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Tuesday 19 April 2016

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Mardi 19 avril 2016

Standing Committee on
Social Policy

Waste-Free Ontario Act, 2016

Comité permanent de
la politique sociale

Loi de 2016 favorisant
un Ontario sans déchets

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LEGISLATIVE ASSEMBLY OF ONTARIO

ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON SOCIAL POLICY

COMITÉ PERMANENT DE LA POLITIQUE SOCIALE

Tuesday 19 April 2016

Mardi 19 avril 2016

The committee met at 1600 in committee room 1.

WASTE-FREE ONTARIO ACT, 2016 LOI DE 2016 FAVORISANT UN ONTARIO SANS DÉCHETS

Consideration of the following bill:

Bill 151, An Act to enact the Resource Recovery and Circular Economy Act, 2016 and the Waste Diversion Transition Act, 2016 and to repeal the Waste Diversion Act, 2002 / Projet de loi 151, Loi édictant la Loi de 2016 sur la récupération des ressources et l'économie circulaire et la Loi transitoire de 2016 sur le réacheminement des déchets et abrogeant la Loi de 2002 sur le réacheminement des déchets.

The Chair (Mr. Peter Tabuns): Good afternoon, committee members. I'm calling this meeting to order to resume consideration of Bill 151, An Act to enact the Resource Recovery and Circular Economy Act, 2016 and the Waste Diversion Transition Act, 2016 and to repeal the Waste Diversion Act, 2002.

I'll be calling witnesses in a moment.

I wanted to remind people that, as of unanimous consent yesterday, we will be giving each party in turn five minutes to question witnesses. So you won't get to question each witness; you'll get to question in turn.

CANADIAN ENVIRONMENTAL LAW ASSOCIATION

The Chair (Mr. Peter Tabuns): Our first presenter is Canadian Environmental Law Association: Richard Lindgren. Mr. Lindgren, if you'd identify yourself for Hansard, after you have a seat, and then you've got five minutes.

Mr. Richard Lindgren: Thank you, Mr. Chairman, and good afternoon. My name is Richard Lindgren. I'm a staff lawyer at the Canadian Environmental Law Association, or CELA. On behalf of CELA, I would like to thank the committee for this opportunity to address Bill 151.

I have to mention that for the past 30 years, I have regarded myself as a garbage lawyer. I've represented Ontario residents who are opposed to or adversely affected by dumps, landfills and incinerators.

It is beyond dispute, Mr. Chairman, that waste disposal sites can cause adverse environmental effects, particu-

larly to air quality and water quality. It's beyond dispute that waste disposal sites can cause serious nuisance impacts to nearby residents. It's beyond dispute that burning or burying materials represents a squandering of valuable resources that should be diverted, reused or recycled within the circular economy.

That's why CELA strongly supports Bill 151. We believe that Bill 151 represents an important step in the right direction. We believe that individual producers should be accountable and responsible for the full life cycle of their products and their packaging. We believe that Bill 151 should be passed and implemented as soon as possible.

Having said that, we submit that there are some opportunities to improve or strengthen the bill before it gets passed. In this regard, I'd like to draw the committee's attention to two documents that I filed with the Clerk earlier this afternoon. The first is our 25-page brief that we prepared with our colleagues at the Toronto Environmental Alliance and Citizens' Network on Waste Management. This brief is dated February 29, 2016. Essentially, the brief sets out 17 different recommendations to improve the new regime under Bill 151.

Perhaps you'll be relieved to know, Mr. Chairman, I don't intend to go through this brief at all. I just will commend it to the committee for its consideration.

The second brief that I filed today is much shorter. It's our three-page brief dated April 7, 2016. That represents our attempt to flag some high-priority amendments to Bill 151. Again, time doesn't permit me to review those amendments in any particular detail, but I will say that our proposed amendments are intended to address two key issues in Bill 151.

The first amendment is aimed at achieving greater clarity and certainty about the intent and the effect of Bill 151. In our view, this can be accomplished by refining the list of provincial interests in section 2 and by providing appropriate definitions for key words and phrases in section 1. Our proposed language for that kind of amendment is set out on page 2 of this shorter document.

The second proposed amendment, Mr. Chair, is found on the next page, page 3 of the short document. Here we're essentially recommending that compliance and enforcement should not be carried out by the new authority under Bill 151. Instead, Bill 151 should be amended to ensure that compliance and enforcement activities are conducted by the Ministry of the Environment and Climate Change.

In our view, Mr. Chairman, environmental enforcement is a core government function that should not be downloaded or outsourced to a third-party entity, especially one that lacks the enforcement track record, experience and resources of the ministry. Simply put, there is no evidence that delegating enforcement to the authority will result in better or more timely or more effective enforcement of the regulatory standards under Bill 151.

On this point, I will simply say that I've read all of the legislative debates during second reading of this bill, I've gone to the consultation sessions, I've read all the consultation materials and I've seen no compelling justification for transferring enforcement powers from the ministry to the authority.

Those are my submissions, Mr. Chairman. I'd be happy to entertain any questions from the committee about our recommendations.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Lindgren.

Questions go to the opposition: Ms. Thompson.

Ms. Lisa M. Thompson: Very good. Thank you very much for being here today. I appreciate it very much.

I'm going to be straight-up: I'm not surprised to hear your concern about the authority. I think that's a common theme amongst the stakeholders who we've spoken to, as well.

First things first, in terms of recognizing that you didn't have a lot of time to go through the definitions: Are there any that you want to address, if I was to give you a bit of time right now? Because I really want to hear from you, okay?

Mr. Richard Lindgren: I guess that I'll preface my remarks—and I thank you for the question—that I'm a little bit astounded that some of the key concepts that underpin both the draft strategy and the bill are not actually defined in the bill. Things like “recycling,” “reduction,” and “reuse” are key terms.

We've put our heads together with our colleagues at these other environmental groups, and we've tried to come up with some definitions that we think will work and that will provide the right policy direction as the strategy gets finalized, as policy statements are issued, as regulatory standards are promulgated and so forth.

Those are the three that I would recommend. I would also draw attention to “circular economy.” It's kind of interesting that this whole legislative initiative is premised on enhancing and expanding the “circular economy” and “resource recovery,” and those terms aren't really defined well, or at all, in the bill. Those are the things that I would look for first.

Ms. Lisa M. Thompson: I appreciate that.

Going back to enforcement: We totally agree with you. We're concerned about the direction that enforcement is going under this particular bill. We, the PC Party of Ontario, do not feel that we need another layer of bureaucracy or the creation of a new force of waste cops, so to speak.

I'm wondering if you could explain why it would be important to rely on the existing enforcement officers for this proposed act.

Mr. Richard Lindgren: I don't see any public policy justification for reinventing the wheel. The ministry has been around for more than 40 years. It's well-resourced; it has got specialized inspectors and provincial officers; it has got an investigation and enforcement branch; it has got an enforcement and compliance policy. It knows how to get the job done.

So why would we wrest that away from the ministry and give it to an untested, unproven authority? I have grave concern about that proposal.

Ms. Lisa M. Thompson: Okay. Thank you for that.

The PC caucus is concerned about the government's tendency to draft legislation behind closed doors, showing little consideration for the democratic process. What concerns might you have about the government's reliance on regulations for the implementation of their waste management strategy?

Mr. Richard Lindgren: I have to say that that's not unusual. That seems to a legislative tendency these days, which is to pass enabling legislation but defer a lot of the critical details to regulation.

Ms. Lisa M. Thompson: If I may, how do you feel about that?

Mr. Richard Lindgren: Well, whether I like it or don't like it, that seems to be the modus operandi these days.

Ms. Lisa M. Thompson: Okay. I sense that you don't like that. All right.

Mr. Richard Lindgren: I'd be hopeful that when regulations are being drafted there's going to be full consultation with the affected stakeholders and municipalities and others, so we all end up with regulations that we can live with.

Ms. Lisa M. Thompson: If you had a couple of more minutes, is there anything else that you would like to elaborate on with regard to some of your concerns with regard to the overlap between the Resource Productivity and Recovery Authority and MOECC when it comes to enforcing this bill?

Mr. Richard Lindgren: I want to make it clear that we do not oppose the creation of the authority. We think the authority is a good step. We also think that it would play an important clearing house function in terms of gathering data and maintaining the registry. That's fine.

But I don't see any reason why it needs to be involved in enforcement. That's not really their job. That's not their primary responsibility. I would say that section 77 of the draft bill needs to be amended to specify that it's the ministry—not the authority—that does enforcement and compliance activity.

1610

Ms. Lisa M. Thompson: Okay. And then, if I may, with regard to the authority, as it stands right now, the minister can appoint five people, and then they in turn elect six more people. In your opinion, what could be done differently to ensure the board is reflective and

more inclusive of business, government and environmental associations?

Mr. Rick Lindgren: I have to say, I don't have any particular preference as to the structure or set-up of the initial board of directors. I think it's important that they pull in folks who have some expertise, some experience, on the issues that they're going to have to decide or make recommendations about. So I'm less concerned about the numbers or the structure than whether the folks who get appointed have the skill set and the knowledge to get the job done. That's the more important factor, in my view.

The Chair (Mr. Peter Tabuns): And I'm sorry to say, with that, we're out of time.

Ms. Lisa M. Thompson: Okay.

The Chair (Mr. Peter Tabuns): Thank you very much, Mr. Lindgren.

Mr. Rick Lindgren: Thank you, Mr. Chair. Thank you, committee.

UNILEVER CANADA

The Chair (Mr. Peter Tabuns): The next presentation, then, is Unilever Canada: Mr. John Coyne. Mr. Coyne, as you've heard, you have up to five minutes to present. If you'd introduce yourself for Hansard, we can go from there.

Mr. John Coyne: Thank you, Mr. Chairman, and thank you, members of the committee, for the opportunity to appear before you today. My name is John Coyne, and I'm the vice-president of legal and external affairs for Unilever Canada. I am here to speak with you today to support the Waste-Free Ontario Act, as drafted.

Unilever is a large steward, and we have contributed more than \$16 million to Ontario municipalities for blue box funding since 2004. In addition, our company participates in the operation of residential recycling programs in British Columbia, Saskatchewan, Manitoba and Quebec as well as all of the EU-28 states.

As part of the Unilever sustainable living plan, which is our long-term public company strategy, we have a commitment to increase our recycling and recovery rates by 15% by 2020. We can only achieve that ambition if there are robust and effective consumer recycling programs in place, with appropriate outcome-based regulatory frameworks.

The Waste-Free Ontario Act aligns with our vision of environmental responsibility, and we believe that when it comes to the management of resources, producers need to play both an operational and a financial role in ensuring the recovery of materials we place into the marketplace. Understanding this dual role is key. We cannot be held responsible for recirculating resources into the economy if we do not control the material flows from beginning to end.

