

# PPSReview

**Product & Packaging  
Stewardship Review**

**MANAGING WASTE RESPONSIBLY**

An information service for municipal governments  
Vol 4, Issue 5, January 2004

# Finally!

## Ontario blue box plan approved—effective February 1.

Ontario's much-beleaguered blue box will start getting the support it so badly needs, next month.

After years of announcements, missed deadlines and false starts, the province's new environment minister Leona Dombrowsky approved the Blue Box Program Plan, and the 50-cent dollars for recycling that come with it, three days before Christmas.

The much-anticipated blue box approval was only one of a series of "good news" announcements made by the Liberal Government on environmental issues in December. Other statements covered truck and bus emissions, a moratorium on water-taking permits, zoning around green belt areas and more inspectors for water systems.

The December 22 announcement was accompanied by several supportive statements attributed to industry and government representatives, and this was followed by a flurry of supportive news releases from the Waste Diversion Ontario (WDO) board, Stewardship Ontario (SO) and the

Recycling Council of Ontario.

"The previous government promised municipalities funding to support blue box programs but never delivered," said Ms Dombrowsky.

The minister's Christmas gift also contains a formidable challenge. She has asked the WDO board to come up with a plan to increase recovery of blue box materials to 60 per cent by 2008. (It is currently about 45 per cent.) And she requested it by March.

The very plan Ms Dombrowsky has just approved, however, indicates it would be very expensive to increase recovery rates from 45 to even 50 per cent and only makes projections based on those two recovery rates.

At a brand owners' meeting last January, the blue box plan's senior architect, Derek Stephenson, noted that the recovery estimates in the plan may not meet the ministry's expectations "but we think there is good logic for it."

While WDO staff, industry and municipal officials scramble to meet the minister's challenge, the challenge

of collecting money from brand owners has already begun at the Stewardship Ontario offices.

During the second week of January official "letters of notification" will be sent to more than 25,000 potentially obligated stewards.

On January 21, SO hosts a "How to Register" workshop and webcast.

For more information on this event, visit [www.stewardshipontario.ca](http://www.stewardshipontario.ca) (SO's website).

*More WDO news on pages 3/6 & 4/6*

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We're there —  
Happy New Year!

## Briefly...

### ENVIRONMENTALLY PREFERABLE PRODUCTS IN NEW CATALOGUE

Office Depot is introducing the industry's first catalogue of entirely of environmentally preferable products—and it is printed on chlorine-free, 100 per cent post-consumer recycled-content paper. The Green Book was available to business customers by January 1 and to contain more than 1,000 products. Office Depot operates more than 870 retail stores in addition to a national business delivery network.

*Waste News electronics bulletin  
December 23, 2003*

### UK GOVERNMENT TARGETS LITTER

United Kingdom Local Environmental Quality Minister Alun Michael has launched a consultation aimed at reducing fast food litter. Fast food operators, local authorities, major land owners, enforcement agencies and other interested parties have until January 30, 2004, to contribute their views on the proposed Voluntary Code of Best Environmental Practice for the fast food industry. The draft code has been designed to enable fast food operators, together with local authorities, to reduce litter and waste without significant extra cost to the industry. Recent research has found there was an increase of 12 per cent in incidents of fast food litter from 2002 to 2003. Research shows that this type of litter has also become more widespread. Copies of the consultation document are available in electronic form from Department of Environment, Food & Rural Affairs website:

*www.defra.gov.uk/news  
October 29, 2003*

*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 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.**

## AGAINST THE WISHES OF TIRE DEALERS

# Make retailers the stewards, says tire stewardship group

The industry funding organization set up to develop a management plan for Ontario's scrap tires wants to have retailers, not brand owners and first importers, named as stewards—a position not supported by the tire dealers' association.

At its December 17 meeting, the Waste Diversion Ontario (WDO) board received several different items of

correspondence, including two letters each from Ontario Tire Stewardship (OTS) and the Ontario Tire Dealers Association (OTDA).

In the December 9 covering letter that included the Scrap Tire Recycling Program Plan, OTS chair Glen Maidment notes the OTDA's concerns but says the OTS board "decided to move forward with the program plan

submission as originally scheduled."

The report takes the position that the high volume of cross-jurisdictional trade "precludes cost-effective identification, tracking and collection of advance disposal fees from first importers and brand owners."

