

# PPSReview

**MANAGING WASTE RESPONSIBLY**

**Product & Packaging  
Stewardship Review**

**An information service for municipal governments  
Vol 10, Issue 5, October 2011**

## Let's get the EPR train back on track in Ontario, say key players

Ontario's new environment minister will not be short of advice, or mail, when he sits down at his desk at 135 St. Clair Ave. West in Toronto.

Jim Bradley, who held this portfolio back in the early days of the blue box more than 20 years ago, will find at least two new letters in his in-tray, both following up on pre-election correspondences about who pays for Ontario waste management programs and how they are managed.

On July 4, the Association of Municipalities of Ontario (AMO) wrote to all four major political parties in the province seeking their positions on the issue. The letter, and the responses received, were posted on the AMO website.

As noted in the July issue of *PPSReview*, AMO wanted to know, among other things, how the parties would support waste diversion strategies "that ensure that industry cleans up after itself, property taxpayers aren't left holding the tab for waste management costs."

A week later, as part of a more general campaign before the election, AMO issued what it referred to as its "Top 12 Asks," and feels it secured from Premier Dalton McGuinty a promise to deliver on 10 of them.

One of the "asks" was a provincial commitment to promote "personal and producer responsibility within waste management systems."

In a follow-up letter the day after

the election, AMO reminded the Premier of those commitments and said it "looks forward to working with the Ontario Government to implement these changes in the best interest of the province."

In September, another letter was sent to the major political parties seeking their input on various issues via a survey. A joint submission, the letter came from some of Ontario's leading waste management and environmental organizations: the Ontario Waste Management Association, the Recycling Council of Ontario, the Municipal Waste Association, the Solid Waste Association of North America, the Regional Public Works Commissioners of Ontario, the Canadian Environmental Law Association and the Ontario Environment Industry Association.

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## More cash for municipalities, less for CIF projects in 2012

There will be more blue box money available for distribution to municipalities in 2012 but less set aside for increasing program efficiency via the Continuous Improvement Fund (CIF).

At its July meeting, the Waste Diversion Ontario (WDO) board confirmed the stewards' portion of the net blue box best practice system cost is \$93,449,345, a figure arrived at after negotiations between municipal and steward representatives on the Municipal-Industry Program Committee (MIPC). After deductions

of \$3,545,923 for the in-kind contribution made by the newspapers' associations, and a reduced allocation of \$4,476,305 for 2012 CIF funding, \$85,427,117 remains for distribution to municipal programs.

Last year, the stewards' portion of net blue box best practice system cost confirmed by the WDO board in 2010 was \$91,840,604.

After deductions \$81,122,238 was subsequently distributed in 2011.

Next year's payment represent a 5.3% increase over this year.

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# Briefly...

## US COLLEGES COMPETE TO DIVERT GAME DAY WASTE

The US EPA's 2011 Game Day Challenge is calling on colleges and universities with football teams to reduce waste. Schools design a waste plan for one regular season home football game. The amount of waste generated and recycled/composted determines the winner. In 2010, 75 schools participated, keeping 500,000 pounds of waste out of landfills.

*American Recycler, October 2011*  
[www.americanrecycler.com/1011/1151football.shtml](http://www.americanrecycler.com/1011/1151football.shtml)

## SNACK MAKERS MAY BE LEFT HOLDING THE BAG IN INDIAN CITY

The City of Panaji, capital of the state of Goa, has started a process to make potato chip makers and other manufacturers and brand owners of snack foods responsible for packaging waste. The city wants food companies to collect and recycle multi-layered plastic pouches, similar to an existing system for recycling mineral water bottles in the city. Any company selling items in pouches or sachets having at least one layer of plastic combined with layers of other materials would be made responsible for its packaging waste. This could include manufacturers of noodles, tea and other non-snack foods. Manufacturers are free to approach the problem together or individually.