This is transformational legislation which will help make Ontario, I believe, a true leader among circular economies. We support key elements of this legislation as follows:

(1) the direction taken with the Resource Recovery and Circular Economy Act, and the creation of a frame-

work that clearly recognizes and assigns correct roles and responsibilities for Ontario's residential recycling system;

(2) the premise of the circular economy, which requires control of valuable resources, such as packaging materials, to remain with the producers who put them into the market;

(3) the alignment of responsibility, authority, financial and reputational accountability with the party that bears the consequences—in other words, the producers who pay for the services, and who can therefore drive best outcomes; and

(4) the transfer of operational responsibility for packaging and paper to producers, which will provide greater cost certainty and relieve municipal ratepayers of an obligation approaching a billion dollars over the next 10 years.

All such transformations involve transitions, and many municipalities have expressed an interest in continuing to provide recycling collection services in their communities. We agree. They can be experienced and important service delivery partners for their residents.

Similarly, we strongly agree with the orderly transition of the Blue Box Program and the changes to regulation 101/94, as outlined in the draft strategy. In this, responsibilities between municipalities and producers are reassigned, while at the same time respecting the investments and the assets currently in use, ensuring, therefore, no disruption of service to Ontario residents.

Consequently, we do not support allowing municipalities to increase the amount producers have to pay for blue box services without a corresponding increase in producer control over recycling services. This would simply serve to entrench the status quo at a higher price for Ontarians, and cannot lead to a circular economy.

Nor do we support an arrangement whereby municipalities, which can neither anticipate nor accommodate the endless array of today's packaging wastes, have full control over recycling while we, the producers who make the packaging, have no say in designing or operating the very systems that are supposed to recycle our materials.

In conclusion, our company supports this legislation, which in our view will:

(1) allow producers to work commercially with municipalities and the private recycling industry in the creation of a modern circular economy in Ontario;

(2) encourage, but not require, municipalities to provide collection services to their residents;

(3) ensure an expanded universal list of packaging and paper materials that can be left at curbside in every Ontario community, without exception; and

(4) guarantee that citizens have access to a first-class recycling system with the economies of scale to support capital investments in the technologies that are critical to effectively recycling greater volumes of more modern packaging materials.

I want to thank you today for the opportunity to express our support for the Waste-Free Ontario Act, as drafted.

The Chair (Mr. Peter Tabuns): Thank you, sir. The questions now go to the third party. Mr. Singh.

Mr. Jagmeet Singh: Thank you for your presentation. I have just a couple of quick questions. You've indicated—and I think a number of producers have indicated this as well—that if there's an increased amount paid by producers, producers want an increased say in the manner in which their waste products are recycled or dealt with. What would that increased say look like? What are you looking for, in specific?

Mr. John Coyne: I think the bill sets out what those conditions would look like. You're effectively transferring responsibility for the operation of the system, as a system, to the producers, who are going to pay for the bill. That's what this bill does. This is true extended-producer responsibility, which we've seen in other jurisdictions in Europe—and we've seen it in British Columbia, for example—where the control of the materials, the effective control of the supply chain, moves to those who pay the bills, effectively allowing a systemic change to take place rather than a place-by-place change within the province.

Mr. Jagmeet Singh: In terms of the delivery of blue box or other sorts of recyclables, do you have any strategies specifically that you feel could be improved or could be worked on, through your experience, through your particular industry, that you would suggest?

Mr. John Coyne: Most of the strategies that relate to this particular area relate to how it is that you would organize the supply chain on a much different scale. By organizing the supply chain—which is the reverse flow of materials once they have been collected into the blue box—organizing that reversed flow of materials in a manner that allows you to generate scale and synergy allows you to then generate modern investments. That's what we found in other jurisdictions, that if you can get to a scale beyond the kind of scale that we have currently in the province of Ontario, you can stimulate the investments that are appropriate to an economic engine like that.

You can achieve better environmental outcomes as a result of having those investments in place. Those are technology investments. Those are investments in MRF infrastructures, for example, and in enhanced collection capabilities. Once you have those in place, then you can start to design even higher recovery rates and improve your environmental performance. You do it on a systemic basis.

Mr. Jagmeet Singh: Thank you very much. No further questions.

The Chair (Mr. Peter Tabuns): Thank you very much. We appreciate your presentation.

ASSOCIATION OF MUNICIPALITIES OF ONTARIO

The Chair (Mr. Peter Tabuns): Our next presenter, then, is the Association of Municipalities of Ontario. Good afternoon.

Mr. Gary McNamara: Good afternoon, Mr. Chairman.

The Chair (Mr. Peter Tabuns): You know you have five minutes, and then we go to questions. If you would introduce yourselves for Hansard, and please proceed.

Mr. Gary McNamara: All right. I'm Gary McNamara. I'm the president of AMO. On behalf of the association, I want to take this opportunity to thank the committee, and also for the opportunity to speak here today and be able to contribute to your deliberations on the proposed Waste-Free Ontario Act.

Municipal governments have long advocated for a new legislative framework for waste management in the province, and we support the introduction of the act. That said, we would like to give you a brief overview of our key comments and concerns with the proposed legislation, in order to improve it from a municipal perspective.

We do support the clear intent of the proposed act to move to producer responsibility and have producers—not the municipal tax base—fully fund the costs of managing products and packaging at the end of their useful life.

The act allows for an ability to increase producers' current funding cap of the Blue Box Program beyond 50%. This is needed, given our years of receiving less than the full 50% we expected under the current act. Since 2004, this lost funding has cost municipal governments and our residents \$233 million. We went to arbitration in 2014 on this issue, and it remains in dispute as we speak today.

There is a stated intention to ensure service standards and geographic coverage are maintained or improved. If packaging and designated materials can be sold anywhere in the province, then there needs to be a diversion program to make sure that these resources are recovered. This will be a key difference between the BC producer-lead program and what we want here in Ontario.

1620

Although we are supportive of this draft legislation, we do ask that some key issues are addressed by amendment by this committee in Bill 151 through your deliberations.

Municipal governments are responsible for an integrated waste management system. Our current diversion programs under the Waste Diversion Act and regulation 101/94 represent less than 20% of the tonnes municipalities manage and an even smaller percentage of the total costs municipalities incur to operate our systems.

The future decisions and regulations made regarding these new diversion programs will impact roughly 80% of the integrated waste management systems that municipalities will still be responsible for operating and funding. This includes landfill and other disposal facilities, litter, organics and water systems.

I think you know that we are not merely an interested stakeholder in this matter, but rather, local governments that will always have a major responsibility in waste management. Therefore, our first key ask is to have a formal seat at the table during transition of the current

diversion programs and after the Resource Recovery and Circular Economy Act is in force.

Our other key ask is an amendment to section 11 of the Waste Diversion Transition Act regarding payments from producers to municipalities for the operation of the Blue Box Program. At present, the current section 11 language is identical to section 25(5) of the WDA. This same section was the subject of an arbitration in 2014 between AMO, the city of Toronto and Stewardship Ontario. Despite our clear municipal award, stewards continue to dispute the interpretation of this section. We implore the standing committee to amend the language to clearly state that municipal governments should be paid the applicable percentage by producers for blue box services based on the verified net costs of the program, as determined through the WDO. We respectfully ask you to make sure the section 11 language of the transition act is crystal clear and non-disputable by parties when you report back to the Legislature.

We are also concerned that the proposed act only requires producers to fund activities related to reduction and resource recovery. It appears to assume that the designated materials that end up in the municipal waste streams will continue to be funded entirely by the municipal property tax base. We think everyone would agree that we don't want to have perverse incentives that move materials from recycling and recovery streams to landfill and disposal. In our view, producers' fiscal responsibilities include managing the full end-of-life costs of the designated products and packaging.

In closing, we would ask that the committee ensure that the legislation presents a fair and balanced approach for municipal governments and our residents. Attached to your full submission are proposed amendments developed by the municipal sector that we would ask you to consider as you develop the critical amendments needed to Bill 151.

Thank you for your attention today. I'm happy to answer any questions you may have.

The Chair (Mr. Peter Tabuns): Thank you. We go to the government. Ms. Mangat?

Mrs. Amrit Mangat: Thank you, Mr. McNamara, for your presentation. Welcome to Queen's Park, and thank you for your support and advocacy.

My understanding is that if this legislation is passed, there will be economic benefits and there will be environmental benefits. Do you think that there will be significant benefits for municipalities? Can you throw some light on that?

Mr. Gary McNamara: First of all, I want to make it very clear, as well, that we run a total integrated waste management system and there's a lot to that. What we want—and I stated it very clearly—is a very fair and equitable manner. In the legislation and especially that section 11, we certainly don't want to be adding more dollars to the municipal coffers. As you've seen, since 2004, it has cost us \$233 million. We want to have a fair system. We're not here to say that we want to make money. We want to make sure that the producers pay

their fair share. I believe that what we want in the legislation is the ability for us to be fairly compensated.

The short answer is that we're not looking, obviously, for dollars beyond being what is fair and equitable to move the system along.

Mrs. Amrit Mangat: Can you tell me some dollar figures? What would be that fair and balanced approach? How much would municipalities be saving annually?

Mr. Gary McNamara: Well, think about it. Under this section here now, when we're looking at reconciling what that 50% actually is, we're looking back two years in the past. We're not getting the value, the 50%, the actual cost of managing the system. We're basically asking that municipalities don't have to support through the property tax base those dollars that are basically needed to move the system forward.

Mrs. Amrit Mangat: Do you think that it will improve the sustainability of municipal services?

Mr. Gary McNamara: Well, I hate to go back to the \$233 million, but imagine if we had that in our hands in terms of continuing to find more efficiencies and more innovation. At the end of the day, what we want is for landfills to be antiquated. We need not to source future landfills.

Mrs. Amrit Mangat: If this proposed legislation is passed, cost would be shifting from municipalities to a producer responsibility model, right? What do you think are the key factors to ensure that there will be a smooth transition of the Blue Box Program?

Mr. Gary McNamara: To move the—

Mrs. Amrit Mangat: The smooth transition of the Blue Box Program.

Mr. Gary McNamara: I'll defer to Monika.

Ms. Monika Turner: Hi, I'm Monika Turner. I'm the director of policy for AMO. The actual transition is something that is going to involve all of the parties. Currently, we do manage the integrated waste management system. We need to do a transition of 20% of that for all of the recoveries. Hopefully, we can get better diversion rates.

I've seen estimates and I know some people said yesterday, "Do it in a year. Do it in five years or so." What we need, probably, is a plan which has all of the parties at the table, which is why we're asking to be at the table during the transition and after. We will still very much have skin in the game.

