



---

ISSN 1180-5218

**Legislative Assembly  
of Ontario**  
Second Session, 37<sup>th</sup> Parliament

**Assemblée législative  
de l'Ontario**  
Deuxième session, 37<sup>e</sup> législature

**Official Report  
of Debates  
(Hansard)**

**Friday 31 August 2001**

**Journal  
des débats  
(Hansard)**

**Vendredi 31 août 2001**

**Standing committee on  
general government**

Subcommittee report

Brownfields Statute Law  
Amendment Act, 2001

Waste Diversion Act, 2001

**Comité permanent des  
affaires gouvernementales**

Rapport du sous-comité

Loi de 2001 modifiant des lois  
en ce qui concerne  
les friches contaminées

Loi de 2001 sur le  
récyclage des déchets

Chair: Steve Gilchrist  
Clerk: Anne Stokes

Président : Steve Gilchrist  
Greffière : Anne Stokes

---

### **Hansard on the Internet**

Hansard and other documents of the Legislative Assembly can be on your personal computer within hours after each sitting. The address is:

<http://www.ontla.on.ca/>

### **Index inquiries**

Reference to a cumulative index of previous issues may be obtained by calling the Hansard Reporting Service indexing staff at 416-325-7410 or 325-3708.

### **Copies of Hansard**

Information regarding purchase of copies of Hansard may be obtained from Publications Ontario, Management Board Secretariat, 50 Grosvenor Street, Toronto, Ontario, M7A 1N8. Phone 416-326-5310, 326-5311 or toll-free 1-800-668-9938.

### **Le Journal des débats sur Internet**

L'adresse pour faire paraître sur votre ordinateur personnel le Journal et d'autres documents de l'Assemblée législative en quelques heures seulement après la séance est :

### **Renseignements sur l'index**

Adressez vos questions portant sur des numéros précédents du Journal des débats au personnel de l'index, qui vous fourniront des références aux pages dans l'index cumulatif, en composant le 416-325-7410 ou le 325-3708.

### **Exemplaires du Journal**

Pour des exemplaires, veuillez prendre contact avec Publications Ontario, Secrétariat du Conseil de gestion, 50 rue Grosvenor, Toronto (Ontario) M7A 1N8. Par téléphone : 416-326-5310, 326-5311, ou sans frais : 1-800-668-9938.

---

Hansard Reporting and Interpretation Services  
3330 Whitney Block, 99 Wellesley St W  
Toronto ON M7A 1A2  
Telephone 416-325-7400; fax 416-325-7430  
Published by the Legislative Assembly of Ontario



Service du Journal des débats et d'interprétation  
3330 Édifice Whitney ; 99, rue Wellesley ouest  
Toronto ON M7A 1A2  
Téléphone, 416-325-7400 ; télécopieur, 416-325-7430  
Publié par l'Assemblée législative de l'Ontario

## LEGISLATIVE ASSEMBLY OF ONTARIO

## ASSEMBLÉE LÉGISLATIVE DE L'ONTARIO

STANDING COMMITTEE ON  
GENERAL GOVERNMENTCOMITÉ PERMANENT DES  
AFFAIRES GOUVERNEMENTALES

Friday 31 August 2001

Vendredi 31 août 2001

*The committee met at 0903 in committee room 1.*

**The Chair (Mr Steve Gilchrist):** Good morning. I'll call the committee to order as we undertake a joint hearing on two different bills: Bill 56, An Act to encourage the revitalization of contaminated land and to make other amendments relating to environmental matters; and Bill 90, An Act to promote the reduction, reuse and recycling of waste.

## SUBCOMMITTEE REPORT

**The Chair:** The first order of business is the report of the subcommittee. I wonder if I could get Mr Levac to read the report into the record, please.

**Mr Dave Levac (Brant):** Certainly, Mr Chairman.

Your subcommittee met on Thursday, August 16, 2001, to consider the method of proceeding on Bill 56, An Act to encourage the revitalization of contaminated land and to make other amendments relating to environmental matters, and on Bill 90, An Act to promote the reduction, reuse and recycling of waste.

(1) That the committee schedule public hearings in Toronto, Hamilton, Brantford and Windsor. The committee will meet on August 31, September 7, September 10, and if necessary on September 11 in the afternoon. The Chair, in consultation with the clerk, will determine which dates the committee will meet in which city.

(2) That videoconferencing may be used to hear witnesses' submissions if deemed appropriate.

(3) That groups be offered 20 minutes in which to make their presentations, and individuals be offered 10 minutes in which to make their presentations.

(4) That the Chair, in consultation with the clerk, make all decisions with respect to scheduling. The Chair and clerk will attempt to create a balanced set of hearings where all witnesses are scheduled. If all witnesses cannot be scheduled, an additional subcommittee meeting will be called to resolve the issue.

(5) That the subcommittee determine whether reasonable requests by witnesses to have their travel expenses paid will be granted.

(6) That there be no opening statements made by any party.

(7) That the minister should not make an opening presentation.

(8) That the research officer prepare a background paper containing relevant information from other jurisdictions as well as a summary of recommendations.

(9) That the committee commence its clause-by-clause consideration of the bills after the House comes back.

(10) That the clerk be authorized to begin implementing these decisions immediately.

(11) That the information contained in this subcommittee report may be given out to interested parties immediately.

(12) That the Chair, in consultation with the clerk, make any other decisions necessary with respect to the committee's consideration of the bills. The Chair will call another subcommittee meeting if needed.

**The Chair:** Thank you very much.

Mr Levac has moved adoption of the subcommittee report.

**Mr Ted Arnott (Waterloo-Wellington):** Just a general question: I don't mind working on a Friday. I had a whole day planned in my riding office today with appointments and I'm just subbed in today. I'm curious as to why we're sitting on a Friday.

**The Chair:** Quite simply because of conflicts with other committees: the new select committee on alternative fuels and the work of the Red Tape Commission and other committees. We had a very limited number of dates to choose from, and it wound up being these two or not until after the House came back. The minister had made it very clear that he wanted these hearings done over the summer, and hence the decision to meet today. I certainly say to all the members who weren't part of the subcommittee deliberations that we apologize for any inconvenience it has caused if you'd already booked other appointments, but we appreciate your being here today, and I think over the next two sitting days we'll be able to digest all—in fact, I know we have been able to schedule every single individual and group that requested time to speak on these two bills.

Thank you, Mr Arnott.

Any further debate? Seeing none, I'll put the question. All those in favour of the adoption of the subcommittee report? Opposed? It's carried.

BROWNFIELDS STATUTE LAW  
AMENDMENT ACT, 2001

LOI DE 2001 MODIFIANT DES LOIS  
EN CE QUI CONCERNE  
LES FRICHES CONTAMINÉES

WASTE DIVERSION ACT, 2001

LOI DE 2001 SUR LE  
RÉACHEMINEMENT DES DÉCHETS

Consideration of Bill 56, An Act to encourage the revitalization of contaminated land and to make other amendments relating to environmental matters / Projet de loi 56, Loi visant à encourager la revitalisation des terrains contaminés et apportant d'autres modifications se rapportant à des questions environnementales;

Bill 90, An Act to promote the reduction, reuse and recycling of waste / Projet de loi 90, Loi visant à promouvoir la réduction, la réutilisation et le recyclage des déchets.

ONTARIO HOME BUILDERS'  
ASSOCIATION

**The Chair:** We'll move into our first presentation. That will be from the Ontario Home Builders' Association. Good morning. Welcome to the committee. We have 20 minutes for your presentation. Perhaps you could introduce yourselves for the purposes of Hansard.

**Mr Wayne Dempsey:** Good morning, Mr Chairman and members of the general government committee. My name is Wayne Dempsey and I'm pleased to have this opportunity to speak with you today. With me this morning is Terry Kaufman, a builder from Toronto and a member of the Ontario Home Builders' Association board of directors. I am here as president of the Ontario Home Builders' Association and as a past president of the Muskoka Home Builders' Association. I also serve on the board of directors for the Ontario New Home Warranty Program. Through this and my 25 years of home building experience in both urban settings and more rural areas, I have acquired extensive first-hand experience regarding many issues affecting the housing industry. Having said all this, I would now like to state for the record that the Ontario Home Builders' Association supports the intent of Bill 56, and with a few modifications would fully support this important piece of legislation.

The Ontario Home Builders' Association represents 3,500 member companies and is the voice of the residential construction industry in Ontario. As with every industry, home building is predominantly made up of small firms with a small number of very large companies. While this proposed legislation is much needed and encouraged by the industry, to make brownfield redevelopment available to more than just the largest builders in the major urban centres, we would like to

recommend some adjustments to help this piece of legislation achieve its goals.

Redevelopment of Ontario's brownfield lands will result in substantial public benefits for the residents of the province. They will have the potential to make a significant contribution to meeting Ontario's growing housing needs and can play a key role in the policy of Smart Growth.

Ontario's population is expected to continue to grow at a robust pace—from approximately 11.5 million in 1999 to almost 15.4 million by 2028, according to projections prepared by the provincial Ministry of Finance. New homes are needed to house this growing population and in the year 2000 there were more than 71,000 new housing starts in Ontario. Accommodating this growth puts pressure on the province's agricultural lands and open spaces. Encouraging the redevelopment of more brownfield sites has the potential to make a significant contribution to meeting Ontario's housing needs and would help mitigate the pressure to urbanize our rural areas.

Many brownfield sites are located in the heart of established communities. A framework of infrastructure and public services is often already in place, allowing for very cost-effective development from a public perspective. Redeveloping these sites for new housing could help to revitalize older town centres by bringing in new residents and businesses, cleaning up contaminated sites and improving the image of ailing downtowns.

Providing new housing through the efficient use of now underutilized urban lands and the cost-effective use of existing infrastructure and public services is smart growth.

**0910**

**Mr Terry Kaufman:** Good morning, Mr Chair and members of the committee. My name is Terry Kaufman, a member of the board of directors of the Ontario Home Builders' Association. There are many examples where brownfield sites are being successfully redeveloped for new residential communities in select areas within Ontario. For example, Mattamy Homes is currently building the former site of an oil storage tank facility and sludge farm in Mississauga into an upscale residential community that will house 393 families at full buildout. The redevelopment of railway lands in downtown Toronto by Concord Adex will provide 7,000 new apartment units when completed. I am presently building a project in the west end of Toronto backing on to the CN rail lands. An old spur line by the CP line as well is there. We are building 35 units as an affordable housing community. I can only see this growing in leaps and bounds because of all the industrial areas that are vacant now where railway lands are abutting. So it's a prime opportunity for us to step in and try and build out these sites throughout all the centres in Ontario.

In these cases, the local real estate market was strong enough to generate sufficient returns to justify the costs and risks associated with brownfield redevelopment, and site contamination problems proved to be manageable.

However, there are many more old, unused industrial sites in towns and cities across Ontario that could be cleaned up and redeveloped if the problems of financing and risk could be overcome. That's due to the fact that you want to make sure that the site is cleaned properly under environmental 1 and 2. The banks are standing right behind us to make sure that you do have this full compliance of phases 1, 2 and even 3.

OHBA understands that Bill 56 is intended to encourage brownfield revitalization through allowing municipalities to provide financial incentives for site cleanup and redevelopment—we're behind this 100%—legislation to regulate site remediation and provisions to limit liability. The Ontario Home Builders' Association believes that these are useful initiatives that will encourage more brownfield redevelopment. However, we fear that the impact may be limited to the redevelopment of lower-risk sites in prime locations, real estate markets that are very strong, municipalities that have the financial resources to offer these incentives and developers that are large enough to absorb the costs and risks inherent in brownfield projects. The initiatives in Bill 56 are not likely to be enough to encourage small and mid-sized homebuilders to become involved in brownfield redevelopment projects.

From the homebuilders' perspective, the major barriers to redevelopment of brownfield sites are the upfront costs of the site remediation and the risks involved. The risks for the homebuilder can be substantial. Site cleanup costs may be much higher than expected. The approval process can be extremely arduous and time-consuming, taking years for the proper approvals. I just might add at this point that the railway lands I was talking about that are quite prominent throughout the province where the industrial sites are abutting are now a circulating agency among the municipalities. I think that process, from a first-hand knowledge of myself dealing with it for the last two years, should definitely be taken out of the equation. There's got to be a way to get to the railway lands, to have a standard agreement with them through all the municipalities in Ontario, for them to move ahead quite quickly. Once you get involved in the CN process—there are no engineering facilities here to approve anything. It takes a long time to go to Winnipeg, back and forth, where they have a peer review. As I say, for myself it's been over a year and it's just a lot of money that could be put to much better use, especially to building affordable housing.

The approval process, as I said, is arduous, taking years for the proper approvals. The builder may assume responsibility for contamination, including off-site contamination. There may be consumer resistance to purchasing homes built on former industrial sites, particularly in smaller communities where there may be a stigma attached to some old industrial sites. In parts of the province the financial margin on new homes may not be sufficient to justify the costs and risks associated with the redevelopment of brownfield sites, even with proposed new standards for site cleanup and limitations

on environmental liability. Even where the real estate market is very strong, potential revenue from the sale of new homes or commercial space will not be sufficient to justify the cost and risk associated with the redevelopment of more difficult brownfield sites.

**Mr Dempsey:** The proposed legislation needs to be strengthened if it is going to be effective in encouraging brownfield redevelopment across Ontario. The Ministry of Municipal Affairs and Housing appointed a panel which investigated the barriers to brownfield development and wrote an excellent report in November 2000. It included a number of recommendations that would greatly increase the industry's ability to redevelop these sites. I would urge the government to once again review this paper and implement a more inclusive package of the recommendations into the legislation. The brownfields policy review is the one we're referring to:

Recommendation 3e, immunity from off-site contamination liability and protection from MOE orders and prosecutions;

Recommendation 5f, clarification of municipality's ability to forgive tax arrears;

Recommendation 7f, potential rebates on the PST and encouraging the federal government to rebate the GST;

Create linkages with the SuperBuild partnerships initiative to create a pool of funds to be used similarly to the way in which the US has created revolving loan funds for site cleanup.

Legislation in the United States demonstrates that financial incentives need not be limited to grants and tax increment financing. For example, the federal government offers a brownfield tax incentive under which environmental cleanup costs for properties in targeted areas are fully deductible in the year in which they are incurred.

In conclusion, OHBA supports any provincial initiatives that will encourage brownfield redevelopment. However, based on the experience of our members, we believe that some changes should be made in the proposed legislation to make it workable and effective in all parts of the province. The many brownfield sites across Ontario represent an underutilized resource that has the potential to be transformed into vibrant communities. With an effective framework of legislation and financial incentives, these blighted areas can once again be rewoven into the urban fabric of our towns and cities.

Once again I would like to thank you for the opportunity to speak this morning on this important piece of legislation, and we would now welcome any questions you may have.

**The Chair:** Thank you very much. That affords us about two and a half minutes per caucus for questions. We'll start this round with Mr Levac.

**Mr Levac:** I want to start by thanking you—you're your presentation and the thoughtful way in which you've evaluated the legislation. A quick question of clarification: you mentioned "circulating agency" when you were making reference to the rail lines. Could you explain that just quickly for me?

**Mr Kaufman:** Municipalities require the outside agencies, the environmental agencies, the Ministry of the Environment as well as Canadian National Railway, to comment on the redevelopment of the site, and if there's no standard policy—for example, the Ministry of the Environment has a standard policy, so we know the guidelines we have to follow, but there doesn't seem to be a standard policy set for CN, because every site they look at is different and you have to go through this process, which takes a very long time.

**Mr Levac:** That would require us to engage in negotiations with those groups that would affect those types of redevelopment of brownfield sites.

**Mr Kaufman:** That's correct.

**Mr Levac:** In your conclusion you mention that you support the bill, but then you have concerns that if it's not changed in the way in which you observe for the rest of the province—I mean, it's one and the other. Can you give me your impression of whether or not you can roundly come out and say, “Yes, this is a great piece of legislation,” or are you saying that it's really not as good as everyone tries to make it to be and it really needs to have these changes to be effective? I really need to know because it's too much on the fence.

**Mr Dempsey:** It's a great piece of legislation but it needs maybe a little bit of tweaking.

**Mr Levac:** If that tweaking does not take place, will you be satisfied that this is still a great piece of legislation?

**Mr Dempsey:** I think we would be satisfied with anything that would deal with brownfield redevelopment right at this point.

**Mr Levac:** OK. I'm not trying to be difficult here. I just want to get a sense of whether or not the homebuilders are saying to me, “We really need these additions,” and you made reference to the government's own report that they received back from its panel; they didn't take some of the recommendations that you're encouraging that they take. There must have been a reason why the government didn't take those recommendations, or somebody didn't get to them and say, “If you miss these, you're not helping us.”

**Mr Dempsey:** It's a good piece of legislation. If you want to make it a great piece of legislation, that's what it takes.

**Mr Levac:** I appreciate that very much.

**Mr Rosario Marchese (Trinity-Spadina):** Thank you both for your presentations. I'll get back to the last point you just made about “good” and “great.” But you mentioned Smart Growth in your report, both of you, in quotations. Can either of you define for us briefly what you think Smart Growth is all about?

0920

**Mr Kaufman:** As far as Smart Growth is concerned, it's working together with the people who are affected the most. As I say, the Ontario government and the municipal government are working hand in hand to build affordable housing. We're talking about bringing back people to the centres of the cities, and you have to do it in

a manner that makes sense. You can't just go helter-skelter and let anybody put up whatever they want to put up. You've got to work together as a team to put up the proper developments.

As I say, if we're talking about the homeless and we're talking about putting up affordable housing, we have to go to that area where it makes the most sense, where the cost is the least, and there should be some incentive for whoever is putting this project up to have a tax incentive of some kind with the municipality at the end of the day.

**Mr Marchese:** Yes, I would agree. New Democrats have been talking about affordable housing for a long time. We've been trying to convince these folks that we really need affordable housing. They're just waiting for the private sector to build, and they're not building.

**Mr Kaufman:** When you call it affordable housing, I can only talk from personal experience, and that is that I built these houses so that the basement apartments which now as of right can be used throughout the city—although there is a moratorium on new construction for one year, when you're building affordable housing projects the way I have, they're allowing us to have the basements rented right away.

**Mr Marchese:** I agree.

**Mr Kaufman:** But the Ontario government criterion is \$560 for that basement apartment, and that's the way we've sold these houses. We sold the houses saying to the people, “You're paying \$200,000 in the centre of the city, but you must stick to the guideline of \$560 in order to get that approved right away.” That's one way of getting around it.

**Mr Marchese:** Have you had any discussions with the government or government members with respect to this particular bill, Bill 56?

**Mr Dempsey:** We're in constant discussion with the Ministry of Municipal Affairs and Housing on brownfield sites. Certainly, the development permit system that has been started in areas such as Baysville, Hamilton and Oakville has to do somewhat with brownfield redevelopment as well.

**Mr Marchese:** You were saying at the end, in response to the Liberal question, that this “needs maybe”—you were a bit hesitant. Is there a reason why you were hesitant, why, as opposed to clearly saying, “It needs some work,” you said, “needs maybe...”? You were a bit shy about that.

**Mr Dempsey:** I think the reason I was a little hesitant is, it's been a long time in the making. We want to see it done; we want to see some legislation in place that will help our members to do our business. So we want it to happen. We want a great bill, but we also want the legislation through.

**Mr Marchese:** I understand.

**Mr Norm Miller (Parry Sound-Muskoka):** Thank you for coming down here today, Wayne and Terry, and for speaking to us today. I am happy to hear you think it's a great piece of legislation. I assume that this process we're going through right now is the tweaking you're

talking about. I certainly know in Parry Sound-Muskoka we do have some key areas that are brownfield sites that would benefit from this legislation, in Parry Sound in particular, right on the waterfront, right on the town sewer and water, primary to be developed. I'd just like to thank you for coming down here today and giving us your point of view. Hopefully, we can incorporate some of the suggestions you've made to us.

**Ms Marilyn Mushinski (Scarborough Centre):** Just one question. You were asked by Mr Marchese what your definition of Smart Growth is. Could you tell me what your definition of affordable housing is?

**Mr Kaufman:** Affordable housing is what the population can afford, based on the guidelines that were set by the Ontario government going back to 1993, and going forth from that point, taking into consideration inflation of whatever value it's at. That's a starting point.

Back then, if my memory serves me correctly, they had put out numbers for a townhouse and numbers for a detached house. Those are the things they wanted us to live by, and I think the members of our association have tried to do that.

**Ms Mushinski:** So the example you gave with respect to the basement apartments is an example of that initiative.

**Mr Kaufman:** Exactly right, yes.

**Ms Mushinski:** I think it's a very good one, by the way.

**Mr Kaufman:** Thank you.

**The Chair:** Mr Arnott, you have time for a quick question.

**Mr Arnott:** You mentioned in your brief that the United States federal government has a tax incentive—I assume that's a tax credit—for environmental cleanup costs for properties in targeted areas, that the tax incentive means those costs are fully deductible in the year in which they're incurred. Would you think that kind of tax incentive would benefit us here, and if so, would you think it would be more appropriate that the federal government do it or the provincial government?

**Mr Dempsey:** I think if both groups could come to the table—we never turn down any tax incentives. It doesn't matter where it comes from. It could come from the municipality too.

**The Chair:** Thank you, gentlemen. We appreciate your coming before us here today.

#### ASSOCIATION OF MUNICIPALITIES OF ONTARIO

**The Chair:** Our next presentation will be from the Association of Municipalities of Ontario. Good morning. Welcome back, and thank you for being part of this. We have 20 minutes for your presentation this morning, Ms Mulvale.

**Ms Ann Mulvale:** To you, sir, and to the members of the committee, we thank you for this opportunity. You're probably all aware, but for the record, the Association of Municipalities of Ontario is a non-profit organization

representing almost all of Ontario's 447 municipalities and whose membership represents 98% of Ontario's population.

As you may know, the Association of Municipalities of Ontario played a central role in the Interim Waste Diversion Organization and in the development of its recommendations for a permanent WDO to the Minister of the Environment of the day, the Honourable Dan Newman.

Andy Pollock, who is with me this morning, is the director of waste management for the region of Peel. Previously he was with the city of Toronto and was very involved in the discussions.

We are pleased to see many of the interim WDO recommendations reflected in Bill 90. The Ministry of the Environment is to be commended for following through on its commitment to waste diversion in Ontario. After a number of tries over more than a decade, we have finally brokered a mutually acceptable framework among industry, the province and municipalities.

AMO brings a high level of support for this legislation, including the overall structure of the new Waste Diversion Ontario and industry financing organizations which would be created by the Waste Diversion Act. Having said that, there are a few important outstanding issues that we feel need to be addressed before the legislation is finalized.

First among these is the issue of 50% funding from industry for blue box funding. We also have comments and concerns related to organic waste diversion and the need for predictability and timeliness in funding for municipal waste diversion programs. Finally, we have questions related to voluntary contributions to the WDO.