*Times of India, July 20, 2011*  
[Articles.timesofindia.indiatimes.com/2011-07-20/goa/29794335\\_1\\_plastic-wate-ccp-patricia-pinto](http://Articles.timesofindia.indiatimes.com/2011-07-20/goa/29794335_1_plastic-wate-ccp-patricia-pinto)

## 5P A BAG IN WALES

On October 1, Wales became the first county in the UK to introduce a charge for plastic shopping bags. The 5p (8¢ CDN) charge applies to all single-use bags. In 2010, the Welsh took home 350 million plastic bags from major supermarkets. The Welsh Government anticipates a 90% reduction in plastic bag use as a result of the charge. The move is expected to reduce litter and other environmental damage. It will also cut costs. Municipalities in Wales estimate they spend £31 million (CDN\$49.5 million) annually to clean up plastic bag waste.

*Resource Recovery Forum, October 3, 2011*  
[www.resourcesnotwaste.org](http://www.resourcesnotwaste.org)

## AUSSIES UNVEIL 100% REUSABLE AND COMPOSTABLE BAG

A new company, Earth Bags Australia Ply Ltd., has developed a paper bag to replace plastic shopping bags. According to the company, the bag is first 100% reusable/biodegradable bags on the Australian market, it says. Made of paper with a natural beeswax coating, the bags can withstand the elements and hold heavy loads of up to 25 kg. The bags can be used for about two years, after which they can break down in 45 days after disposal in a composting environment. The bags sell for about US\$2.50 each, a high cost the company says is more than offset through the potential for reuse and the environmental benefits of the product.

[www.earthbagsaustralia.com.au](http://www.earthbagsaustralia.com.au)

## CALIFORNIA TO REVISIT FOAM BAN

In a move reportedly raising the ire of businesses across the state, the California legislature is considering a ban on the use of polystyrene foam at food establishments. The bill had successfully passed through the state Senate and two committee at the end of August. Short of the votes needed for passage, the bill was shelved in September until the new year, when proponents hope to have secured the necessary votes. If passed as is, it will come into effect January 1, 2016. It allows for the ban to go unenforced in communities able to recycle more than 60% of polystyrene generated. Over 50 communities in California already have bans on polystyrene.

*Nation's Restaurant News, September 12, 2011*  
[www.nrn.com/article/lawmakers-revisit-california-styrofoam-ban](http://www.nrn.com/article/lawmakers-revisit-california-styrofoam-ban)

## COMPOSTING "DRUG TRIALS" IN MAINE

Researchers at the Maine Department of Environmental Protection are testing a new way to deal with unused medication—composting. Maine has been very successful in collecting unused medication, gathering more per person than any other state. With state environmental regulations banning the disposal of much of the medical waste collected, materials must be shipped out-of-state for incineration, which is an extremely expensive venture. The researchers hope their tests show that after the composting process, denatured medical waste is safe for use as landfill cover or other purposes—an inexpensive solution to a nationwide problem.

*Maine Sunday Telegram, October 2, 2011*  
[www.pressherald.com](http://www.pressherald.com)

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

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## REGIONALIZATION IN ONTARIO

# MIPC changes focus from individual program improvement to waste-sheds

Two publications issued in Ontario in October are shedding light on the new priorities being adopted by the Municipal-Industry Program Committee (MIPC), a sub-committee of Waste Diversion Ontario (WDO).

The first edition of the *MIPC Minute*, whose masthead shows a September publication date, was released on October 6 and posted on the WDO website at [www.wdo.ca](http://www.wdo.ca).

The four-page e-bulletin provides insight into what happens at MIPC meetings. It appears no official minutes are taken at the meetings, which have been held for the past eight years.

### MAIN FORUM

MIPC has been the main forum between municipal representatives and representatives for stewards to discuss issues relating to blue box funding.

There is no record of publically-available minutes or written reports from the MIPC meetings being discussed at the WDO board meetings, but there are occasional references to reports and recommendations from MIPC in the WDO board minutes.

There are actually no publically-available minutes from the other WDO subcommittees posted on the website either, but, again, there do appear to be regular reports to the board on their

activities.

None of the MIPC members sits on the WDO board or directors, except for the WDO CEO. WDO minutes suggest it is this individual, who acts as a non-voting chair of the MIPC meetings, who reports to the board on MIPC activities.

MIPC members or representatives of their organizations do, however, often attend WDO meetings—particularly on the steward side.