What it needs is, quite frankly, a fair and transparent process to manage the transition. If I may, every landfill has a certificate of approval from the ministry on it. All of those things need to be worked through. There are investments that municipal governments have put for the MRFs and such. Everybody has said they don't want stranded assets.

We need a reasonable plan going forward so that there is a smooth transition. This is a place where we can agree with the stewards. We don't want residents disturbed through this, but that takes a lot of planning and it takes co-operation, which is, again, why we're asking for section 11 to be amended so that we can focus on the future rather than continue—

The Chair (Mr. Peter Tabuns): And with that, I'm sorry to say that you're out of time. Thank you, Ms. Mangat. Thank you, Ms. Turner.

LOBLAW COMPANIES LTD.

The Chair (Mr. Peter Tabuns): The next presenter, then, is Loblaw Companies Ltd.: Alain Brandon. As you've heard, you have up to five minutes to present. If you'd introduce yourself for Hansard, we can get going.

Mr. Alain Brandon: Certainly. I'm Alain Brandon. I'm the senior director of corporate social responsibility and government relations at Loblaw Companies Ltd.

In Ontario, Loblaw is largely made up of a network of independent businesses that you may recognize from corners in your neighbourhood: No Frills, Shoppers Drug Mart, Your Independent Grocer and, of course, some of our corporate-owned stores, which are well known as well: Real Canadian Superstore and our brand new Loblaw City Markets.

When you roll up all of those independent businesses and add our corporate stores, we have a pretty substantial footprint in the province, with about 80,000 colleagues all across the province and one of the largest transportation fleets, and we're actually one of the largest, if not the actual largest energy user in the province. We're also a major contributor to the blue box systems, both in Ontario and across the country as well. So we obviously have a very keen interest in the matter before the committee today.

We take reducing our carbon footprint and diverting waste from landfills very seriously. This year, actually, despite ongoing growth within the company—which is good news—we will reduce our carbon footprint by 2%.

1630

Through our pay-for-bag approach we've eliminated more than eight billion plastic shopping bags from our stores since 2007, and we work hard with food banks and food rescue programs across Canada to pilot and expand our perishable food donations, in order to eliminate food waste.

When it comes to recycling specifically, we are very proud of our role in the retail conversion to one of the common types of PET plastics. Prior to all retailers coming together, each retailer was approaching clamshell plastics in a very different way, and the end result was that these products were not being recycled.

So we came together as a group of retailers to agree on one common type of plastic, which thereby made it possible for municipal systems to accept it, and those clamshells are now recycled at a much higher rate, which is encouraging and certainly good news.

Our commitment to reduce our impact on the environment shapes our outlook on the future of recycling systems across Canada. As provinces move to implement the full EPR commitment of the country's environment ministers, we feel that the best path forward is a system that gives stewards responsibility for not only the cost of

the recycling system, but also the means to drive meaningful progress in the operations of those systems.

Bill 151 provides a framework for that system to be put in place in Ontario, and we see that as a very positive move in the right direction. By effectively creating a closed loop for recycling, entirely within the scope or obligation of stewards, the province has the opportunity to make meaningful environmental progress. If Bill 151 is to pass and we are to transition to the next phase of this important journey, which is a complete transition of the existing systems, we would encourage the government to ensure that that transition follows the same principles that are laid out in the bill, as well as the strategy.

One important aspect of the transition that we would ask the government to be mindful of is how costs and responsibilities are allocated. As I mentioned, we believe that if the decision is made that costs need to be reallocated, those costs should accompany increased oversight and responsibility.

In conclusion, I want to thank you for allowing me to speak here today. We are ready and willing to take on the responsibility for the packaging waste the legislation is designed to reduce, and we ask that we be given the responsibility for it in the most effective, outcomes-based way possible. We encourage this committee and the Legislature to pass Bill 151, and we look forward to the opportunities that lie in the new regulatory framework.

I'm pleased to answer any questions you might have.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Brandon. Questions go to the official opposition. Mr. Coe?

Mr. Lorne Coe: Thank you, Chair, and through you to the delegation, thank you very much for your deputa-tion.

One of the areas that our caucus has a concern with is the Resource Productivity and Recovery Authority. We're in favour of introducing a new authority, but only one that has a limited budget and a limited role of collecting and analyzing recycling data to advance waste diversion. Could you please take a little bit of time to describe your concerns about the authority, and if, in reading the legislation, you have any modifications that would make the authority stronger?

Mr. Alain Brandon: Well, I think we would share where you would start from, which is a concern with anything that is going to add cost, but we would take the position that the authority is a very critical role. What's laid out in the legislation for the authority, quite frankly, are important tasks. Obviously we would like to ensure that those tasks are administered in the most efficient way possible, but we wouldn't take issue with what the government has laid out in terms of an authority.

Mr. Lorne Coe: Okay, thank you for that. The other area I wanted to probe a little bit further is packaging. It's obviously a very important part of your business, and has been for quite a long time.

We recognize as a caucus that businesses need to maintain authority over their packaging design for marketing, cost and sales purposes. However, what's

clear is that this bill would give the government more control over how businesses design their packaging. Do you have any concern over that aspect of what you've read?

Mr. Alain Brandon: We don't interpret the bill as a suggestion that the government would make packaging decisions for us. Certainly that would be very challenging to do. We are a wonderful Canadian company, but we very much operate in lots of jurisdictions other than the beautiful province of Ontario; to their credit, I think the government understands that while Ontario is wonderful, it's not the only jurisdiction, so these packaging decisions need to be taken on a bit of a broader scale.

Mr. Lorne Coe: Thank you for your answer. To my colleague?

The Chair (Mr. Peter Tabuns): Ms. Thompson?

Ms. Lisa M. Thompson: Sure, certainly. Thank you, Alain, for being here. We certainly appreciate and applaud Loblaw's efforts to reduce not only food waste, but we're looking at how you lead by example with the reduction of food packaging. The list could go on and on.

In the spirit of food waste, is there an opportunity that Loblaw's sees to encourage other initiatives to come forward and join the grid with regard to possibly biogas? You mentioned earlier today that you're a huge user of electricity in Ontario. I'm just wondering if you could speak a little bit more to your vision of food waste and, in the spirit of the circular economy, how we might be able to do better with that.

Mr. Alain Brandon: Yes. Well, that's a very big question, and I feel like it will be an issue tackled by this committee on another day.

Largely, our focus as a grocer, at the moment, is on what we can control, and that's certainly the waste that gets created at the back of our stores, which we're reducing year over year. We're also working very closely with a lot of NGO organizations, more on the perishable food side.

Ms. Lisa M. Thompson: Yes, absolutely.

Mr. Alain Brandon: We certainly have very established relationships with organizations like Food Banks Canada for non-perishable, but what does not exist at the moment is as well-established a system to manage and distribute food that is still very safe for consumption by folks generally in need, but that can plug into our supply chain and get it out to those places. When we can get there, innovations like that will reduce the amount of waste and will certainly provide a tangible benefit to the broader community as well.

Ms. Lisa M. Thompson: Okay, that's interesting. I'm always interested in that aspect of it.

Going back to packaging a little bit: Prior to coming to Queen's Park, I was general manager of the Ontario Dairy Goat Co-operative. In terms of driving value for our membership—which essentially came together originally to pool goat milk, in the spirit of processing—we started to realize opportunities to drive more value to the farm gate with processing ourselves, internally. I'm very much cognizant of partnering with large retailers,

and how packaging has to be of a certain dimension and a certain standard, if you will, to be even considered to be put on the shelf, say, at Loblaw's. I just want to share—

The Chair (Mr. Peter Tabuns): Ms. Thompson, I'm sorry to say you have run out of time.

Ms. Lisa M. Thompson: Oh. I was—

The Chair (Mr. Peter Tabuns): I know. I understand. I'm very sympathetic, but you're out of time.

Ms. Lisa M. Thompson: That's okay.

The Chair (Mr. Peter Tabuns): Thank you very much for your presentation.

Ms. Lisa M. Thompson: Thank you.

RECYCLING COUNCIL OF ONTARIO

The Chair (Mr. Peter Tabuns): The next presentation, then, is Recycling Council of Ontario: Jo-Anne St. Godard. Welcome. As you've heard, you have five minutes. If you'd introduce yourself—

Ms. Jo-Anne St. Godard: I'm going to squeeze it all in, Mr. Chairman.

Good afternoon, Mr. Chair and committee members. I am pleased to have the opportunity to provide feedback on this important piece of legislation.

If you don't know us, RCO has a 35-year history with a sole focus on the elimination of waste. Our role in bringing public and private interests together to create the world-renowned Blue Box Program is how we are most recognized. However, even with extensive focus and investments made to reduce household waste, the reality is that Ontario's combined recycling rates, away from home and household together, remains at a low 25% and has been there for more than two decades.

Ontario still generates more than nine million tonnes of materials a year, six tonnes of which are still wasted in disposal. This is not simply legislation about the blue box and packaging. In fact, it provides an opportunity to get at the heart of our disposal issue in the industrial and commercial sector.

Critically, Bill 151 enables us to introduce regulations like landfill bans, set diversion targets for facilities that are underperforming, and target specific products and materials where we need to generate investments for improved collection and recycling.

RCO believes that Bill 151 has the potential to transform the province's current linear economy, where we take, make and discard materials, into a circular economy that reintegrates and reutilizes discards as product inputs. We need policy that supports business to resource instead of source, to redesign instead of pollute, and to regenerate instead of discard. We understand it to be enabling legislation which will set up an important framework that will guide future regulation which can prescribe binding targets, transition existing programs and establish collaboration as well consultation.

We are unique in that we carry no agenda on behalf of any one organization or industry. We are results-based, and we rely on our diverse membership, both public and private in nature, for our policy guidance.

1640

As we examined this bill, we looked for its ability to satisfy three key objectives: to reduce consumption and demand on resources and energy; to transition the marketplace to manage wastes as valued resources; and to reduce disposal and pollution. Our recommended amendments focus on these objectives as we bring them forward to you today. They include additional definitions, changes to the provincial interest, new protections for municipalities, and scoping issues as it relates to the authority.

As stated in the draft strategy on page 5, Bill 151 offers to maximize the reintegration of recovered materials back into our economy. It is important that the act and the regulations formed under it require environmentally superior management approaches that follow the 3Rs hierarchy. It is critical that the legislation clearly define what is meant by those embedded terms that describe these superior management approaches. These include definitions specifically for terms such as “reduce,” “reuse,” “recycle” and “resource recovery” as well as “circular economy.” Without these key definitions, we don’t make clear the main intent of the bill, which underpins the provisions that embody it. Without definitions that can be referenced, the marketplace will likely apply their own and may choose less desirable approaches, undermining the bill’s intent. We have offered such definitions to the committee for your consideration within our written submission that you have in front of you.