Funding: the wording of section 24(5), blue box program limits on payments to municipalities, provides that, "A waste diversion program developed under this act for blue box waste shall not provide for payments to municipalities that total more than 50% of the total net operating costs incurred by the municipalities in connection with the program." AMO is concerned with the language as drafted, as it could generate an interpretive circumstance.

AMO understands that the intent of this wording is to ensure that no more than 50% of funding is provided to municipalities, allowing for the fact that individual municipalities may receive less than 50%. However, this wording leaves the question of guaranteed 50% aggregate funding ambiguous and does not accurately reflect the WDO recommendation, which was unanimously approved by the WDO board of directors. That recommendation stated, "Industry should provide financial support equal to 50% of the aggregate provincial net costs of municipal recycling programs."

While all the current parties to the original agreement may share a common interpretation of the intent of the legislation, AMO is concerned with the erosion of that consensus over time if the wording of section 24(5) is not clearly binding on industry to provide 50% funding of aggregate net municipal waste diversion costs.

AMO proposes the following alternative wording for section 24(5): “A waste diversion program developed under this act for municipal blue box programs shall provide for payments to municipalities from relevant industry that equals 50% of the aggregate province-wide net program costs incurred by municipalities in connection with its household waste diversion programs.”

Funding for municipal organics waste diversion programs: the final WDO report recommended to the Minister of the Environment that the province provide funding to municipalities for their organic waste diversion programs. However, there does not appear to be a mechanism in Bill 90 to support organic waste diversion.

#### 0930

Organic waste represents 30% to 40% of the municipal solid waste stream. It is therefore essential to increase the level of organic waste diversion in Ontario if we are to achieve the overall 50% provincial waste diversion target. According to preliminary estimates from the WDO, the net cost of operating a province-wide municipal organic waste diversion program could be expected to be nearly \$50 million.

AMO urges the standing committee to recommend that the legislation be amended to enable the province to provide such funding. Organics represent a significant share of household waste, and without support, municipalities will not be able to establish and/or expand their organics diversion programs.

Predictability and timeliness in funding municipal waste diversion programs: it is tremendously important for municipalities to have predictable and timely funding provided for their household waste diversion programs, including blue box and household hazardous waste. AMO urges the standing committee to recommend that these two waste streams be designated immediately, ie, as soon as the legislation comes into effect, and that funding be effective as of the date of designation.

Voluntary contributions: finally, we have questions related to voluntary contributions to the WDO. Under section 30(2), “The industry funding organization may reduce the amount of fees payable by a person under subsection (1), or exempt a person from subsection (1), if the person has made voluntary contributions of money, goods or services to the organization.”

AMO is concerned by the lack of clarity with regard to what types of in-kind or voluntary contributions would qualify under this provision. Last year, the Canadian Newspaper Association was able to negotiate in-kind contributions in advertising space for municipalities in lieu of funding for newspaper recycling programs. While some of the in-kind advertising space was used by some municipalities, this in-kind contribution did not help in any substantive way with the costs associated with blue box programs.

In AMO’s opinion, it is important to amend section 30(2) to provide some direction on the nature of voluntary contributions if they are to be allowed. We

recommend that the following conditions be added to section 30(2) so that,

“(a) the voluntary contribution must have a direct relationship, in terms of value to the municipality, to the amount of funding that it is replacing; and

“(b) the voluntary contribution must be contingent on the agreement of the recipient,” ie, the municipality.

In conclusion, once again I would like to thank you for this opportunity to comment on what we believe is groundbreaking legislation in Ontario. We feel our recommendations do not in any way make a substantive change to the intent of the legislation, but rather clarify it, as this legislation will be a legacy piece and goes a significant distance to sustainable waste diversion in Ontario.

Thank you again for the opportunity to make this submission. Andy Pollock and I are ready to respond to your questions. Andy has much more technical background on this than I do, but between us we are confident we can respond to your questions, Mr Chairman.

**The Chair:** Thank you very much for your presentation. That leaves us a bit over three minutes per caucus for questions. We’ll start this time with Mr Marchese.

**Mr Marchese:** Thank you, Ms Mulvale, and Andy— is your name here?

**Mr Andy Pollock:** Pollock.

**Mr Marchese:** Thank you for your presentation. Have you had discussions with the ministry about some of the recommendations you’ve made: ministry, minister, minister’s staff?

**Ms Mulvale:** We’ve certainly circulated our intent. We sent a letter to the minister advising her of our delegation, and AMO staff and municipal officials certainly continue to work with the ministry staff.

**Mr Marchese:** Of course. My point was, did you get any feedback with respect to the suggestions you’re making? Is there any resistance? If so, why?

**Ms Mulvale:** I think what we’re saying is we’re giving a gentle critique. We’re celebrating the success of this, because it has taken over 10 years, and we believe they are listening. Part of the consultation process is, of course, the role of the standing committee.

**Mr Marchese:** I understand. You’re so very kind. We go through these standing committees all the time, and every now and then they listen; it’s rare. That’s why we get worried about this democratic process of the standing committee, because—

**Ms Mulvale:** Well, sir, we continue to celebrate the consultation and success with this.

**Mr Marchese:** Of course. So do I. You’re quite right. On the voluntary contributions, I think you make a very reasonable suggestion. The critique is reasonable. The ways to deal with them, at least in the two suggestions you make, are reasonable suggestions and I hope they will listen to that. It would seem to me it’s hard to define in the bill how those voluntary contributions might be written because it’s hard to encompass all the possibilities. But at least you’re saying, “Consult us. Once



they've consulted us at least we've gone through another hurdle and if we're OK with it, it shouldn't be too bad."

**Ms Mulvale:** In fairness, AMO has been very much a participant, and Andy Pollock was involved in this right the way through. We believe a lot of the consensus that evolved reflected the fact both by the industry and by the ministry that the municipalities were listened to. So we think the wording of the (a) and (b) that we're proposing ensures the clarity which we believe was the intent of the legislation. It was just not completely adequately captured.

**Mr Marchese:** Of course, agreed. We're told that the levy on industry is being designed in a way that will tax recyclables rather than overall waste. Is that your reading, Andy?

**Mr Pollock:** Yes, there is a concern. It's a little bit vague, but the legislation seems to focus on recyclable materials as they're defined in provincial legislation. So it could be that only materials that are currently recyclable have to pay into the fund and companies that are using non-recyclable materials perhaps don't have to. So there's an issue there. I think that's an issue with industry, that they would like to see a broader base for raising funds, and particularly making sure packaging that currently isn't recyclable is also paying into the cost of recycling.

**Mr Marchese:** Right. That wasn't part of your submission. Is there a reason—an oversight, perhaps?

**Mr Pollock:** It's not part of AMO's presentation, I think because it's more of an industry issue. As long as municipalities get the funding, we'll be satisfied to pay for our programs. It's more of an issue of fairness in industry sectors that non-recyclable and recyclable packaging will be paying.

**Mr Arnott:** Thank you very much for your presentation. As you know, this committee is dealing with this bill at a very preliminary stage after first reading of the bill, which gives us all an opportunity to have real input into the decisions in terms of the points that Mr Marchese made. We do appreciate the constructive suggestions that you brought forward and AMO's very positive role in working on this issue for some time.

I have one question about your issue about funding for municipal organic waste diversion programs. You've estimated that the net cost of a program of that type across the province would be about \$50 million. How has that number been generated? Is it a credible number?

**Mr Pollock:** That was developed through the Waste Diversion Organization and it involved municipal representatives as well as industry representatives; consultants and corporations supporting recycling were very involved. There was a group of people who worked quite hard to model the future cost of organics diversion, and that was the number we came up with.

**Mr Arnott:** So would you be asking for the province to fund the full amount, or half of it, in partnership with municipalities, or what would you be suggesting? Ideally you'd want the full amount—

**Ms Mulvale:** Yes, but I think we're realists. What we can divert will increase the length of our landfill sites, which will lessen costs associated, not only in a financial but in an emotional sense of locating new landfill sites. So we recognize we have a responsibility here. However, we're trying to support the province in the realization of its goal of 50%. It's one we support, it's one we believe the people of Ontario support, so it's a question of saying, "How do you make that a program that can be sustainable, given the magnitude of the costs?"

**Mr Levac:** Thank you very much for your presentation. I appreciate the candour in indicating that your participation all along has been received and you're very happy that somebody's finally listening. I appreciate that. I have a couple of quick, maybe generic, questions for you if you can. Do you believe that the 50% goal is acceptable in this day and age when we have examples in industry where 100% of the costs is covered by the particular provider and they recycle 98% of their waste?

**Ms Mulvale:** If I might, I think you have to look where we are now. We've always believed that you have to inform the public of the opportunities and responsibilities. We found in Halton region—and we had a very difficult situation in the 1970s and 1980s, because we had no landfill site—that the gentle approach, the engaging approach, works and you can build on that. Then there may be a time when you move beyond that. But I would think that where we're at now, some municipalities are very high on waste diversion, some are not. So I would think that it's a good goal, and as we move from that we should move the benchmark, just like we're doing with smoking bylaws in municipalities. As the population increasingly becomes non-smoking, we can make greater inroads on that.

0940

**Mr Levac:** Then I would suspect that the next part of my generic question would be answered the same way. When you mentioned the life of a landfill site, I guess my question might be, why are we even considering having landfills when we can cite examples around the world where they're landfill-free?

**Ms Mulvale:** We chose them. Halton, if I could use as an example our landfill, had in its environmental assessment a requirement to have a non-landfill alternative before 50% of the capacity of that site was consumed. Then a new government came in and banned one of the options we were pursuing, which was energy from waste. I think as a people we have to understand that we generate a higher per capita waste than most other countries in the world, and we have an obligation to meet that responsibility. Reduction, reuse and recycling are all part of that goal. Yes, you're right, it would be a generic statement, but it's a priority of many of us at the municipal level. From the municipal stats, maybe Andy has something further to add to that.

**Mr Pollock:** I just think that landfilling or disposing of some amount of waste is probably a reality in the foreseeable future. I think every country in the world, even if they have advanced incineration techniques, is

still disposing of some residual material—the ash from the incinerator, for example. I don't think there are any examples of a zero-landfill situation out there today. Certainly, 50% is achievable. In Peel region, where I'm from, we have a goal of 70% diversion, which we think is achievable. We have an incinerator which contributes to that as well.

**Mr Levac:** I understand. Finally, with the clarifications you're suggesting to tighten up some of the wording to prevent some leakage, would you be satisfied and extremely happy with the bill?

**Ms Mulvale:** That is our submission on behalf of our members. Individual members may have slightly different things they might want to be critiqued, but we speak as a collective.

**Mr Levac:** As the collective, are you looking at any options other than the two major ones you've said here which should be included?

**Ms Mulvale:** We believe our submission reflects the collective statement of our organization.

**The Chair:** Thank you for your presentation. I would simply note that that other option you talked about has been restored, and you may want to make some comments to the new select committee on alternative fuel sources if you think there is merit in further exploration there.

**Ms Mulvale:** I'd be speaking as an individual. I had the unfortunate situation of being the chair of planning and public works in the region of Halton when we had no landfill site. No one would help when we were trucking our waste to the States. It's a bit of déjà vu with the disappointing situation that is still present in many municipalities 20 years later. I have exit points on my body that the good Lord didn't grace me with from being through that process. I have a lot of empathy for people in that capacity.

**The Chair:** Thanks again for your presentation.

PROFESSIONAL ENGINEERS ONTARIO  
ASSOCIATION OF PROFESSIONAL  
GEOSCIENTISTS OF ONTARIO

**The Chair:** Our next presentation will be from Professional Engineers Ontario and the Association of Professional Geoscientists of Ontario. Good morning and welcome to the committee. We have 20 minutes for your presentation this morning. I would just note if anyone is going to be speaking on the record, if they could introduce themselves for the purposes of Hansard.

**Mr John Gamble:** Good morning, Mr Gilchrist and members of the committee. This is a joint presentation of PEO and the APGO. With me is Brian Whiffin, the chair of the engineers' environment committee, and Bill Stiebel, the chair of the geoscientists' environment committee. I would also like to just acknowledge our two association presidents, Mr Gord Sterling and Dr Bill Pearson.

We're here today to basically commend this legislation. We think it's definitely very positive and moving in the right direction. As provincial regulators, we're going to focus our comments on two specific concepts addressed in section 168: the record of site condition, which is essentially the legal instrument to propel compliance with this act; and the notion of the qualified person, which is basically your quality control, quality assurance and your accountability measure for the work done.

We're here to comment in a positive vein. We're here to offer our assistance to the government, to the Ministry of Municipal Affairs and Housing and the Ministry of the Environment. We're prepared to throw the weight of our regulatory regimes behind this initiative. We are in the unique position where we can set up a regime to set standards for and qualify practitioners who will accept professional responsibility, provide professional accountability, and protect the public welfare and the environment. I know there is a great deal of concern about terms such as liability, accountability and responsibility, and we're basically here to tell you that we're prepared to step up to the plate.

Briefly, for those who haven't dealt with our organizations before, we are both self-regulating organizations. PEO regulates the Professional Engineers Act on behalf of the Ministry of the Attorney General, and the APGO on behalf of the Ministry of Northern Development and Mines. Both of our acts are public acts. They are accountable to the Legislature, to cabinet and to their respective ministers. They both have regulations under those acts that bind the members to a code of professional conduct, a code of professional ethics. As well, there is a very explicit requirement that the practitioner shall "regard the practitioner's duty to public welfare as paramount."

At this point in time I will turn the presentation over to Mr Brian Whiffin.

**Mr Brian Whiffin:** I'm Brian Whiffin, chair of the PEO environment committee. On page 4 of the brief, we have three key recommendations that we would like to put forth for consideration by the committee.

Firstly, there is currently a provision for a record of site condition in the guideline that exists today. We feel that this record of site condition is very prescriptive and could lead to higher costs for work in this area. We're advocating a more flexible document which makes provisions for professional judgment on how the record of site condition is completed. We believe this can be achieved while still providing protection of the public.

Our second recommendation really deals with how this would be addressed. You may be concerned about increased risks to the government of making this approach more flexible, but what we would like to recommend is that the qualified person be a licensed professional and therefore be professionally accountable under provincial statute.

Finally, our third recommendation is that our two groups, PEO and APGO, recommend setting standards

and qualifications for the qualified person under our legislation. This would be developed with consultation and input, obviously from the government and the key stakeholders.

Moving on to page 5, we have attempted to identify what we think the role of a qualified person may be. It's not specifically spelled out in Bill 56 at this point.

We recognize that this process of site assessment and remediation requires many different disciplines and practitioners beyond those of geoscientists and engineers. These are important roles for non-licensed practitioners. We would like to make it clear that we don't advocate that this work is solely the practice of geoscientists or engineers, and we are open to and endorse the multidisciplinary nature of this type of work.

However, the role of a QP is unique. By signing a record of site condition, the qualified person undertakes a number of different activities: one is they provide a knowledgeable professional opinion of whether there is an impact or potential impact on human life or the environment; they identify and recommend steps to remove or remediate any contamination found, if necessary; and finally, they verify that the work has been completed. In summary, the QP must be legally, ethically and professionally accountable for the record of site condition.

On page 6, what does a qualified person look like? What are the attributes of a qualified person? We have attempted to define what we think that might be and this would be incorporated or recognized under our legislation. There are four key attributes that we see: one is that the qualified person would have the appropriate combination of education, training, skills and experience; they would exhibit due care and diligence in the work they undertake; they would be objective; and finally, they would be accountable.

The regulation-making powers we have under our respective acts would allow us to incorporate this and raise the bar and the level of quality that goes into the work under the contaminated sites regulation. Finally, this would allow professional judgment to be incorporated in the record of site condition as well.

On page 7, as we have already alluded to, our legislation gives us the ability to make regulations that could govern this area. We have already developed a guideline, which I will refer to here, specifically arranged for engineers working in this area. This guideline exists already. We would be prepared to undertake a revision to that to meet the requirements of this legislation.

**0950**

On page 8, we've attempted to look at what are the summary elements of our proposal. We believe our proposal will meet the policy objectives of Bill 56. It will protect the public and the environment. The qualified person would be a professional who is licensed under legislation in Ontario. It will provide a clear, transparent system. The roles and responsibilities of the QP will be clear and well understood. Finally, the proposal will recognize the multidisciplinary nature of practitioners working in this area.

We've attempted to anticipate some of the questions that may arise from the committee today. I'll turn the microphone over to my colleague to go through some of those questions and our opinion on the answers.

**Mr Bill Stiebel:** My name is Bill Stiebel. I'm chair of the environmental committee for the Association of Professional Geoscientists of Ontario. My colleague on the right here is John Gamble, who is responsible for government relations for Professional Engineers Ontario. John had forgotten to mention that before.

On page 9, one of the things we do recognize is that this type of work is multidisciplinary and there are several components. The first component is often referred to as phase 1. Non-licensed practitioners can and do definitely participate in this area. To do a phase 1 does not necessarily require professional engineering or geoscience opinions. There are some sites where that will be required. Because of that, we recommend that Bill 56 consider a separate designation for those non-licensed practitioners who will conduct phase 1s on various sites. In conjunction with that, we would also recommend that there should be an onus on those practitioners to recognize within their professionalism when the need arises to have a professional opinion provided by a licensed geoscientist or licensed engineer. We see that as a very important aspect.

Who must be licensed? When must a professional be licensed to be a QP? Once you go beyond a phase 1, you get into very detailed examinations of contaminated sites that basically very much involve the application of geoscience, and particularly engineering principles when you move on to remediation. This expertise falls under the Professional Engineers Act and the Professional Geoscientists Act, and licensed professionals should conduct that work.

These types of phases of a contaminated site, phase 2 and phase 3 projects, can involve significant contamination, and consequently they pose a much greater risk to public health and safety and to the environment. We believe it's prudent public policy that the QP carrying out this work be fully accountable under statute to the public for the work carried out on these sites.

Would non-licensed practitioners be able to work on phase 2 and phase 3 projects? Yes, of course. In our own daily practice, the engineering companies and environmental companies that we operate on a daily basis do this type of work. Our jobs are multidisciplinary. We have all different types of disciplines working on a job underneath the senior project manager, and because of this the QP, the individual who oversees the overall project and who signs and therefore accepts the professional responsibility for the record of site condition which must be signed at the completion of the work on behalf of the project team, should be a licensed professional. This makes the role of the QP a very unique position in the overall aspect of contaminated sites and brownfields redevelopment, because the QP is responsible overall for ensuring that all the applicable technical resources and appropriate expertise needed to solve the problem at a

particular site is indeed employed on the project and, in the end, he or she will sign off and accept full responsibility for that work.

In summary, at APGO and PEO we fully support the initiative of the Ontario government to encourage redevelopment of brownfield sites. We also recognize that the assessment of these sites requires a full multi-disciplinary approach to ensure the protection of public safety and the natural environment.

We recognize that non-licensed practitioners should participate in phase 1s but recommend that they should have a different designation than that of a professional QP. We also recommend that phase 2 and phase 3 assessments or site remediation and beyond, because of the greater consequences of potential contamination associated with those particular sites, should only be done by a licensed QP. They should be either a licensed professional engineer or a licensed professional geoscientist because the bulk of the work on these sites falls into those two disciplines.

We have developed a draft proposal, attached at the end of this document, which is a process to determine the QP as a licensed professional engineer or licensed professional geoscientist and to provide a complete statutory public accountability through an open complaints and discipline process. This exists within the statutes of the acts currently.

In conclusion, we, PEO and APGO, are committed to working with the Ministry of the Environment, other stakeholders and other government ministries to ensure we have an appropriate QP process for the cleanup of contaminated sites using appropriate professionals.

We'd be happy to answer any questions you have at this point in time, and refer you to more information that is attached to the end of this document.

**The Chair:** That affords us just under two and a half minutes per caucus.

**Ms Mushinski:** Thank you for your presentation this morning. It was very interesting. I take it that Ontario is not the first jurisdiction to be undergoing this kind of legislation for the redevelopment of brownfield lands.

**Mr Stiebel:** There is other legislation in other jurisdictions, in the United States mainly, and of course there is the Waste Management Act in BC, which has a different process for these types of practitioners. The BC approach is much more restrictive than the approach we are proposing here in Ontario. The approach we're proposing here is significantly different than setting up a new bureaucratic process, a licensing process separate from the existing statutes, as currently exists in many US states.

The other aspect is that there is a precedent for the QP. It came out of the mining standards task force as a result of the Bre-X incident. Basically, for anybody who is involved in mining work, any type of document that's going to be released for a public mining company must be signed by a QP, whether it's engineering or environmental or some other aspect of the work.

**Ms Mushinski:** You obviously have drafted these proposals based on the experience of cleanup in lands in other jurisdictions like the United States.

**Mr Stiebel:** No, we've based our proposal on our knowledge and our experience in working in the contaminated sites environment in Ontario and Canada, taking into account what has been done in other jurisdictions elsewhere. We've considered what they've done in other jurisdictions. Our recommendations are specific to this type of work in Ontario.

**Mr Gamble:** I'd just like to add that we view that certainly the phase 2 and phase 3 work is our responsibility. It's a responsibility that you should not let us off the hook for. What we want to do is be very upfront with the Ministry of the Environment and the Ministry of Municipal Affairs that we're prepared to step up to the plate and we're prepared to go through a process to ensure that when you get a licensed engineer or a licensed geoscientist, you're getting the right type who is appropriately qualified, appropriately experienced, and can be held accountable.

**Ms Mushinski:** Clearly you have raised this with the ministry, and they've taken it under advisement at this point, I take it?

**Mr Gamble:** We certainly hope they have. Our submission to the EBR posting is part of your package.

**Mr Levac:** Thank you very much for your presentation. Obviously, I sense from your presentation that you are extremely serious about being a partner in the recapturing of our brownfield sites here in Ontario, and I appreciate that.

I need a clarification. Under the third bullet on page 4, it was stated that you're recommending setting the standards and qualifications for QPs under the Professional Engineering Act. Do I take it then that they are not in existence, or you're making reference to making those standards available because of the bill?

**Mr Gamble:** Right now we have the ability to set classes of licence to deal with specific disciplines and so forth. Currently, they're not exercised. Notwithstanding that, a practitioner is required under regulation 941 to only practise where they are competent to do so by virtue of their training experience.

In light of this bill, what we want to do is make what constitutes appropriate training experience quite explicit. We think there is enough public interest that it's warranting a sort of additional step. Basically, I think we're in agreement with the government that it's time to raise the bar.

**Mr Levac:** It helped move you toward raising the bar, and that's going to require legislation?

**Mr Gamble:** Right now, we can do that through regulation under our act and the Professional Geoscientists Act.

**Mr Levac:** So that can be handled in-house.

**Mr Stiebel:** That's correct.

**Mr Gamble:** That's correct. We'd like to all be pulling the rope in the same direction.

**Mr Levac:** Am I safe in assuming that because of the bill's introduction, regardless of how it ends up, you're planning to do that anyway?

