



April 29, 2019

The Honourable George Heyman
Minister of the Environment and Climate Change Strategy
Room 112 Parliament Buildings
Victoria, BC V8V 1X4

Dear Minister:

BC is known across Canada and North America as a leader in Extended Producer Responsibility (EPR).

Most recently, in 2014, the BC Recycling Regulation was expanded to include Packaging and Paper Products (PPP) which changed the landscape of recycling in BC and has resulted in improved recycling for the residential sector.

However, there is a gap in service and the qathet Regional District is writing to ask that the Ministry of Environment and Climate Change Strategy (MOECCS) expand the scope of the Recycling Regulation for PPP to include the Industrial Commercial and Institutional (ICI) sector.

In 2014, many British Columbia local governments signed on to the Multi Materials BC (now Recycle BC) program. The program is only responsible for residential PPP, leaving the ICI sector, including schools, hospitals and entertainment events, dependent on the private sector or local governments for access to recycling and does not hold the producers of the ICI PPP accountable to fund the costs for recycling.

With recent changes in the global commodity market, as a result of the Chinese National Sword, local governments and the private sector are facing challenges that include reduced access or lack of access to recycling for the ICI sector.

Without being included in the Recycling Regulation, ICI recyclables such as cardboard, paper, metal, plastic and glass containers run a huge risk of being landfilled.

Additionally, Regional Districts, through their Solid Waste Management Plans, are required to set waste diversion targets which rely on restricting recyclable material from the garbage from both the residential and ICI sectors. This shortfall in ICI recycling services will delay local government's ability to meet diversion targets and implement key initiatives such as landfill bans. As well, in many cases the current PPP EPR programs have local government taxpayers

subsidizing the ICI sector. The qRD's Solid Waste Management Plan, approved by the MOECCS in 2018, outlines a Zero Waste Strategy for our region. This strategy outlines waste diversion targets, including increasing ICI recycling. Working with ICI to increase recycling is scheduled to start in 2019 and is supported by the qRD waste Bylaw 532 which restricts recyclable material from the garbage.

Being an isolated community (only accessible by ferry or plane), the only ICI materials accepted for free by the one private local recycler, Sunshine Disposal and Recycling, was paper, cardboard and #2 plastics. In response to small businesses expressing frustration by the lack of recycling options available to them in 2016, the qRD worked with Recycle BC and Green By Nature to conduct a 3 month audit at our central recycling depot to determine the percentage of ICI materials being collected. With the percentage of ICI materials weighing in at 8%, the qRD allowed small businesses to bring limited amounts of PPP materials to our central recycling depot at a cost to the qRD of \$266 per tonne. The tipping fee for municipal solid waste is currently at \$225 per tonne.

With commodity market prices in freefall, Sunshine Disposal is currently losing money requiring them to implement a tipping fee to clients for cardboard and paper. Sunshine Disposal advised that they anticipate 80% of their customers will opt out of this paid service, which, including bin rental, will be a similar fee to garbage. The qRD can only accept a small amount of ICI at our central depot, otherwise we will be over 8%, which will be cost prohibitive.

The qRD and the rest of the province need a solution to avoid valuable resources like cardboard ending up in the landfill.

We are not coming to you in exasperation expecting the province to give us the answer. No, quite the opposite, we want to be a part of the solution and have developed some options for you to consider which would require cooperation and collaboration with the province to make any of them a reality.

Immediate:

- Expand the Recycling Regulation to include PPP from the ICI sector

The Ministry may recall that back in 2014 our Regional District met with the then Minister and Ministerial staff during the annual UBCM Convention. Our meeting included a 'show and tell'. We demonstrated that the products taken from retail shelves by consumers were produced by the very same manufacturers who distribute their products to the various wholesalers, major sporting and entertainment events, restaurants, coffee shops, hotels, schools, universities, hospitals and the like. The irony of it all is that their shipping and consumer packaging enters every market sector, whether you are a residential, institutional, commercial or industrial consumer. This solution will ensure that ICI recyclables are recycled instead of landfilled. It will shift costs to

the producers of the PPP and will help local government jurisdictions province-wide meet waste diversion targets.

Short-term:

- Relax burning permits in places like Paper Excellence Canada - Powell River

Currently, Paper Excellence burns wood hog fuel in a biomass boiler to generate steam for heat and power production. They do this under Permit 3149. With the onslaught of excess cardboard not being able to go to foreign market, relax or modify the burning permits to allow cardboard to be incinerated as a fuel source. In places like ours, we will reduce the carbon footprint of shipping out cardboard by barge or ferry from our remote and isolated community. Other communities may also have compelling factors to minimize shipping costs and transport cardboard to regionally located biomass boilers at other paper mills or industry.

Mid-term:

- Provide seed funding to create an economically efficient re-purposing industry

After markets for expended recyclables must be resilient and insulated from off-shore market economies. This could be achieved with added-value industries. Cardboard for instance, could have alternate uses. If shredded, cardboard could be used in the agriculture industry as bedding. But for safety and protection to animals, contaminants such as staples should first be removed. Capital start-up for sophisticated equipment of this nature is required. If economies of scale could be driven down, eventually strategic locations throughout the province could be established to serve local economies in various regions. This again is an attempt at reducing the carbon footprint for transporting cardboard. Invariably, the product will re-enter the ecosystem as manure and be spread on farming fields. Or it may enter the system directly as a compost feedstock.

Long-term

- Mandate recycling content in finished products

Stabilization is a responsibility of upper tier governments. Market systems are characterized by economies that can create extremes of prosperity and business cycles that produce great decline (University of Alberta/Dalhousie University, 2005). Such is the case with the policy of the Chinese National Sword. This is where upper tier governments need to step in and take measures to correct the market. Upper tier governments have the tools and the resources to do this. "Since capital and labour generally flow freely across governmental jurisdictions within a country, much of the impact of stabilization policies of one government unit will likely spill over into other jurisdictions" (Bird & Slack, 1993, p. 16). The proposed mid-term option above is also an upper tier government intervention for the good of the whole. This long-term option is to

mandate recyclable material as a percentage into feedstock for finished products such as writing paper, toilet paper, facial tissue, paper towels, packaging, etc. Some of these products are proven examples of including recyclable materials in production, but these and more products need to be expanded upon. Eliminating virgin feedstock will reduce the carbon footprint and revitalize the already consumed cardboard and packaging waste. Additionally, eliminating subsidies on virgin materials such as oil will create a more level playing field.

Thank you for your time. We respectfully ask that you move expediently on these solutions to assist in promoting a healthy and sustainable environment.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'P Brabazon', with a stylized flourish at the end.

Patrick Brabazon, Chair

cc Nicholas Simons, MLA - Powell River-Sunshine Coast

References

Local government finance. (Spring 2005). (2005). Edmonton, AB: University of Alberta.

Bird, R.M. & Slack, N.E. (1993). *Urban public finance in Canada*. Toronto, ON: John Wiley & Sons