With respect to the provincial interest, our second requested amendment is meant to support the changes to the definition section just discussed as well as to one specific provincial interest statement. I’d like to note that, in general, we support these statements as they directly address the objectives of the bill and provide important directives that will guide future policy statements and regulations. In keeping with our initial point on promoting superior management of discarded resources, we’d like a simple change to the provincial interest in section 2, specifically, letter (g). We’d like it to read: “Maximize the value and minimize the environmental impacts that result from resource recovery activities and waste reduction activities ... by promoting the highest and best use of resources.”

I’d like to speak now about the bill’s structuring of producer responsibility. RCO recognizes that producers are the actors that have the best opportunity to redesign products and systems to eliminate waste. Assigning them full responsibility for end-of-life management of their products is consistent with that principle. Ontario is going to go through a transition phase as municipalities become service partners to obligated stewards. Having said that, it should be noted that if a producer fails to meet its obligations in the act, municipalities will likely have to manage those associated stranded tonnes, at a cost to their taxpayers. Therefore, we suggest a provision in the act that allows municipalities to be the beneficiary of any penalties or fines for non-compliance.

The Chair (Mr. Peter Tabuns): And with that, I’m sorry to say, you’re out of time.

Ms. Jo-Anne St. Godard: I was just getting to the good part.

The Chair (Mr. Peter Tabuns): I understand. So many people face that dilemma.

We go to the third party. Mr. Singh?

Mr. Jagmeet Singh: Good afternoon. I might have a solution for you: I can give you some of my time. Please finish.

Ms. Jo-Anne St. Godard: So, very quickly, the last point we’re going to make is on the role of the authority. We echo what was said this afternoon by Mr. Lindgren and CELA: We’d like to see the authority’s role scoped down to actually just focus on monitoring compliance, data management and data retrieval. We want the enforcement role to remain with government.

Mr. Jagmeet Singh: If you could just elaborate on that last point: In terms of the scoping down, why do you think this would benefit your objectives?

Ms. Jo-Anne St. Godard: I think what we want to make sure of is that the performance, as it relates to any of the obligated parties, is directly connected to government rather than to an oversight organization.

I think what we’ve seen globally is that third-party authorities are data clearing houses. Their function really is to collect data, report data and use that as evidence of non-compliance to the associated government of the day, which then has the responsibility to enforce. What that does is provides the right resources and allows government to actually focus on the issue of enforcement.

Mr. Jagmeet Singh: Right. So I guess you’re saying that it adds an unnecessary extra step. Instead of going directly to the government for enforcement, you’re creating an extra step along the way. Instead of having someone report to someone who then reports to the government, report directly to the government.

Ms. Jo-Anne St. Godard: The authority is going to be a data clearing house. It is a place the registrar of obligated parties will have to report to and register to. It will have all of the data and all of the evidence needed to monitor compliance, and that’s really where the heavy lifting is done with respect to actually monitoring enforcement. So it reduces the reliance upon government resources to do that.

Mr. Jagmeet Singh: Okay. In one of the numbers that you mentioned, one of them was on the importance of clearly defining some of the key components so that the bill’s intention is not undermined. Why is it so important to provide that clarity in terms of definition?

Ms. Jo-Anne St. Godard: The foundation and backbone to building a circular economy is to be able to leverage inherent resources to any product or material again and again and again. What we want is to not only benefit from the environmental efficacy of that activity but also the economic opportunity that mining those discards has. Disposing them, either through landfill or through energy from waste or alternative fuels, does not allow us to re-integrate those resources back into the circular economy.

Mr. Jagmeet Singh: Very good. Thank you so much. Those are all my questions.

The Chair (Mr. Peter Tabuns): Okay. Thank you, Ms. St. Godard.

RESTAURANTS CANADA

The Chair (Mr. Peter Tabuns): Our next presenters are Restaurants Canada. Good day.

Mr. James Rilett: Hello.

The Chair (Mr. Peter Tabuns): As you've heard, you have up to five minutes, and if you'd introduce yourself for Hansard.

Mr. James Rilett: My name is James Rilett. I'm vice-president, Ontario with Restaurants Canada. I thank you for allowing me to present today.

Bill 151 is the latest in the government's attempts to address the important issue of waste management. It's laudable and necessary, and we support it. But as we move forward, we must keep in mind that this is only one of many initiatives this government is asking our industry to deal with, including menu labelling, ORPP and changing workplace reviews, so we'd ask that they be cognizant of our time as we go forward with this law.

My remarks will fall under four different areas. First is powers. We realize that this is enabling legislation and many of these things will be included in regulations. But we do think that there aren't enough power-limiting mechanisms to avoid the bureaucratic and mandate creep that often comes up in these situations. First example, ministerial policy statements are given a lot of power in the legislation without specific restrictions on that power. So we'd ask you to consider that.

Similarly, we need to clearly define and put definite parameters around the authority's power. Government must also clearly state what the industry's role is within the authority's decision-making structure—hopefully, that it's representative of the funding levels we end up on in each stream.

Alternative recycling: We believe that the focus needs to be on the value chain of waste. If value is created in post-consumer materials, the industry will feed into that change. However, lack of a viable market for post-consumer products causes the cycle to end at the blue box. This is especially true with our industry, where soiled or coated packaging is problematic to the system. We'd ask the government to do more to facilitate the materials in the recycling stream. One suggestion would be to harmonize with other provinces to maximize the amount and type of materials and to achieve efficiencies.

The Blue Box Program has been fairly successful, and we understand there will be a need to transition into the next generation. We're supportive of a collective model, which is efficient and avoids consumer confusion. But while we're transitioning, the 50% cap must be maintained.

Post-transitions: Municipalities can no longer be collection and processing designated service providers as this would interfere with the very principle of producer responsibility.

Under targets, we do believe that ICI waste and transport packaging should be considered in their own stream. If it's looked at in the residential and commercial stream, it may be hard to meet the targets. All the targets are reliant especially on consumer buy-in. No matter what we do, if the consumers aren't buying into the programs, it'll be hard to meet our targets. So we need to keep that in mind.

Finally, in our industry, food waste and organic waste is a big issue. Our industry recognizes our responsibility and we are working on improvements. That being said, our industry only contributes about 8% of the total food waste, so we can only go so far in this vein. We support efforts to minimize food waste in the foodservice sector, but again, consumer action has the greatest impact on this.

1650

I'll keep it very short. Thank you for inviting me to this committee. We look forward to working with you in the future to make sure that we can get the best legislation possible.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Rilett. We go to the government. Ms. McGarry.

Mrs. Kathryn McGarry: It's good to see you again, James.

Mr. James Rilett: It's good to see you.

Mrs. Kathryn McGarry: Thank you for coming in today. You had a number of good suggestions.

I want to start with the Blue Box Program and the recycling. You had a number of good suggestions. Could you expand on what you could see as feasible and doable in your industry regarding the value chain of waste and trying to do more with the municipal Blue Box Program?

Mr. James Rilett: Obviously, one problem we have in the value chain is coated materials that are used in our industry, and the materials that are recyclable are often soiled with food, so they're not welcome into the value chain. We hope we can address that somehow. We want to work with the providers of the systems to be able to take some of those things. That's often a fallback, because even if we do collect it, it often ends up in the garbage, because there's no final use for it. That is one thing we would like to address in the best possible way.

One problem is, we have a limit to how much we can limit packaging, because for health regulation reasons, you have to have a certain amount of packaging any time you serve food.

Mrs. Kathryn McGarry: So you may have some suggestions as we move forward with this, then.

Mr. James Rilett: Yes, for sure.

Mrs. Kathryn McGarry: I want to move over to the proposed legislation that intends to incent producers to reduce waste. In your view, what incentives would help your members to reduce waste? I understand that there are restrictions in terms of packaging, due to some of the regulations that regulate the restaurant industry and food industry.

Mr. James Rilett: I think price and control are the two biggest things. I can't sit here right now and say I

have the magic bullet on how to get our industry to be the best stewards.

It is a big thing that if we are paying for something, if you want us to take more control over the expenses, we want to have more input into how that works and what the regulations eventually become. I think that would be the biggest, because when someone is paying for something and they have control, then they know they have to find the best way to do it.

Mrs. Kathryn McGarry: You also suggest a government approach to managing packaging generated from the industrial, commercial and institutional sector. Can you elaborate on what approach the government should take?

Mr. James Rilett: My only point on that was, if we include ICI waste in the same stream as consumer, post-consumer and residential, it will be hard to meet the targets, because it's an entirely different type of waste. We're concerned that if we're put in the same sector, we wouldn't have any control over that sector. My comment on that was, let's look at those two sectors as completely different things.

Mrs. Kathryn McGarry: So what you're suggesting, potentially, is having a different stream or a different program, just with this particular industry, that would be separate from the residential program.

Mr. James Rilett: That would be our suggestion, yes.

Mrs. Kathryn McGarry: In your estimation, when it comes to recycling some of the things like the oils and that kind of thing, do you have any other suggestions on how we can improve waste disposal of that area?

Mr. James Rilett: Again, I don't know anything offhand. You mentioned oils, which I think is the perfect example for something like this. This was a product that used to be a hazardous product that you had nothing to use it for. People started collecting it for free, and it now is something that the restaurants get paid for. That is a great example of how a little innovation can make a waste product become a value product very quickly.

Mrs. Kathryn McGarry: In my area, in Cambridge, we have somebody who has actually done some of that recycling and including some of the oil-based products, so I know that there is a market out there.

Mr. James Rilett: Yes. It's still a growing industry.

Mrs. Kathryn McGarry: In terms of regulations and a level playing field, are there any compliance tools that the government can assist with, in ensuring that your industry has a level playing field, along with some of the other streams that we've been talking about?

Mr. James Rilett: Again, what I fall back on is, as long as the authority is set up so that we have a voice in the decision-making process, then we would welcome that.

The Chair (Mr. Peter Tabuns): With that, I'm sorry to say that you're out of time.

Mr. James Rilett: Thank you, Chair.

The Chair (Mr. Peter Tabuns): Thank you very much, sir.

CANADIAN BEVERAGE ASSOCIATION

The Chair (Mr. Peter Tabuns): The next presenter, then, is the Canadian Beverage Association: Mr. Jim Goetz. As you've heard, you have up to five minutes to present. If you'd introduce yourself for Hansard, just take it away.

Mr. Jim Goetz: Thanks very much. My name is Jim Goetz. I'm president of the Canadian Beverage Association. It's an honour to be with you here today and to have the opportunity to make a presentation on behalf of Ontario's beverage industry.