"In fact, the only unequivocal scrap tire generation point that can be consistently identified" is at the point of sale, says the report.

The OTDA's first letter, also dated December 9, notes it had asked the OTS board for a three-month extension in the submission of the plan so it could get legal advice on liability and insurance issues arising from having the retailer as steward. Failing to get that from OTS, OTDA was writing to the WDO Board requested the plan be sent back to OTS.

In its second letter, dated December 12, OTS requested an endorsement of its position on stewards (which is contrary to the original program request from the then minister of the environment (Chris Stockwell) and, as it was noted, could set a precedent for other materials like organics).

This in turn was followed by a second letter from OTDA, dated December 16, restating its position.

In the end, the WDO board, on a vote that was not unanimous, agreed to support the OTS request. This is the first time the WDO has made a request to the minister to change the terms of a stewardship program and this does set a precedent.

## OTS plan calls for \$4/tire levy

The Scrap Tire Recycling Program Plan proposal developed by Ontario Tire Stewardship (OTS) will be funded by a \$4.00 advanced disposal fee for each passenger and light truck tire and a \$6.00 fee on commercial tires.

Other highlights from the 40-page plan (available from the OTS website: [www.ontariotirestewardship.ca](http://www.ontariotirestewardship.ca)) includes:

- Applies initially to diversion and recycling of highway tires only
- Annual scrap tire volume of 10.8 million used highway tires equates to approximately 13.6 million Passenger Tire Equivalents (PTEs)
- Approximately 12 per cent or 1.2 million PTEs that are reusable are diverted for export or local used tire markets
- Existing capacity in Ontario to process is 5.3 million PTEs (into shred and crumb)
- Other uses: fabricated products (0.8 million PTEs), civil engineering (0.8 million PTEs), landfill (1.0 million PTEs)
- Approximately 3.7 million PTEs currently exported to the U.S. for use as Tire Derived Fuel (TDF)
- It is anticipated that cross-jurisdictional borders will close to the export of scrap tires at some point during the initial five years of program
- In the absence of dramatic increases in demand forecast for processed scrap tires, TDF will need to be considered as an alternative for recapturing the energy value of some annual generation as well as stockpile tires
- The balance of about 0.8 million PTEs are disposed of in non-verifiable ways that include illegal dumping
- Tire retailer has been designated as the Steward
- Fees will be used to fund transportation and processing credits for diversion operations as well as core stewardship programs
- Annual budget allocations over the next five years to fund stockpile remediation
- Unused remediation funds from any fiscal year will be carried forward to the next year
- Annual administration fees to operate OTS average 5 per cent of advanced disposal fee collected over the five years of the financial forecast.

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## INDUSTRY REPS ARE TOLD

# Time to get moving on electronics; some provinces ready to regulate

The move towards a national electronics recycling strategy is edging closer but it is taking too long.

In the meantime, the Canadian Council of Ministers of the Environment (CCME) has set up a task force to develop stewardship guidelines by the end of March and some individual provinces have served notice they are moving ahead with regulations to make sure it happens.

At the CCME meeting in Victoria, November 25, ministers agreed to develop Canada-wide principles for dealing with waste from electronic products, "building on the principles being developed by western provinces," according to a release issued by the CCME secretariat.

The moves come on the heels of a gathering held by Electronics Product Stewardship (EPS) Canada in Toronto.

Billed, ironically, as a "town hall meeting", although no actual municipal officials were in attendance, the event was held at the Sheraton Gateway Hotel in Toronto, November 14, and featured several speakers

addressing more than 80 by-invitation-only delegates on a variety of issues.

Dave Betts, president of EPS Canada, said the organization was founded by 16 electronics manufacturers "to work with the provincial regulators across the country".

"From the very beginning we have taken an open, transparent, approach to working alongside the governments who will establish regulations for e-waste."

### ALL HAVE A ROLE

EPS Canada's vice-chair Andre Hudon said while stewardship initiatives should be industry led, "consumers, government, industry, recyclers and supporting organizations all have a role to play."

"We believe we can deliver a solution that will meet individual provincial needs and meet our desire for a harmonized program," he said.

Duncan Bury, head of Product Policy, Pollution Prevention Office of Environment Canada congratulated the industry on its progress to date but said industry representatives need to be

"more aggressive" in developing a nationwide strategy.