At its June meeting, according to the *MIPC Minute*, MIPC approved the extension of the Continuous Improvement Fund (CIF) for a further two years and approved additional funding to support the program in 2012.

### RE-EXAMINE

MIPC will re-examine the CIF program needs and determine appropriate funding levels for 2013 at its fee-setting meeting in June 2012.

The focus of CIF, *MIPC Minute* notes, “will shift to a waste-shed basis from its current individual program improvement focus.”

Future CIF projects will concentrate on “improving effectiveness of program delivery by optimizing collection and delivery of materials from natural waste-sheds.”

These waste-sheds may cross several

municipal boundaries, it is noted.

“This work will set the basis for the implementation of full Extended Producer Responsibility.”

The most recent issue of *CIF Connections*, which has been appearing regularly since the fall of 2009, was distributed October 14.

It says the CIF funding has been reduced by MIPC because of an increase in the amount of money deducted for the in-kind advertising offered by the newspaper associations.

### REGIONALIZATION

According to the same bulletin, MIPC designated half of this funding and up to \$8 million of the 2011 budget be set aside for regionalization projects.

“These decisions require the CIF to re-prioritize its initiatives for 2011 as there are over \$23 million in municipal applications still under review and only \$18.9 million in remaining budget,” notes CIF Program Director Andy Campbell.

Currently, to meet the revised MIPC budget for 2011, approximately \$10 million in applications will have to be rejected, *CIF Connections* notes.

“To achieve this we will look to fund those projects that provide the best operational improvements and cost benefits,” Mr. Campbell says.

Applications for public space recycling and multi-residential projects will no longer be priorities for 2011, given the budget shortfall.

Applicants who have not already heard from CIF staff about their application are to be notified by the end of October.

## November 8 RFP deadline for MRF rationalization study

Waste Diversion Ontario (WDO) and the Continuous Improvement Fund (CIF) have issued a request for proposals from qualified consulting firms to undertake a study for the optimization of the blue box material processing system in Ontario. The response deadline is November 8, 2011.

In 2010, WDO undertook a review of the existing publically-owned Material Recovery Facilities (MRF) in Ontario to determine the capacity, capability and

condition of each facility. In 2011, CIF commissioned a study to investigate optimizing the existing MRF infrastructure in Eastern Ontario. This project seeks to expand on these investigations to determine a provincially-optimized blue box material processing system.

The document can be obtained at the following link: <https://wdocif.sharefile.com/d/s1b68b4dbccd4aafb>.

# Stewardship Ontario announces new incentives, removes MHSW deadlines

Beginning in the new year, Stewardship Ontario will directly control the transportation and processing of Municipal Hazardous or Special Waste (MHSW) Phase One materials.

In an October 17 letter to transporters and processors of MHSW Phase One materials from municipalities, Stewardship Ontario MHSW vice-president Tamara Burns seeks to allay fears about the program.

“There has been concern about what changes might be made and how they might affect municipalities and the existing servicing marketplace,” she notes.

Stewardship Ontario understands the need for continuing dialogue and input from stakeholders as a precursor to change.

Ms. Burns says the organization

considered a range of options for transportation and processing from municipal depots including:

- tendering through RFP by provincial zones,
- the creation of consolidation hubs, and
- an incentive system.

These various options were discussed during the planning stage this summer by its operating team.

Stewardship Ontario has decided to continue to expand its incentive model, adding a new Municipal Depot Transportation and Processing Incentive Program to begin at the start of 2012.

This will be in addition to the current active incentive programs: the Automotive Incentive Program (AIP) and the Battery Incentive Program (BIP).

The AIP and BIP remain unchanged and independent of this new program. “Stewardship Ontario will neither be

directly engaged in the marketplace as a collector, transporter or processor, nor will it dictate how municipalities choose their service providers,” Ms. Burns writes.

Stewardship Ontario is working with Marty McGinnis, a supply chain consultant, “who is an expert in developing and implementing distribution and reverse supply chain systems.”

Transporters and processors will be receiving detailed information on the new Municipal Depot Transportation and Processing Incentive Program in the next few weeks.