**Mr Gamble:** Yes, we are.

**Mr Levac:** That's a good note. Thank you. I appreciate the fact that you're self-regulating, shall I say.

**The Chair:** And I appreciate that time is up. Mr Marchese.

**Mr Marchese:** Obviously, much of your focus is on the problem of unlicensed practitioners. Are there some examples of individuals who have done these site assessments where they have been incompetent and/or have caused serious problems down the line because they didn't use the licensed engineers?

1000

**Mr Stiebel:** Let me respond to that. I don't think we can give specific examples. Usually these only come to light if there turns out to be a problem. What we're trying to do is ensure that those people who do practise on these sites are indeed competent and qualified to do the work. We feel that can best be achieved through a licensed regime, also taking into account that the majority of the work is professional engineering and professionally assessed.

**Mr Marchese:** I understand. I just thought you were drawing on some body of experience where you've had these problems before and, because of public concern, you are bringing this to our attention, obviously.

**Mr Gamble:** If I can offer a specific example, someone from the Ministry of the Environment came to meet with our deputy registrar of complaints, discipline, to talk about some of the hypotheticals they use in the Professional Engineers Act. We have one hand tied behind our back under the current regime because the policy states "professional engineer or other natural scientist." This gives a defence to our discipline committee that it's not the practice of engineering and therefore is difficult to hold people to that standard. What we're saying is, let's move the standard up, not down. Again, we're not saying we're brighter or smarter than the other practitioners, but we are accountable under public acts.

**Mr Marchese:** That was very clear. I understood that.

**Mr Whiffin:** Let me answer that as well. The one point I want to make is that the brownfields advisory panel came out very clearly in looking at the quality control on individuals undertaking this work, and that was one of their key recommendations; hence our response.

**Mr Marchese:** No problem. I understand. Thank you.

Do you have any other concerns about the bill or any other suggestions with respect to the other aspects of the bill that might concern each of you individually or collectively, or is this the prime concern for you?

**Mr Whiffin:** We're really here representing PEO and APGO as regulatory bodies regulating professionals doing this work, so we've narrowed our comments to that particular aspect.

**The Chair:** Thank you, gentlemen, for coming before us this morning.

#### ASSOCIATION OF MUNICIPALITIES OF ONTARIO

**The Chair:** Committee members, there is a change. You'll be pleased to know that the 4:40 presentation has now been moved up. It's Mr Patrick Moyle, the Association of Municipalities of Ontario. Good morning and welcome to the committee.

**Mr Patrick Moyle:** I would like to thank the delegation who originally had this time slot. As you indicated, it helps move these things along. That's the good news. The bad news is that the technical expert I was bringing to deal with the tax sale issue is not available at this time in the morning, so please be gentle in the questions around failed tax sales, because I'm not an expert on that issue.

My name is Pat Moyle. I'm the executive director with the Association of Municipalities of Ontario. Our president, Ann Mulvale, was here a few minutes ago. She introduced the organization, and I won't go over that again.

Municipalities have much to gain in revitalizing inactive or abandoned urban sites. Municipalities have an interest in reducing the health and safety hazards posed by abandoned sites; they want to render derelict areas more attractive to residents and businesses; they want to concentrate development where infrastructure already exists rather than bearing the cost of expanding infrastructure for development on greenfields; and they want to generate property tax income from sites that are often on prime urban land.

A number of Ontario municipalities are already showing great leadership in promoting brownfields redevelopment in Hamilton, Kitchener, Brantford and Toronto, to name a few. However, in many cases municipalities are finding their efforts stymied by the double barrier of cost and environmental liability.

AMO and its members welcome the initiative of the provincial government to provide incentives and tools to help municipalities and developers work together to clean up contaminated sites and redevelop them.

Bill 56, by introducing and enhancing a number of tools and financial incentives, is a positive step in the right direction. I will outline some of these tools and incentives. However, Bill 56, as currently drafted, offers little to municipalities to overcome the fundamental barriers of cost and environmental liability. AMO is therefore recommending several friendly amendments to address the issue of limited environmental liability. AMO is also proposing a way to streamline the municipal tax sales process as it relates to brownfields.

In the package that was circulated this morning, solicitors from a number of municipalities have drafted some amendments to give effect to the concerns expressed in this paper.

The first issue is around liability protection. Bill 56 provides very limited liability protection from Ministry of the Environment admin orders. Much of the liability risk is actually civil liability; that is, the private right to sue for contamination that has leaked from one site to an adjacent site. The government had made it clear that it would not be addressing civil liability, but it nevertheless continues to pose a very large liability risk to municipalities. I believe there will be subsequent presentations made to this committee from members of the brownfields advisory panel who will be speaking to that later on.

In terms of the administrative liability protection afforded to municipalities in Bill 56, it is an improvement on the liability protection agreements that used to be negotiated between municipalities and the Ministry of the Environment on a case-by-case basis.

Section 168.14 provides protection to a municipality that becomes an owner of a non-municipal property resulting from a failed tax sale and from any other order under the Environmental Protection Act. However, this protection is limited to two years unless extended by the director.

Given the time period that it takes a municipal council to secure adequate financing, line up remediation works and complete the remediation, the two-year window of administrative liability protection would only be sufficient for the least problematic of sites, in which case liability protection would likely not be needed in the first place. Putting a short time frame on such liability protection simply serves as a disincentive to municipal councils to undertake such work.

AMO strongly urges the committee to recommend an amendment to section 168.14 which would simply take out the two-year limit. This would recognize municipalities as trustees who will run the risk of director's orders under exceptional circumstances. The period of time would be left to the discretion of the director. A proposed amendment is attached for your consideration.

The next point relates to the streamlining of the tax sales process. Presently, under the existing Municipal Tax Sales Act, with the proposed amendments in Bill 56, in the event that a municipality carries out a public sale of a contaminated site and there are no successful bidders, usually because the cancellation price exceeds the value of the property combined with the potential cleanup costs, the municipality may elect to conduct its own environmental site assessment before it decides if it wishes to register a notice of vesting. If the municipality then decides to take ownership of the site to facilitate its redevelopment, the municipality in effect assumes the risk of ownership of a contaminated site, and it still has to write off the outstanding taxes. The municipality then has to find a purchaser once again, beginning the process all over again.

AMO is proposing an amendment to the Municipal Tax Sales Act which would provide a second or even multiple levels of public sale for the confirmed contaminated sites, accompanied by a write-off of all or a portion of the cancellation price. The municipality may

then be able to sell the site under the tax sales act without ever having to become the owner. Following a failed tax sale, the municipality would be allowed to re-advertise a property for auction or tender without having to once again go through the year-long notice process. This would both expedite the process and benefit the taxpayer. No one should be prejudiced by a second or multiple-tender auction, as anyone acquiring an interest in the property would see the tax arrears certificate on title and would make inquiries. A proposed amendment is attached for your consideration.

The third point we would like to make this morning relates to the issue of funding. Implicit in this proposed legislation is that municipalities and developers have adequate financial resources to invest in the cleanup of brownfields. This is simply not the case in most municipalities, particularly in smaller municipalities with a history of industrial activity but a less competitive commercial real estate market.

A vitally important ingredient to encourage brownfields redevelopment is funding. While this is not necessarily an issue that should be addressed in legislation, some funding is needed to clean up the many sites for which there is no private sector interest to become involved. As all three orders of government benefited from tax revenue from the site when it was active and would benefit from future tax revenue once it was reactivated, it does not stand to reason that the burden of the cost of remediation work should fall solely on the municipality and the property tax base.

To date, the provincial and federal governments have been silent on their willingness to financially support brownfields cleanup, with the exception of the funding made available for the Toronto waterfront redevelopment announcement. This funding is a very good step and one that needs to be replicated and available to other municipalities. Again, we share many of the comments and concerns expressed by the Ontario Home Builders' Association. There was a specific reference made during the task force on creating a SuperBuild-like fund to assist in dealing with the cost of environmental cleanups, and the notion of providing some tax credits—PST credits, GST credits—would provide some incentive to the developer to participate.

#### 1010

Finally, on new tools and financial incentives, the proposed legislation provides municipalities with a number of new and enhanced tools and options for dealing with brownfields within their boundaries, most notably providing municipalities with the option of whether or not to take over a site in the event of a failed tax sale, and the right for a municipal inspector to enter a property to undertake an inspection. Provisions to allow for a form of tax increment financing by providing municipalities with the authority to freeze or excusing a developer's payment of property and educational taxes while redeveloping a site are also very beneficial incentives.

Thank you again for the opportunity to provide comments on Bill 56 to the standing committee. I trust

our input has been useful in your review of the proposed legislation.

**The Chair:** Thank you very much, and that leaves us about two and a half minutes per caucus. This time we'll start with Mr Levac.

**Mr Levac:** Thanks very much for your presentation, and I appreciate your pointing out that the municipality I represent, along with the county of Brant, is one of the front-runners in trying to redevelop its brownfield sites.

In my conversation with Councillor Ceschi-Smith, who has spearheaded the actions of our municipality along with hopefully kick-starting some of the provincial ideas, she expressed very similar concerns about the liability and the funding issue. Having said that, you mentioned that the idea of redevelopment is not an odd one, asking the government to step to the plate financially, because indeed federal, provincial and municipal governments received the benefits while those industries were in place and will, once redeveloped, receive the same benefits. It's basically a link of saying, "Let's get us back on to the tax roll again." So it will give us some assistance in doing that. That's basically a synopsis of what we're saying here in terms of the funding?

**Mr Moyle:** That's correct.

**Mr Levac:** Having said that as well, the concern I have is recognition of the history involved in some of our municipalities—and you've mentioned Hamilton, Windsor, Brantford and Toronto specifically. Their industrial base was established long before many others were. We didn't have environmental rules and we didn't know what we were doing to our land at that time, and the recapturing of that represents a broader opportunity because of where they were developed in the first place.

Would you suggest that if those things are not in place, we may not be able to redevelop those brownfield sites with the present legislation?

**Mr Moyle:** I guess time will tell. I focused on some of the improvements we're talking about, given the timing that we have available today. We have provided a separate report in the middle of June to the Ministry of the Environment and the Ministry of Municipal Affairs on a more technical evaluation of the bill. There are many improvements over the current situation contained in the bill. The fact that the government has recognized that brownfield development is a marvellous opportunity to encourage smart growth and to encourage the utilization of land that in many cases is ripe for development but has environmental liability issues is a very good one. The notion of proposing tax increment financing, making amendments to the provincial policy statement, making improvements to tax sale processes: those kinds of initiatives are very positive.

The key thing now—I know it's difficult to address in legislation—is the issue of funding. I know the task force had made a series of recommendations around creating a fund, perhaps using SuperBuild as the model, or some sort of fund that would be available to help fix those sites, where there isn't an economic incentive for the

private sector to swoop in—say, a very small community—to take advantage of it.

We are cautiously optimistic that some future budget may have some recognition of the fact that this is a very good first step in solving the brownfield puzzle, but perhaps a budget announcement or some program announcement in the future would give teeth and make this legislation work, and work very quickly.

**Mr Marchese:** This was one of my concerns when we committed to build a house, that much of the incentive is left to the municipality to do. Of course, we've all been very concerned about the downloading of services to the municipalities and worried about their ability to be helpful in these instances, not just for this but for so many other things.

I think I hear you say that as much as this is very good in terms of this particular law, it will be limited in its success unless the province finds different ways to bring in different funding support. So it's OK, but we won't be accomplishing very much unless we provide more money. Is that more or less the case?

**Mr Moyle:** We recognize that this is legislation, and legislation cannot deal specifically with new funding models and funding programs. So we've limited our concerns or comments to making improvements to the bill. But there is certainly a need, and there is a lot of history in other jurisdictions, primarily in the States, where the federal government and the state governments are actively involved on the funding side of it. Again, the task force had made recommendations to look at a SuperBuild model or something similar to that. We continue to encourage the government to look at that as a way of giving effect to legislation.

**Mr Marchese:** I agree. The Conservative government looks to the US often for many of its ideas. It's funny that when there are some good ideas in the US, they seem to be very slow in picking them up.

With respect to issues of liability, are you concerned that many municipalities may not engage in this kind of activity because of the liability questions? I know you raise the fear, but do you really believe that many of them will be perhaps prohibited from doing it because of the fears connected to liability?

**Mr Moyle:** The larger issue is civil liability, which was not really addressed in the legislation. Again, I don't know if this would be the vehicle for dealing with that issue or some other vehicle. But my sense is that there are a number of communities in Ontario that are looking at redeveloping brownfield sites. They're looking at this legislation as a good first step to help them. In particular, the notion of tax increment financing is very welcome. The fact that the province will be contributing its share through education is very welcome. So there are a number of communities that are ready to go, looking at tax increment financing, looking forward to the education portion being included in that funding arrangement to make a number of projects go, and hopefully go very quickly.

**Mr Arnott:** Thank you very much for your presentation. It's good to hear from AMO twice in the same morning on two different bills. You've raised the issue of liability protection. Of course that's, as I understand, the fundamental crux of the bill, but you're suggesting it needs to be enhanced for municipalities. You've suggested that the two-year window of administrative liability protection would only be sufficient for the least problematic of sites and you want to give more discretionary power to the director, as I understand it.

**Mr Moyle:** That's correct.

**Mr Arnott:** Would it still make sense to have some upper limit on the time frame to make sure that nothing happens over a long period of time? I was thinking maybe five years.

**Mr Moyle:** Yes. In fact, I think the original recommendation of the advisory panel was a five-year period.

**Mr Arnott:** A maximum of five years.

**Mr Moyle:** A maximum five-year period. I think each one of these cases is special and different and unique. Having a reasonably short period for limitation may potentially scare off some municipalities. So providing or vesting the discretion with the director of having an offset five years would certainly go a long way in allaying that concern.

**Mr Arnott:** In terms of funding, you mentioned that some state governments are involved in financing brown-field cleanups. Would you be able to give us some more information on that?

**Mr Moyle:** Yes.

**Mr Arnott:** Because the previous presenter, the Ontario Home Builders' Association, talked about the federal government, but they didn't indicate that the state governments were involved in it.

**Mr Moyle:** Yes. There's a substantial body of work that was provided through to the advisory panel on what other jurisdictions are doing, and we would be happy to provide that to you.

**The Chair:** Any further questions? Seeing none, thank you very much for coming before us here this morning.

1020

#### ONTARIO WASTE MANAGEMENT ASSOCIATION

**The Chair:** Our next presentation will be from the Ontario Waste Management Association. Good morning and welcome to the committee.

**Mr Robert Cook:** Mr Chair, committee members, ladies and gentlemen, good morning. My name is Rob Cook and I'm the executive director of the Ontario Waste Management Association. With me is John Devins, who is the vice-president of the association and also owner of Sandhill Disposal, which is a small, privately owned waste management company operating out of the town of Caledon.

It's a pleasure to be here this morning and have the opportunity to comment on Bill 90. Before I get into

some of the details, I'd like to give you a little bit of background in terms of who we are and whom we represent. OWMA represents over 300 private sector companies and individuals involved in the waste services industry. So unlike many of the groups you will have before you on Bill 90, we're neither brand owners, in terms of generating materials, nor are we municipalities. We're basically the private sector service providers for the full range of waste services. We've been in existence for over 16 years and we've been active participants in the development of regulatory and policy initiatives at all levels of government. Our members have very diverse business interests, from landfills to transfer stations to material recycling facilities, organics processing, composting and hazardous waste. So we cover the full spectrum of waste management services. Currently over 80% of the residential recyclable waste stream in Ontario is collected by our members, and the private sector generally collects and processes over 95% of the IC&I recyclable waste stream.

We've had a history of involvement with the previous Waste Diversion Organization. Our organization was afforded observer status on all three task groups that operated under WDO, those being household special waste, organics, and curbside recycling optimization. We also had individual member companies, 11 of them, that participated in the previous WDO process.

Clearly, OWMA strongly supports economically sustainable waste diversion, and we have a very significant interest in regulatory initiatives that will affect the residential waste stream and also potentially that would affect the IC&I waste stream.

In terms of Bill 90 specifically, there are three general points I'd like to make to the committee. As strong proponents of waste diversion, we generally support the philosophy and the rationale reflected in Bill 90. We also support the establishment of industry responsibility for the development and administration of Waste Diversion Ontario.

The act itself is essentially a structural framework for the establishment of the new WDO and ancillary structures that will go with it, and obviously the important details on how this bill will be implemented are going to be contained in the regulations. They aren't before us, but we strongly request that the Minister of the Environment consult with stakeholders as regulations are proposed under this act.

I'd like to refer to a couple of specific sections. Subsection 3(3), observers on the board of directors: we're quite pleased as an organization to have the opportunity to appoint an observer to the WDO board of directors. We believe that an OWMA appointee will be able to bring much to the table in terms of private sector waste management experience and some economic rationalization that may come forward with waste diversion programs.

Section 4, in terms of the responsibilities of WDO: there are two specific items. In clause 4(a) the WDO is required to monitor the effectiveness of waste diversion



programs. We would suggest that effectiveness may mean assessing diversion rates, that a program may be assessed as having increased diversion from 40% to 60%. What we feel is missing is an obligation to also monitor the efficiency of those programs, ie, the cost. It's one thing to go from 40% to 50% to 60%, but it's also important to understand what the costs are to make those incremental changes in the effectiveness of the program. So we are recommending under clause 4(a) that the notion of efficiency also be added to the responsibility of WDO.

Clause 4(c) is probably a key section from our point of view. Clause 4(c) recognizes the need to ensure that waste diversion programs affect Ontario's marketplace fairly. It's our understanding that the marketplace is essentially being defined from a brand owner perspective, those companies and organizations that will be funding the programs. There is also, however, the potential for waste diversion programs to affect our industry, the private sector waste management services. That impact could largely come from the funding allocations to municipalities, especially if funding is being provided for capital projects, for facilities. We are concerned that that subsidization may encourage municipalities to intrude into the traditional IC&I marketplace, which is largely at this point serviced by the private sector. So we would request WDO also be cognitive of the impact that waste diversion programs will have or may have on the private sector services industry. As a result of that, we have recommended a change in 4(c) to add the waste management industry as something the WDO should consider when developing a waste diversion plan.

Section 6, policies established by the Minister: section 6 basically allows the Minister of the Environment to establish policy, and the WDO implements and operationalizes that policy. We are strong supporters that policy creation should remain in the hands of the minister and that WDO's most effective role will be in implementing and delivering that policy.

Section 25 deals with information to be submitted to the minister as part of a waste diversion program proposal. It includes things like the estimated cost to implement a program, the estimated cost of operating and developing the program. Again, what we believe is missing is a requirement at some point to consider what the actual costs were. At a proposal stage that's not possible to do, but it is possible to provide the minister with a timeline as to when those programs would be assessed and you can compare actual costs to the original estimated costs. So we would recommend that a new subsection be added under section 25 including a timetable for reporting to the minister on the actual costs of developing, implementing and operating a waste diversion program.

Our last comment is dealing with section 26. We don't have a recommendation. It indicates that changes can be made to waste diversion plans once they're approved by the minister unless the changes are material changes. "Material change" is essentially undefined. There is some

case law in terms of what it means. But we are asking that perhaps section 26 could be clarified to understand what a material change to a waste diversion program might be.

That generally concludes my comments. We're certainly supportive of Bill 90 and we look forward to initiating that organization and moving forward on waste diversion. We'd be happy to answer any questions.

**The Chair:** Thank you very much. That leave us about three minutes per caucus. We'll start this time with Mr Marchese.

**Mr Marchese:** Thank you both for your presentation. I was just thinking about what the Association of Municipalities of Ontario presented. I think you were here for that.

**Mr Cook:** No, unfortunately I wasn't.

**Mr Marchese:** I wondered if you could comment on some of the other things they spoke about with respect to funding. "Industry should provide financial support equal to 50% of the aggregate provincial net costs of municipal recycling programs" is a recommendation they make, because the present wording in there suggests, "A waste diversion program developed under this act for blue box waste shall not provide for payments to municipalities that total more than 50% of the total net" and it suggests that perhaps they wouldn't be paying an amount equal to 50%. Do you have a comment with respect to that?

**Mr Cook:** We don't have an official position on 50% funding. We do, however, strongly support that somewhere in the system to reimburse municipalities there should be integrated the notice of efficiency. I'm not sure whether the section is worded to allow the adoption of some kind of measurement so that municipalities that are being progressive, are moving forward, are being efficient, may at the end of the day receive slightly higher funding than a municipality that isn't. I'm not sure whether that's the concept that's embodied in that clause, but it certainly would allow that kind of program to be developed and implemented.

**Mr Marchese:** I don't think that is the case. That's my reading of it, and it's not a detailed reading of it. But they were recommending that funding be very clearly stated as being 50% rather than some vague language that suggests that it may not be.

Under "Voluntary Contributions," "The industry funding organization may reduce the amount of fees payable by a person under subsection (1), or exempt a person from subsection (1), if the person has made voluntary contributions of money, goods or services," and they state that there's some lack of clarity. They make recommendations suggesting the following:

"(a) the voluntary contributions must have a direct relationship in terms of value to the municipality, to the amount of funding that it is replacing; and

"(b) the voluntary contribution must be contingent on the agreement of the recipient," eg municipalities.

They seemed fair suggestions to me. Do you have any comment with respect to that?

**Mr Cook:** We haven't really assessed that part of the bill. That's probably better for brand owners to speak on as opposed to us as service deliverers. We don't really have a position on that.

**Mr Arnott:** I want to thank you for your presentation. I thought it was excellent. We appreciate your advice and your recommendations. As you know, this bill is before this committee after first reading, and it's an opportunity for us to consult with affected stakeholders at a preliminary stage before the second reading debate in the Legislature. Certainly it's the commitment of the government to listen to what everybody has to say before final decisions are made in terms of the second reading.

1030

Your suggestion that the minister would continue to consult with affected stakeholders, I know, will happen. The Minister of the Environment has a track record of consulting effectively with her stakeholders before final decisions are made. I think you'll continue to see that, obviously.

Your suggestions, as I see them, are intended to try and make sure that cost-effectiveness is considered over the long term and costs don't spiral out of control. Those are objectives that the government shares as well, as do municipalities and certainly the industries that are going to be affected. So I think those suggestions are constructive ones and we do appreciate them.

**Mr Levac:** Thank you very much, Rob and John, for your presentation. I have maybe a generic question, again. When you indicate that you want to put in efficiency along with effectiveness, to me that implies there's going to be a cost involved in raising your per cent. You said 30%, 40%, 50%. What cost is that going to be to the industry, and to municipalities, I'm assuming? Have you studied that and looked at a cut-off line in which you would say, "It's not efficient, so we don't want to do it"? That's where I'm getting stuck. Is there a cost you're placing on recycling, or are you asking us just to be aware of it so that we know how much it does cost as it's happening?

**Mr Cook:** I don't think in any way we're suggesting there's an upper limit to cost, that at some point you'd say, "No more recycling because it's too costly." But I think it's important that people appreciate what the costs are.

