deposit-return system for wine and liquor containers. Council resolutions by 250 Ontario communities, representing 84% of the population, supported the deposit-return approach.

In response, the Province required the LCBO to make annual payments of \$4 million to municipalities to offset residential recycling costs.

In June 2002, the Province passed the Waste Diversion Act, legislation which should lead to ongoing financial support for a variety of waste diversion programs, including municipal recycling, starting perhaps in 2003.

Also in June, a report from City of Toronto staff estimated the city would save more than half a million dollars a year if LCBO containers were collected through another system. The new minister of environment, Chris Stockwell, was a strong proponent for deposit-return when running for the Ontario PC leadership earlier this year.

With the passage of the Waste Diversion Act, and the "big picture" window it provides to look at *all* waste diversion programs, a review of the implications and opportunities provided by a deposit-return system for LCBO containers is timely.

2.0 Background

Glass bottles and jars have been mandated for recycling collection since the early 1990s.

It has been four years since the City of Toronto announced its intention to require the LCBO to adopt a deposit-return program for its containers. In August 1998, a report commissioned by the

Brewers of Ontario suggested a deposit-return system was not only feasible for the LCBO but could even make money, depending on return rates and the amount of the deposit. Responding to growing concerns about the viability of municipal blue box programs and support at the local level (and from the Association of Municipalities of Ontario) for the deposit-return concept, the Province announced in October of that year a \$4 million annual payment by the LCBO to Ontario municipalities. The money was to support the recycling of wine and liquor containers but was contingent on giving up any notion of an alternative collection system. Toronto's plan to require a deposit-return system for the LCBO was ultimately derailed when the Province amended municipal legislation, making such moves illegal. The city accepted the LCBO "grant" and pursued a voluntary take-back concept, with limited success.

In March 2001, the principal market for recovered coloured glass in Ontario disappeared when Consumers Packaging advised its processor, Nexcycle, that it was relocating its green glass manufacturing to New Brunswick. Since then, municipal program operators have been scrambling to find alternative uses for the coloured glass they collect, with aggregate substitute being the primary use. They now have to pay to recycle coloured glass.

3.0 LCBO containers in the waste and recycling stream

Any study of the impact of wine and liquor bottles has to take into account the containers which are not captured by the blue box and are managed by the regular municipal garbage system. This section looks at the amount of LCBO containers currently managed by municipal programs.

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3.1 Quantities

Liquor and wine bottles make up a significant portion of the containers found in Ontario's residential waste stream, but percentages do vary. Few programs have specific figures for LCBO containers in the separate glass streams

or in the PET plastic stream. Several municipal waste composition studies have been conducted in the past two years. *Figure 1.* summarizes what information is available.

Figure 1. Percentage of LCBO containers in the entire residential waste stream (garbage and recycling)

| Municipality | LCBO containers as a percentage of clear glass | LCBO containers as a percentage of coloured glass | LCBO containers as a percentage of PET | Source |
|-----------------------------|------------------------------------------------|---------------------------------------------------|----------------------------------------|------------------------------------------------------|
| City of Toronto | 37% | 77% | 9% | <i>Waste Composition Study, March 2000</i> |
| Region of Halton | 40% of all clear and coloured glass | | Not available | <i>Waste Characterization Study, March 2001</i> |
| Region of Sudbury | 50% of all clear and coloured glass | | Not available | <i>Residential Waste Audit, January 2001</i> |
| County of Simcoe | 39% | 85% | 4% | <i>Seasonal Waste Composition Study, March 2001</i> |
| Township of North Glengarry | 59% of all clear and coloured glass | | Not available | <i>Residential Curbside-Waste Audit, August 2000</i> |

3.2 Glass and PET recovery

Statistics gathered through the annual 3Rs Data Call exercise³ show a small but definite reduction in glass tonnages for the second half of the 1990s for both clear and coloured glass. PET, on

the other hand, has shown a steady increase (*Figure 2.*). It should be noted this is the *recycling* stream, not the entire waste stream.

