



## **The Tipping Point:** **Driving Change in Waste Diversion**

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# Context

Municipal governments play a pivotal role in Canada and around the world in ensuring residential waste is properly managed to protect the health of our communities and our environment. We help to make sure waste is managed safely in our communities and not improperly disposed of in our environment. We do so by cleaning up litter, managing residual waste in our wastewater treatment facilities and through recycling or disposal programs. Significant progress has been made by municipalities to operate integrated waste management systems that keep our communities safe and improve environmental outcomes.

However, waste management is a significant and growing municipal challenge, especially here in Ontario. Costs are steadily increasing; household recycling performance has plateaued; no emphasis is being placed on recycling of industrial, commercial and institutional paper products & packaging (PPP) despite representing a larger amount of materials; municipalities are increasingly dealing with issues related to more material ending up in our environment, including our waterways, parks and communities; and municipalities are faced with limited landfill capacity.

Producers have introduced an increasing number of non-recyclable and difficult to manage products and packaging that are threatening the viability of Ontario's iconic Blue Box program. Some major problems that are generally outside the sphere of influence of municipalities include:

**A rapidly changing waste stream** – Plastics use has increased 620% over the last 40 years, with 8.3 billion metric tonnes produced globally since the 1950s.<sup>1</sup> This significant shift to plastics

from other traditional packaging materials (for which the Blue Box program was designed) has meant substantial cost increases for municipalities to deal with these materials. In addition, the increase in plastics and laminated packaging has increased the complexity of sorting the Blue Box mix and reduced the value of other recycled commodities. While many new plastic packaging types such as laminates may have other appealing attributes, they do not have commercially viable recycling end markets and end up either as pollution in the environment or in over-burdened disposal sites.

Compounding the issue is that some producers improperly label and advertise the recyclability and compostability of their products, which undermines the legitimate efforts being made by other companies. These products add unnecessary costs to municipal recycling and composting programs, and can degrade the value of recovered materials that have been designed for recycling. This practice also confuses consumers and erodes citizen confidence related to recycling efforts. The Competition Bureau released guidance on environmental claims on recycling.<sup>2</sup> The guide states that to claim recyclability there needs to be accessible collection systems and facilities to process the materials and a market to reutilize them; however, this guidance does not appear to be having its intended impact.



Plastics use has increased **620%** over the last 40 years.

<sup>1</sup> J. Jambeck, "Identifying Our Main Challenges." Lecture, Informing Canada's G7 Presidency – A Workshop on Global Marine Plastics Solutions, Ottawa, Ontario, Canada, April 25, 2018.

<sup>2</sup> Canadian Standards Association, *Environmental claims: A guide for industry and advertisers*, 2008. Available at [http://www.competitionbureau.gc.ca/eic/site/cb-bc.nsf/vwapj/guide-for-industry-and-advertisers-en.pdf/\\$FILE/guide-for-industry-and-advertisers-en.pdf](http://www.competitionbureau.gc.ca/eic/site/cb-bc.nsf/vwapj/guide-for-industry-and-advertisers-en.pdf/$FILE/guide-for-industry-and-advertisers-en.pdf).

**More waste products and packaging leaking into our environment** – Increasing amounts of plastic waste products and packaging are ending up in our oceans, lakes, rivers and other bodies of water and this poses a dire threat to sensitive ecosystems, wildlife, communities, and individuals. This is a growing public health and safety issue as well as an environmental concern. It is of particular concern to municipal governments who are forced to deal with plastics at the “end of the pipe” as litter, in the waste stream, through recycling programs, or at waste water treatment facilities. Recent studies estimate 8 million tonnes of plastics are ending up in our oceans annually.<sup>3</sup> An additional 10,000 tonnes per year is estimated to be entering the Great Lakes.<sup>4</sup> This has profound impacts on marine mammals, fish, and birds. At the same time, microplastics are being increasingly found in our drinking water with uncertain health impacts.

**Weak end markets** – One key problem with current commodity markets is that it is often cheaper to purchase virgin materials than recycled materials. This is especially relevant for plastics which are the fastest growing component of the waste stream. The external costs associated with extracting new resources or properly managing these materials at end of life are currently not taken into account. As a result, a vicious cycle is created whereby more and more virgin materials are used to make products or packaging that end up in our environment and the economics for municipalities to properly manage them are not there. This is putting substantial financial pressure on municipal governments and increasing system costs while they have no ability to influence the quantity and types of PPP supplied by producers into Ontario.

**Lack of disposal capacity** – The capacity to dispose of waste in Ontario is shrinking. A 2010 Ontario Auditor General’s report stated that one in five municipalities surveyed stated that they had insufficient disposal capacity to meet their community’s needs. Similar concerns are also being raised in the United States.<sup>5</sup> Ensuring more of these materials are reutilized will help to reduce the need for new disposal sites.

**Collection and processing infrastructure** – Due to the rapidly evolving waste stream and uncertainty as to the future of Ontario’s recycling/waste management legislative framework there has been a lack of investment in infrastructure to properly process PPP. The approvals process to put this infrastructure in place also leads to untimely delays.



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**10,000 tonnes** per year is estimated to be entering the Great Lakes.

*Certainty on a timeline to transition to full producer responsibility would help the industry plan and reinvigorate investment in the sector.*

<sup>3</sup> J. R. Jambeck et al., *Plastic waste inputs from land into the ocean* (Science, 13 February 2015).