**Mr Levac:** So that's basically what you're getting at. It's just make sure we know where it is because there's no provision in there for it. You're suggesting that we report, along with the WDO, to the ministry the effectiveness, the efficiency, which is the cost, with no implication whatsoever of, "You can't do it because you're hurting us on the profit level."

**Mr Cook:** Oh, no. I would look at it as that information will provide the rationale for politicians at the municipal level or at the provincial level or WDO to assess where they are.

**Mr Levac:** For funding and all of those other things. That's wonderful. I just wanted clarification of that.

**The Chair:** Thank you both for coming before us here this morning. We appreciate your presentation.

#### PAPER AND PAPERBOARD PACKAGING ENVIRONMENTAL COUNCIL

**The Chair:** Our next presentation will be from the Paper and Paperboard Packaging Environmental Council. Good morning. Welcome to the committee.

**Mr John Mullinder:** Good morning. I'm John Mullinder, the executive director of PPEC, as we're commonly known. I neglected to tell the clerk that I do have a handout, if she could just pass it around when she's ready.

PPEC is the national association for the paper packaging industry on environmental issues. Its membership comprises packaging mills and packaging converters, some 120 companies, and it represented the industry on the national packaging task force.

Paper recycling is a major industry in Ontario. If I could hand out this flow sheet, you can see from the paper flow sheet that the paper stream flows through various hands as it is created and recycled. I represent the packaging converters and the packaging mills part of that flow sheet that you're seeing. The IC&I loop, as it's called, the industrial, commercial and institutional loop, is the major loop. The small dotted loop that you see there is the residential loop, or the blue box, as it's commonly known. The blue box is becoming increasingly important to the paper industry, but I just wanted to give the context of where the blue box fits into the total Ontario paper recycling scene set before you.

When you look at the residential blue box, the dotted line loop, if you like, some 75% of the material recovered by the blue box is used paper in one form or another: old newspapers, boxes, cartons, fine paper. In fact, the blue box is essentially a paper recovery system.

The paper industry has major assets committed to residential fibre recycling. The 21 Ontario mills that can use blue box paper collectively have invested millions of dollars in being able to handle this material. Newsprint recycling mills have added de-inking technology. Packaging recycling mills have added expensive new cleaning and screening systems to remove glass, plastic and metal contamination out of residential fibre.

The industry's dependence on the recovery of household fibre is also increasing. Currently the blue box supplies about 20% of the total Ontario recycling mills' feedstock. The mills are here for the long haul and have invested heavily in paper recycling in this province. In addition, the paper recycling mills contributed \$34.7 million to Ontario municipalities in the form of blue box revenues in 1999—almost 60% of total blue box revenues.

While we have good relations with newspaper publishers and packaging brand owners and retailers, they do not represent these paper industry interests; they represent their own diverse interests and agendas. We do not want these bodies on the proposed WDO board to

determine our future through their actions at the WDO board level or through any levy-setting authority they may have on an industry funding organization. Our considerable assets are at stake and we wish to protect them.

We do commend the Ministry of the Environment for bringing forth Bill 90 because now at least we have something to work with and improve. Stewardship is a very slippery issue. We recognize that this is an enabling bill and that to a certain extent it has to be general and vague, but Bill 90 is too general and vague and lacks key details that could have a major impact on our industry.

The following are some of the points we wish to make at this point. Our full written submission will be made in writing by September 21.

The first point is powers of the minister. It seems that Bill 90 gives power to the minister to enact regulations without even going to cabinet. Is this correct? Where are the checks and balances on this minister, the next minister, and what is the appeal process?

Number 2, the WDO board of directors: we maintain that the paper end-markets are sufficiently important to the sustainability of the blue box that they should have direct representation on its board of directors. We would also like clarification of the length of time appointments to the board are for. Perhaps these should be reviewed annually.

Point number 3, the lack of definitions or clear definitions: we recognize again that Bill 90 is enabling legislation that needs to cover a variety of stewardship options and we've been told by the ministry that certain clauses mean certain things. However, civil servants move on and governments change, so we have to deal with what we see here.

Blue box waste is not clearly defined in the draft. This is apparently going to be a revised version of regulation 101, which in fact is flawed, and we readily admit that, but until we see how it's actually going to be, how can we comment on it? Is it going to include materials that are currently not being collected, maybe because it's not economically smart to collect them? If municipalities are forced to collect these materials, that could potentially drive up the cost of the whole system.

The word "steward" is not defined anywhere in the regulation. We recognize that "steward" has to cover a lot of areas, because it's looking at tires, batteries, blue box, organics, and the stewards may vary. There are several industry sectors involved in the commercial supply chain, as you see in the flow chart before you, but the composition of the WDO board of directors is defined and limited to only one of those sectors: the newspaper publishers and the packaging brand owners and retailers. What process protects unrepresented industry sectors such as ours and others from being targeted by the WDO as stewards and forced to pay fees under section 30?

We would suggest that since a separate subsection—24(5)—has been inserted specifically for blue box funding, perhaps blue box stewards could also be defined in the draft as those who choose packaging or printed materials to deliver their residential consumer goods.

#### 1040

Another point, the waste diversion program: section 24 outlines some of the parameters of a waste diversion program, but because of the lack of definition of blue box stewards specifically and the vagueness of section 29(3) on the fees payable by stewards, several interpretations can arise. Is the funding of the blue box program only to cover the cost of recovery, not what's put into the marketplace? Ministry staff have told us we should regard the fees as a fee for service. The fee for service is a recovery fee, so do materials that aren't being recovered and are going straight to landfill get off scot-free? Is that the intention, that the good guys get penalized? Is the fee going to be material-specific: paper, plastic, glass, metal? We don't know, and we need to. How can we support this when we don't know what it could cost us?

Net operating cost: again, are we talking about a collective basket of blue box goods, or packaging on this side and printed material on this side, or paper fibres on this side and container streams—meaning plastic, glass and metal—on this side? Who decides and what appeal process is available? We don't know.

Where is the credit for revenue contributions? Ontario paper recycling mills contributed, as I said before, \$34.7 million to Ontario municipalities in 1999, almost 60% of blue box revenues, yet they have no representation on the WDO board of directors and no credit for that financial commitment in the fee structure. It's limited to net operating cost, so the revenue factor is set off to one side.

We believe that the paper industry can legitimately argue that paper revenues collectively pay for paper recovery costs, can collectively cover paper recovery costs, and that there is no need for a fee on paper materials. Thank you.

**The Chair:** That affords us about three minutes per caucus again. This time we'll start with the government members.

**Mr Arnott:** In your summing-up comment, you said recycling of paper pays for itself essentially. The price of newsprint and recycled newsprint fluctuates, does it not, depending on supply and demand?

**Mr Mullinder:** Of course.

**Mr Arnott:** So is it fair to say that there are times when it does pay for itself and other times it doesn't?

**Mr Mullinder:** It would be fair to say that obviously the markets for all materials fluctuate, but if you take a time span for cyclical markets, depending on what time period you want to take, overall, paper collectively pays its own way. I'm not just talking about old newspaper.

**Mr Arnott:** I'm at somewhat of a disadvantage because I don't have your written comments, but you've indicated you're going to furnish them to the committee when you get the opportunity.

**Mr Mullinder:** Yes.

**Mr Arnott:** I appreciate that. I would also say to you that the minister is very interested in hearing everybody's views on this. This bill has been referred to the standing

committee, as you know, after first reading, so we will have an opportunity to review your concerns.

You asked a number of rhetorical questions that do merit answers. I think in many cases the kind of assurances you are looking for would be forthcoming through regulation, that process, but we certainly appreciate your ideas and suggestions. Thanks for coming in.

**Mr Levac:** I too want to echo the comments you made because they need to be pointed out. I guess in our business that's not a very good thing to do. I'd just like to ask you bluntly, as it stands, if this legislation exists and there is no clarification of what you're looking for in regulation, if you can't see it and if it's not there, can you support the bill?

**Mr Mullinder:** The bill is enabling legislation and there are future regulations that are going to come in that could impact us. It's really the future regulations that we're most concerned about. Enabling is like a slippery piece of soap.

**Mr Levac:** I guess what your presentation is trying to do is send the message out loud and clear and early that, because of this enabling legislation, these regulations better be reasonable to the industry and to the idea of recycling in general.

**Mr Mullinder:** Yes. I think there are issues that we've raised and others have raised about the enabling bill itself that need looking at.

**Mr Levac:** You mentioned landfill in your chart, and 75% of blue box activity is through used paper. Have I got that correct?

**Mr Mullinder:** Some 75% by weight of the material in the blue box is used paper of one form or another.

**Mr Levac:** I'm assuming that's a very large volume of the blue box activity.

**Mr Mullinder:** Yes.

**Mr Levac:** Do you have any idea or numbers on the percentage of paper that ends up in landfill?

**Mr Mullinder:** That's a good question. It's hard. I would say that the residential paper recovery rate across the province would be roughly between 45% and 50%, including apartment buildings.

**Mr Levac:** Under the circumstance of what can be done with paper that's pretty low, isn't it?

**Mr Mullinder:** That's pretty darned respectable considering what we have in place. But there is obviously room for improvement, specifically increasing capture rate and targeting apartment buildings, which is lagging at this point.

**Mr Levac:** I was going to get to that one, but you've said it and that's good enough for me.

**Mr Marchese:** Mr Mullinder, you said you met with some of the ministry staff and raised these concerns with them. Were you satisfied by them that some of them may be addressed, could be addressed or are likely to be addressed in regulation?

**Mr Mullinder:** The staff have been very helpful. I forgot to acknowledge and thank the ministry for granting us observer status. We still want direct representation, but the staff have been very good. The trouble

is there is nothing there in writing for us to get our teeth into. As I said, staff move on, ministers change—

**Mr Marchese:** And so do politicians, quite rightly, and political staff. Sometimes they are there and sometimes they're not. Usually the political staff are the ones who are closest to the ministers, who take advice from them, and sometimes they disappear as well. Having had some experience as a minister, one knows how that works. Getting some advice and/or opinion from civil servants is not the same as hearing from the political staff of the minister, so that's part of the problem.

**Mr Mullinder:** That's right.

**Mr Marchese:** So when I ask if you have spoken to the ministry, it's one part of the problem, because I'm sure in the discussion some of the staff probably said, "That's not up to us."

**Mr Mullinder:** That's right. Ultimately it's up to the minister.

**Mr Marchese:** And the parliamentary assistant is not always there either, so you don't really know who is passing on information to him and/or to the political staff of the minister. So you really don't know whether you're being listened to.

**Mr Mullinder:** We can only go by what's in front of us in writing and comment accordingly.

**Mr Marchese:** Mr Arnott assures us that some of these things will be addressed in regulation. I guess we'll see down the line what happens.

One of our concerns is that we're told the levy on industry is being designed in a way that will tax recyclables rather than overall waste. In our view, this runs the risk of actually encouraging companies to stop producing recyclable products.

**Mr Mullinder:** That's one of the points we make. You're penalizing the good guys who are in the box.

**Mr Marchese:** You touched that, and I wanted you to speak a little more to it because I think this is serious. It's not just a little thing; it's a big problem.

**Mr Mullinder:** If the levy is going to be based on the recovery cost—and that's the question we're asking because there has been no clear delineation of that issue—then whoever is declared to be the steward of the materials that are being recovered will be paying for those materials. There is no incentive for materials that are currently going to the dump to do anything. There are no landfill fees that they are charged, so there is an incentive to shift to materials which are not paying a fee.

**The Chair:** Thank you very much for coming before us here this morning. We appreciate your presentation.

#### CORPORATIONS SUPPORTING RECYCLING

**The Chair:** As committee members will see, we have an extensive number of groups that have actually combined what had been three presentations into the timeslot normally available for two. So our next group presentation will be from Corporations Supporting

Recycling: the Canadian Council of Grocery Distributors, the Canadian Federation of Independent Grocers, the Canadian Manufacturers of Chemical Specialties Association, the Canadian Paint and Coatings Association, the Food and Consumer Products Manufacturers of Canada, and the Canadian Soft Drink Association. I would invite their representatives to come forward and make their deputation. Good morning and welcome to the committee.

**Mr Damian Bassett:** Good morning, Mr Chair and members of the committee. Thank you. I would just like to add to that list that we also are speaking on behalf of the Nonprescription Drug Manufacturers Association of Canada and the Canadian Cosmetic, Toiletry and Fragrance Association. We are pleased to add theirs.

**1050**

My name is Damian Bassett. I'm the president of CSR, Corporations Supporting Recycling. Assisting me this morning is Derek Stephenson, who has been long involved in this issue. It's probably a minimal task that he's performing this morning, helping us with the slides, given his contributions to waste management diversion over the years.

CSR members include many of the largest manufacturers, brand owners and distributors of food and consumer products in Canada, and their packaging and packaging materials suppliers. This again is the list that the Chair initially mentioned and I augmented with a couple of additions. Together, our members and these associations represent the significant majority of all packaging and household special waste materials that will be impacted by Bill 90.

We are here together today because we share a common position: we strongly endorse this bill and we encourage your committee to recommend its adoption by the government of Ontario.

The issue of who should pay for recycling and waste diversion programs in Ontario has been analyzed and debated for more than a decade. It is time to move beyond talking about this problem to solving this problem.

Bill 90 itself is built upon the recommendations developed through a year-long, intensive debate through the voluntary Waste Diversion Organization that included more than 120 of the most knowledgeable people in this province relative to this issue. Through the voluntary WDO program we undertook wide-ranging consultation on these recommendations with municipalities, public interest groups and businesses throughout the province. The result of this exceptional effort is a groundbreaking piece of legislation, based upon the fundamental principle of shared responsibility, which we believe will return Ontario to the forefront of recycling in Canada and internationally. We also believe it sets the framework for a sustainable, economically and environmentally responsible solution to waste management in Ontario.

We recognize that while we represent an exceptionally broad range of the products and companies that will be affected by Bill 90, we do not represent the interests of

all stakeholders. You have heard and will be hearing from many of these other stakeholders in your committee hearings, each of whom will have their own unique and valid concerns. However, in your deliberations and recommendations we urge you to maintain what we believe are the key recommendations put forward to the Minister of the Environment through the year-long WDO process.

First, the legislation must ensure a level playing field by treating competing materials and companies the same and by encompassing all post-consumer wastes addressed by the voluntary Waste Diversion Organization.

Second, industry must maintain the ability to manage its own affairs in determining how to collect the fees that will be required to support recycling and by collecting and distributing these funds through an industry funding organization.

Third, there must be a minimal amount of bureaucracy associated with the WDO and industry's compliance costs. This can best be accomplished by ensuring that Waste Diversion Ontario is truly independent of government and managed by its own board of directors.

Bill 90 will require the development of an industry funding organization—the acronym is IFO—to raise funds to support industry's share of municipal recycling and household special waste programs. The fee structure of the IFO must ensure the widest possible participation of all industries whose products are managed through these programs and not serve as a disincentive to use recyclable material.

As currently structured, Bill 90 could allow for a significant number of free riders, which will raise the costs to those companies who are required to participate. Our goal is to widen the base of industries contributing to the IFO and thereby lower the costs to each individual company. The key to this is properly defining the wastes that will be designated under Bill 90.

The legislation and the regulations associated with this bill must treat industry sectors fairly and on equal terms if we are to ensure this program is sustainable. Ministry of the Environment briefings on Bill 90 have indicated that blue box wastes will be similar to those identified in schedule 1 of Ontario regulation 101, Recycling and Composting of Municipal Waste.

If only those wastes listed within parts I and II of regulation 101 are included within Bill 90, this would mean that some materials already being collected in blue box programs would not be included in the IFO. For example, a metal can that had contained a food or beverage would be included, but a metal can that had held paint or a household cleaning product would not be included. PET bottles used for packaging mineral water would be included, while a PVC bottle used by a competing brand of mineral water would not be included. Limiting the definition of blue box wastes to those included under regulation 101 could exempt as much as 25% of the packaging material from paying fees, potentially leaving those materials that are already being recycled at a competitive disadvantage.

The legislation and the regulations should not allow free riders to shirk their responsibilities or create a disincentive to use recyclable materials. It is our understanding that the Ministry of the Environment has expressed a willingness to consider widening the definition of blue box wastes. In that spirit, we make the following recommendations:

That the regulations designating what constitutes blue box waste be based primarily on those materials listed in schedules I and II of regulation 101, with the following modifications:

(1) Drop the modifiers “food or beverage” attached to descriptions of packaging material types;

(2) Add the modifier “made primarily of” to the descriptions of packaging material types;

(3) Maintain the references to rigid plastic and plastic film, but drop the modifiers referring to specific polymer types;

(4) Add a final category to include “or combinations thereof” in anticipation of continuing innovation in the packaging field.

Following from the principle stated earlier that industry must have the ability to manage its own affairs, there must be an ability under the legislation for industry to control the costs that will be imposed on it under Bill 90. However, Bill 90 exposes industry to three potentially open-ended costs not directly related to municipal recycling and waste diversion programs. These are set out in the following sections of the bill.

Under the description of the responsibilities of Waste Diversion Ontario, and specifically under subsection 4(b), there is a requirement that the WDO “seek to enhance public awareness of and participation in waste diversion programs;” and, under subsection 4(h), “conduct consultations on any matter referred to Waste Diversion Ontario by the minister.”

There is also a requirement under the section on fees, specifically under 29(3)(iii), that the WDO pay “A reasonable share of the costs incurred by the Ministry of the Environment in administering this act.”

While we consider each of these—education, consultation and enforcement—to be important functions under the act, the lack of definition of what might be included within these elements opens the door to potentially uncontrollable costs. Our industries believe that to be sustainable, the costs associated with implementing and administering the programs associated with the WDO and the IFO must be minimized and controlled by the management boards of these organizations. Therefore, we further recommend:

(1) The requirements for public education and consultation should be clearly defined within the operating agreement to be established with the Minister of the Environment for each designated waste;

(2) The costs of these programs must be reasonable, transparent, fair, and built into the business plans and fees associated with the appropriate IFO;

(3) Any fees paid to the Ministry of the Environment must be directly related to costs incurred to enforce the act.

The industry sectors that we represent are ready to shoulder their fair share of the responsibility for managing their waste materials and to get on with the job of helping our municipal counterparts create sustainable recycling and waste diversion programs. However, Bill 90 is silent on the key issue of when IFO fees are to be collected and when payments are to be made to the appropriate program operators.

It must also be recognized, however, that the fees payable to the IFO by obligated companies will represent new costs to these businesses. Considerable detailed planning work is still required to determine what these fees will be and how they should be collected, and then to put the infrastructure in place to collect and distribute the money. Adequate time must be allowed between the time when the minister identifies a designated waste and when funds must be paid to program operators. We believe both industry and municipalities require greater clarity on when funds are expected to flow to the IFO and through the IFO to the appropriate program operators. In that spirit, we make the following recommendations:

(1) That Bill 90 include a generic reference to allowing an appropriate time period for development of a management program for a designated material;

(2) That a request by the minister to the WDO to establish a program for a designated waste state a specific time period between when a waste is designated and (a) obligated companies are required to submit fees to the appropriate IFO, and (b) the IFO is required to pay funds to appropriate program operators;

(3) That the minister outline an overall timetable by which specific materials are expected to be designated.

#### 1100

Our industries are committed to the establishment of municipal recycling and waste diversion programs that are fair and efficient. We recognize, however, that Bill 90 is enabling legislation, which by its very nature leaves many of the critical details of how these programs will actually work undefined. While this lack of detail results in some uncertainty for industry and municipalities, our members welcome the flexibility this bill allows for developing industry self-managed solutions.

In order to address some of the questions that municipalities are likely to have regarding how our industry sectors will respond, and as a demonstration of our commitment to making Bill 90 a success, we are able to make the following commitments today:

If the minister requests that the WDO establish an IFO to address packaging and household special wastes, our industry sectors will work with all other obligated industries, including those in the printed paper sectors, to create a single, coordinated IFO encompassing all of these materials.

This IFO will be created and will submit its proposed program to the WDO no later than 90 days following the request of the WDO;

This program will be based upon a 50-50 cost sharing formula for packaging and those components of household special wastes represented by the Canadian Manufacturers of Chemical Specialties and the Canadian Paint and Coatings Association members, as per the recommendations set out in the voluntary WDO report dated September 2000;

The IFO will make initial payments to municipalities within 90 days of approval of the program by the WDO; and

The program of the IFO will allow for exemption or a minimal compliance cost structure for small businesses, in the interests of minimizing total industry compliance costs.

Bill 90 represents significant challenges for each of our industry sectors, as it will for other obligated industries. Nonetheless, our industries are prepared to get on with the task at hand and do our fair share in maintaining economically efficient, environmentally sustainable recycling and waste diversion programs in Ontario.

I would now like to take some of the remaining time to introduce my colleagues from the other industry sectors represented here today and invite them to address some comments to you, and then with them answer any questions your committee may have.

The first one to join me here at the table is Justin Sherwood, who's vice-president of government affairs for the Canadian Council of Grocery Distributors.

**Mr Justin Sherwood:** Good morning. I'd like to thank the committee for providing me with the opportunity to comment on Bill 90 this morning. My name is Justin Sherwood and I am the vice-president of food service and Ontario public policy for the Canadian Council of Grocery Distributors.

The Canadian Council of Grocery Distributors is a not-for-profit national trade association representing the interests of the food distribution and retail grocery industry across Canada. Our membership is composed of small and large grocery retail operators, wholesale grocers and food service distributors. We represent approximately 85% to 90% of the \$56-billion total sales volume of grocery products distributed in Canada and 75% of the approximately \$10-billion total sales volume of the food service distribution industry in Canada. In Ontario, our members employ approximately 150,000 individuals and are responsible for approximately \$18 billion in sales.

The Canadian Council of Grocery Distributors supports Bill 90 and urges the committee to recommend its adoption by the government of Ontario. We support Bill 90 for all the reasons previously outlined by Damian. I would, however, like to take a few minutes to cover off two particular points of interest to the Canadian Council of Grocery Distributors, especially the issues of consultation and advance notification.

The retail grocery environment encompasses a broad range of products and packaging types, and as such retailers can be potentially impacted by a number of waste management issues. Issues can range from house-

hold special waste to printed materials, to industrial-commercial waste, to organics. In addition, further complexity is introduced when you consider the food-service and wholesale distribution components of our members' operations. These issues cut across the various waste diversion programs and industry funding organizations envisioned under Bill 90 and underscore the need to include specific requirements for consultation and advance notification.

Given these complexities, we recommend that the following modifications be introduced into Bill 90: the minister must clearly define what is expected of the WDO and the IFO in regard to consultation. The reasons for this are threefold: first of all, to ensure adequate time is allowed to inform and educate the companies that will be obligated under Bill 90; second, to ensure that potentially obligated parties are consulted and have an opportunity to provide input into the IFO; and third, so that consultation costs can be clearly identified and approved by the WDO and the affected IFO and these costs built into the fee structure.