Figure 2. LCBO container glass and PET recovery in Ontario

| Year | 1996 | 1997 | 1998 | 1999 | 2000 |
|------------------------|--------|--------|--------|--------|--------|
| Clear glass tonnage | 54,300 | 52,100 | 53,300 | 53,800 | 52,300 |
| Coloured glass tonnage | 50,300 | 49,900 | 46,100 | 47,000 | 43,300 |
| PET tonnage | 7,085 | 7,686 | 9,243 | 9,825 | 10,833 |

Based on the waste composition studies referred to in *Figure 1*, and applying conservative estimates of the proportion of LCBO containers in the entire waste stream at 45% for glass and 5%

for PET, the estimated 2000 tonnages for LCBO containers, recycled and disposed, are presented in *Figure 3*.⁴

Figure 3. LCBO containers in the recycling and waste streams

| Material | Total recycled in 2000 | Total disposed in 2000 | Percentage of total material stream |
|----------------------------------|------------------------|------------------------|-------------------------------------|
| Clear and coloured glass bottles | 42,606 tonnes | 12,781 tonnes | 45% |
| PET bottles | 621 tonnes | 266 tonnes | 5% |
| Total LCBO containers | 43,227 tonnes | 13,049 tonnes | |

3.3 *The cost of managing LCBO containers*

Any discussion on province-wide costs is inevitably compromised by the need to use estimates, assumptions and best-guess calculations. The very nature of a multi-material collection and processing system makes any assessment of per-material costs extremely challenging.

The cost of recycling glass is considered higher than the average blue box material because of ongoing marketing problems. The cost of collecting PET containers is much higher than the average because of their light weight.

In 1996, the Environmental Commissioner of Ontario's annual report noted the cost of recycling and landfilling liquor bottles was about \$10 million per year. Adjusting for the fall in recovered glass prices, the annual cost of managing LCBO containers can be estimated for 2002 at \$11 million². It is important to note these numbers do not reflect the ongoing problems of the contamination of other containers by glass, the wear and tear of materials recovery facility (MRF) equipment, and the staff time spent dealing with these problem and trying to find markets for the material.

4.0 British Columbia's experience

All beverage containers in British Columbia, except milk packages, are collected via a deposit-return system. Wine and liquor containers were added to the deposit-return program in October of 1998. Deposits of 10-cents were placed on containers up to one litre; larger containers had a 20-cent deposit. In addition to the media coverage of the expansion of the deposit legislation, a major campaign was launched to remind people to start bringing in their empty wine and liquor containers. Beer, cider and cooler containers were already covered by take-back legislation.

The "Bring 'em Back" campaign included a hotline funded by the provincial Liquor Distribution Board (LDB) and Encorp Pacific (Canada), which operates the province's take-back system for other beverages containers. The goal was an 85% return rate. When returning their empties to liquor stores, people were asked to limit their volumes to 24 units because of space considerations. Those with larger collections of containers for return, such as community bottle drive operators, were asked to take their empties to one of 44 Authorized Redemption Centres designated by the LDB.

Municipal program operators advise little or no extra promotion was done by the recycling programs to dissuade residents from placing these containers in the blue box although they did receive calls from residents when the change was made. They were asked to remind residents *not* to remove labels. Take-back centres check the labels to ensure the containers are covered by the program. Bottles with no label are not accepted.

Municipal programs now see very few wine and liquor containers in blue boxes and those containers that are placed in curbside or

Figure 4. BC's Bring 'em Back logo.



apartment recycling containers are soon taken by "scavengers". As a result of the take-back system, there is very little coloured glass being generated at the household level for curbside recycling collection.

It is interesting to note that when the BC Government expanded the deposit legislation to include liquor and wine containers there were concerns expressed in some corners that this could affect the viability of the blue box system. This led one public works official to make the following comments to staff and colleagues in an internal memo:

The new legislation will actually save the municipalities money. The bottles cost us more to collect and process than what we get back in revenue. We will not be losing revenue because of the new program. The new legislation will not mean the end of the blue box.