Before I get to Bill 151, I would like to provide a little background about our association and the beverage industry in Ontario and across Canada. The Canadian Beverage Association represents the manufacturers and distributors of the majority of non-alcoholic refreshment beverages consumed in Canada. When I speak of manufacturers, I refer not only to the beverages themselves, but to the 100%-recyclable packaging used by all of our member companies. We are the national voice for more than 60 brands of juices, bottled waters, sports drinks, ready-to-serve iced teas and coffees, enhanced beverages, carbonated soft drinks, energy drinks and other non-alcoholic beverages.

Here in Ontario, the beverage industry directly employs 7,700 Ontarians in more than 60 production facilities, offices and distribution centres across the province, from Whitby to Oshawa to Cambridge to London and Ottawa—just a few examples—and many right here in the GTA, including Brampton and Mississauga.

The majority of non-alcoholic beverages consumed by Ontarians are manufactured here in Ontario locally by CBA members. The beverage industry's entire value chain is responsible for employing over 25,000 Ontarians, generating \$2.9 billion of economic activity and contributing over \$170 million to provincial tax revenues. For every dollar of production in the refreshment beverage industry, 85 cents is retained in the Ontario economy. This is 7% higher than the manufacturing industry average.

Our members' involvement in the province does go beyond the sale of their products, however. CBA members are also responsible corporate citizens, working both together and individually to reduce the industry's environmental footprint through world-class recycling standards in production facilities, many times with up to 99% recycling rates in our facilities; and water-use reduction programs and packaging innovation, reducing our packaging footprint with less packaging and easier-to-recycle packaging. The beverage industry is also the owner of the largest fleet of hybrid trucks in North America.

Our industry has been and will continue to be an environmental leader in the consumer packaged goods industry. We are one of the original founders of Ontario's Blue Box Program started in 1986, and we will continue to be a strong supporter of that program. Our member companies are actively involved in the management and

governance of beverage container recycling all across Canada. Canadian Beverage Association members are committed to maintaining and growing our contribution to Ontario's economy and continuing to improve our environmental track record.

Regarding Bill 151, the Waste-Free Ontario Act: Overall, our industry wishes to express support for the thoroughness in the Ministry of Environment and Climate Change's consultation process. Our members support the overall objectives of reducing waste and transitioning Ontario's recycling system to a comprehensive extended producer responsibility model.

The beverage industry firmly believes that the government needs to set clear and achievable waste recovery targets for producers and ensure that maximum flexibility is given to producers in how to meet these targets. True implementation of an EPR-based strategy would allow producers to provide more innovation in programs, would generate substantial environmental benefits to Ontario through increased recovery rates and would ensure programs are run as economically and efficiently as possible.

The beverage industry has a plan to achieve such targets and is looking to introduce an innovative program to Ontario, once Bill 151 is fully implemented, which would increase recovery rates of our members' products to 75% or higher, strengthen the province's world-class Blue Box Program, educate Ontarians on the benefits of recycling and generate jobs in Ontario's circular economy.

Our plan would expand opportunities to recycle away from home across the province, from northern Ontario communities to Thunder Bay to Cornwall to Timmins to Windsor. This includes providing collection infrastructure and bins. It also includes a significant education program regarding recycling, which has not been done in this province since the 1980s.

1700

Similar to other provinces, we ask that the future regulations be drafted to allow for an outcome-based evaluation, in which producers are asked to meet established requirements but are not prescriptively regulated on how to achieve them and implement the proposed program.

As recommended in a recent C.D. Howe Institute report examining Ontario's recycling policy—

The Chair (Mr. Peter Tabuns): And I'm sorry to say, with that statement, you've run out of time.

Mr. Jim Goetz: —producers should be unhindered in the design of the programs.

Thank you.

The Chair (Mr. Peter Tabuns): Well done, sir.

Mr. Jim Goetz: Thank you.

The Chair (Mr. Peter Tabuns): To the official opposition: Ms. Thompson.

Ms. Lisa M. Thompson: Very good. Thank you very much, Chair. Through you to Mr. Goetz: Welcome to Queen's Park. This is the second time today I've had the

pleasure of chatting with another Mildmay native, so that's a good thing.

Mr. Jim Goetz: Wow. How often is that in Hansard?

Ms. Lisa M. Thompson: I thought you'd appreciate that.

With that said, I heard loud and clear that you liked the thorough consultations that were facilitated around Bill 151. Certainly, we agree that government should be setting targets and then getting out of the way of innovation, and allow the market to move forward with what can be realized.

I think you alluded to, if you did not say, Bill 151 as a marked improvement over what has been offered up in the past. I'm just wondering, are there any amendments that we would be remiss in not chatting about today, while we have the pleasure of your presence?

Mr. Jim Goetz: Yes. First of all, I do think the recent process has been a marked improvement. Ministry staff very early on, before getting to the drafting phase, consulted widely with municipalities, stakeholders NGOs and industry. I think the result is certainly a better product.

So far, our only concern—obviously, we've still got a long road to go in the regulations—would be, I think, echoed in some of the previous presenters around the role and scope of the authority. We certainly do understand that there does need to be data collection in order to measure and report. From what we've heard from the ministry, that is going to be their goal. But we would ask for some sort of amendments, so that there are some solid guardrails around those three roles of collecting data and measuring and reporting. That would be my only comment on that.

Ms. Lisa M. Thompson: Okay, thank you very much. For the record, taking a look back on the advancements that have been made, I know that my colleague Michael Harris certainly worked hard on improving Bill 91 in committee. Could you touch on some of the significant differences between what we saw in Bill 91, and what we see today in Bill 151?

Mr. Jim Goetz: Without specifically noting a clause, since I don't have the bills right beside me here, I would say that there is more of a focus on—it is called "extended producer responsibility" for a reason. It is the producers who are responsible. It is the producers who will possibly get into trouble if their targets are not met. There does seem to be more of a focus on allowing the producers to go out, innovate and achieve those goals and, through that, to feed the circular economy.

Just one small example for our industry: A company called Urban Polymers has recently opened up and created a couple of hundred jobs in northern Toronto. All they do is recycle PET. A large amount of our products come in PET plastic bottles. The more that we can collect here in Toronto and the surrounding area in a cost-effective way, the more we're going to be able to feed that circular economy, create jobs, help our industry get our hands on recycled material more easily, and continue to feed that circular economy, which the minister and

ministry have talked about so much. But we have to do that in a cost-effective way that protects those 7,700 jobs that we have here in Ontario.

Ms. Lisa M. Thompson: Okay. Good message there. I think it's safe to say—I even believe the minister has reflected on the fact that the recycling rates in Ontario have been stalled for a number of years. What are the top three things that we should be doing here in Ontario to move forward with the circular economy?

Mr. Jim Goetz: I have two off the top of my head. I'll have to think about the third one. We have a program which we've been operating for six years now in Manitoba, with the Canadian Beverage Container Recycling Association. Manitoba had one of the worst beverage container recycling rates in Canada. In five years we've been able to move that rate from 42% to 64%. We've now surpassed Ontario on beverage container recycling, and we continue to push towards the goal of 75%.

We've done that through a couple of ways. Extensive education programs: We're spending slightly over a dollar per Manitoban now on public education about recycling, so that is definitely having an effect. Also in Manitoba, which is something we'd like to do here in Ontario, is helping to pay for and implement away-from-home recycling infrastructure.

The Chair (Mr. Peter Tabuns): And with that, again, I'm sorry to say—

Mr. Jim Goetz: No, that's good. I was at the end of my sentence.

Ms. Lisa M. Thompson: Very good. Thank you.

The Chair (Mr. Peter Tabuns): Thank you very much.

Mr. Jim Goetz: Thank you.

TORONTO ENVIRONMENTAL ALLIANCE

The Chair (Mr. Peter Tabuns): The next presenters, then, are the Toronto Environmental Alliance. As you've heard, you have up to five minutes.

Ms. Emily Alfred: Great. I also have a submission.

The Chair (Mr. Peter Tabuns): Yes, we'll get that. If you'd introduce yourself for Hansard.

Ms. Emily Alfred: Thank you. Good afternoon. My name is Emily Alfred. I'm a senior campaigner with the Toronto Environmental Alliance, or TEA. We are a non-profit environmental organization. We've been working on waste policy at the municipal and provincial level for more than 25 years.

As you heard earlier, TEA has submitted comments on Bill 151 to the EBR registry, along with the Canadian Environmental Law Association and the Citizens' Network on Waste Management. We have also coordinated our comments with Environmental Defence Canada and the Recycling Council of Ontario, whom you've heard from yesterday and earlier today. You have a copy of our joint comments, presented earlier when Rick Lindgren spoke, and also a document dated April 7, which is suggested amendments. There are a few docu-

ments to look at, but I'll try to summarize the key points in my submission right now.

First, I want to say that we are supportive of this bill. We wholeheartedly support the strategies and goals of zero waste for Ontario and building a strong circular economy. We know that reducing, reusing and recycling materials protects human and environmental health, and that it's a fundamental part of an effective climate change strategy.

We also believe that effective zero-waste policies and programs can benefit communities and support social equity by reducing costs through stable, good green jobs and a strong economy.

However, we have some concerns about some key elements of the act and the strategy as they are written, and we believe that unless these are remedied, the bill and the strategy will not achieve their goals of zero waste and a circular economy.

As has been said by representatives from Environmental Defence, CELA and the RCO before me, defining key terms that are used throughout the act and strategy is essential. General high-level definitions will provide clarity for the public, stakeholders and government during the regulation-setting phase. This will also reduce misunderstandings in debate and speed up the regulation setting. Terms that require clear definitions include “reduce,” “reuse,” “recycle,” “resource recovery” and “circular economy.”

We support the use of provincial interests and provincial policy statements. We support the listed provincial interests, with two suggested additions and two wording changes. We suggest that some provincial interests should be added: the protection of the natural environment, and safeguarding public health.

As noted in the brief provided by CELA and RCO today, we have suggested changed wording for provincial interest (g), to promote the “highest and best use” of materials.

We also believe that provincial interest (a), zero greenhouse gas emissions from the waste sector, ought to be revised.

We strongly support the ministry's efforts to link climate change and waste. Reducing, reusing and recycling materials avoids energy-intensive raw materials extraction. This is by far the most important way that waste management decisions can reduce greenhouse gas emissions.

However, the wording in provincial interest (a), “zero greenhouse gas emissions from the waste sector,” is neither a good goal nor a good performance measure. The way it is currently stated, this goal looks only at the disposal stage of waste and misses the much-larger upstream benefits caused by recycling. We believe that a life-cycle accounting approach for greenhouse gases is the only effective way to measure climate change benefits and progress towards zero waste.

As such, as mentioned in the CELA submission and in the April 7 suggested amendments, we believe that you should revise the provincial interest to “reduce green-

house gas emissions from materials management and products/packaging processing in all life-cycle stages.” I believe this recommendation is also consistent with that of the Ontario Waste Management Association and their suggested language changes.