In regard to the issue of advance notification, we respectfully request that adequate time be given for careful planning, consultation and implementation for any new designated waste program. We have been able to make progress quickly on the blue box wastes largely because of our extensive experience in Ontario. Notification is required as early as possible before other materials are designated. Once a waste is designated, adequate time must be allowed for the detailed planning work required to implement cost-effective programs to inform and educate our members and raise the funds necessary that will be required to meet our obligations.

With these and the changes outlined by others in our group today, our members are committed to making Bill 90 a success.

I'd like to now ask Laurie Currie, the vice-president of public policy and scientific affairs from the Food and Consumer Products Manufacturers of Canada, to say a few comments on behalf of our association.

**Ms Laurie Currie:** Good morning and thank you for the opportunity. My name is Laurie Currie. I'm with the Food and Consumer Products Manufacturers of Canada. I'm the vice-president responsible for public policy and scientific affairs.

FCPMC is the industry association representing 180 Canadian-operated member companies that manufacture and market a wide array of food and consumer products that are integral to daily life. The industry generates over \$18 billion annually in GDP and employs 250,000 Canadians. More than 80% of our members are headquartered within a 50-kilometre radius of the greater Toronto area. FCPMC members have been one of the original and voluntary financial supporters of Ontario's recycling programs, starting back in 1988. Through the efforts of CSR we have continued to support the goal of securing broader industry program participation for these efforts. We appreciate the leadership shown by this government to move this goal closer through Bill 90.

FCPMC strongly supports the recommendations that CSR is making today, and there are three principles of particular importance to our membership: (1) finding a funding solution that is broadly shared across industry; (2) ensuring a level playing field for those who are contributing; and (3) making sure that the system continues to be cost-efficient and administratively lean. The base of packaging included must be broadened, as CSR has recommended. Otherwise, the food and beverage industry will be burdened by the costs that other brand owners should share.

Thank you for the opportunity. I'd like to now introduce Ed Berry, acting president of the Canadian Manufacturers of Chemical Specialties Association.

**Mr Edwin Berry:** Thank you, Mr Chair, thank you, committee, for hearing us. My name is Edwin Berry. I am the acting president of the Canadian Manufacturers of Chemical Specialties; that's CMCS. I'm also speaking on behalf of the Canadian Paint and Coatings Association, CPCA. With me today, if you have technical or business questions that might need to be answered, I have two colleagues. One is Mr Stephen Rathlou, a member of CMCS, manager of regulatory affairs for SC Johnson with manufacturing facilities in Brantford, Ontario; and Mr Ron Hoare, who is the CEO of Para Inc, a member of CPCA, with manufacturing facilities in Brampton, Ontario. Both of these gentlemen have served as voluntary participants in the Waste Diversion Organization and other bodies dealing with post-consumer waste policy and technical matters, as have many of our member companies in both of the organizations.

1110

CMCS represents a large number of manufacturers, mostly the largest brand owners, manufacturers and distributors of personal care and household products in Canada. Most of our members have significant operations in Ontario.

The goods produced by these companies are familiar to all of you. I think we need to realize that we're talking about very familiar materials. They're in your supermarket. They're in the kitchens, bathrooms, laundry rooms and garages of your homes and your apartments. They include household cleaners, laundry products, personal insect repellents, disinfectants, camping fuels and windshield washer liquids. They're all very familiar.

The products of the paint and coatings association, as their name would tell us, are also very familiar. Their members are the largest and best-known paint and coating brand names in Canada and we know their products well.

Most of these products come in packages—that's the first thing to understand about them—made from steel, aluminum, glass, paper or plastic, many of which are already recycled, and you've heard something about this already: the ongoing recycling. You would have heard the term HSW a number of times around this discussion this morning. This refers to a small quantity of residues of some of these products, that when the homeowner needs to dispose of them, a few are not suitable for

including in the regular garbage collection. They require special management. That's the management of HSW.

Our two associations are involved in both aspects, both packaging and HSW. First of all, our two associations endorse fully the comments made by Damian Bassett of CSR, who has dealt very comprehensively with the blue box waste issue, as have other speakers. We would like to add to those comments and recommendations by speaking directly to the management of household special waste as it is addressed under Bill 90.

First of all, why do we support Bill 90 in its aspects speaking to HSW? We believe that Bill 90 will set the framework for a sustainable and economically and environmentally responsible solution for the management of all domestic solid waste in Ontario, but in particular we consider that Bill 90 has a very important role as the potential to deliver much-needed rationalization and harmonization to the management of HSW. However, to do this, we believe that two key modifications to Bill 90 are required specifically addressing HSW.

First, we believe that HSW needs to be included directly in Bill 90 as a designated waste, in the same way that blue box waste is addressed directly and specifically, and as was recommended by the WDO and our own associations in our participation in the WDO. We recommend then specifically that subsection 24(5) of Bill 90 should be modified to read:

“A waste diversion program developed under this act for a designated waste currently managed by municipal waste management systems shall not provide for payments to municipalities that total more than 50% of the total net operating costs incurred by the municipalities in connection with the program.”

This would deal with two things. It would draw in HSW, because most municipalities already do operate those programs, and it would deal with the concerns of the municipalities about the 50% that you've heard about.

Our second recommendation deals with justifying flexible management options for HSW after it's been collected. One of the features of HSW is that unlike most blue box waste, we're not primarily concerned with managing it in order to divert large quantities of material from the municipal stream. We're only looking at 1% of the municipal stream. This is not a contribution to massive diversion. The issue of concern is that those HSW components that can't be reused or recycled for technical reasons should be diverted in the most efficient and environmentally acceptable manner. Some HSW materials simply can't be recycled, either efficiently, economically or even at all. For example, fuels, solvents and some paints are much better looked after by using them at low concentration in blended fuel for selected industrial uses, for example in cement kilns.

Unfortunately, as subsection 24(2) is written in the bill, it places considerable constraints on this option by discouraging the promoting of burning per se. Thereby it tends to leave no other option than secure landfill burial for the management of these few difficult wastes.



What we would recommend is that section 24(2)1 of Bill 90 be modified so that an IFO should not promote the burning of designated waste except for energy and/or materials recovery in facilities approved by the minister. We feel that addresses the matter of flexibility for dealing with these wastes and is a good use for these wastes, and control by the minister over where they go, how they're used and that they are not just simply dribbled into other forms of fuels.

Overall then, with these two modifications, we feel that we are fully in support of Bill 90. We would like to thank Mr Chairman and the committee members again for this opportunity. We will be happy to answer your questions when the time arises, or send in written answers at a later date.

**The Chair:** Thank you very much for that very interesting and comprehensive presentation.

**Mr Bassett:** Mr Chair, we have one additional speaker.

**The Chair:** Oh, forgive me.

**Mr Bassett:** The president of the Canadian Soft Drink Association, Gemma Zecchini, just needs a couple of minutes.

**Mr Marchese:** May we have a copy of your submission, sir?

**Mr Bassett:** I have a copy, yes.

**Mr Marchese:** Could you pass that out?

**Mr Bassett:** I will, indeed.

**Ms Gemma Zecchini:** Thank you, Mr Chairman and ladies and gentleman of the committee. On behalf of the Canadian refreshment beverage industry, which represents soft drinks, purified water, juices and alternative beverages, I would like to add my voice of support to the recommendations for amendments put forward by my colleague Mr Bassett on behalf of CSR. I would like to use my brief time before this committee to emphasize one point, and that's a principle that we, as industry, believe is fundamental to the success of what Bill 90 is trying to achieve.

The year-long multi-stakeholder consultations that preceded the delivery of the WDO report to the Minister of the Environment last December firmly established the critical importance of providing for a level playing field for all companies and all packaging materials. In order to fulfill its promise as enabling legislation, Bill 90 must enable maximum participation by all industry players in order to honour the principle of fairness that's at its core.

To the extent possible, the legislation should ensure that from day one the fundamentals are in place so that the funding solution for the blue box is broadly shared across many industries and among a diversity of packaging types. I think it's important to point out that in its current iteration, Bill 90 will not achieve this.

Unless the definition of blue box wastes is amended, as Mr Bassett has suggested, the financial burden will fall disproportionately on those companies which are responsible corporate citizens and have provided and will continue to provide significant funding to sustain multi-material recycling in this province. In other words, the

bill in its current form allows for substantial abuse by so-called free riders. This creates what amounts to a competitive disadvantage for certain industry players, surely a consequence that is at cross purposes to the intent of sound legislation.

Lastly, and moreover something that is as important to industry as it is to municipalities, the government must avoid creating reverse incentives that undermine both the spirit and intent of the waste diversion organization. Failing to specify all packaging types as blue box waste effectively creates a loophole that may inadvertently encourage certain industry players to avoid all financial responsibility by packaging their products in non-recyclable materials that are not collected in the blue box, but end up in landfills instead. As we heard from AMO this morning, that would be a consequence which would place unwanted and undue burdens on municipalities.

The Canadian Soft Drink Association strongly supports the recommendations CSR is making today. In particular, we feel it's imperative that government levels the playing field so that costs of the municipal recycling are shared, and shared fairly. It's important to point out that industry is not asking for exemptions from its obligations, but asking for fairness. We also applaud the government for its leadership in moving us closer to the goal of a sustainable multi-material recovery system in Ontario.

1120

**The Chair:** That leaves us with approximately six minutes per caucus. We'll start with Mr Levac.

**Mr Levac:** Thank you very much for your dedication to this particular issue regarding Bill 90 and your consultation all the way through. Obviously, getting together with that many organizations and groups is a feat in itself. So I appreciate that spirit and the effort you're making.

Just a couple of housekeeping things. We definitely welcome Stephen from the great riding of Brant regarding SC Johnson's contributions to our community, a very conscientious community that does an awful lot, not only in charitable donations but in ensuring that our environment is taken care of. I want to put that out there. Thank you very much for that. You've got to take advantage, Rosie, whenever you can here.

**Mr Marchese:** I understand.

**Mr Levac:** I want to come to Bill 56 for a reason. I know you're speaking of Bill 90, but Bill 56 doesn't take care of some of the issues that even Brant has gone through where emergencies take place. Have you discussed with your group emergency circumstances in recycling that take place in unique circumstances which would require government intervention? The example I use in 56 is a brownfield site which catches fire through arson and is declared an emergency by the health unit, by the city, yet the government is unable to participate in that, even under a brownfield site program. Is there such an animal that could take place in the recycling circumstance that needs to be addressed?

**Mr Bassett:** I think you speak to one of the strengths of the associations represented here at this table, in particular as they galvanize around an issue like recycling. Traditionally, the industries have pulled together to help certain material types when they've had difficult circumstances, either with collapsed markets or, more recently, the economic downturn suffered by Consumers Glass. The product companies, the brand owners, charge our organization with showing leadership in that area, bringing the stakeholders together and finding creative solutions to move material so that municipalities aren't burdened with stockpiles of unwanted commodities.

**Mr Levac:** Is there anything you've discussed in Bill 90 that could be improved to address that circumstance, or would you rather deal with it in the way you've just described?

**Mr Bassett:** I think the beauty of market forces is that they tend to find their own solutions. The creative energies of the people who make a living working with these commodities and processing the commodities—previous speakers, even from the Ontario waste haulers' association, bring an awful lot of expertise. I think our history says that's a good way to solve the problems.

**Mr Levac:** I appreciate that and I'm not one for necessarily making legislation for the sake of making legislation, but I would probably hold out that in the event that that takes place, we need to have something in place to take care of those emergencies.

You indicated early in your presentation that you want to shoulder your fair share. How do you respond to an industry that has gone above and beyond recycling blue box programs and recycle 80%, 90% or almost 100% under their own cost and may say to you, "It's rather interesting that you're only looking at footing 50% of the bill for recycling and we do 100% of it and we don't need a blue box program. We've created a way to recycle all our own wastes"?

**Mr Bassett:** We've always applauded those industry sectors that for commercial reasons have established a closed-loop distribution system, where they have an economic need to have their containers or their packaging back. We think that's fabulous, and on a voluntary basis we would support and encourage that wherever it can exist. The brand owners and organizations we represent are dependent upon the curbside system to efficiently see that their packaging is appropriately managed in this environment. That's what this Bill 90 represents. It's bringing together all the stakeholders who are dependent upon the curbside system.

**Mr Levac:** Having said that, would there be an opportunity for them to eventually evolve out of that and is there any encouragement that could be done? I know some of the people who participate in the blue box did their own at one time and basically stepped away from it.

**Mr Bassett:** Again, I think the market forces, the commercial needs—the customer is always right. That's the reality that creates the situation you describe where the product goes back to the point of purchase. It's the same situation that creates the alternative in the household for efficient—

**Mr Levac:** It's up to all of us to encourage that.

**Mr Bassett:** The customer is never wrong.

**Mr Levac:** How am I doing, Mr Chairman? Just at the end?

**The Chair:** You're really out of time. One quick one.

**Mr Levac:** One quick last one. What is the possibility of the industry getting together before the IFO and looking at packaging in that way? I'm assuming that's being encouraged and being done as well, because there are complaints out there that you've got triple packaging and it's creating waste that's not necessary. Comment on this.

**Mr Bassett:** Again, I think industry is constantly managing its costs, and one of its major costs is the cost of packaging. One of the previous speakers referenced his participation in the national packaging protocol, and that analysis showed that industry since 1988 had reduced by over 50% its use of packaging, and yet is delivering more goods and services today than it did 12 years before. It's an economic determinant that good industries are constantly practising. So it's a bit of a myth that they're not reducing their packaging.

**Mr Levac:** I appreciate it. Thank you for your patience, Mr Chairman.

**Mr Marchese:** Thank you, all of you, for your presentations. Mr Bassett, you write on page 3, "The legislation and the regulations should not allow 'free riders' to shirk their responsibilities or create a disincentive to use recyclable materials." I agree with that and some of you have spoken to that. Then you say, "It is our understanding that the Ministry of the Environment has expressed a willingness to consider widening the definition of 'blue box' wastes." On what do you base that?

**Mr Bassett:** One of the beauties of the WDO and even the evolution of Bill 90 has been the constant consultation we've had with all the stakeholders. I think early on it was discovered that regulation 101, if it was to be the appendix for this bill, was inadequate. So in consultations with the ministry, it's been discussed as an option to find a way of modifying 101.

**Mr Marchese:** I agree with you. Have you had some political understanding that that was the case, or just civil servant understanding?

**Mr Bassett:** I unfortunately spend a fair amount of my life at Queen's Park and I've had the chance to even speak to people in your party on this subject. I'm trying to solicit support wherever I can.

**Mr Marchese:** No, I agree with you. I was just thinking, have you talked to Mr Arnott or other political staff of the ministry in terms of their understanding and perspectives?

**Mr Bassett:** I've had those discussions.

**Mr Marchese:** On page 4, you talk about supporting costs related to education, consultation and enforcement. In terms of your recommendations you talk about, "The costs of these programs must be reasonable, transparent and fair." What would be unfair in your view?

**Mr Bassett:** One of the beauties of Bill 90—and I'll take a positive and spin it into a potential negative—is

that I think it was conceptually designed to be modular, and it is the intention to designate future wastes and to bring them in. Our position is that we, as a packaging and printed paper community, worked long and hard and funded the evolution of the current recommendations. Were the minister to decide tomorrow that another waste stream—let's just say tires, as an example—should be brought in, we don't think it's fair to burden our membership with the costs associated with consultation, education and publication around that particular designation.

**Mr Marchese:** Right. OK, that makes sense. One last question?

**The Chair:** One.

**Mr Marchese:** You raised some issues about the myth of not reducing packaging, and since 1988 you've said you've done that for economic reasons, obviously. It makes sense. Some people argue that the industry should pay the entire tab, and if designed properly, this would encourage them to reduce the amount of trash they send to the landfill and make the polluters pay. What's your response to that?

**Mr Bassett:** We've negotiated, I think, long and hard with a very formidable partner in the municipalities of Ontario and the non-governmental sector to arrive at what we think is a unique, made-in-Ontario 50-50 solution. I'm not going to be the person to untie that bow.

**Mr Arnott:** I want to thank you as the representatives of the CSR—where have we heard that acronym before?—for coming in today to express your support for Bill 90. It's rather historic, I think, to have this occasion. I think back to my first election in 1990. Recycling was a big issue and my NDP opponent was talking about it at an all-candidates meeting. She talked about the need for the manufacturers to accept their onus of responsibility for the garbage that they were creating. If I'm not mistaken, I think I agreed with her, and here we are 11 years later and you're actually doing that. You deserve enormous credit and you deserve to be commended for doing this, for accepting the responsibility for—

**Mr Marchese:** Sharing.

**Mr Arnott:** —sharing, yes, but accepting responsibility for your part of it and the economic costs which, of course, would be passed on to consumers in some form. I think it's a very important step that we are taking today and we do appreciate your—and also coming together as an industry. I think it's a phenomenal achievement, what you've been able to broker, Mr Bassett, and you all deserve credit for the work you've done.

1130

I like the way you've outlined your brief, too, because you talked about your support, why you support it, the fundamental principles upon which your support is based and your positive suggestions, your constructive suggestions as to how we can improve it, and then concluding with your commitments as to how we can work together in the future. So I want to thank you for that.

One of the presentations talked about burning of solvents in cement kilns. I just wanted to ask about that a

little more. You said that's the most acceptable environmental solution in some cases. What do you base that statement on?

**Mr Berry:** There have been many years of work and research around the world, including in Canada—indeed, we probably started in Canada by pioneering much of this—in which studies show that certain classes of cement kilns that already have extremely low emissions are capable of destroying many organic materials completely. Solvents that aren't contaminated with totally undesirable things like PCBs could be readily dealt with that way. Waste fuel is a problem for HSW collectors, because they often end up getting waste gasoline, which can't be dealt with very readily. They can't be recycled. There are some paints that are high in organic content which can be put through a cement kiln without any problems. There's a very solid, substantial basis of science that supports this. Does that answer your question? I think it's well rooted in science and technology over almost a 20-year period, including in Ontario.

**Mr Miller:** I have just one minor question of Mr Bassett on his point 5, "The program of the IFO will allow for exemption or a minimal compliance cost structure for small businesses, in the interests of minimizing total industry compliance costs." Could you expand on that? What do you classify as small business and how do you see that working?

**Mr Bassett:** We too, like the architects of Bill 90, haven't totally done our work. The job we have to do is get together and really determine what an appropriate level is to establish a threshold. The policy here is that everybody should pay, but we recognize that it may not make sense to spend \$1,000 chasing after \$50, so we want to take a look at the stewards who become designated and then determine whether it's square feet, volume of sales, certain materials generated, and say that below that level it doesn't make sense to go after them. They're not creating a competitive imbalance. It's more about efficiency than it is about fairness.

**The Chair:** Thank you very much again for coming in and making a very detailed presentation to us. We appreciate your position. Certainly, should you have any further thoughts, I know the ministry and the committee would be pleased to receive them in writing subsequent to this day.

#### ENVIRONMENT AND PLASTICS INDUSTRY COUNCIL

**The Chair:** Our next presentation this morning will be from the Environment and Plastics Industry Council. Good morning and welcome to the committee.

**Ms Catherine Cirko:** I'm going to use the overhead projector, if you can see. I'll pass around right now copies of my presentation so you can follow along if you wish. As well, we are passing out our brief and some background information on EPIC.

Today I'm joined by Faris Shammass, who is the executive director of the Ontario region for the Canadian

Plastics Industry Association, as well as Mike Hyde from Dow Chemical. Dow is one of the members of our organization. Mike is also chair of our public affairs committee.

I'm Catherine Cirko and I'm the director general of EPIC. We are a council of the broader Canadian Plastics Industry Association. I want to thank the committee for giving us the opportunity today to speak to you on Bill 90.

First of all, I want to give you some background on who we are and why we are here today. The broader organization really is representative of the front end of the supply chain of products and packages. We represent material suppliers, processors, equipment suppliers and mould-makers. All our members provide products as well as packaging to a host of our important sectors in the economy of Ontario, and that is in automotive, electronic, construction, food and consumer products as well.

Just to give you an idea of the breadth and expanse of our industry, in 2000, shipments—that's total dollar value of shipments in all those sectors—amounted to \$18 billion, and the industry employed 85,000 residents of Ontario, company residents. Across Canada, there are some 3,500 companies doing business in Ontario, and our organization, the Canadian Plastics Industry Association, represents about 60% of the total shipment output of those. So we are definitely representative of the plastics supply industry.

Second, I want to give you a really brief overview of who EPIC is and what we've been doing to help municipalities on waste management. More detail is in the brochure you have in front of you on all our contributions to date, but essentially our overall role is to support responsible waste management. We provide a number of tools and guides for municipalities. We engage in demonstration projects. In part, there was a demonstration a long time ago that led to the actual collection of bottles in municipal curbside systems, and that was done in partnership with ourselves and the ministry.

We also conduct research into more efficient recovery and recycling. We have a number of computer models that try to reduce the cost to municipalities at the point of collection, as well as processing recyclables.

We also carry out the development of new market applications for recycled materials. For example, we have pioneered the use of recycled plastic film from curbside programs back into bags: grocery bags, Liquor Control Board carry-out sacks and garbage bags. So we have evolved the technology to be able to do that, and we believe we have exercised our part in the supply chain in terms of the contribution to waste management.

Turning to the plastics industry and its relationship to its customers, I just want to elaborate on some key things here. The plastics supply industry is there to meet the specific requirements based on the product properties of our customers. The customers of the plastics industry decide what material will be used in a product or a package. For example, automotive manufacturers have final say on parts used in their vehicles. The packager of consumer products decides on the shape, size, colour and

material to be used for his product based on the performance that package has to achieve. Even the design of the lowly what we might call carry-out sack is stipulated by the retailer. As well, the design for recycling or incorporation of recycled content is not the choice of the plastics industry. We develop the technology, we can do it, but the downstream customer is the one who has to require it.

I want to get specifically to our position on Bill 90. Essentially, we agree with the intent of Bill 90. However, we do have suggestions for amendments and modifications to Bill 90 as it stands today. Specifically, we'll be talking about suggestions for modification in the following areas: the definition of "steward"; the definition of "blue box waste"; observers, subsection 3(3); fees from industry; and waste diversion programs.

#### 1140

With respect to the definition of "steward," you've heard today from previous speakers that the definition of "steward" is fairly general and very broad. What we have recognized is that the minister probably would like it to be broad, because we're not just talking about blue box waste; we're also talking about future waste that the minister may in fact want to designate at some later date. We recognize that there's probably a need by the minister to have some flexibility to choose the obligated party on a case-by-case basis.

But who pays for blue box recycling? As you've heard and as Mr Arnott has said, it's been a 15-year discussion and there have been various details around that discussion over those 15 years. That discussion essentially culminated in a recommendation by the Waste Diversion Organization, in its report dated September 2000, that the obligated party should be the one who essentially decides on what packaging to use, and that recommendation was provided to the minister. So there have been specific matters around blue box recycling and who pays for it where we feel that perhaps Bill 90 could be a little more specific on the obligated party with respect to blue box waste.