“We recognized from the start that this project was multi-faceted and complex, requiring a skill for analysis and sensitivity parameters of the highest order,” writes Ms. Burns.

## **DEADLINE REMOVED**

In the summer, Stewardship Ontario withdrew the deadline it had set for the completion of new MHSW service agreements, a deadline many municipalities felt was too onerous.

Stewardship Ontario agreed to remove the September 30 deadline for signing the Phase 1 agreement, and allow municipalities to still be eligible to receive funding retroactively to July 1, 2011, once they sign the agreement, provided they continue to submit cost data on a monthly basis.

This should allow adequate time for municipal staff to seek approval from their respective councils on the agreements.

## Let's get on with it, AMO and waste organizations tell Ontario

*Continued from Page 1/8*

In its response, the Ontario Liberal Party confirmed its commitment to extended producer responsibility.

But the wording does not reflect the clearly-stated intention of full responsibility (i.e., 100% industry funding) for the blue box that was contained in the discussion paper issued by then Environment Minister John Gerretsen a couple of years back as part of the review of the Waste Diversion Act (WDA).

The wording in the Liberals' survey responses to questions on the WDA review is also somewhat less than robust compared to the statements previously expressed in Mr. Gerretsen's day. (Mr. Gerretsen was replaced by John Wilkinson last fall, shortly after what became known as the

eco fee fiasco, and there have been nothing but wishy-washy statements on product stewardship and the WDA review ever since. Mr. Wilkinson lost his seat in the October election and the Liberals are now operating as a minority government, albeit by one seat.)

The waste organizations also sent a follow-up letter to the Ontario Premier, reminding him of the general commitments the Liberals made in their responses to the survey and seeking a meeting to discuss them in further detail.

The Premier will need at least one vote from the other side of the legislature to make his government work and the Ontario New Democrats have been very clear where they stand on EPR and full product stewardship.

They want it.

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# BC beverage container consultation set for November 23 in Vancouver

A consultation on the Beverage Container Product Category of the British Columbia Recycling Regulation will be held in Vancouver on November 23, 2011.

The purpose of the meeting is to identify potential opportunities to increase program performance with the least incremental financial impact to consumers and the producer programs.

The overall recovery rate of beverage containers for recycling in BC is over 80%, which continues to be one of the highest in North America, notes the BC Ministry of the Environment.

Nonetheless, annual recovery rates have not increased significantly over the past few years and, in 2010, over 285 million containers were unaccounted for and likely discarded into the municipal garbage stream or as litter.

The Recycling Regulation establishes stewardship responsibilities for producers and sellers of ready-to-serve beverages except milk and milk substitutes.

While the Recycling Regulation is designed to provide the beverage industry with the maximum flexibility to achieve the environmental objectives set by the BC Government, the Beverage Container Product Category

contains prescriptive measures intended to incent higher program performance.

This consultation will focus on the influence of the prescriptive measures in the Beverage Container Product Category, Schedule 1 of the Recycling Regulation.

The provisions from Schedule 1 that are under review are:

- deposit-refund levels (e.g. 5, 10 and 20 cents);
- retail collection requirements (e.g. 24 containers per day per person); and
- container design and management requirements (e.g. containers must be refilled or recycled).

This consultation process will be limited to the above provisions, which are intended to support and improve performance in industry's approved product stewardship programs.

Those planning to attend are asked to send an email by November 17 to [eqb@victoria1.gov.bc.ca](mailto:eqb@victoria1.gov.bc.ca), with the subject line, "Beverage Container Consultation."

Those unable to attend may submit comments regarding the prescriptive

measures of the Beverage Container Product Category. Submissions should include suggestions on potential opportunities to enhance the performance of the Beverage Container Program without a significant increase in costs to consumers and producers.

Written comments should be sent by November 30, either by email to [eqb@victoria1.gov.bc.ca](mailto:eqb@victoria1.gov.bc.ca) or by mail to the Ministry of Environment, Industry Product Stewardship, PO Box 9341 Stn Prov Govt, Victoria, BC V8W 9M1.