As outlined by our colleagues at CELA in our joint brief with the RCO, the proposed waste diversion authority can and should play a crucial role in information gathering and data monitoring. However, the core government function of enforcement should remain with the province.

1710

Finally, on extended producer responsibility: TEA and much of the environmental NGO community has been advocating for full extended producer responsibility for a number of years, and we are very pleased to see that it is a core part of Bill 151. For an effective EPR system, there are a few key principles, and I’ll mention three of them right now.

We believe that effective EPR will not allow the transfer of liability from producers to other service providers. An effective EPR regime for Ontario requires strict enforcement and high penalties. Performance standards and targets should be higher than existing targets or performance—whichever is highest—and based on best practices achieved locally and in other jurisdictions.

In conclusion, I want to make one more comment about Bill 151. We are very pleased to see that the waste-free Ontario strategy has clear language on page 5, that energy from waste and alternative fuels are not a form of diversion but a form of disposal. This language needs to be clearly stated in the act as well.

Thanks for the opportunity to discuss this.

The Chair (Mr. Peter Tabuns): Okay, thank you very much. We’ll go to the third party. Mr. Singh?

Mr. Jagmeet Singh: Thank you. I just want to pick up with the last point. Why do you think it’s so important for clear language around diversion? Why is that important?

Ms. Emily Alfred: On the last point, we’re very concerned that energy from waste and alternative fuels are seen as only a form of disposal.

Interruption.

Ms. Emily Alfred: Sorry. That was my timer. I’m a little bit ahead of time.

The Chair (Mr. Peter Tabuns): It worked.

Ms. Emily Alfred: I think this language needs to be clear. There have been different policies and different decisions that have been made recently that we think send conflicting messages to municipalities and to waste management facilities that would seem to encourage the use of energy from waste. We think it’s important, if we want to build a circular economy, that the government is clear that reduce, reuse and recycle are the top priority, which is why we also mentioned “highest and best use” earlier.

If it’s clear up front that we want materials to be put to their highest and best use and it’s clear that energy from waste and alternative fuels and destroying materials is

considered disposal only, I think that will provide a lot more clarity and it will avoid conflict.

Mr. Jagmeet Singh: Right. And I think it also speaks to the point that disposal has other environmental impacts.

Ms. Emily Alfred: Definitely.

Mr. Jagmeet Singh: And if you refer to those activities as diversion, then you’re not capturing things that are actually having an environmental impact.

Ms. Emily Alfred: Yes. There are health and environmental impacts. Also, it’s destroying resources that should be recirculating in the economy. That’s where we get the best environmental benefit.

Mr. Jagmeet Singh: You mentioned the notion of looking at lifetime accounting of waste. Can you just go into why that’s important?

Ms. Emily Alfred: Raw materials extraction—logging, mining, searching for oil—actually has a lot more energy and environmental impact than disposal. So if we’re just looking at the waste sector and only looking at how materials are handled at the end of their life, we actually miss the most important environmental impacts and the most important environmental benefits. If we recycle a can, it uses 20 times less energy than making a can from scratch and from raw materials. So if we’re just looking at the disposal phase we miss the whole life cycle and all of the things that happen before.

Mr. Jagmeet Singh: Very good. Those were my questions. Thank you so much.

Ms. Emily Alfred: You’re welcome.

The Chair (Mr. Peter Tabuns): Thank you very much.

ONTARIO ENVIRONMENT INDUSTRY ASSOCIATION

The Chair (Mr. Peter Tabuns): Our next presenter, then, is: the Ontario Environment Industry Association, Randy Cluff and Alex Gill. Gentlemen, good afternoon.

Mr. Alex Gill: Good afternoon.

Mr. Randy Cluff: Good afternoon.

The Chair (Mr. Peter Tabuns): As you know, you have five minutes. If you’d introduce yourselves for Hansard.

Mr. Alex Gill: My name is Alex Gill. I’m the executive director of the Ontario Environment Industry Association. This is my colleague Randy Cluff. He is the chair of our resource recovery committee and with CCI biofuels.

We’d like to thank you very much for the opportunity to speak here today. As I’ve said in appearing in committee before, we have the enviable task of representing a positive side of the Ontario economy. More than 3,000 clean tech and environment companies in Ontario are the ones that are providing environmental benefits that are also providing solutions to environmental problems. Every year they generate about \$8 billion in economic activity and employ about 65,000 Ontarians.

We struck a working group across Ontario a few months ago under the guidance of Jennifer Baron from

Covanta and Mike Deprez from Walker Environmental to basically engage ONEIA members across the province and do an analysis of the proposed bill.

We want to draw your attention to one specific piece of the equation before I turn it over to Randy to give you some examples from the front lines of waste diversion; that is, the job creation equation here. We often look at the environmental benefits from a piece of legislation like this purely in terms of their return to the environment. But at ONEIA, we're very big fans of things that solve more than one problem at a time. We're very pleased to see the direction that this bill is going in because not only are we going to be able to provide good environmental benefits back to the province; we're going to create jobs in this sector. If we increase our diversion rate, our estimates are, based on the Conference Board of Canada, that we could be looking at an additional 10,000 to 13,000 jobs in the province of Ontario. Those jobs are sticky, they are local, they're very hard to export overseas and they provide a lot of value-add back to the communities, in addition to the environmental benefit.

If ever you look at the ONEIA member websites, 75% of our members say they're going to hire new employees in any given year. A lot of those jobs are the very kinds of jobs we're talking about here, that range from high-tech jobs down to materials handling and lower-tech stuff. These are very comprehensive jobs that our communities need.

I'd like to turn it over to Randy, who can offer you some examples from the front lines of waste diversion.

Mr. Randy Cluff: Thank you, Alex. I think, certainly, when we look at any type of waste resource recovery and diversion, we talk about supply chains and value chains.

I want to speak specifically about an example that is likely near and dear to all of our hearts, and that's the city of Toronto green bin program, as a great example of how we can make change in the process, to move forward and create value chains.

If you look the value chain, there are really four specific components. We have to collect the material, sort the material and capture it in our homes. We then have to collect it. We have to transfer it to processing systems, and then we have to make use of the outputs. Consequently, by keeping our organics in Ontario and in our communities, whether it's large cities like Toronto or smaller cities, the value chain holds.

It also creates a lot of jobs through that value chain. We change our collection—we have opportunities. We create broader outreach—we have local opportunities. We create infrastructure and processing systems here in Ontario—we again create that investment and those job opportunities here.

Finally, on the outputs: in the world of organics, the opportunity to take solids, liquids and gases. Certainly, we've heard mention of biogas before. We can create energies. We have compost that we can use to amend our soils and sequester and capture carbon.

At the end of the day, what we're really talking about here is an opportunity with organics, to be able to help

with the battle against climate change. It's a great untapped resource that we have, with far too many of them going to landfill. If we look at the example of the city of Toronto, we see how a 90%-plus participation rate in our residential homes is effectively collecting a large amount of organics and using them in Toronto for the benefit of Torontonians, as opposed to exporting those opportunities and that investment to other jurisdictions.

Mr. Alex Gill: That's an example that we think is scalable to communities all over Ontario, regardless of the size. We're talking about creating local jobs and producing an environmental benefit.

In conclusion, the thing we also want to offer is a reminder that we often default to the Blue Box Program. We often talk about residential collection. As Randy pointed out, that's a very important part of the waste stream.

We also have the industrial, commercial and institutional side of things, which accounts for about 60% of our waste stream. The diversion rate in that sector is only 20%. So by encouraging diversion in that sector, we can create a very sustainable supply chain that helps drive the jobs we need in Ontario.

We thank you very much for the opportunity to talk, and we're open to your questions.

The Chair (Mr. Peter Tabuns): Thank you very much. Questions go to the government: Mr. Ballard.

Mr. Chris Ballard: Thank you, Mr. Cluff and Mr. Gill, for being here today. Welcome to Queen's Park.

Mr. Randy Cluff: Thank you.

Mr. Chris Ballard: You certainly capture my attention when you start talking about economic development spinoffs and job creation, so I just want to walk through that a bit more, and maybe you can give us some enlightenment.

The proposed act and the draft strategy outline our government's support for innovation and new technology. I'm just wondering, in your view, in your experience, what actions should the government take to support innovation and new technology that reduces, reuses and recycles waste?

Mr. Randy Cluff: That's certainly an excellent question. I think we need to look at it from a couple of points of view. First off is the ability for innovative processes and solutions to be able to get approval in this province—and approval in a fashion and form that's not arduously long and expensive. I think that allows a window and an opportunity in, for those technologies to come.

Certainly, the traditional things, such as economic support for those investments—we are speaking about critical pieces of infrastructure here in Ontario, so whether it's through the use of tax credits, grants, loans, those sorts of things, they can certainly help to develop.

On the downstream side, when we look to developing markets, whether that's organics, blue box materials or anything else, certainly the ability to use those materials in a different form or fashion in an innovative way helps as well, whether we take a plastic and make an alterna-

tive product or whether we take a piece of organic and perhaps turn it into a fuel.

1720

These are the kinds of opportunities that we have, but we're very stalled without some support for research, development, innovation, piloting and the ability to roll these things out relatively quickly so that we can accrue the benefit faster.

Mr. Chris Ballard: So what I'm hearing is to help with research to get these sorts of new technologies and innovations up and going, and then a faster approval process, so that Ontario—or some communities in Ontario—could be the proving ground that would allow you then to demonstrate to the world this innovation and this technology built and developed in Ontario.

I guess what I'm trying to get at is the opportunities and benefits. Can you elaborate any more on the opportunities and benefits that your member companies see resulting from the producer responsibility approach that's being proposed in this act?

Mr. Randy Cluff: Certainly, one of the great challenges of any alternative waste technology or resource recovery technology is the ability to attract feedstocks and attract them in a volume and in a form that's processable. We think, certainly, that that's an important and key component of anything that we do with respect to developing the supply chain. I think that's a very important component of it.

Mr. Chris Ballard: Where would the industry now stand, from your members' perspective and others who aren't your members, compared to other jurisdictions in North America or around the world in terms of developing new innovations and new technology?

Mr. Alex Gill: I'd say we're ahead of some and behind others. It's not a bad position to be when we're trying to do something right. We've got a few people ahead of us who have made mistakes that we don't want to make, and we've got a bunch of people behind us, so that once we develop the solutions here, we can export them and actually do something with it.

It's hard to give us a ranking. I know when we've done research in the past, we've looked at jurisdictions like the Netherlands, Israel and California. Those would be three jurisdictions that I'd say we have to look at.