We are recommending that the definition in subsection 29(2) be amended to take the approach that was taken in subsection 24(5), which essentially got very specific on blue box. It actually said industry's share will be not more than 50%. What we're saying is take a similar approach with respect to subsection 29(2) and add to the end of that clause that for any waste diversion program developed under this act for blue box recycling, the steward should be the one who decides which packaging is to be used, in recognition of the very valuable and important role that the user of packaging has.

Moving on to the definition of "blue box waste," you've heard today from others the need to have a level playing field among all materials, products and packaging etc. You don't want to have set up a regulation that may provide some favour toward one material versus another.

We agree very much with CSR that the regulation must capture all consumer product and packaging. How-

ever, we don't think that amending regulation 101 would be the preferred route. As you've heard before, there are various unlevel playing fields in regulation 101 now. Even with the modification suggested by CSR, there still would be anomalies. I just give these examples: even with their modifications, you would have a plastic carry-out bag levied and a paper-equivalent bag not; you would also have paper wrap and pulp egg cartons excluded and you would have plastic wrap and plastic egg cartons included. It's just another example of the unlevel playing field and certainly we do not want to support anything that would set that situation up. There are a host of other examples, but I have not alluded to them here.

One suggestion was to modify regulation 101. Our concern now is that schedule I of regulation 101 is the schedule to an overriding regulation. The overriding regulation does require municipalities to separate those materials for collection in regulation 101, and the inference is for recycling. You've already heard today—and we support that—that not all materials are recyclable. So if you have a regulation that requires a separation of non-recyclable materials, that is adding cost. We have to recommend that regulation 101 not be used, if that is under consideration right now by the ministry, and that a separate list be created in a regulation to follow that is going to support Bill 90. This list, as we have indicated, should be designed to capture most packaging materials as a group so that there is a level playing field.

Moving on to the next item, with respect to observer status, right now Bill 90 sets out the section on observers. It does include a few observers right now. We have looked at that and essentially we feel it would be useful to have a representative of the plastics packaging sector there based on our significant role in Ontario's economy and of course based on the real interest of municipalities and ourselves to do our best to try and divert plastics from the waste stream.

We are not seeking status on the board, because we believe that board membership should be reserved for those who are contributing financially to dispersion initiatives.

With respect to fees from industry, essentially we support the intent of Bill 90 to permit industry and the specific IFOs to determine how fees will be generated. We also note the role that the ministry and the WDO are going to have in diversion programs. All we're saying here is that we're not trying to be nitpicky, but there should be clear rules and guidelines with respect to cost recovery for costs incurred by both the ministry and the Waste Reduction Organization. So we recommend that clear principles and criteria be established for the administrative cost recovery aspects from those two organizations. In addition, the Ministry of Finance and Management Board in consultation with the material industry develop fee-specific principles and criteria for cost recovery by MOE and the WDO.

Last, with respect to waste diversion programs, under section 24(1), we strongly believe in an integrated approach to waste management, that there is no single

option to waste management. You can't recycle everything. It's a combination of options, and you have to look at those combinations, what they cost and what sort of environmental benefit they provide. There is not going to be one solution; it's going to be a trade-off. But we would love to have municipalities continue to have the opportunity and ability to consider all options. All we're saying here is that in any future regulations—as we see in Bill 90, it's very performance-based—we'd love to see continued regulations be more focused on performance and not be overly prescriptive with respect to what municipalities can consider and what they cannot. The strategy for one municipality may be different for another.

That concludes our presentation. I am joined here, as I said, by Mike and Faris, to help respond to your questions.

**The Chair:** That affords us about a minute and a half per caucus. This time the rotation will start with Mr Marchese.

**Mr Marchese:** In terms of membership or status as observers, I'm assuming there will be many sectors that will be excluded, and you are one. How do we make it possible to include everybody who believes they are important to be there as observers? How do you deal with that?

**Ms Cirko:** You've made a very good point, and I'm sure you've got a number of requests.

**Mr Marchese:** Not me; them.

**1150**

**Ms Cirko:** You've probably had a number of requests to be a participant on the actual board, so you've had to struggle with that. Again, I think plastics are a new and emerging material that—

**Mr Marchese:** I'm not disagreeing. You don't have to explain that. You make a good point. I'm just wondering how you would include all the people who feel they need to be there, that's all. I don't know how the government is dealing with that; maybe Mr Arnott knows, but I don't.

**Mr Mike Hyde:** May I just comment?

**Mr Marchese:** Sure.

**Mr Hyde:** There is no silver bullet here, I guess, because you're going to get many requests, but I do believe that the key sectors that make a request to become observers should be granted that. Perhaps it can be done through open dialogue, through information where you don't have to attend every meeting but in fact the minutes of the meetings can be copied and there is some conduit in to the board if you have questions or comments or suggestions, that type of thing. That's a secondary suggestion. It wouldn't be as good as being the observer inside the room, but I understand you can't have an audience of thousands back there.

**Mr Marchese:** It's just a question for the government, because I don't know how they're dealing with that.

You write that the goal must be environmental and economic sustainability with social acceptance. What do you mean by that?

**Ms Cirko:** Certainly at the municipal level, municipal officials have to take into consideration and consult with

their residents. That's just one input into the decision-making process, along with what the costs of programs are, what the environmental benefit is etc. All I'm saying is that it's complex. Municipalities have to consider all those factors, but as well they have to properly deliver a program that's acceptable to the residents, so it's just one feature.

**Mr Marchese:** I agree with that. Thank you.

**Mr Miller:** Thanks for your presentation today. You made a comment to do with regulations, saying that they should be not overly prescriptive. Generally I am in favour of that to do with most regulations, but can you expand on how you see that working in this case?

**Ms Cirko:** Mike, do you want to answer that?

**Mr Hyde:** Bill 90 is certainly written as a performance specification. There are some specifics, but it is basically a performance specification. What we're hoping is that the regulation that is put together to support Bill 90 is that performance type of regulation as well, where it doesn't specifically say that you must recycle X per centage of a product, for instance, because in fact that X percentage may not be the right number. So "Recycle as much as you want with continuous improvement, or as much as you can with continuous improvement." That type of thing is what we're hoping for in the regulation. Does that answer your question?

**Mr Miller:** Yes, I guess so. Do you set a goal that you strive for then? Is that how you accomplish it? You set a goal and try to reach it that way?

**Mr Hyde:** Yes. I think the goal must be qualified, though. If you look at places in Europe or you look at other places even in Canada, the goal is set for X percentage to be recycled by year such and such. That still is very prescriptive. Performance would be more, "If it is economically, environmentally and socially wise to do so, reach the goal of this, or divert it from waste in other ways." Something like that is what I'm thinking of as terminology you might use in the regulation.

**The Chair:** Ms Mushinski, very briefly.

**Ms Mushinski:** Yes, I shall be brief. You mentioned that reg 101, whose intent is to direct municipalities on which materials to collect for recycling, should not be used. Can you tell me if reg 101 actually is directing municipalities to recycle materials that are not recyclable right now?

**Ms Cirko:** Reg 101 did a couple of things. It did require a minimum number of materials to be recycled, and they are recyclable. It also provided a supplementary list which listed a number of other materials on it. I would say all of those were potentially recyclable. What we're suggesting is that by modifying reg 101 to go beyond that you are modifying it to capture as well non-recyclable materials.

**Mr Levac:** Thank you very much for your presentation and your obvious interest in Bill 90. Have you had an opportunity to vet these recommendations that you've taken a position on with Bill 90 with government bureaucrats along with the politicians involved?

**Mr Hyde:** Yes, we have.

**Mr Levac:** Have you received a reasonable response back, saying that they'll take those under consideration or giving you any rationale why they can't?

**Mr Hyde:** I'll respond, Cathy, if I may. While Cathy was on vacation I did that specifically. We have pushed back on some of them, but we were encouraged to include several that we did include. We decided that it's still a strong belief of ours, so we wanted to present it to the committee as well in its entirety.

**Mr Levac:** Very good. Your background material indicated an education component of the plastics industry, grade 3-4, I believe. I've seen it in the past—peanuts, I believe.

**Ms Cirko:** Yes, that was part of it. That's one of our original concepts.

**Mr Levac:** Right, and moving on from there—

**Ms Cirko:** We have embellished and moved on from there, correct.

**Mr Levac:** Do you agree with part of the legislation that's been referred to earlier: there needs to be an education component to the recycling program to encourage the public at large to participate in it, and that monies come from the participants?

**Ms Cirko:** Certainly support for broader communications and education is warranted and required.

**Mr Levac:** Thank you, Mr Chairman. I appreciate the time.

**The Chair:** Thank you for your presentation here this morning. We appreciate your coming forward.

With that, committee members, the committee stands recessed until 1 o'clock.

*The committee recessed from 1156 to 1304.*

**The Chair:** Good afternoon. I'll call the committee to order. We'll continue with our deliberations on Bill 90 and Bill 56.

#### TORONTO ENVIRONMENTAL ALLIANCE

**The Chair:** Our first presentation this afternoon is the Toronto Environmental Alliance, if they could come forward to the witness table, please. Welcome, and just a reminder that we have 20 minutes for your presentation this afternoon.

**Mr Gord Perks:** Members of the committee, let me begin by thanking you for taking the time to listen to us today on this important matter. My name is Gord Perks. I'm the director of policy and communications at the Toronto Environmental Alliance, and with me today is Katrina Miller, who is our waste campaigner.

For several decades now, progressive governments have been bedevilled by the problem of solid waste management: headlines, funding fights and endless political battles to try to figure out how we will finally tackle the problem of solid waste here in the province of Ontario. For decades we have made small increments in progress but we continue to lag behind some of the more progressive jurisdictions in waste reduction, both in North America and around the world.

The elements that are necessary for us to catch up to those other jurisdictions, and indeed get ahead of them, are, in our view, entirely absent from Bill 90 as it is currently drafted. I would like to take a moment and go through what I believe those elements are and demonstrate to the best of my ability how Bill 90 does not address them, and then Ms Miller will make a few suggestions for specific amendments to the legislation that might be of service to you as you attempt to solve this very difficult problem.

To begin with, a sound solid-waste diversion strategy depends on five key principles:

(1) We must respect the 3Rs hierarchy—reduction, reuse, recycling—in that order.

(2) We must implement the best of what is known as extended producer responsibility.

(3) We must tailor our waste diversion and recycling programs to suit the particular needs of different materials, rather than attempting to come up with a one-size-fits-all, shoehorn-style effort to deal with them.

(4) We need to devise a system that to the minimum degree possible is bureaucratic and complex. We need something that is speedy and simple.

Finally, we believe there should be an appropriate division of responsibilities and authority between the public and the private sector.

To go through these, the 3Rs hierarchy we all know. Unfortunately, Bill 90 and its incentives incentive exactly opposite to what we would look for in the 3Rs hierarchy. The only option that costs an industry nothing is to continue to have their materials go into landfill or incineration. That is the only no-cost option available. The second option, which is to go into a cost-shared program with municipalities for recycling, costs something on the order of 50% of the cost to the industry. If the industry wants to really get aggressive and redesign their products or perhaps even design a take-back system after, say, the Beer Store model, the industry has to pay 100% of that system. In other words, the incentives are opposite to what you would try to achieve if you were respecting the 3Rs hierarchy.

As to extended producer responsibility, this is an exciting and innovative way of dealing with waste that's emerged in Europe and is now actually present in eight of 10 provinces in Canada. Essentially, as the name says, the responsibility of the producer of a product or package is extended past the point of purchase so it becomes their cost to get that material out of the waste stream. The Beer Store is of course the perfect example of this. The lovely thing about this type of system is that the person making the decision about how a product is manufactured or packaged is the same person bearing the cost for that decision, and the market will send a price signal if their design is not recyclable, reusable etc.

This bill makes EPR programs, extended producer responsibility programs, unnecessarily complicated and costly by requiring an elaborate negotiation process with Waste Diversion Ontario, a series of fees and a schedule

of oversight by this body, which will, in our view, impede extended producer responsibility.

As to the point on tailoring the recycling and reuse programs to the specific material, sadly, Bill 90 directs new industries entering to a one-size-fits-all system, essentially saying, "You will follow the established procedures of this board of directors," the Waste Diversion Organization, who have an interest in promoting a particular style of recycling. We have tried before to have one-system-fits-all here in Ontario. It's called the garbage bag. If we simply transfer all materials over to the blue box, all we've done is, at some cost to the taxpayer, distributed a blue box to everyone and put everything back into it. We need to have more flexibility in the legislation so that different industries can take different approaches.

I think it's not without accident that the particular industries that are initially on the Waste Diversion Organization board are industries which benefit from the blue box. The soft drink industry benefits because they don't have to have a deposit system, the grocery stores benefit because they don't have to have product take-back, and the aluminum and plastics industries benefit because they're not giving up market share to refillable glass containers, which would not be in the blue box.

#### 1310

As to the size and scale of the bureaucracy of the program, Bill 90 imposes a new layer of decision-making between the ministry and industries seeking to divert their waste. No longer can the ministry negotiate directly with an industry that might wish to do something progressive, but now they have to go through an elaborate procedure with those selfsame industries I named a moment ago.

Finally, what are the appropriate roles for government and industry? I've heard it said before that this relationship works best when government steers and industry rows, when government develops policy and the manufacturers do the things necessary to make their products and get them to consumers. This does it backwards. The industry representatives on the Waste Diversion Organization are the ones who develop policy with new industries that might want to enter a recycling agreement. The ministry has essentially handed over the policy function to the very same industries which have failed to fund the blue box for the last 14 years, or have funded it inadequately for large periods of that time. And the municipalities—the public sector—have to pay the majority of the cost to deliver the program. The system is backwards; the government is rowing and not steering.

With that, I'd like to turn it over to Ms Miller.

**Ms Katrina Miller:** I am going to go through our recommendations regarding these four principles that my colleague has laid out for you. To start with, we have four recommendations regarding the 3Rs hierarchy principle that we hope will improve this principle in the bill.

Our first recommendation is that we believe Bill 90 should include provincial funding for municipal organic

waste diversion. An act that promotes 3Rs must include diversion and composting of organics. Seeing that no industry can be held directly responsible for organics, we believe that the province and municipal governments should be sharing this responsibility.

Recommendation 2: Bill 90 should include industry funding for the municipal disposal of packaging and products. This will create a greater incentive for industry to follow the 3Rs hierarchy.

Recommendation 3: we believe that section 24(1) should be amended to read, "A waste diversion program developed under this act for a designated waste will focus on activities to reduce, reuse and recycle the designated waste in that order." Currently, the clause reads that the programs may only include the 3Rs activities, which we believe is inadequate.

Our fourth recommendation under this 3Rs hierarchy is that section 24(2) should be amended to read, "A waste diversion program developed under this act for designated waste shall not include:

- "1. The burning of the designated waste.
- "2. The landfilling of the designated waste.
- "3. The application of the designated waste to land."

The disposal methods described in this clause have no place in a bill promoting 3Rs.

Our second set of recommendations regards extended producer responsibility principles. First, municipalities have no assurance that they will receive any funding from industry for the blue box programs under the way the act currently details this issue. Therefore, we believe that section 24(5) should be amended to read, "A waste diversion program developed under this act for blue box waste should provide for payments to municipalities that total at least 50% of the net operating and capital costs of their blue box program."

Our second recommendation is that subsections 33(7) and 33(8) should be struck from section 33. This is because industry stewardship programs like The Beer Store's deposit-return system should be exempt from all fees, thereby giving them an incentive to move up that 3Rs hierarchy and to take on more extended producer responsibility.

We only have one recommendation regarding material-specified programs. We believe that Bill 90 should contain a mechanism by which items defined as blue box waste can be moved to another collection system when it is deemed to be more efficient and more cost-effective at reaching the same or higher diversion targets. An example of this would be the deposit-return system. A study was done by General Science Works in 1998 which showed that a deposit-return system for wine and spirit containers would have a greater capture rate and be more cost-effective than blue box collection.

We have four recommendations for creating a more efficient administration within this act.

We believe subsections 4(a), 4(d) and 4(g) should be struck from section 4 of the bill. These are clauses that deal with responsibilities of Waste Diversion Ontario. Waste Diversion Ontario should be responsible for the administration of the bill and for the blue box funding.

However, the design of programs outside the blue box should be left to specific industry funding organizations, such as the battery organizations or the oil industry, which know best how to develop a program that will divert that material from the waste stream. We believe these programs should be monitored directly by the ministry, as they're an honest broker within this.

Our second recommendation is that subsection 3(2), which details the membership of the board of directors of the WDO, should be amended to include at least one environmental non-government representative who is designated by the Ontario Environment Network. Such a representative will aid in the WDO's ability to act as an honest broker.

Likewise, we believe subsection 3(3) should be amended to include two ENGO representatives as observers of the WDO to promote better public transparency and accountability.

Our fourth recommendation is that section 4(e), giving the WDO power to develop a dispute resolution process, should be struck from section 4 of the bill. An impartial party, not affected parties, should be developing this process.

Our recommendations regarding the appropriate roles of government and business—we have only two of those:

First, we believe that section 3(2) should be amended to increase municipal representation on the board of directors of the WDO to at least six voting members, and the chair for the first year of the board's operation should be a municipal representative. Municipalities, which have the majority of the burden for waste that we're talking about in this bill, especially with respect to the blue box waste, should also have a larger part in forming the waste diversion policy that deals with these wastes.

Our second recommendation is that section 25(3) should be amended to read, "The minister shall decide in writing to approve the program, to approve and modify the program or to not approve the program." The minister must have the ability to modify programs before approval to better fit the policies of the government.

This ends our presentation. We would like to devote the rest of our time to answering any questions the members may have.

**The Chair:** That gives us about two and a half minutes per caucus. This time we're starting with the government members.

**Mr Arnott:** Thank you very much for your presentation. We appreciate your input and your advice. As you know, this bill was introduced in the Legislature in June and was referred to this committee after first reading. It's a rather interesting process, whereby we all have a chance to have input before the second reading debate takes place. So we're certainly at a stage where we're listening and we appreciate the suggestions you've offered.

I wanted to ask you one thing. In your recommendations, toward the end under the category "Recommendations Regarding Efficient Administration," you've asked for an opportunity to have a member designated by the Ontario Environment Network to sit as a member of



the board of directors of Waste Diversion Ontario, and also for two observers. Why would you need a member on the board and two observers?

**Mr Perks:** To answer that quite quickly, we've had a lot of experience over the years in working on these kinds of committees, and we've found that one typical problem is that environmental organizations are typically quite small and underresourced. When we participate in these, the person designated usually spends all of his or her time simply keeping on top of the various areas of business of the organization and doesn't have time to report back to the larger community of environmentalists. It's also a very diverse community, representing people from northern Ontario, from different walks of life and so on. We feel that giving someone the responsibility to do the business of the organization and others the responsibility to make sure the environmental community as a whole is aware of what's going on is, for our purposes, the best solution.

**Mr James J. Bradley (St Catharines):** Do you feel that the legislation as a whole encompasses enough of the players out there who are producing what we would consider to be waste in the first place? There was a concern of how large the umbrella is and the allocation of responsibility. What would your views be on that?

**Mr Perks:** Very simply, sir, in our view about 20% to 25% of the waste stream will be dealt with by this organization. That's it. Organic wastes are left out entirely. Industries whose products or packaging are non-reusable, non-recyclable and haven't been reduced are left out of the process entirely. Industries that may want to get into that game will have a difficult time getting in. Sadly, the bill is structured to favour the interests of a very small number of industries that are already in and create a shoehorn that everyone else has to try to fit. So I don't think it will actually represent very much progress for waste diversion in Ontario at all.

1320

**Mr Bradley:** How would you suggest—it could be a very simple answer, I guess—that we bring more of the other players into the game? I'm thinking particularly of their responsibilities for diversion and, second, money at the table. Some of the people who are there have complained that they have made some significant progress, that they have contributed over the years and they look out and see others who have not. Would it take another bill? Would it take amendment to this legislation? How could we accomplish bringing the other players in that you have described?

**Mr Perks:** I think, sir—you'll know this, having been minister yourself—that the Environmental Protection Act already gives the Minister of the Environment absolutely adequate powers to say to an industry, "You will divert this amount of waste and you will do it by this date." Then it would be a process where the ministry and the minister directly discuss how to do that with the battery industry, the oil industry, the paint industry. This is the way that most jurisdictions—British Columbia, Alberta and others—are doing it. There is no intermediate body of a few interested parties that create an additional layer

of bureaucracy. The negotiation is between the people's representative—the government of Ontario in the person of the Minister of the Environment—and the industry that we want to bring into programs.

**Mr Marchese:** Thank you both for coming. Ted is very nice. He always says, "Thank you for your presentation. We'll take it into consideration," which is nice. But have you heard from others with respect to some of your views? They're radically different from many of the presentations we've had. Have you heard from the minister or her staff or the ministry staff with respect to your proposals? Are they flexible? Are they not interested? Tell me briefly.

**Mr Perks:** We met briefly with the minister quite recently and it was her suggestion that we bring our recommendations here.

**Mr Marchese:** In other words, we make the decisions?

**Mr Perks:** Which is I think for now a fair process, given that it's before first reading and the members of this committee have the ability to substantially alter the purpose and intent of the act. I hope that's the approach they take. I know that a number of municipalities have approached us and said, "I know AMO is saying we like this, but we sure don't. We don't like the fact that we're not even getting 50% of the funding." A number of industry groups have come to us and said they don't like this. Environmentalists universally are opposed to the way this bill is designed.

**Mr Marchese:** Gord, we've been around.

**Mr Perks:** Yes.

**Mr Marchese:** So not much changes in the committee process. No radical changes take place here. The minister knows that; she's been around. Ministers understand how the process works. Everything takes place there. They bring it here; some changes get made. The parliamentary assistant goes back and says, "We've heard all this stuff." Then they make one or two changes to make it appear like they listened. That's basically how it works, right?

**Mr Perks:** Rosario, just in answer to that, I hope that Her Majesty's loyal opposition is effective in dealing with this and that the government side shows true wisdom and takes our advice into account.

**Mr Marchese:** I've got another question for you, Gord.

**The Chair:** Unfortunately—

**Mr Marchese:** Two and a half minutes?

**The Chair:** That's right. We started at 1:06 and we're ending at 1:26. There you go. I know you're at a disadvantage, Mr Marchese, given that the clock is behind you, not in front of you.

Thank you very much, both of you, for coming forward and speaking to us today.

#### COMPOSTING COUNCIL OF CANADA

**The Chair:** Our next presentation is from the Composting Council of Canada.

Thank you very much for coming forward.

**Ms Susan Antler:** Mr Gilchrist, thanks for accommodating us. The Composting Council of Canada applauds the Waste Diversion Organization from a number of perspectives, but also respectfully requests that you take a different attitude, that it's not waste but resources that we're trying to recover.