A draft report, summarizing the consultation findings, will be publically available for review and comment in early 2012. These comments will be included in the final Stakeholder Consultation Summary Report.

The Ministry will review and consider the findings of this initial stakeholder consultation and consider further action.

For more information on this consultation, visit: [www.env.gov.bc.ca/epd/recycling/epr/](http://www.env.gov.bc.ca/epd/recycling/epr/).

## MMBC update

Multi-Material British Columbia (MMBC) is still evaluating the proposals submitted to the new organization in connection with the development of a plan to manage printed papers and residential packaging in the province.

Currently under consideration is Phase One of the plan: a current state assessment and program model options development.

In future, Phase Two will cover program plan development, and Phase Three will look at program implementation.

The Association of Municipalities of Ontario (AMO) ran a special advertising insert in newspapers across Ontario in September to promote discussion about waste management and its funding in Ontario.

The insert was funded by the newspaper industry's in-kind contribution to recycling programs.

On one side it emphasized the importance of personal responsibility in waste reduction, which may be viewed as the promotion and education "for any type of municipal waste diversion program and/or service" the in-kind program was intended to cover.

The other side was dedicated to promoting producer responsibility, which may be viewed as advocacy and

perhaps not something the in-kind contribution was supposed to cover.

The ads can be viewed, at [www.amo.on.ca/AM/Template.cfm?Section=Home&CONTENTID=163123&TEMPLATE=/CM/ContentDisplay.cfm](http://www.amo.on.ca/AM/Template.cfm?Section=Home&CONTENTID=163123&TEMPLATE=/CM/ContentDisplay.cfm).

## Half of AMO's Trash Talk promoted waste reduction

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THEY LOVE DEPOSITS, THEY LOVE THEM NOT...

# As You Sow report amended to confirm Coke as anti-deposits

A recycling report was released by the U.S.-based As You Sow organization in August made big news for a while, because it suggested soft-drink maker Coca Cola might be going soft on deposit systems.

But it was hastily amended after it came it out.

In a correction issued August 12, As You Sow's Conrad MacKerron, noted "an editing error...resulted in an incorrect description" of Coke's stand on container deposits.

The company, it seems, is neutral on a "voluntary" system of deposits administered by associated industries, but Coke is opposed to "consumer deposits administered by an independent third party."

A news release issued August 10 says Coke, Nestle Waters and brewer New Belgium "support EPR efforts."

The report is As You Sow's third *U.S. Beverage Container Recycling Scorecard and Report*.

## SEVEN SECTIONS

It is organized into seven sections: general environmental performance, source reduction, recycled content, recyclability, container recovery,

## Unplugged gets under way in BC

*Unplugged*, British Columbia's small appliance recycling program, got under way October 1.

The Canadian Electrical Stewardship Association (CESA) program will collect personal care, kitchen counter-top and floor cleaning appliances.

The appliances will be sent to processors in western Canada, where metals, plastics and glass will be separated and recycled or reused.

For more information, visit [www.cesarecycling.ca](http://www.cesarecycling.ca).

findings, and recommendations.

Nestlé Waters North America received the highest score on the scorecard, followed by PepsiCo, The Coca-Cola Company and Red Bull.

The report discusses new efforts by several companies to promote extended producer responsibility (EPR) mandates to reverse lagging U.S. bottle and can recycling rates.

The report notes that of the 224 billion beverage containers sold annually in the U.S. only 29% by weight are recycled; the rest are landfilled or incinerated, resulting in a huge waste of natural resources.

In Europe and Canada, where EPR laws are in place, far higher levels of containers are recovered.

"The major development since our last survey has been the willingness of leading beverage companies to consider new legislative mandates requiring them to take responsibility for their post-consumer packaging," said Mr. MacKerron, who is Senior Director of As You Sow's Corporate Social Responsibility Program.

## IN OTHER COUNTRIES

"Many beverage and consumer packaged goods companies pay fees in other countries to finance recovery of their packaging. It's significant that companies are finally acknowledging the need to take responsibility in the U.S. as well."