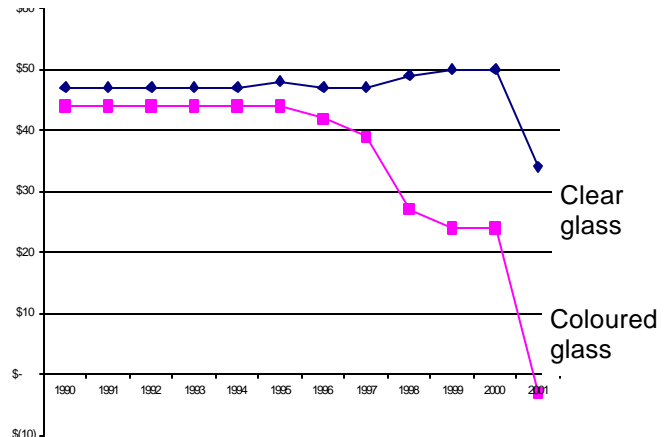
5.0 Markets

5.1 Glass Markets

Early in 1992, Ontario's principal purchaser of blue box glass, Consumers Packaging, notified municipalities that it required the material to be colour sorted. The company, citing increased freight and processing costs, also reduced the price it paid for the material. By the mid 1990s, several municipalities were looking at collecting glass in one stream and shipping it for grinding and use as an aggregate substitute. In the summer of 1996, the Northwest Ontario Recycle Association dropped glass from its curbside program and set up depots instead. Glass has been used locally ever since as aggregate substitute, drainage medium for weeping tile, or in place of stone in septic beds. In the United States, an increasing number of communities are either dropping glass recycling altogether or are using separate or alternative collection systems. The primary reasons are cost (particularly transportation) and cross contamination of other recyclables (a growing issue with the move towards single-stream collection).

In early 2001, the Ontario glass market was shaken twice. In February, Consumers Packaging announced it was no longer accepting coloured glass from municipal recycling programs as its major customer for green glass bottles, Molson Breweries, was closing its Barrie plant and consolidating its green glass bottling at its Montreal brewery. Consumers Packaging's processor, Nexcycle, was left with a 15,000-tonne stockpile of green glass at its plant near Guelph and was thus not accepting any glass. Responding to the disappearance of the province's coloured glass market, CSR: Corporations Supporting Recycling set up the Glass Task Recycling Group. This group, with representatives from the glass industry, the

Figure 5. Glass prices, 1991-2001 (Source: CSR)



LCBO, the recycling industry, and the cities of Ottawa and Toronto, began meeting to find alternative markets for the material. The primary focus has been on the use of glass as an aggregate substitute, although other uses such as sandblasting medium and backfill material were also explored. Coloured and mixed glass has been widely used for roadbed construction in landfills, including Toronto and Durham. With the closure of the Keele Valley Landfill Site later this year, this option will no longer be available to Toronto, the province's largest producer of recycled glass, and the city will be inviting expressions of interest from the private sector in an effort to find other uses for this material. There have been ongoing discussions between the CSR group and staff from the Ontario Ministry of Transportation and it is hoped to have an agreed engineering "spec" for the material soon, which will clear the way for glass to be used as road bed anywhere in the province.

5.2 PET markets

The polyethylene terephthalate (PET) stream is dominated by the soft drink industry's products,

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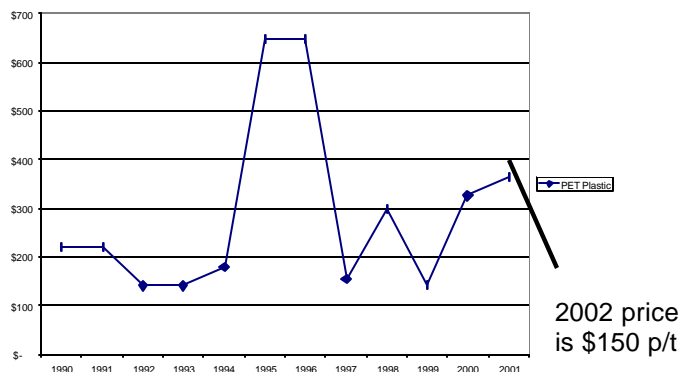
particularly the single-serve container. Over the past few years, some liquor bottles, like many other glass containers, have been replaced by the lighter, unbreakable PET bottle. In the case of liquor, this has been seen in the spirits section. In some cases, such as Canadian Mist rye whiskey and Russian Prince vodka, the containers are opaque, coloured PET and are not acceptable to PET bottle buyers, who want transparent bottles. Prices are extremely volatile. In the summer of 2002 they were half of what they were in 2001.

5.3 Packaging trends

There has been an ongoing trend from glass to other, lighter and more versatile materials, primarily aluminum, plastic and polycoat containers like the aseptic brick. The growing coolers market suggests the trend away from glass to plastic may continue for some liquor containers although there has been some slowing down of the trend of hard liquor containers moving toward PET. A large portion of the hard liquors are still packaged in glass. There has been no sign, either, that wineries are showing any preference for plastic containers for anything other than the wine-in-a-box brands.