Further to Randy's last point, one of the things we can learn from jurisdictions that often get the equation right is that they don't focus as much on prescription. They focus on outcome. If we say, "Here's the environmental outcome we want," and further to our previous speaker's point, we enforce it strictly, but we allow the market to figure out what's the best way to meet the outcome, that's where you get the driver for the innovation. That's where you get environmental markets that start to work for one another.

To Randy's point on consistency of feedstock: We hear this not just from companies that are in the bio-digestive side or in the biofuel side. We hear this from farmers we run into, who say, "I'd love to put in a biodigester, but I'm not sure if I can get the consistent

feedstock to supplement what my farm is generating." So putting the regulations right at the start so that there's a consistency of supply—consistency of supply drives markets.

Mr. Chris Ballard: Okay, good. How much time do we have, Mr. Chair?

The Chair (Mr. Peter Tabuns): Ten seconds, so, Mr. Ballard, I think you're out of time.

Mr. Chris Ballard: Thank you.

The Chair (Mr. Peter Tabuns): Thank you very much, gentlemen.

Mr. Alex Gill: Thank you for the opportunity.

Mr. Randy Cluff: Thank you.

CEMENT ASSOCIATION OF CANADA, ONTARIO REGION

The Chair (Mr. Peter Tabuns): The next presenter, then, is the Cement Association of Canada, Ontario region: Mr. Black. As you've probably heard, you have up to five minutes to present, and if you'd introduce yourself for Hansard.

Mr. David Black: Perfect. Thank you, sir. My name is David Black. I'm the director of public affairs at the Cement Association of Canada. Our industry provides Ontario with a reliable, domestic supply of cement, required to literally build the foundation of Ontario's communities, economy and our critical infrastructure that we all rely on.

The CAC applauds the government of Ontario's commitment to modernize the current Waste Diversion Act framework and move towards a circular economy.

The Chair (Mr. Peter Tabuns): Sorry, could you pull your mike a bit closer? We're not hearing you clearly up here.

Mr. David Black: Sorry about that. Is that better?

The Chair (Mr. Peter Tabuns): That's better. Yes.

Mr. David Black: Waste and climate change, in our eyes, are inextricably linked, and we strongly believe that the Waste-Free Ontario Act must complement the work that the province is doing on climate change and vice versa. The cement industry is eager to do its part to reduce GHG emissions, but we need Ontario's regulatory system to catch up to global best practices.

Cement manufacturing is emissions-intensive, and requires tremendous heat that is typically supplied by fossil fuels, namely coal and pet coke. In other jurisdictions, cement manufacturers have been able to reduce the carbon intensity of their fuels by over 50% by substituting coal and pet coke with lower-carbon alternatives derived from the non-recyclable waste stream, such as construction and demolition waste, agricultural waste, wood waste and non-recyclable plastics.

A 50% reduction in GHG intensity at Ontario facilities would reduce CO₂ emissions from cement production by about 500,000 tonnes per year and help divert some 2% to 3% of Ontario's non-recyclable waste from landfills.

The sorting required for recovering suitable fuels from the waste stream incents the investment in diversion

infrastructure by establishing a sustainable end market for recovered materials, and makes it more economical to recover marginal recyclables, allowing material to be put into productive reuse.

In Europe, those countries with the highest energy recovery rates from waste also have the highest recycling rates. Data from the US experience shows a similar trend.

While the use of waste-derived fuels in cement kilns is a form of energy recovery, it is significantly different from incineration in a number of important respects. Cement plants use fuel to produce a product, whereas thermal disposal sites are built to manage waste while producing electricity.

In addition, the use of waste-derived fuels in cement kilns does not create an incentive to burn waste that could otherwise be eliminated. It recovers energy and recycles some of the raw materials from waste, displacing traditional fuels like coal and pet coke. It leads to significant reductions in CO₂ without increasing other pollutants and does not produce fly ash or other residual waste, as a result of the high heat that cement plants burn at.

The province has taken steps to facilitate an increase in low-carbon fuels in Ontario's cement facilities by streamlining the regulatory approach to fuel substitution for the cement, steel and lime industries. However, the recently introduced Waste-Free Ontario Act is, by far, the most important opportunity to set the course for leadership in reducing GHGs through low-carbon fuels.

To foster investment and innovation in low-carbon fuels in Ontario, the Waste-Free Ontario Act must ensure that low-carbon fuels are formally recognized as a beneficial end use for the many types of materials that would otherwise be bound for landfills or an incinerator.

Increasing the use of low-carbon fuels in Ontario requires the following:

1. Establish a service standard for low-carbon fuels permits. Historically, the permitting process has been prohibitively slow, often taking years even to obtain a demonstration permit. We're suggesting a service standard of six months from the point of application to the final approval, to help Ontario achieve both its aggressive GHG reduction targets and to help build a circular economy within 10 years.

2. Diversion credits and incentives for fuel recycling: The Strategy for a Waste-Free Ontario specifically rules out diversion credits for alternative fuels. We believe the province should reconsider this principle for alternative fuels used in the cement sector through a sector- and material-specific diversion licence system or, more broadly, through the recognition of fuel recycling as a diversion option.

3. Landfill and incineration surcharges or bans on specific materials. We strongly support the tools in the Waste-Free Ontario Act to institute surcharges or bans for certain materials known to be good alternative fuels—

The Chair (Mr. Peter Tabuns): I'm sorry to say this, but you're out of time.

Mr. David Black: Have I used all my 10 minutes?

The Chair (Mr. Peter Tabuns): Five minutes.

Mr. David Black: Five minutes? Okay.

The Chair (Mr. Peter Tabuns): You have.

Mr. David Black: I have one more point—

The Chair (Mr. Peter Tabuns): No, I'm sorry.

Mr. David Black: Okay, go for questions.

The Chair (Mr. Peter Tabuns): I'll go to the official opposition. Ms. Thompson.

Ms. Lisa M. Thompson: I'll allow you some of my time so you can finish.

Mr. David Black: The fourth point is, funding to support market development and capital infrastructure. One of the challenges we have is having the capital infrastructure for those low-carbon fuels, and Ontario needs to help cement, lime and steel plants to fund the necessary infrastructure to do that and develop the necessary supply chains, as the previous presenter spoke to.

Ms. Lisa M. Thompson: Thank you very much. I appreciate that. You have a good message today.

Clearly, the Waste-Free Ontario Act is very much interdependent and connected with the initiative of reducing climate change and greenhouse gas emissions, which all of us in this room agree is a very serious challenge ahead of us. So I appreciate your comments very much.

Specifically, with regard to Bill 151, the Waste-Free Ontario Act: How would you amend this bill to reflect the unique business, if you will, of the ICI sector?

Mr. David Black: I don't see any specific amendments to affect our sector. I can't speak to the whole ICI sector; I'll speak to the cement industry.

1730

Ms. Lisa M. Thompson: Sure.

Mr. David Black: The legislation currently does enable some of these things. Like I said earlier, we do suggest that Ontario could allow for some kind of diversion credits and incentives for fuel recycling. That's to help industries like ours that are very energy-intensive and emissions-intensive. We burn a lot of coal in order to make cement, which is used to build all of the infrastructure that we see every day. It builds the Eglinton Crosstown, all our roads, bridges, sewer and water infrastructure.

Allowing us to reduce our coal use would be good. Allowing diversion credits so that some of those non-recyclable products—some of the things that are destined for landfill and have no other use, no recycling use—could be considered a fuel recycling and brought in and allowed to be used in a cement plant.

Ms. Lisa M. Thompson: Okay, very good. Before I run out of time, I'm wondering: Will you be agreeable to sharing your notes with the committee?

Mr. David Black: Absolutely. I had a printer problem so unfortunately it didn't print out 25 copies in time before I had to come.

Ms. Lisa M. Thompson: Okay. If you could send it to legislative research, that would be awesome.

Mr. David Black: I will.

Ms. Lisa M. Thompson: I did note you had a lot of suggestions in your remarks and I don't want to lose them. So thank you very much.

Now, in meeting with stakeholders through the past number of weeks, I've heard a common concern around the authority. I'm just wondering about your industry's view on this authority and the manner in which it's going to be selected. Again, the minister selects five; they, in turn, elect six. I welcome your comments with regard to the authority and its scope and how it might impact your association and industry.

Mr. David Black: I don't see it being a tremendous impact. This is somewhat of a niche issue within the Waste-Free Ontario Act, because I'm talking about reducing the amount of fuel we use from coal and pet coke and transitioning that to alternative low-carbon fuel. The broad spectrum and the overarching structure do not affect us as much, but our details are more in the implementation, the draft regulation and the regulations that will come out of the Waste-Free Ontario Act so that we can enable that. It's to put on everybody's radar how we're going to go from that, assuming the Legislature passes the legislation, to actually getting into the circular economy within the time frame of 10 years that the ministry has outlined.

Ms. Lisa M. Thompson: Going back to the low-carbon fuels, help me understand it a little bit better. You see it being used just within your industry or is there potential—we recognize that in Ontario the total global greenhouse gas emissions are less than half a percentage point, of which 34% of that is transportation. In terms of innovation and going forward with low-carbon fuels, what's your vision?

Mr. David Black: If we go back the Ministry of the Environment's initial discussion paper on carbon pricing, there's a great pie chart in there. The cement industry is about 7% to 9% of emissions throughout Ontario. By allowing us to transition to alternative low-carbon fuels, we can actually reduce our emissions, so our share of the pie, and we can help reduce the emissions coming from the waste sector by getting those products that are non-recyclable. Wood waste is a prime example. With all the construction demolition waste, that goes to landfill and sits there. It rots and methane is released, which is 25 times more intense—

The Chair (Mr. Peter Tabuns): And again, I'm sorry to say, but—

Mr. David Black: I'm out of time?

The Chair (Mr. Peter Tabuns): Your time's up.

Ms. Lisa M. Thompson: I look forward to your notes and following up.

The Chair (Mr. Peter Tabuns): Thank you very much.

Mr. David Black: Thank you.

ONTARIO CHAMBER OF COMMERCE

The Chair (Mr. Peter Tabuns): The next presenters, then: the Ontario Chamber of Commerce, Ashley Challinor.

As you have heard, you have up to five minutes to present. Then, we'll go to questions. Please introduce yourself for Hansard.

Ms. Ashley Challinor: My name is Ashley Challinor. I'm a senior policy analyst at the Ontario Chamber of Commerce. I've brought a written submission. We also have a report we wrote in November on this issue, and I've brought that as well. For that reason, I won't get into the nitty-gritty of some of our concerns. I'll just play the hits, so to speak.

We've consulted with both our members and non-members, other stakeholders and producers from various sectors and also waste management firms on their concerns with the act, but also their willingness to get behind the goals that the government has espoused. We do see a lot of overlap, but we have three issues that I'd like to briefly go over.