<sup>4</sup> M. J. Hoffman and E. Hittinger, *Inventory and transport of plastic debris in the Laurentian Great Lakes* (Marine Pollution Bulletin, Vol 115, 15 February 2017).

<sup>5</sup> Waste Dive, “US landfill capacity to drop 15% over next 5 years,” May 8, 2018. Available at <https://www.wastedive.com/new/us-landfill-capacity-decrease-SWEEP/523027/>.

# Solutions

Property taxpayers should not be responsible to manage and co-fund a recycling system when they have no influence over the types of materials entering the waste stream nor do they have the means to create new end markets for these materials. Government policies should focus responsibility on those that can most effectively and efficiently drive change – the producer. As many other jurisdictions have done successfully around the world,<sup>6</sup> producers should be made fully responsible to collect and ensure their materials are properly recycled.

Globally, many corporations recognize that they are in the best position to drive change to address this issue, rather than burdening property taxpayers. It is time for Ontario and the federal government to take action:

## 1. Move to full producer responsibility –

Shifting this responsibility to producers will create economic opportunities, incent innovation, improve our environment, and reduce the burden on Ontario’s taxpayers.

Producers are in the best position to communicate directly with consumers about whether their products and packaging can be recycled and how to best collect them. They are also best informed to invest in the recycling collection and processing system necessary and to create markets to support their end use. This means making producers directly responsible for ensuring accessibility to all Ontarians, continually improving both collection and recycling outcomes, allowing for competition to drive innovation both at the service provider and producer level, and ensuring transparency and direct accountability. Ontario’s *Resource Recovery and Circular Economy Act, 2016* is a leading example for this framework. Many elements of this legislation are relevant to all regions of Canada.

One of the most recent examples of producer responsibility in Canada has been implemented in British Columbia. While the program has many positive attributes, there are some shortcomings including a lack of accessibility targets and minimal transparency on how performance is established, measured, reported and verified. There is also a lack of a properly resourced oversight and enforcement body. A full producer responsibility framework needs to solve the limitations experienced in the British Columbia model, and be informed by other Canadian and international examples.

## 2. Establish national targets and drive consistent definitions & metrics –

Set national mandatory targets that at a minimum match those already agreed to in other leading jurisdictions.<sup>7</sup> By 2025, Canada should transform the plastic packaging sector by meeting four targets:

- a. Along with reduction efforts, all plastic packaging should be reusable or recyclable.
- b. A 70% target for all plastic packaging to be effectively reused or recycled.
- c. Take actions to eliminate problematic or unnecessary single-use packaging items through redesign, innovation or alternative (reuse) delivery models.
- d. A target of 50% average recycled content across all plastic packaging.

Note it is not enough to confirm that there are municipal or industry collection systems where the product is sold in order to make a claim of “recyclable” or “compostable.” There must also be facilities to process the collected materials and reuse them as an input to another product that can be marketed and used. This is in line with the Canadian

<sup>6</sup> OECD, *Extended Producer Responsibility: Updated Guidance for Efficient Waste Management, 2016*. Available at <http://www.oecd.org/development/extended-producer-responsibility-9789264256385-en.htm>.

<sup>7</sup> Information on the Plastic Pact can be found at <http://www.wrap.org.uk/content/the-uk-plastics-pact>

Standards Association's environmental claims:  
A guide for industry and advertisers from 2008.

These targets must be accompanied by consistent national definitions (e.g. circular economy, resource recovery, recycling), performance standards, and measurement protocols including auditing to gauge progress towards zero plastic waste.

**3. Address issues related to single use packaging and problematic materials** –

Take targeted national action, such as bans, fees, or recycled content requirements, to reduce the use of disposable single-use products and eliminate problematic plastics and plastic additives.

**4. Support end markets** – Support for recyclable commodity markets to incentivize the use of secondary materials over virgin material through tax incentives and procurement practices.

**5. Ensure stranded materials are addressed** – Permanent, dedicated, and annual federal and/or provincial funding will be needed to address products and packaging that do not have a responsible producer. Community-led projects should also be started to clean up plastics and debris on shores, banks, beaches and other aquatic peripheries that do not take away from the goals of producer responsibility. Education and outreach campaigns on the root causes and negative environmental effects of waste products and packaging in and around all bodies of water should be created.

**6. Reduce red tape related to new, expanded or altered waste management infrastructure that improves environmental outcomes** – There are a number of examples where process improvements or new infrastructure plans have been abandoned due to barriers, such

as excessive timelines. It is important to emphasize that this is not about making it easier to get approvals as municipalities often are forced to become involved when environmental rules are too lax. These facilities can pose potential environmental risks, such as landfills to drinking water sources, so they should have appropriate controls in place. Instead, this is about ensuring organizations that want to build, expand or change a facility have a clearer and more prompt path to receive a response.

Some options for amendments include the use of exemptions, allowing for qualified professionals to approve modifications to waste processing facilities that have little potential negative environmental impacts and in many cases offer environmental benefit, allowing for more opportunities for a standardized approvals process (i.e. Environmental Activity and Sector Registry) and updating D-Series Land Use Compatibility Guidelines.

**7. Create economies of scale** – Ensure mandatory requirements for actions such as source separation and recycling that are placed on municipal governments are equally applied to the business sector to create efficiencies and improve economic and environmental outcomes.

**8. Improve waste management data** – Allow for the use of electronic submissions of waste management data to reduce administrative burden on business and other organizations. The provincial government should produce annual data on waste generation, disposal, diversion, related processing capacity and project current capacities against future demand to ensure continued progress to meet provincial targets.