One of the report's recommendations are that the beverage industry needs to greatly increase engagement and integration with stakeholders and other industries like consumer packaged goods and grocery retailers who produce private labels. This is "in order to have strong buy-in" for producer responsibility packaging legislation and to reach agreement on related policies to increase beverage container recycling rates.

Among the discussion that has taken place since the report and its corrected version were released is the

following observation from Susan Collins of the Container Recycling Institute, courtesy of *Resource Recycling*.

She notes New Belgium's annual sustainability report supports container deposit legislation.

Nestle Waters, however, "has paid a lobbyist in Colorado to lobby against container deposits" (listed on the Colorado Secretary of State website), and their subsidiary, Poland Spring Bottling Company, is publicly listed in opposition to the expansion of the container deposit law in Massachusetts.

"Nestle Waters' public statements in support of container deposits would seem to stand in contrast to their spending on lobbyists and campaigns to oppose container deposits."

The updated version of *Waste & Opportunities 2011: U.S. Beverage Container Recycling Scorecard and Report* can be found at [www.asyousow.org/sustainability/bev\\_survey.shtml](http://www.asyousow.org/sustainability/bev_survey.shtml).

THIS JUST IN...

## Datacall info posted

Waste Diversion Ontario has posted the tonnage and financial data from last year's Municipal Datacall.

Visit [www.wdo.ca/news/?id=178088](http://www.wdo.ca/news/?id=178088).

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# Nova Scotia eyes EPR in plan

Extended producer responsibility (EPR) is a key plank in Nova Scotia's new solid waste management plan.

*Our Path Forward: Building on the Success of Nova Scotia's Waste Resource Management Strategy*, was released September 6. The plan lays out five goals to help get the province to its disposal target of less than 300 kilograms of waste per person per year by 2015:

- increase participation in waste prevention and diversion
- improve compliance and education programs
- increase waste diversion
- increase cost-effectiveness of diversion programs
- increase producer responsibility for end-of-life product and materials management.

The governments says it will meet its product stewardship goal by "ensuring that Nova Scotia's regulatory environment supports product stewardship and by developing an EPR action plan for the province."

Several product stewardship programs are already in place in Nova Scotia, including milk packaging recycling and e-waste recycling.

The new plan also calls for increased diversion of construction and demolition waste.

To download the full plan, visit [www.gov.ns.ca/nse/waste/docs/solid.waste.strategy-our.path.forward.2011.pdf](http://www.gov.ns.ca/nse/waste/docs/solid.waste.strategy-our.path.forward.2011.pdf).

# Cross-Canada EPR inventory now available

A searchable inventory of extended producer responsibility (EPR) programs from across the country is now available online.

The Environment Canada inventory covers existing EPR programs; programs in development are not included. The inventory can be searched by region and product category, and provides information on:

- products are included in the programs;
- product collected and drop-off locations;
- targets and performance of programs; program fees; policies, monitoring and reporting; and
- contact information.

Find the inventory by selecting the EPR tab to the left of the screen at [www.ec.gc.ca/gdd-mw](http://www.ec.gc.ca/gdd-mw).

# Stewardship conference presentations online

Presentations from the 2011 Conference on Canadian Stewardship are now ready for download. Among those available:

- The Evolution of Product Stewardship and EPR in Australia and New Zealand, *Russ Martin, Global Product Stewardship County*
- The Continuing Evolution of Producer Responsibility Systems for Packaging in Europe, *Joachim Quoden, PRO Europe*
- The Global Protocol for Packaging Sustainability, *Katherine O'Dea, Sustainable Packaging Coalition*

The biannual conference was held September 20—21 in Halifax, taking the theme, "Sustainable Stewardship."

Download the presentations at [www.canadianstewardship.com/2011home.html](http://www.canadianstewardship.com/2011home.html).