6.0 Benefits to municipal programs of separate LCBO collection

Figure 6. PET prices, 1991-2001 (Source: CSR)



6.1 Collection

If wine and liquor containers were collected by another system, the time spent at the curb by the operator would be reduced. On the truck itself, the amount of space made available would depend on the ratio of those containers in the stream, and this varies across the province. Those municipalities who collect from downtown businesses (particularly restaurants) could see a significant increase in space made available. Programs with separate compartments for clear and coloured glass may be able to reconfigure their trucks so that extra space can be maximized. This opens up the possibility of saving fuel and wages by covering the route in less time. Those that commingle all containers would more readily appreciate the increase in space available. Given the variation in relative quantities province-wide, the potential space and time savings at the curb and in the truck are best determined at the local level.

6.2 Processing

For those programs where glass is sorted from the other containers in the MRF, removing a significant part of that stream would reduce conveyor belt wear and tear, would see less cross-contamination of other containers, and would reduce the amount of residue. In addition, there would be fewer injuries to sorters from broken glass.

6.3 Marketing

All programs would see a substantial saving in time and energy in finding markets for the coloured glass if LCBO containers were collected in another system. The price for coloured glass is currently \$0.00 per tonne or is expressed in negative values: i.e. municipalities have to pay someone to take the material. In addition, they have to pay the cost of shipping. Any reduction in tonnages would be a financial benefit to all recycling programs.

6.4 Fewer trucks

Removing LCBO containers opens up the possibility of reducing the number of trucks/ collection hours required and the opportunity to add other materials to the program. It should be noted, however, that most collection and processing contracts are based on weight and there may be contractual issues with reducing the tonnages. It must also be recognized that collecting and processing material may be more expensive on a per-tonne basis if throughput is lighter, but the total system cost would be reduced.

6.5 No net loss of revenue

If the financial support anticipated by the Waste Diversion Act is realized, it will see the producers of all "designated" packaging contributing to the cost of managing their containers. The basis for the payments is 50%, with one tenth of that support going to fund new technology and research. Municipalities, then, would have received 45% of the cost of recycling LCBO containers. They would thus save 55% of this cost if they were removed.

6.6 Convenience for resident maintained

Opponents of deposit-return often say people don't want it because it is too inconvenient. The experience in other provinces would suggest otherwise (as would the success of the Brewers of Ontario beer bottle recovery system). Indeed, recovery rates for deposit jurisdictions across North America are far higher than for curbside and apartment recycling programs. The introduction of a deposit-return program for wine and liquor containers would provide an incentive, but would not compel people to take their empties back to the store or to a depot. They could still put them in the blue box or, better still, hold them

for community bottle drives. There would be no inconvenience.

7.0 Opportunities

7.1 Cleaner LCBO container stream

However LCBO containers are collected, the material would still have to be marketed, assuming the containers are not to be cleaned and refilled. By collecting the containers intact though, the clear and coloured streams would be clean and there would be minimal losses through breakage. The resulting glass would be "deposit quality", and would be able to compete with other deposit-grade feedstock. This offers the possibility of old glass containers becoming new glass containers, a higher grade resource use than downgrading the material to be used as aggregate substitute.

7.2 Identify problem brands

By receiving bottles intact, the marketers of the glass will be able to identify and remove any "problem brands" from the recycling stream. The LCBO, as the sole retailer of the product in Ontario, could also apply pressure on producers of those brands to use packaging that does not cause problems in the recycling process.

7.3 No need for processing

As dedicated streams, clear and coloured glass could be shipped directly to market and would require minimal sorting. This would save the energy, the labour and the money currently spent on glass processing in MRFs.

7.4 Possibility of refill

By receiving the used wine and liquor containers intact, the opportunity would be provided to clean

and refill the containers. Moving “up the hierarchy” from recycle to reuse would be a better use of the resource and the energy embedded in the containers. It is recognized there may be logistical barriers for some containers but the standardized nature of wine bottles and the preponderance of Ontario wineries and U-Vint outlets present an opportunity which may be worth pursuing.

7.5 Greater recovery

The rate of recovery for deposit-return systems is acknowledged in all quarters as being superior to curbside and apartment recycling programs. Higher recovery means a more efficient use of the resource and savings in landfill capacity. Recovery rates across Ontario vary, but few achieve the high rates of return enjoyed by programs in deposit jurisdictions in Canada.

7.6 Less litter

Deposits were first introduced for soft drink bottles to reduce littering and these systems have proved to be an effective remedial measure against litter. Given that municipalities are responsible for litter abatement, any litter reduction program would save money for municipalities and improve the local environment.