On the technical side, Cindy Thomas from Noranda Recycling, which recently opened a plant in Brampton, Ontario, and Shelley Whatmore from Maxus Technology Inc. in Alberta spoke about e-recycling infrastructure in Canada.

Rod McCormick from Manitoba Conservation provided a case study on Manitoba's e-waste pilot.

Canada Post's Francine Conn spoke about the organization's ability to offer collection facilities.

Gail Bebee of Canadian Tire talked about the development of a stewardship plan for used oil in Ontario.

The afternoon featured two panel discussions, which revealed, among other things, that some provinces are ready to move ahead with regulation (British Columbia is looking at the end of March and Alberta recently announced its intention to bring in regulations.)

Included on the Regulators Panel were representatives from Alberta, British Columbia, Prince Edward Island, Québec and the Federation of Canadian Municipalities.

The Industry Panel featured representatives from Epson, HP, IBM, Sony and Thomson.

For more information on the meeting and updates on e-waste stewardship initiatives, visit the EPS Canada website ([www.epsc.ca](http://www.epsc.ca)).

## Brewers, Retail Council offer to guarantee WDO admin bills

The theory behind the setting up of Waste Diversion Ontario (WDO) was that the industry funding organizations (IFOs) would pay the WDO's administrative bills, once the initial start-up funds were exhausted. With no stewardship plans approved at that time, and expenses continuing to be incurred, the WDO board recently asked the Province to release more Liquor Control Board of Ontario funds to cover these costs.

As noted in *PPSReview* (August 2003), until the various stewardship plans are approved and funds collected, there will be no financial support for

the day-to-day WDO expenses.

Without that support, the organization may have to cease operations, board members were told at the July WDO meeting.

As of the December 17 WDO board meeting there had been no response to this question from Queen's Park and the situation was becoming critical.

The Brewers of Canada and the Retail Council of Canada have kept the ship afloat however, offering to guarantee the required funds for a letter of credit.

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LETTER TO THE EDITOR

## The switch to plastic means more landfill but higher fees

*(Editor's note: the following letter was written before the blue box plan was approved but the question about diversion is still just as relevant.)*

When brand owners want to make their product stand out from the competition, they either improve the product or change the label and package. This is called differentiation.

And when the product is coffee, and a coffee bean is a coffee bean, then modifying the label and package are changes intended to catch the consumer's eye.

So in the world of coffee, Proctor and Gamble's Folgers brand chooses to modify the label and redesign its one kilogram package by adding a handle, to a plastic can. (Yes, that's right, plastic - HDPE. The old steel can is gone.)

Proctor and Gamble aims to be the real winner through this marketing strategy by differentiating their brand in a plastic container in the hope that this will attract more customers to their product.

So who are the real losers? The other brand owners? Not so fast!

The real loss falls to the Blue Box and landfill. Steel coffee cans maybe stodgy but they still have a recycling rate higher than HDPE. This means that Proctor and Gamble's switch to plastic cans will see fewer cans recycled through the Blue Box and more cans going to landfill.

How many more? Well, based on Stewardship Ontario's Blue Box Program Plan, the recovery rate for HDPE is 33.6% and steel 47.99%, so for every one million plastic coffee cans sold in Ontario, 644,000 plastic coffee cans will be ending up in the garbage bin. That is 144,000 more plastic coffee cans than steel not being recycled. Let's remember there is no charge to brand owners for packaging ending up in landfill.

Sound silly? Yes, but this is not the end of the story.

Under Stewardship Ontario's proposed levy, Brand Owners will pay a fee to cover half of municipal Blue Box net costs, so Proctor and Gamble would be paying more per package for the plastic containers than steel. Actually, the levy cost is .00059 cents per can more for plastic than steel.

Now, what really does not make sense is that Stewardship Ontario's funding levy permits Brand Owners to pay more, to recycle less, resulting in additional waste moving to landfill, at no cost.