Organics represent between 30% and 50% of the materials that are going to landfill, and it's very important for our collective future that we focus on organics and how we're going to best recover them. Composting is a very effective, viable solution, from a backyard to a large-scale composting process. The Composting Council of Canada respectfully requests that you recognize the importance of composting, the importance of resource recovery and your ability to provide synergy among many interministerial departments to allow us to develop the composting industry.

We have been very fortunate to have a very effective and viable working relationship with the Ontario Ministry of the Environment as well as all other provincial ministries of the environment and Environment Canada. We also acknowledge the history and the devotion to organics that we've had to date from the staff. But there is a limited political will to recognize the importance of organics, and that's really where your focus should be.

Because 30% to 50% of the materials that are in landfill are organics—I can't stress that enough. It's very nice to go ahead and fight about deposits and all those wonderful things, but if you don't focus on organics, you will not achieve effective diversion.

Similarly, it's very important to recognize that this, not a diversion game but a resource recovery. This is an opportunity to build a new industry in Ontario, an industry that 10 years ago did not exist. Five years ago we started to use the word "industry," and in the future it will become a very viable part of the Ontario fabric.

We recognize that the legislative priority of this bill is to address the funding issues pertaining to the management of the blue box program, and we respect that. However, we request equal priority for the management and recovery of organic material. Again, if you don't focus on organics, you're not going to achieve your goals.

It's very critical that we move beyond just a waste diversion game, that you focus on the fact that these are valuable resources, that through composting can be produced a number of wonderful products. You have a foot in both piles in the compost bin, so to speak. You have a focus on the opportunities to divert organics to address your diversion needs, but you also have an eye on producing a viable industry in terms of product manufacturing and marketing.

We see that the board you have proposed for Waste Diversion Ontario is significantly underrepresentative of organics champions as well as of the observer groups. Specifically, there are basically only four municipal representations on the board. A very limited number of industry reps have a devotion and an active role in organics recovery so far.

We request observer status as the Composting Council of Canada on your board. We feel that we can provide excellent knowledge, networks and the vision to go ahead and build this industry. We have been in the Waste Diversion Organization as a committee member on organics in the last year, and I can tell you that without our participation, the committee would not have focused on marketing and value-added manufacturing. We have networks in terms of agriculture, natural resources; we have the researchers; we have experience from coast to coast and international networks that we can bring to the party to help build a viable industry.

It's also very important to recognize that the composting industry is comprised of both public and private facilities and operators. So the work of WDO reflects the need to provide a level playing field among all types of operators.

Just to give you a small background—and I'd love you all to know more about the composting industry—you should know that composting embraces all types of forms: backyard, and I'm sure you're all composting in your backyards, but also centralized. When we first did our survey on composting in 1992, there were only 100 facilities in Canada, diverting less than 300,000 tonnes. In our last survey in 1998, that number increased to 350 facilities diverting over 1.65 million tonnes of organics. That represents only 20% of the potential. The potential has only been focused on municipal waste. There are huge opportunities in terms of the agricultural sector, natural resources and other opportunities for the industry.

You must realize that when we look at WDO we cannot only focus on municipal waste. We have to focus on agricultural waste, manure. We have to focus on biosolids. You have to make sure that the powers of the WDO allow for synergy among the different waste sectors that can help build the composting industry.

Also very important is that the market has not even been tapped a tenth of the potential in terms of how to market this product.

#### 1330

We have huge opportunities in terms of building an industry in the agricultural community: silviculture, which is the growing of trees; landscaping; soil remediation; bioremediation; sod production; mine reclamation. All of these are ministries that you have control of as the Ontario government and it's very important that you allow us to work together among your ministries to build this industry.

In terms of the factors for success in terms of the building of this industry in Ontario, we believe there are at least five. First of all, your political will to recognize that organics need to be recovered; that you take on a perspective that the WDO must adopt product manufacturing and marketing, not just waste diversion; that we focus on intensive training of the operators so that we have your trust on an ongoing basis; that we have effective standards—and right now we do not have them in Ontario—to build this industry; and that we develop synergy among different interest groups.

Our key immediate needs as you move forward beyond the passing of this bill and getting us observer status at the WDO are to adopt the CCME guidelines for compost quality. Currently Ontario is operating in outdated standards and not allowing for extra materials to be recovered through composting. You are behind most of the other provinces across Canada in terms of standards.

You must also help us support the development of synergistic partnerships among Ontario ministries. This is not an environment issue in terms of developing a composting industry. It's important to get a number of people around the table, specifically OMAFRA, Municipal Affairs and Housing, Transportation, Economic Development and Trade and Northern Development and Mines. They all have a role to help us build this industry and we just need to be able to get them around the table.

We are also asking for you to help us support industry development. We are not looking for handouts; we are looking for long-term support in terms of your resources, your connections, to help us build awareness, to help us develop research and to help guide us through the intricacies of interprovincial and federal relations.

In conclusion, we support WDO. We recognize that right now your immediate need is funding for blue box. You must put equal emphasis on organics recovery to achieve a long-term, viable solution for Ontario. Thank you.

**The Chair:** That leaves us with just over three minutes per caucus and this time we will start with the official opposition.

**Mr Bradley:** My first question would relate to two large municipalities, which have been highly successful in diverting waste, much more so than we have seen here in Ontario. Those two municipalities are Edmonton, Alberta, and Halifax, Nova Scotia. Could you share with the committee and whoever else is listening to us today why they are successful? What are they doing that we're not doing in a place such as Toronto, for instance, that makes them much more successful, particularly in the field in which you have a particular interest?

**Ms Antler:** First of all, Mr Bradley, they recognized that organics were the ticket for effective diversion goals. When you look at the pie overall and do not focus on the little pieces, you look at a big piece of the pie, 30% to 50% of which is organics. So they developed a capture program to get those organics. They then also established a very effective private-public partnership that met their economic needs to be a viable solution. So in Edmonton they developed a relationship with TransAlta and in Halifax they developed a relationship with two private composting facilities that were able to be viable in the conditions they had. They did very effective awareness with their constituents. They had the political will to stand behavioural change issues, because that is an issue upfront.

Where they stand in terms of the development of the industry now is that they're focusing on market development in terms of what they are going to do with

the product. Like any good manufacturing operation, you have to know what you're going to do with the end product before you start pushing that first button. So in terms of the overall development of the industry, we really have to take a target in terms of knowing what we want to do at the end. In terms of the development of those two cities and the three plants in those cities, they're really focused on market development now.

**Mr Bradley:** The one area where we've had less success than we'd like to see, obviously, is the area of apartments, especially large apartment buildings in a municipality such as Metropolitan Toronto. How can they become part of the composting effort? The argument that's always put forward by Toronto when you suggest they should do as Edmonton or Halifax are doing is how different Toronto is.

**Ms Antler:** Yes, we've heard those stories. One of the issues is that the sharing of information between the various municipalities can happen through the Composting council networks. The biggest impediment, quite honestly, is that there are different types of composting technologies that will address different types of municipalities.

The biggest issue right now is that Toronto would fail. Mixed waste is a viable program for composting provided you have the right type of end market already addressed. The issue is that Toronto cannot go forward with mixed waste composting because the CCME guidelines have not been passed in Ontario. So it would fail in terms of producing a product. One of the impediments to the development of the industry in Ontario is the fact that we are operating on 1991 guidelines. Ontario was at the table in 1995, along with all the other provinces, in terms of adopting the CCME guidelines for compost quality, yet Ontario has yet to adopt them in their own legislation.

**Mr Marchese:** Thank you for your presentation. The Toronto Environmental Alliance mentioned composting as one issue as well, and you, and AMO has been here this morning. The Association of Municipalities of Ontario talked about this when they said, "The final WDO report recommended to the Minister of the Environment that the province provide funding to municipalities for their organic waste diversion programs. However, there does not appear to be a mechanism in Bill 90 to support organic waste diversion." There isn't, obviously. I'm not quite sure; have you had discussions with them with respect to this, and what have they told you?

**Ms Antler:** We have not had discussions with either TEA or AMO.

**Mr Marchese:** Not with them, sorry, with the government, with the minister, with the parliamentary assistant, Mr Arnott, or anybody.

**Ms Antler:** One of the challenges, Mr Marchese, is how you define who is a steward of organics. At least in yard materials, who owns the tree that is in your backyard? Organics are a much different type of product than a pop can or a beer bottle in terms of where you can identify who is the product steward.

There are some industries that brand organics. Go into a grocery store or go into the fresh produce section and most of them have labels on their products. The opportunity is for us to have more effective discussions among industries that produce organic materials, with municipalities, because it's going to be a different stewardship model than a typical point to a specific industry.

**Mr Marchese:** I understand that. I'm supportive of composting, is what I'm saying to you. I'm not sure the government is moving in that direction, obviously, so I was asking whether you heard anything different. That was the point.

AMO said, "Organic waste represents 30% to 40% of the municipal solid waste stream," as you said. "It is therefore essential to increase the level of organic waste diversion in Ontario if we are to achieve the overall 50% provincial waste diversion target." We support that, is the point we make. A few people are composting; the majority are not, because it's too inconvenient. So unless governments take leadership roles to make that happen, through education mostly and through funding mechanisms, I'm not sure it's going to happen.

**Ms Antler:** Other jurisdictions have made it happen. It gets into political will, getting the right system for the right place and getting all the players involved.

**Mr Marchese:** I agree. You heard the Toronto Environmental Alliance with respect to the 3Rs and the hierarchy. Do you have an opinion on that and the extended provincial responsibility points they raised? What is your view of that?

**Ms Antler:** I think in terms of organics, we're all responsible. Who produces the trees? Who produces the fruits and vegetables? So we have a different stewardship model than you would find in a regular type of product that you would find in a superstore.

What I would implore the committee to recognize is that this is not just a waste diversion opportunity for this committee; it's creating a whole new industry called composting, recognizing that we need to embrace not only the diversion but the product utilization. I think the key player who can help get us all around the table is the provincial government, because you have arms in different sectors that a waste diversion focus does not.

1340

**Mr Arnott:** Of course the government supports composting. You indicated that you have about 70 large-scale composting facilities in Ontario, a substantial number. I believe one of those is in my constituency, All Treat Farms, near the village of Arthur. Through them I'm quite familiar with what you do and the positive impact that you have.

I just want to compliment you on your presentation, because I think your enthusiasm is very exciting and we appreciate the advice that you've given. I think you do have a lot to offer the government in terms of the advice that you will put forward in the future. Your request for observer status is well noted, and your interest is appreciated. Thank you.

**Ms Antler:** Thank you very much.

**The Chair:** Any other questions?

**Mr Miller:** We must both have good ridings, Ted, because we have one of those 70 composting plants in my riding, located in Bracebridge, Ontario, in Muskoka.

**Ms Antler:** COMPOSTIT.

**Mr Miller:** That's correct. So I guess part of my question is, what's made these progressive ridings have these composting plants? Do you have any insight into that in the 70 locations that they are located in?

**Ms Antler:** Well, first of all, if you would allow me a little bit of humour, I would say they're all members of the Composting Council of Canada. But also I think, quite honestly, the development of the industry has been based on crisis. It's hard to change attitudes and behaviours, and you need sometimes a little bit of incentive. So in terms of Mr Arnott's facility, it's private sector. Linda and George White of All Treat Farms are focused on product marketing. They're capturing the diversion, but they're also recognizing that they are going to get revenue in terms of selling their product. So they've really taken a different approach than a municipal orientation, which has really been diversion.

In terms of yours, COMPOSTIT, it's very similar in terms of that being a private sector facility. It spent a lot of time in terms of municipal orientation, but it also is looking at product manufacturing and marketing. I think in terms of what's going to move our industry really far ahead, it's to capture the benefits from a diversion, but also really market the heck out of this product and making sure that we have viable features, benefits, and a whole array of product lines that will allow us to address different types of segments.

**The Chair:** Thank you very much for coming before us and bringing the perspective of the composting industry.

**Ms Antler:** Thank you.

## INFORMATION TECHNOLOGY ASSOCIATION OF CANADA ITAC ONTARIO

**The Chair:** Our next presentation will be from the Information Technology Association of Canada. Good afternoon and welcome to the committee.

**Mr Robert Horwood:** Thank you. Good afternoon, ladies and gentlemen. I'm Bob Horwood, and my colleague is Laura Lukasik. We represent ITAC Ontario, which is the Ontario Information Technology Association, and ITAC, which is the Information Technology Association of Canada.

ITAC is Canada's leading national trade association, which represents through its membership some 70% of the information technology sector business in Canada and in Ontario. Our members include a cross-section of Ontario's leading manufacturers and producers of IT products and services, including such items as telephones, computers, printers, software, copiers and the like.

I think it is important to begin by stating that our industry is deeply concerned with the issues related to

end of life of equipment. Many of the companies we represent are already in the forefront of waste diversion. Most of the larger companies have staff dedicated to environmental issues, and many of our members already have recycling programs in place for their products.

There are five points that I'd like to bring to your attention this afternoon with regard to Bill 90:

(1) The question of the risk of fragmentation of legislation in all the jurisdictions across the country.

(2) The process of designation of products.

(3) Alternatives to WDO-managed programs.

(4) Concerns about the industry funding organizations and the manner in which they will operate.

(5) The fees which are levied to cover WDO costs.

I'd like to begin with the question of fragmented legislation in the various jurisdictions across the country. In addition to Ontario, other provinces are bringing forward legislation governing waste diversion. We at ITAC are very concerned with the implications on our industry of differing regulations in each province.

We would ask the government of Ontario not to implement waste diversion measures for our industry until this issue of varying jurisdictions has been adequately addressed. We would be pleased to work with all stakeholders to develop an appropriate solution. In fact, ITAC is developing a national environmental road map for our industry that we plan to complete later this fall and that will address many of these issues.

In addition to our concern with differing regulations in each province, our intent today is to bring forward a few key points related to Bill 90 directly.

First of all, turning to the process of the designation of products, as you are aware, for a product to be subject to the provisions of Bill 90 it must be designated by the minister. Following designation, the bill requires WDO to consult with the affected industry. While we welcome the requirement for industry consultation, we believe it is important for consultation to take place prior to designation to ensure the minister is aware of our industry issues and the impact of designating a product. Accordingly, we would ask that the minister, in the legislation, provide for 12 months' notice to the industry of the intent to designate a product or packaging of a product under the terms of the bill.

With regard to alternatives to WDO-managed programs, we are also very pleased that the bill provides for the approval of alternatives to a WDO-managed waste diversion program. Most companies in our sector either have already invested in waste diversion programs or are planning to do so in the near future. We believe these activities must be given full and careful consideration as alternative plans in the context of Bill 90. While the current wording of the bill allows for alternative plans to be considered, we believe the bill could be strengthened by stating that alternative industry plans for designated waste are the preferred solution. The bill should require the WDO to work with the affected industry, both to review existing and planned programs and to create new programs.

Regarding our concerns about the IFOs, or industry funding organizations, the bill provides for requirements to create an industry funding organization, or IFO, to govern the implementation and operation of a waste diversion program. This IFO can either be established by the WDO following designation of the substance by the minister, or the minister can require the program to be developed with an existing IFO. We believe very strongly that the best solutions to the management of waste from our industry sector will be solutions managed by the industry itself. We are asking that Bill 90 reflect this preference by requiring WDO, prior to establishing an IFO, to convince the minister that efforts to work with or to create an industry-based IFO have been unsuccessful.

That brings me to our final point, which is the fees that may be levied to cover WDO costs. The bill allows for the IFO to levy fees on the affected industry to pay for the waste diversion program, to pay a share of the WDO costs, and even to pay Ministry of the Environment costs. It appears there are no guidelines on how these fees are to be determined. We are particularly concerned with the process for collection of waste diversion fees from companies selling products directly to consumers in Canada from outside of the country. The bill also does not address how the recycling authorities would be motivated to manage their costs effectively. While we do not have a specific recommendation at this time to address these issues, we believe this needs to be addressed prior to the designation of any products in our sector.

Those are our points. I would like to thank you for your consideration this morning. I believe that copies of the presentation I've just delivered to you have been circulated. I'm certainly prepared to answer any questions you may have.

**1350**

**The Vice-Chair (Mr Norm Miller):** Thank you very much, Mr Horwood. We have five minutes per party. Mr Marchese, if you would like to go first.

**Mr Marchese:** Thank you very much. I think you were here for the presentation made by the Toronto Environmental Alliance.

**Mr Horwood:** I wasn't, but—

**Ms Laura Lukasik:** Just the tail end.

**Mr Marchese:** They say under "Extended Producer Responsibility" the following: Extended producer responsibility "is a waste reduction strategy which seeks to tie incentives more directly to sound waste diversion goals." Extended producer responsibility "achieves this by extending the producer's responsibility for their product or package past the point of purchase. In other words, the producer has to bear the financial and/or physical burden of the ultimate environmental fate of the product. Thus producers receive a price signal for wasteful products and packaging design."

It seems reasonable to me. What do you think of that?

**Mr Horwood:** One of the concerns we would have about that of course, particularly in the distribution of

information technology products, and if we think in terms of personal computers at the beginning, is that the manner in which this is handled in Ontario is only one part of the problem. Typically, a producer of personal computers may be importing product and packaging that surrounds the product from outside of the country, and the products may be distributed across all provinces of the country. Therefore it becomes difficult to figure out how to pinpoint exactly what costs should be attributed to which point in the distribution cycle.

**Mr Marchese:** In that instance, could we not find a mechanism to deal with that, if that were the only concern?

**Mr Horwood:** Obviously. There are solutions to every problem. The difficulty is that the way we see the legislation as it is structured at the moment, there is some weakness in that point.

**Mr Marchese:** You support the bill, obviously, generally speaking?

**Mr Horwood:** Yes, of course.

**Mr Marchese:** Again, the Toronto Environmental Alliance spoke about other things, including the 3Rs as a hierarchy. "Reduction is the best strategy, reuse is second best, followed by recycling," which is the only thing we're dealing with. I'm not quite sure why we as a government here in Ontario are not taking advantage of trying to do more than just dealing with recyclable matter, but since we're at it, why not deal with everything else that includes reduction, reusing, composting? Any advice to the government with respect to those issues?

**Mr Horwood:** In terms of reduction with regard to information technology products, the reduction opportunities I think are restricted primarily to packaging. I think everybody in the industry is trying to work out ways to reduce the packaging. Packaging not only poses problems in terms of waste but obviously is a cost which has to be passed on somewhere along the line. So if we could reduce the packaging, that would be great.

There are other aspects of recycling, though, in terms of the 3Rs, which I heard you mention there. There are component parts to most of the information technology equipment which is currently in use that can be recycled. I alluded to the fact that most of the companies in our industry are in fact working very hard to put in place programs which recycle the component parts of equipment. They will have redistribution points, if you like, where used equipment or obsolete equipment can be returned so the various component parts can be salvaged from those.

**Mr Arnott:** I just want to thank you for your support of our bill and for your presentation today. You mentioned a concern about the fact that we have 10 provinces and the communities are coming forward with an effort similar to ours. I know you recognize that we have the jurisdiction to move ahead in this area.

**Mr Horwood:** Absolutely.

**Mr Arnott:** Ideally we would like to think that we're leaders in the country and that other provinces would

follow the model we've established. I would hope that's the case, although I haven't had a chance to be briefed on what all the provinces are doing. Is there a chance that that might eventually happen?

**Mr Horwood:** Our concern is very definitely, and I personally see it as one of the Canadian difficulties, if you like, that we have a number of jurisdictions, all with different responsibilities. For the economic well-being of the country as a whole, we have to make sure that we're not imposing impediments on doing business across the country. So I think that indeed if Ontario can provide enlightened legislation which acts as a natural leader in the process, this would be good. But if we find ourselves in the situation where the different jurisdictions are imposing different requirements which in fact can't be met, the result will be that various of the companies will decide not to do business in those jurisdictions that they find themselves in trouble in, or in difficulty with—"trouble" is the wrong word. In the Canadian context, and I think this is one of the burdens of leadership, the leaders have to take into account the requirements of the followers.

**The Vice-Chair:** Anyone else?

**Mr Bradley:** I note a theme that continues to emerge from your presentation, which is that you seem to want as little government direction and participation as possible. You would prefer a model which allows your industry to develop its own programs and to implement its own programs, and I don't know whether you would even be involved in the monitoring. Is this really practical when we haven't seen substantial progress to this point in time? Isn't this why governments in various jurisdictions have decided to intervene with legislation, because the industries of their own volition have not made remarkable progress in meeting the 3Rs?

**Mr Horwood:** There may well be reasons why these things have been overlooked, not just by industries or governments but by the population at large. A hundred years ago we didn't think that a lot of the things which are concerns today were concerns, because there weren't the volumes and the situation didn't arise. I think you have to believe, as I certainly do, that our industry and most industries are responsible. They are not only trying to deliver valuable products and products which lend to the economic well-being of the country, but they are also good citizens and they are trying to make sure that the society we live in is healthy and satisfying.

One of the concerns we have, and I think this has been a situation demonstrated in the past, is that often free market situations are more effective than legislation and regulation. There may need to be some regulation and some monitoring, but our industry, like most industries, is probably most knowledgeable about the things that can be done to improve the situation. What we're saying is, before you stick us in a straitjacket, encourage us and help us deal with the problems that we know best.

**Mr Bradley:** You mentioned the concern you would have about the fragmentation of laws or almost contradicting laws in some places in jurisdictions across the

country. The only body outside of Environment Canada that deals with trying to coordinate efforts among the provinces is the Canadian Council of Ministers of the Environment. My observation is that that is not a raving success, to say the least. What often happens when you try to coordinate across the country is you end up moving toward the lowest common denominator instead of the highest common denominator.

How do you propose that we have agreement that is going to be meaningful in terms of the legislation or regulation we see implemented and not simply a dilution to—I'll just pull one out of a hat; I'm not being negative about it—what Alberta wants?

1400

**Mr Horwood:** This is what I'd describe as the Canadian dilemma: how do we in fact coordinate, not just in waste matters and environmental matters, but how do we coordinate across the country on health matters, on educational matters? This is just another instance, but what I am certain of is that if we impose barriers that restrict the economic well-being of the country, we are all going to suffer. So there has to be compromise between the various provinces and federal jurisdictions as well. That's the nature of our "Canadian way," at least as I see it.

**The Vice-Chair:** Time is up. Thank you very much, Mr Horwood and Ms Lukasik, for coming before us today.

**Mr Horwood:** Thank you for giving us the opportunity to present our views.

#### RECYCLING COUNCIL OF ONTARIO

**The Vice-Chair:** The next group coming before the committee is the Recycling Council of Ontario: John Hanson and Michael Peterson. Welcome.

**Mr John Hanson:** Thank you very much for the opportunity to address the committee this afternoon. My name is John Hanson. A minor correction to the agenda: I'm actually here today in my capacity as senior policy adviser to the Recycling Council of Ontario as opposed to my paid role as a consultant on RCO projects.