7.7 Fund-raising opportunities

For many years a primary source of fund-raising for small community groups like the Boy Scouts was the bottle drive. Since the introduction of curbside recycling and the virtual elimination of deposit-return on soft drinks in Ontario this opportunity has been lost to such groups. A deposit on wine and liquor bottles could see a re-emergence of the local bottle drive as a source of funding for community groups and add a level of convenience to consumers who may not choose to return their LCBO empties.

8.0 Impacts

8.1 Financial impact on municipalities

The collection, processing and marketing of wine and liquor bottles through the blue box represents a substantial cost to Ontario municipalities, as does landfilling those that do not reach recycling programs. If these containers were managed under a separate program, as beer bottles are, municipalities would realize gross savings of about \$11 million per year². This is a very conservative estimate and does not take into account the operational and marketing problems associated with managing glass bottles. It should also be noted that funding support from the LCBO would be discontinued, but as neither the current arrangement nor the proposed 50/50 model covers all costs, municipalities would be net savers in any event.

8.2 Financial impact on consumers

In 1989, an Environmental Levy of five cents per non-refillable alcoholic beverage container was introduced by the Ontario Government. In 1992, the levy was doubled to 10-cents per unit. The levy raises more than \$40 million per year for the Ontario Treasury. It is, in effect, a “green tax” on wine and liquor drinkers. If a deposit-return system did result in some wine and liquor bottles being refilled, the levy would not be applied and consumers would see a 10-cent saving for each unit purchased, proving a further incentive to producers to consider the refill option.

8.3 Financial impact on LCBO

Assuming the funding model anticipated by the Waste Diversion Act will apply to the LCBO, the corporation would be responsible for 50% of the net recycling costs of managing its empty bottles through Ontario’s blue box and apartment recycling programs. Until per-material costs have been established it is uncertain exactly how much the LCBO would have to pay. It currently spends \$4 million annually to support recycling. If a deposit-return system were established, the costs would be borne by the producers/consumers and by unclaimed deposits from those that chose not

to return their containers. Depending on the level of deposit, it is entirely possible that the system would be self-financing.

8.4 Financial impact on wineries and distilleries

If producers continue to use brand new containers for their products, a deposit-return system would have little impact on the wineries and distilleries. The possibility of purchasing clean, returned bottles for refilling offers a cheaper packaging alternative to smaller wineries who do not currently enjoy the advantages of bulk purchase for their new wine bottles. By applying the deposit to all wine and liquor, there would be no disproportionate price impact on any given brand, other than the removal of the Environmental Levy on refillable bottles.

8.5 Impact on existing blue box recycling program

There may be concerns that deposit-return for wine and liquor containers could see a “domino effect” and place pressure on all beverage containers to be included in a take-back system, removing the blue box’s valuable aluminum cans. Given the growing volume of soft drinks currently packaged in PET, and the ongoing uncertainty about how long the soft drink industry will continue to use aluminum, the net impact on municipal revenues may not necessarily be negative. It should also be noted that removing up to half of the glass from the curbside program provides the opportunity to add other materials or to reduce the number of collection vehicles.

8.6 Impact on the environment

By reducing the amount of material being collected in each community, and by reducing the time taken at each stop to empty the blue boxes, there will be substantial savings in energy use and emissions from the recycling system. Offsetting this would be the energy and emissions which result from those taking back their empty wine and liquor bottles. If all consumers were to make a special trip every time they had an empty

bottle to return, the environmental benefit would be doubtful. This is an ingenuous argument, however, as people are a lot more efficient with their time. Experience in other jurisdictions shows that the trips made by people to take back their empty wine and spirit bottles will be used to do other things. This is the logic for having recycling depots in existing high traffic areas like supermarket parking lots. If the liquor store or the beer store were to run the take-back program, consumers would be more inclined to take back their empties when they return to purchase more product. If a municipality were to operate the deposit-return program it would make more sense to combine that function with other “municipal business” like an arena, a household hazardous waste (HHW) depot, an electronic goods depot or a reuse centre.

9.0 Who runs the system?

This section explores briefly the operational possibilities of managing a deposit-return system for wine and liquor bottles. As a hypothetical exercise, the following are not intended as recommendations, merely as points for consideration and discussion.