## COMING EVENTS

### October 27

Municipal Waste Association  
Fall Workshop  
Niagara-on-the-Lake, ON  
[www.municipalwaste.ca](http://www.municipalwaste.ca)

### November 7-9

Canadian Waste Sector Symposium  
Montreal, QC  
[www.canwastesectorsymposium.ca](http://www.canwastesectorsymposium.ca)

### November 9-10

Canadian Waste & Recycling Expo  
Montreal, QC  
[www.cwre.ca](http://www.cwre.ca)

### November 21-24

Association of Manitoba  
Municipalities Convention  
Brandon, MB  
[www.amm.mb.ca](http://www.amm.mb.ca)

### November 25

Ontario West Municipal Conference  
London, ON  
[www.amo.on.ca](http://www.amo.on.ca)

### January 17-20

US Composting Council Conference  
Austin, TX  
[compostingcouncil.org](http://compostingcouncil.org)

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# Opinion Piece

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

## An EPR “fee” primer for Canada’s new environment ministers—it’s a bad idea

by Jay Arthur

Imagine walking into a store, looking around, and finding to your delight that all the prices had gone down.

You fill your trolley with all kinds of goodies and head for the checkout. Carefully and methodically, the cashier scans your items and slides them along the counter as she rings them in.

Just as you start wondering what’s taking so long you notice the receipt tape coming out of the till is three feet long. And the final bill is way higher than the rough total you had anticipated as you collected your purchases.

For every bargain-basement-priced item listed on the receipt there is a raw materials levy, a manufacturing cost, a transportation charge (which includes a fuel supplement), a merchandising premium, and, of course, an environmental handling fee. And on top of that is the HST.

This shoppers’ dystopia is of course a fantasy, but it is really a logical extension of the thinking the retail sector and others have been promoting in their push for what have become known as visible fees. It’s called “transparency.”

### **NONSENSE**

With so many newly-elected provincial governments appointing new environment ministers this fall, this seems like a good time to review this issue and the nonsense that surrounds it.

This visible/invisible fee discussion is actually bogus. The use of the word “fee” is misleading, unless you take it to mean a cost that used to be covered by taxpayers but has now been dumped on the poor consumer.

Even the most ardent capitalists are closet socialists— if it means society as a whole will take responsibility for any environmental and health protection required as result of the items coming

off the end of their production line.

You can’t blame the people that sell stuff from wanting to be able to offer consumers low prices. It’s pretty basic— lower price, higher demand.

So while they all talk a good story now, for the most part, it really isn’t in their interest to mess with a system that has worked quite nicely for them over the years.

### **“This visible/invisible fee discussion is actually bogus.”**

The nature of the marketplace means that anything that keeps the price low is good for business and if it were not for the intervention of government regulation sticker prices would not be as high. But then life for a whole lot of people would be pretty bleak.

We do seem as a society to be acknowledging that cheap clothes that come from sweat shops are not a good thing and the production of goods that do serious harm to our environment— at the back end or the front end—are not a good thing, either.

In most of the so-called developed world the idea of producer responsibility it slowly taking hold. It won’t happen without government regulation and it won’t work without standards.

That’s where you, as environment ministers, come in.

Ironically, the same competitive forces that keep prices down will ensure that the actual cost of a product’s environmental management is minimized too, just as it is with raw material costs, manufacturing and transportation costs and merchandising expenses.

But those forces also make industry try to delay any changes that interfere with the “make it-sell it” cycle and are now leading industry to balk at the notion that proper environmental handling

is a regular cost of doing business.

So even though there is grudging acknowledgement that the cost needs to be removed from the general taxpayer, there is continuous pressure to not treat it as a regular cost at the checkout. Instead it is characterized as a fee, or a tax— anything that can see the blame assigned to government.

One industry group recently chastised the Quebec Government for its insistence that the environmental costs be part of the product price, as opposed to collected separately as a fee. The argument presented was, in essence, that because other jurisdictions allow separate fees retailers in Quebec would incur millions of dollars of costs “as IT systems and advertising will have to be adapted for Quebec only pricing.”

The same writer claims consumers are “supportive” of eco fees. (Couldn’t you just feel the love, last August?)

There are of course, other jurisdictions that are considering this issue, Quebec’s neighbor Ontario being one of them.

And should Ontario’s new Environment Minister Jim Bradley take the advice of one of his predecessors and require that environmental costs *are* included in the sticker price, then more than half the country’s retailers won’t have to change anything and I suspect it wouldn’t be long before the others followed suit.

You have to love the marketplace.

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