We'd like to see an arrangement where the government is more of a steward, setting policy and making informed decisions about measuring and evaluating outcomes rather than being prescriptive in the way that they set these goals, and then allowing industry to determine how best to create solutions, meet these outcomes and fulfill these policy goals. We feel the way to do that is through deep and meaningful consultation, and through the creation of a long-standing partnership, because we have industry that comes with deep expertise on this issue. They understand the market forces, they understand the complex web of regulation, but they also share these goals of being greener, often because it benefits their bottom line. We believe that the act needs to reflect this expertise.

That includes our second concern, which is the authority. We don't feel that the authority has the proper representation of industry. It is largely government, and so it will lack the expertise necessary to define how to set these outcomes, where this data is coming from, how best to use it and what solutions are appropriate.

We feel that the legislation is vague and potentially allows for mission creep. There have been some productive conversations about limiting the scope of the authority, but that's not explicit in the text.

We're also concerned that, rather than incentivizing and encouraging recycling or similar behaviour, the legislation is really more burdensome and not collaborative, which is what it needs to be if we're going to meet these goals since industry is going to be actually enacting all of these changes.

Our third concern is regarding the term "circular economy." In section 67(3), the inputs that go into creating a circular economy are not something that you can simply legislate into existence, especially not on an Ontario-only scale. Our members deal with multiple jurisdictions. They deal with multiple types of regulation that affect the way they design packaging, everything from food safety to, frankly, federal regulations. So this is a concern for us.

Again, we support the idea of a circular economy and we have many members who are already working

towards creating those sorts of programs under what they can control, but we don't feel that it's something that can be simply legislated into existence, and certainly not without any sort of deep partnership with industry, which has the expertise to understand what factors go into this and how we can achieve these goals in a way that isn't just dragging industry along with government, but in fact letting industry be leaders.

That's my overview of our concerns, but we do think that there is room to be optimistic. Our members and the OCC would like to have a more participatory role in the creation of a potentially extended producer responsibility regime, because we think that's how it's going to be successful, where industry is really at the table.

The Chair (Mr. Peter Tabuns): Thank you very much. For questions, I go to the third party. Mr. Singh.

Mr. Jagmeet Singh: Thank you very much for your presentation. I know there are some other folks who want to squeeze in, so please don't take this in any offensive way, but I have no questions. Thank you so much for your presentation.

Ms. Ashley Challinor: Okay. It's all right.

The Chair (Mr. Peter Tabuns): Thank you, Mr. Singh.

ONTARIO WASTE MANAGEMENT ASSOCIATION

The Chair (Mr. Peter Tabuns): Our last presenter, then: Ontario Waste Management Association, Peter Hargreave. As you've heard, you have up to five minutes. If you would introduce yourselves for Hansard. It's all yours.

Mr. Norm Lee: Good afternoon. My name is Norm Lee. I'm the director of waste management for the region of Peel. I'm also the chair of the Ontario Waste Management Association, and it is in that role that I'm here today. I will say, however, that Peel region supports Bill 151 and supports the comments that I will be making today.

I'm joined by Peter Hargreave, who is the director of policy at the OWMA. Thank you for allowing us to present today on this important piece of legislation. I will try to be brief. We've distributed our amendments in advance.

1740

The waste management sector, like other sectors, has struggled with the marketplace distortions caused by the current Waste Diversion Act; the Waste-Free Ontario Act addresses those issues. Not only does the legislation reflect many of the positions that OWMA has advocated for, but it also embodies policy recommendations brought forward by the Environmental Commissioner of Ontario, the Ontario PC Party, the Ontario NDP and the Green Party of Ontario, who have all advocated for a new approach and a new act.

It's also important to emphasize that we strongly support the following elements of the act, which we would caution against changing without serious consideration:

- the establishment of overarching provincial interests and policy statements. We agree these should be non-binding, but they are helpful in providing clear provincial direction;

- the legislative requirement to develop a strategy that shows the path forward towards a circular economy. This further clarifies provincial direction;

- the move to an outcomes-based extended producer responsibility regime that holds organizations individually responsible for results;

- the establishment of a strong oversight body, led by a skill-based, not an interest-based, board that can provide proper independent oversight and enforcement of both the main act and the transition act; and

- the clear articulation that the Competition Act of Canada fully applies to the activities of all parties under the proposed act and that a regulatory conduct defence cannot be used.

Each of these elements will be important for the future success of this legislation and should be changed only after careful consideration.

On that note, I did observe that many of the comments at committee over the last two days deal with elements that will be dealt with in regulations. These concerns are understandable and should be heard, but I believe they are better dealt with at the regulatory stage. This act is meant to be enabling, and therefore we support the need for it to be relatively high-level.

While the OWMA is supportive of the act, it's evident that certain amendments are necessary to ensure a strong piece of legislation. Some are minor, just to improve clarity; others correct drafting errors; and a few are more significant.

I was going to focus on three of those today, but I would ask the Chair—I understand that we may be pressed for time. At your discretion, I'll either go through those three, or I'll open it up for questions right now.

The Chair (Mr. Peter Tabuns): No, you have the time to proceed. If we run out, we run out.

Mr. Norm Lee: Thank you.

The first relates to section 17, which empowers the director to direct—that is, to order—a regulated person to review their activities to determine the extent to which they are consistent with provincial policy statements. Essentially, this provision makes inherently non-binding policy statements legally binding on regulated persons through a review mechanism whereby the director can issue orders.

The ministry advises that section 17 is not intended to empower a director to do that, as policy statements are meant to provide direction, not to be binding policy tools. The ministry has other, more appropriate policy mechanisms, such as regulations, to compel actions. This is especially true for the waste management service providers, who are already highly regulated.

However, as currently worded, subsections 17(5) and (6) do empower the director to order regulated persons to take additional steps. We have provided alternative language in our submission to correct this or, at a minimum,

to afford regulated persons a right to appeal such orders to the Environmental Review Tribunal.

The second issue relates to service providers inadvertently being caught in basket clauses in the act. Section 64 limits service provider responsibilities to three areas: registration, promotion and education, and reporting and record-keeping. Despite that, the wording of the sections 68 and 69 of the act lends itself to service providers being caught more broadly. This appears to be a drafting error, and we have offered language to expressly limit service providers' responsibilities to the three areas.

The final issue relates to harmonization problems that may arise from the fact that waste management systems will be subject to requirements of regulations made under 68 and 69 and—

The Chair (Mr. Peter Tabuns): And with that, I'm sorry to say, you are out of time at this point.

Mr. Norm Lee: Okay.

The Chair (Mr. Peter Tabuns): You got pretty close. We go to the government for questions. They may well ask you to continue.

Mr. Fraser.

Mr. John Fraser: Continue, and finish what you were saying. Don't rush.

Mr. Norm Lee: Okay. I will be as quick as possible.

They will be subject to the requirements of regulations made under 68 and 69 of the act, and also to the requirements under part V of the EPA and any approvals issued thereunder.

In theory, we have no problem with section 68 and 69 regulations imposing additional, more onerous waste reduction standards or targets. But in practice, there could be a variety of logistical or competitive challenges, since the obligations imposed by these regulations are intended to be imposed upon producers, not service providers.

From the perspective of service providers, persons who hold an approval under one statute, in our view, should not have that approval jeopardized or otherwise impacted or their competitive position unfairly undermined.

As a result, we believe there is a need for a harmonization process, either to be spelled out in full in the legislation or, at a very minimum, to have regulation-making power in Bill 151 to establish the harmonization processes by way of regulation. A similar regulation may also be needed under the EPA. Our submission includes language to achieve that.

That does end my comments. Thank you for listening.

The Chair (Mr. Peter Tabuns): Mr. Fraser.

Mr. John Fraser: Thank you very much, Mr. Chair. Mr. Lee and Mr. Hargreave, thank you very much for being here today.

In a bit of a discussion with my colleague MPP Ballard here, producer responsibility is not actually a new concept. We're in part of an evolutionary process here. I want to ask you a bit about this: In legislation, we're establishing an authority that gives some ability as a data clearing house, with some producer performance incorporated into that, and also some government measures for oversight of that authority. The question simply is, does the authority have the proper mandate, and does the government have the proper oversight required, in your opinion?

Mr. Peter Hargreave: If I can just catch on that—yes, absolutely. We think that it has got the right powers and the right oversight over that body. The body is very similar to delegated administrative authorities which were brought into effect under the Tory government a number of years ago. They have a great track record for achieving more effective results, and more efficient results, than the government does. In fact, the Drummond report, which was released a few years ago, referenced that.

We think that the way the authority has been set up is absolutely appropriate. We would caution the government around concerns that may have been raised here in a few areas. One is fees. Trying to find a way to cap fees, I would suggest to you, is very, very problematic. The authority needs to have the appropriate resources to do its job. We have offered some suggestions around reasonable costs, and that those fees are set reasonably for the people that they affect, the stakeholders. I think that's a better way to go at the issue.

On board composition, there have been lots of comments around who should be on the board and who shouldn't be on the board, and how much of the board should be one interest or another. We caution strongly around the government putting anything in place around that board composition. It's an oversight and enforcement body, and that body cannot have interests, at its board level, that it's actually overseeing. That's a very important thing to keep in mind as you move forward with the legislation.

Mr. John Fraser: Okay, thank you very much.

The Chair (Mr. Peter Tabuns): And with that, we have come to the end of our list of presenters.

Members of the committee, amendments to Bill 151 are to be filed with the Clerk by 12 noon on Thursday, April 28, 2016.

This committee is adjourned until Monday, May 2, at 2 p.m.

The committee adjourned at 1750.

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CONTENTS

Tuesday 19 April 2016

Waste-Free Ontario Act, 2016, Bill 151, Mr. Murray / Loi de 2016 favorisant un Ontario sans déchets, projet de loi 151, M. Murray.....	SP-931
Canadian Environmental Law Association.....	SP-931
Mr. Richard Lindgren	
Unilever Canada.....	SP-933
Mr. John Coyne	
Association of Municipalities of Ontario	SP-934
Mr. Gary McNamara	
Ms. Monika Turner	
Loblaw Companies Ltd.	SP-936
Mr. Alain Brandon	
Recycling Council of Ontario	SP-937
Ms. Jo-Anne St. Godard	
Restaurants Canada.....	SP-939
Mr. James Rilett	
Canadian Beverage Association.....	SP-940
Mr. Jim Goetz	
Toronto Environmental Alliance.....	SP-942
Ms. Emily Alfred	
Ontario Environment Industry Association.....	SP-943
Mr. Alex Gill	
Mr. Randy Cluff	
Cement Association of Canada, Ontario region.....	SP-945
Mr. David Black	
Ontario Chamber of Commerce	SP-947
Ms. Ashley Challinor	
Ontario Waste Management Association.....	SP-948
Mr. Norm Lee	
Mr. Peter Hargreave	