9.1 LCBO

In August 1998, a comprehensive report from General Science Works, *LCBO Deposit Return: A Financial Analysis*, outlined in detail how a system might be set up. The study concluded that based on an 85% return rate, the system would not only pay for itself (from unredeemed deposits) but would realize an annual profit of \$2 million for the LCBO. Under the Waste Diversion Act, which passed in June 2002, if the LCBO had a separate recovery system, it would not be considered an obligated steward and would save \$4 million, based on current payments.

9.2 Brewers of Ontario

The Brewers currently run an extremely successful deposit-return system for Ontario beer

bottles. The infrastructure is already in place and the staff are experienced in depot operation and management. Whether the Brewers were to actually operate the system, or to contract it out to a third party, the consolidation of LCBO bottle return with the existing beer packaging return system offers the possibility of more efficiencies and “piggybacks” on existing traffic patterns and material marketing.

8.3 Municipalities

If municipalities are currently managing the LCBO containers, it is also reasonable to suggest they set up and operate (or contract out to a third party) their own take-back facilities, particularly if there is a financial incentive. That incentive could be monies from unredeemed deposits or per-container handling fees. Whether these take-back facilities were new or additions to existing municipal amenities, they may provide for the establishment of a broader take-back depot network which could include HHW, electronic goods, or other secondary materials.

9.4 Other

If the deposit-return system were not run by the LCBO, the Brewers or municipalities, tenders could be called or expressions of interest sought from the private or non-profit sector.

10.0 Conclusion

For many years, Ontario was seen as a leader in waste management issues. In the past 10 years or so, the province, for various reasons, has fallen behind and has failed to reach its diversion targets while other provinces have surpassed them. With the passage of the Waste Diversion Act, the Ontario Government has an opportunity to put the province back into the waste

management spotlight.

As enabling legislation, the Province has the flexibility with the Waste Diversion Act to take a “big picture” approach to waste diversion and demonstrate leadership.

What is being proposed in this document is nothing new; the Minister himself promoted the deposit-return concept for LCBO when running for the leadership of the Progressive Conservatives in Ontario earlier this year. The Premier was well aware of Mr. Stockwell’s philosophy when he placed him in charge of the environment portfolio.

Collecting wine and liquor containers via a deposit-return system would not be an indictment of the blue box, merely a recognition that higher recovery rates can be achieved.

No one is suggesting the curbside recycling program be discontinued. It has proved extremely effective in recovering newsprint and other fibres. But as we strive to reach our 50% waste diversion goal, it is increasingly clear from other provinces that other systems, working in tandem with our existing recovery programs, can help us get there.

ENDNOTES

¹ *Based on waste composition studies undertaken in 2000 and 2001 in the City of Toronto, the Region of Halton, the Region of Sudbury, the County of Simcoe and the Township of North Glengarry.*

² *When the Environmental Commissioner's Office estimated LCBO glass costs at \$10 million in 1996, recovered glass was selling at about \$40 per tonne. Today, clear glass is worth about \$25 per tonne and coloured glass is worth \$0. This adds approximately 10% to the net recycling cost, for a new estimate of \$11 million.*

³ *Each year, the Ontario Ministry of Environment and Energy, in conjunction with industry and recycling organizations, co-operate on the 3Rs Data Call: a comprehensive survey sent to municipal 3Rs programs. The highlights of these surveys is distributed via the "Municipal 3Rs in Ontario Fact Sheet".*

⁴ *In 2000, 94,682 tonnes of glass were recovered in Ontario. Assuming the percentage of liquor and cooler bottles in the glass stream (see Figure 1.) to be 45%, this suggests 42,606 tonnes of glass collected were LCBO containers and a further 12,781 tonnes were landfilled via the garbage stream. According to the Waste Diversion Organization (WDO) report of September 2000, the capture rate for all glass beverage containers in 1999 was 68%. Capture rates for LCBO containers tend to be a little higher than other glass. The figures above are based on a rounded-up capture rate of 70%. In 2000, 12,427 tonnes of PET were recycled in Ontario. Assuming the percentage of liquor and cooler bottles in the PET stream (see Figure 1.) to be 5%, this suggests 621 tonnes of PET collected were LCBO bottles and, applying the same ratio to non-recovered containers, a further 266 tonnes were landfilled via the garbage stream (based on 70% capture rate).*

**Wine and Liquor
Container Recovery
- The 2002 Perspective**

SPECIAL REPORT

Contains recycled fibres, naturally