## COMING EVENTS

### January 21, 2004

"How to Register" Workshop and Webcast  
Stewardship Ontario  
Toronto, ON  
Call (416) 594-3456  
Visit [www.stewardshipontario.ca](http://www.stewardshipontario.ca)

### February 4 - 7, 2004

Federation of Canadian Municipalities' Sustainable Communities National Conference  
Ottawa, ON  
Call (613) 241 5221 ext. 360  
Visit [www.fcm.ca](http://www.fcm.ca)

### February 22 - 25, 2004

Rural Ontario Municipalities Association/Ontario Good Roads Association combined conferences  
Toronto, ON  
Call (416) 971-9856

### April 2 - 3, 2004

Extended Producer Responsibility conference  
Great Lakes United/AMRC  
Toronto, ON  
Call (877) 886-0142

### May 4 - 6, 2004

Recycling Council of Ontario Conference,  
Markham, ON  
Call (416) 657-2797, ext. 1

### May 5 - 7, 2004

Federation of Northern Ontario Municipalities Annual Conference  
Town of Mindemoya, Manitoulin Island, ON  
Call (705) 669-0135

So, before she approves the Blue Box Program Plan, the new Minister of the Environment should be demanding to know "how does Stewardship Ontario really intend to increase waste diversion?"

*(Name withheld by request.)*

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# Opinion Piece

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

## 'Tis the season etc.—goodwill to all environment ministers

by Jay Arthur

So, how do you like it so far?

Quite a lot, I am bound say—and I am not given to liking *anything* too much.

Barely two months after being sworn in as Ontario's environment minister (and having read, no doubt, my "briefing notes for the new minister"—*PPS Review November 2003*), Leona Dombrowsky has done what none of the seven ministers under the Tory dynasty could do. She has brought good news to municipalities.

And she did it in a way that leaves the door open to bring good news to the environmental community.

Whether she can appease the critics opposed to the whole Waste Diversion Act concept remains to be seen, of course. But let us give credit where it is due.

The new minister is very fortunate to have as advisors some very sharp cookies—not only folks who know understand the realities of local government in 2004, but also those whose outlook is rather less narrow and compromised than some of the previous backroom persons.

As a result, we have the December 22 announcement that the blue box will finally get its 50-cent dollars (more or less).

Look carefully in that hastily put-together and not-exactly-overflowing-in-detail government news release. There are a couple of interesting items.

Firstly we have what we might term the *60% Challenge*.

The minister asked the Waste Diversion Ontario (WDO) board to come up with a plan to increase the recovery of recyclables by one third (45% to 60%), and she has said she wants it in three months.

The tallness of this order would be approximately parallel to the Empire State Building.

The authors of the Blue Box Program Plan only bothered doing cost estimates for recovery rates of 45 and 50% because they don't think any more is feasible under the current system. They have said as much at brand owner meetings.

If the promoters of the existing blue box system had an ace up their sleeve for such a dramatic increase in recyclables recovery, one assumes they would have played it earlier.

In the next few weeks, then, the WDO directors would be well advised to step back and take a second look at the hybrid concept. For if they fail to meet the *60% Challenge*, Ms Dombrowsky will have to conclude they and the current arrangements are not up to the job and cannot meet the waste diversion mandate which gives the legislation its name.

With the funding regime in place, however, and providing some relief for local recycling programs, she can then take the time to develop her own plan to divert Ontario's waste from landfill.

Last time, I suggested Ms Dombrowsky look to British Columbia. Perhaps the WDO board will do the same. Perhaps, they will acknowledge that some kind of return system for containers might just be the ticket.

There has been a lot of pressure recently to have wine and liquor containers returnable for deposit and a similar system for soft drinks works

well in most other places.

If you can get most of the bad news glass and a good chunk of the expensive plastic containers out of the blue box, the costs will go down and the recovery numbers will improve significantly.

The WDO folks know this but they don't want to admit it. Well, it's time to admit it. You've had a good run. Now it's time to pay the piper.

The final line of the minister's December 22 announcement presents another challenge—this time, for her.

Banning organic waste from disposal at landfills was what propelled Nova Scotia beyond the 50% diversion target and such a move would, in

theory, do the same for Ontario. Or, at least, it would have done if so much material were not being driven down the 401 to Michigan. Assuming the Province can find a way legislatively to apply such a ban in what is

generally considered municipal territory, it would need to make it equally applicable to transfer stations.

Support for organics collection programs would be important, too, and the Waste Diversion Act allows for that. But where is the money coming from? Who are the stewards?

This one won't be so easy but at least Ms Dombrowsky has bought herself some time to get it right.

**"If the promoters of the existing blue box system had an ace up their sleeve for such a dramatic increase in recyclables recovery, one assumes they would have played it earlier."**