Very quickly, a little bit about the Recycling Council of Ontario. We have an interesting vantage point on this issue, having been involved for really 15 years in trying to work toward more equitable cost sharing and sharing of operational responsibilities for waste minimization in the province. We have a very broad-based membership that consists of municipal governments, recycling industries, manufacturers, environmental organizations, academics and the general public. So since our inception in 1978, we have been very actively assisting these different sectors of society to reduce waste and we've been central to the development of both recycling programs and recycling policies.

I should say that some significant work that we did in 1997 and 1998 has been attributed with the formation of the Waste Diversion Organization. This was called the recycling roles and responsibilities process, which looked

at about 13 different options that the province had for addressing this problem of viability of blue box curbside recycling, and as a result of that work we participated on the WDO and contributed to the recommendations that have led ultimately to the development of this legislation.

So our general position is that we support the intent of the legislation and we hope that it will ensure financial sustainability for municipal recycling programs and that it will ensure an equitable contribution from the companies that sell products and packages that are collected through municipal recycling programs, and we hope it will increase the amount of waste that's diverted from disposal in the province. However, we do have some serious concerns that Bill 90, as it is currently written, will not go far enough in achieving these goals and in some cases may even be contrary to the achievement of those goals. Because we are a multi-stakeholder group with many divergent interests, it does take longer for us to go through some of these issues, so we will be submitting a more detailed brief prior to September 21.

I'd like to defer to my colleague Michael Peterson, who is the vice-chairman of the recycling council, to address some of the things that we perceive as legal issues associated with the bill, particularly the lack of context and the perpetuating of a waste focus.

**Mr Michael Peterson:** As John has mentioned, I'm the vice-chair of the RCO. I'm also a practising lawyer in the field of environmental law, so I'm going to bore you with some legal details.

The first point I want to make is that the legislation, in our view, suffers from a lack of context. It creates a mechanism for funding recycling from industry participants. It seems to us clear that if there are industry participants who don't like the funding, they're going to push back. The most obvious way they would push back would be to challenge the legislation, in our view, on the grounds that it's an indirect tax that's beyond the jurisdiction of the province. The ministry would probably respond that it's not a tax, it's a funding mechanism, it's aimed at a specific problem, it's funding to go to that specific problem and cases have held that that is not a tax; it's more in the nature of a levy and it's legitimate within the provincial jurisdiction. I think both sides have some merit.

In our view, a preamble to the legislation or something else to give it context to make it clear that it's intended to address deficiencies in waste funding, recycling deficiencies, problems with municipal recycling, something of that nature would be helpful and would go some way, in our view, to supporting the legislation and making sure that it's not going to be successfully challenged.

The second point I want to address is what we call the waste focus. It's been our position for some time that recycling is not the same thing as waste management, and yet the legislation is perpetuating the notion that it's all waste. For example, aluminum cans these days are worth on the marketplace about \$1,700 a tonne, for used aluminum cans. In our view, that is not a waste, that is

not garbage, and yet it's all being characterized in the legislation as "waste."

It creates two problems. First of all, there's the perception problem. If it's waste, it's not very valuable and we can dismiss it. Secondly, if it's waste, all the provisions of part V of the Environmental Protection Act come into play. You have to have certificates of approval to deal with the waste management system. If you're going to deal with the recycling in a plant somewhere, that becomes a waste disposal site. You then have to notify all your neighbours that you're creating a waste disposal site. Your neighbours immediately think you're putting up a landfill and you get opposition. It may be something no more hazardous than grinding up some plastic bottles or dealing with newspaper, but it's considered a waste disposal site and a notice has to go to all the neighbours.

In our view, this is a negative that doesn't have to exist. We would like to see a definition of "recyclable materials." There has in the past been one that was abandoned. We would like to see the regulations amended so that there's a definition of "recyclable materials," that what we're talking about here becomes recyclables and not waste. Don't saddle the recycling industry with all the baggage that goes with waste. We understand what the ministry is concerned about. They're concerned about people taking recyclables that are of little merit and putting them in a field somewhere and abandoning them; in other words, it's sort of cheap waste disposal and you get out from all the regulation. We appreciate there are marginal materials; there are marginal players. There's a lot of stuff that's not marginal, and it's a problem if you call it waste.

John, back to you.

**Mr Hanson:** In conclusion on the subject of waste definition, we are recommending that the definition of "recyclable materials" be included in the definitions section of section 1 of regulation 347 and that regulation 347 should further provide that recyclable materials do not constitute a waste for the purposes of regulation 347 or of part V of the Environmental Protection Act. These new definitions could provide the basis of current and future designations under Bill 90.

We're also concerned about problems in the designation of materials that are required to pay fees, and I'm sure the committee has heard this already. There exist two basic problems, as we see it. First, those who are doing the environmentally correct or desirable thing—recycling—have to pay the fees, where those whose products and packaging continue to be disposed of do not. This will not motivate people to do the environmentally correct thing and will not motivate actions that bring the greatest increase in diversion rates. Secondly, it may not financially support some of the innovative programs such as Ottawa's Take it Back program, where we have retailers taking things that may not be designated waste.

We're concerned about access to information. We're not confident that Bill 90 will ensure adequate public

access to the information and deliberations of WDO. More detailed requirements are needed to ensure that public access, while at the same time preserving the proprietary market information of the companies involved.

Michael, would you like to comment on the definition of "stewards"?

1410

**Mr Peterson:** Yes. I also just want to add something on the access to information. It's our view that a lot of this process and the WDO process and the WDO development should be public and should be made accessible to the public. But at the same time, we fully appreciate there's going to be a lot of sensitive commercial information that they are going to have access to, and it's clear that some of this has to be exempted from freedom of information. Otherwise, people are not going to be able to deal with it, they won't be able to get intelligent statistics on market shares and on things like that that may be necessary to do funding. So there has to be a clear delineation; in principle, WDO information public, but a clear carve-out for confidential market information which is going to be relevant.

The next point I want to address is the designation of steward and the term "steward" in the legislation. The legislation contemplates that waste diversion programs are implemented by Waste Diversion Ontario and the relevant industry funding organization or IFO. The IFO has power under the legislation to designate people as what are called stewards and, secondly, it has power to levy fees on the stewards. If there is going to be push back, this is where it's going to happen, when people start levying fees on these designated stewards. "Steward" is not a concept that's particularly well known in Ontario law. I'm not familiar with any statute where the term is used. In our view, this is an area where the legislation may be vulnerable. It would seem to us that some better definition of "steward" than just somebody having a "commercial connection" with the product has to be added to the legislation or, again, it may be vulnerable to a challenge.

**Mr Hanson:** I might add in that regard that a number of other provinces that have similar types of legislation refer to a first seller of a product as the regulated party.

We're also concerned about the cost-sharing formula. During the deliberations of Waste Diversion Ontario, both municipal and industry representatives came to an agreement that costs for the blue box program would be shared equally 50-50, whereas the legislation as it's currently written refers to municipal-industry funding as being not more than 50% of total net operating costs. We would like to see the equal sharing clearly enunciated in the regulation.

We're concerned about the fact that there's really no definition of "net recycling costs," whether that includes replacement costs for bins and trucks and equipment, that sort of thing. So there needs to be more definition provided.

Finally, I'd like to close with a comment about the makeup of the board itself. Subsection 3(2) of the bill



stipulates the initial membership of the WDO board of directors. Despite having been central to the policy development and recycling program implementation in Ontario for over 20 years and having laid the groundwork for the development of this legislation through our roles and responsibilities report and having served on the WDO during the development of its recommendations, RCO was not specifically named as a member of the board. We would recommend that subsection (10) be added to appoint a voting representative of RCO to the board. This would be an additional seat to those listed.

That concludes our brief today, but we will be providing more detailed comments in the future.

**The Vice-Chair:** Thank you very much. For questions, the government side.

**Mr Arnott:** Thank you very much for your presentation. You've highlighted a number of legal drafting issues that I'm sure the Ministry of the Environment's legal staff, as well as legislative counsel, will want to review. We appreciate the free advice you've offered.

On page 2 of your presentation you talk about the fact that this bill perpetuates a waste focus and you say that the definition of the word "waste"—

*Interruption.*

**Mr Arnott:** We're perpetuating a myth, I guess you're saying. I think most people understand that when they put cans and newspaper into their blue box, it's going somewhere other than a landfill, that it's not waste, it's a resource. I believe most people understand that implicitly.

**Mr Peterson:** I agree that most people understand that. Unfortunately, the Ministry of the Environment takes the position that it's all waste and you need to fit into our waste template to deal with it. So a specific problem: if you want to put a recycling plant somewhere, you have to call it a waste management site. You send a notice around to your neighbours and they think, "My God, they're putting up a landfill beside me." But the ministry requires you—it's called a waste disposal site and you have to do that. So I'm saying, if you didn't fit into part V of the Environmental Protection Act you wouldn't have to call it waste and you would be able to call it a recycling plant.

**Mr Bradley:** My first question goes into that. I recognize what your concern is, but there are metal recyclers out there who are not very welcome in many neighbourhoods. You had the Plastimet fire in Hamilton, which was a recycling operation, as I understand it.

How do you get around those concerns? I recognize why you don't want to be designated as a waste management site. Nevertheless, many of us have within our own constituencies or have had to deal with less than desirable recyclers, and I think of metal recycling particularly in this case and of situations that arise on sites where you end up with a situation such as Plastimet. How do you get around that? Can you have a number of different designations, as opposed to saying everything is either a recycling site or a waste management site?

**Mr Peterson:** As far as the Plastimet site, clearly that was something that the fire code could have dealt with. In fact, all of the legislation or the regulations that were changed subsequently didn't have to do with recycling, it had to do with the fire code. So there were certainly some omissions in the regulatory scheme and they've been rectified, but they were fire regulations.

**Mr Bradley:** And the scrap yards?

**Mr Peterson:** I suppose the question is, if it's heavy industry then your zoning legislation should take care of it. As I understand it, a lot of the stuff that the MOE is concerned about is people in effect taking garbage, avoiding the regulations on garbage, and then just dumping it places. But, as I say, the aluminum recycling may not be the prettiest thing around, but nobody's going to leave it in a field at \$1,700 a tonne. You don't have to be concerned about that. Whether it's something that's midway between virgin products and waste, if the recycling regulations address that, fine. But it's just going too far in the other direction to call it all waste.

**Mr Marchese:** My sense is to agree with you on the definition, because I think waste implies something. It designates, it defines and it creates an impression of something that is disposed of rather than reused. You're absolutely right, and even though Ted might think most people think it's reusable, it's not waste, he's wrong. So they should work on the definition of that particular issue, because I think you're on the right track.

AMO agrees with your presentation with respect to the sharing of the cost 50-50 and changing the language to reflect that. I hope Ted passes it back to the minister directly, that that's what people want as a measure that doesn't go far enough. But at least it makes it clear that it's 50-50.

With respect to the issue that you've raised about problems in the designation of materials that pay fees, those who are doing the environmentally desirable activities—recycling—pay fees, but those whose products and packaging need to be disposed of do not pay the fee. You're not the first ones to have said it; many have said it here today. I hope that Ted takes that back to the minister and deals with that. There are a few other things that you've said.

Do you have opposition, by the way, with respect to organic waste, which represents about 30% to 50% of the municipal solid waste stream?

**Mr Hanson:** Yes, we have. I'd just add one last comment to your comment about—well, let me deal with the organics first.

There's no question that if we're going to achieve the kinds of diversion numbers that the province has set, we need very comprehensive organic programs, and we understand how difficult it is to be able to find a steward who's responsible for the grass that grows on our lawns and the leaves that fall from the trees and the food that we throw out from our meals and fridges and so on. I think, in dealing with that, we really need to make sure the municipalities have adequate funding. One of the mechanisms of doing that is to have garbage paid for on a

per-unit basis and that those funds should be going to support composting.

In Ontario, we have terrible problems with soil erosion due to current agricultural processes. Composting is one way of ameliorating those problems. We should be trying to turn the waste that we have into something to apply back agriculturally. We think it's just very important and very problematic from a funding point of view, and that the obvious funder would be the person directly generating that at the curbside.

**The Vice-Chair:** Thank you very much, Mr Hanson and Mr Peterson, for coming today and making your presentation to us. Much appreciated.

**Mr Peterson:** Thank you very much for hearing us.

1420

#### WARREN BRUBACHER

**The Vice-Chair:** The next presenter is Mr Warren Brubacher. Welcome Mr Brubacher. You have 10 minutes for your time to be used as you like, either just to use the whole 10 minutes or for questions afterwards.

**Mr Warren Brubacher:** Thank you for allowing me the opportunity to speak here today. My name is Warren Brubacher and I am very concerned about the future of waste management in Ontario. The recent garbage debates in Toronto attest that major problems exist. Solutions are needed that require creativity, ingenuity and innovation.

There are three areas which I would like to speak on today. They are the bottle-return system, the proposed board makeup of Waste Diversion Ontario and the proposed cut-off of paying 50% of blue box costs.

Bill 90 is a signal to me that the Ontario government and industry are ready to move ahead and properly handle all waste in an environmentally friendly way. In the state of California, even the citizens now are benefiting from changes in attitude. Cash prizes are now offered to people who have moved the most recyclables from the waste stream. Recycling rates have increased so much that the program is now spreading to more cities.

The first act of Waste Diversion Ontario should be the elimination of regulation 27, which makes it illegal to create a bottle-deposit-return system in this province. This piece of legislation has sent out a very negative image of Ontario's environmental position. It says that the power of corporations places people and the environment in second place to profits and convenience.

In 1993, the US Congressional Research Service reported bottle bills and curbside recycling work well together, providing the best solution. Deposit systems collect more of their targeted materials than do curbside programs. The curbside programs then can target a wider range of materials. These include fibre, electronics and food wastes. Under the 2010 Toronto task force, the city is now moving on its own to deal with the wet/dry waste situation. Regulation 27 has not helped the city to move out of the dark ages of waste management.

Now I will talk about my second point, which is the makeup of the proposed board. There needs to be a stronger voice from consumer-environmental organizations. In order for this board to function democratically, more than a business-government voice is required. A neutral party should nominate these representatives. The commission deciding the future of the Oak Ridges moraine, though stacked with developers, gravel pit owners and speculators, has five environmental representatives. The two public servants to be on the WDO board should be neutrally selected as well. This will reduce the opportunity for lobbying and deal-making. As it stands now, 10 members are government-corporation controlled. The four members of the municipalities will be overwhelmed.

This is not acceptable and I predict problems will surface in the future. Much has happened since regulation 27 was forced into law. The population of Ontario is now much more informed on environmental concerns and is demanding changes. By not doing a thorough job here, the Waste Diversion Organization may have a new chair in two to three years.

My last topic concerns section 24(5). Why must there be a limit of paying 50% of the blue box operating costs? This is unfair. It would make sense if a deposit-return system were in place. Since 1995 the province has down-loaded many things to the municipal level and created nothing but turmoil and strife. By simply throwing more corporate cash into the blue box program, the trash problem will not be solved. This figure should be studied further. Here is where a stronger environmental consumer representation will help WDO function in a healthy way.

In summary, I would hope that industry and government are serious. We are running out of time and the next environmental disaster in Ontario could be just around the corner. We cannot afford to create a vehicle that serves as a foundation for creating loopholes in waste management. Stewardship programs dealing with computers, cars and building materials are being created around the world as I speak. Bill 90 should be a proclamation to everyone that Ontario is moving from the obsolete methods of waste management. Please think of your children's children and how this province will look 500 years from now when making your decisions.

**The Vice-Chair:** We have about a minute and a half each for questions.

**Mr Bradley:** The problem you draw to our attention of the composition of the board and the funding mechanisms, just to mention two, is extremely important. What would you propose would be a superior funding mechanism to implement as compared to the one the government has proposed in this legislation?

**Mr Brubacher:** Like I tried to say, I just think there needs to be a further balance in input. I think it's so corporate- and industry-stacked right now. Experts from people who are conservationists should be called in and consulted, and then there will be a much more rounded-out source of dealing with this problem. It's just too big,

it's too great, and everybody really needs to work together on this.

**Mr Marchese:** Thanks for coming today. What in your view is the obstacle toward getting this bottle deposit return? Why is it so hard to convince governments to do that, in your view?

**Mr Brubacher:** From the research I've done—and I've done a lot of this on my own because I think it's a very important problem—for instance, an example is the comparison of a peanut butter jar to a glass bottle. To me, people don't run around with peanut butter jars and throw them on the street. That is one example of why there has not been a bottle deposit plan put into place, and there are so many positive reasons for a bottle deposit.

For one instance, when you throw a glass bottle into a landfill site, it is like a little pocket of air in a landfill. The more bottles you put into a landfill site—you're taking up valuable landfill sites. And every time you make a bottle you have to use energy, heat, electricity and raw materials to create it, and you're dumping all this into a landfill site. These bottles can be used over and over again, hundreds and thousands of times, and it doesn't make any sense to just keep throwing them out.

I say, next week take a look—how much more time? I didn't think I was going to get going like this.

**The Chair:** Just to be fair, a very quick question from the government.

**Mr Arnott:** I just want to thank you for coming in. You're the first individual who has presented to this committee on Bill 90 and we appreciate that. There are a few others coming.

I noticed in one of the appendix pieces you've given us that you talk about the problem in northern Ontario in terms of recycling. I just wanted to let you know that at the AMO conference last week I met with a number of municipal councils from northern Ontario communities, and it was their position that we should move forward expeditiously with this bill because they saw this as an answer to assisting them to fund their recycling programs. So they are very supportive of this.

**Mr Brubacher:** I'm glad to hear that.

**The Chair:** Thank you very much, Mr Brubacher, for coming before us here today.

1430

## BREWERS OF ONTARIO

**The Chair:** Our next presentation will be from the Brewers of Ontario. Good afternoon and welcome to the committee. To begin, we have 20 minutes for your presentation.

**Mr Jeff Newton:** I believe the clerk is distributing copies of our presentation to all the members. By way of introduction, my name is Jeff Newton. I'm the executive director of the Brewers of Ontario.

**Mr Usman Valiante:** I'm Usman Valiante, director of strategic programs at Brewers of Ontario.

**Mr Newton:** We'd like to start our presentation by just briefly reviewing a bit about who we are at the

Brewers of Ontario. We are the trade association that represents the beer industry in Ontario, an industry today that is composed of 34 brewers operating across the province, producing nine million hectolitres of beer. For those of you who don't know, a hectolitre is equivalent to 12 cases.

We have \$2.5 billion annually in sales and, given that beer is a very highly taxed commodity, as many people are aware, we pay \$1.2 billion a year in commodity tax revenues to the provincial and federal governments, the lion's share—\$840 million—of which goes to the province of Ontario. We're also a unique industry, we believe, in that 90% of the \$1.2 billion in imports that we purchase every year that go into the manufacture and production of beer is purchased from Ontario suppliers right here in the province.

Some 10,500 different small and medium-sized enterprises do business with our industry. In terms of employment, when you include the Beer Store and all the breweries, we employ 6,700 people directly, and indirectly another 51,000 related jobs through our supply team.

On the issue of environment, on page 3 of our presentation you will see that we really consider ourselves to be the benchmark in terms of full producer responsibility in packaging stewardship. We operate through the Beer Store system a deposit-return, refillable-bottle-based container management system. Every container that is sold through our system contains a deposit, be it a bottle, a can or a keg. That deposit serves as an incentive to encourage consumers to return the packaging to the Beer Store, and when they return their bottles, their cans and their kegs, the fortunate benefit is that all related packaging piggybacks along with it and it all comes back. Hence, we achieve today what we believe is an unmatched diversion performance of close to 98%. Some 97.6% of all the packaging that goes out of our system is returned. We sell each year about 500,000 tonnes of packaging and we get back 495,000 tonnes. As a basic comparison, that's equivalent to about 75% of what the entire blue box diverts each year. Our diversion rate on containers is about double what the blue box diverts in terms of other beverage containers.

We are also unique not only in terms of our performance but in terms of our financial contribution to our system. Unlike other waste management systems, we fund our system 100%. It's funded by brewers. There are no taxpayer subsidies or taxpayer supports for our system.

The unique thing about it also is that we have operated our system voluntarily for almost 75 years. Since Brewers Retail was first incorporated back in 1927, we have operated a deposit-return system. Relevant to Bill 90 that is before us today, that system has operated at no cost to government, as I mentioned, with no need for cumbersome, costly regulation or reporting requirements or monitoring or any other regulatory intrusions into our business. It's been a voluntary system that has worked quite effectively and with demonstrated performance, as I mentioned, for close to 75 years.

We really see ourselves as a key component of Ontario's waste reduction effort. We are close today to 42% of all the consumer packaging that's diverted in Ontario, we fund our system 100% and it doesn't go into the municipal blue box stream. We believe that by doing that, we help municipalities avoid \$31 million in waste management costs. If our waste was not managed through our own system, it would be recovered from the blue box today, which is funded by municipalities. By the fact that we take control of our waste ourselves, they don't see our waste, they don't have to pay for it and therefore they avoid \$31 million annually in costs.

In light of our performance, our pre-existing nature, we believe that our system should be recognized in Bill 90 and that we should have representation within the WDO that is commensurate with our contribution and our pre-existing nature.

Bill 90 is clearly an instrument that has an intent behind it. The intent, from what we can determine from reading the bill, is that it is intended to force what we would see as non-compliers to comply, people who have not yet voluntarily elected to establish and fund their own systems. This bill enables the government to require the producers of those wastes to convene administrative bodies, to establish programs and to implement funding mechanisms. It also will enable the government to require producers to participate in the blue box and require those producers to pay something. And long-term it will ensure that the government has the ability to ensure that operators of those systems meet and maintain performance obligations.

As we look at the bill, that poses a big question in our mind: should a proactive industry such as ours that has met or exceeded the expectations of Bill 90—Bill 90 purports to have blue box users pay 50%. We pay 100% of our system costs; we exceed the objectives of Bill 90. So should industries such as ours which are proactive and have established our systems be subject to the same burdens and requirements as what we see with non-compliant industries? Furthermore we believe, given the significant role we play in waste diversion, that recognition of our superior performance within the bill makes sense.

But as we read Bill 90, we see that it really envisions what we see as a one-size-fits-all approach for everybody. There's nothing in the bill that recognizes the superior performance of the Beer Store system at all, the financial contribution of our members, our pre-existing nature—the fact that we've operated voluntarily for 75 years. The bill would require that the beer industry would become another industry funding organization and have to convene new administrative bodies and file and get a plan approved, when we've been operating for 75 years with a system that looks quite fine. It just seems kind of strange that a pre-existing system would have to reapply to get approval to operate and be subject to the same requirements as systems that haven't operated voluntarily and are being required to operate. If we're not required to set up an IFO, the worst situation for us would be that,

given our packaging is beverage packaging, we would have to apply for an exemption from the blue box, which seems again rather a strange thing for a system that has double the financial contribution and achieves double the diversion performance, that we would have to apply to be exempted from quite frankly an inferior system.

So given that Bill 90 is really designed to force non-compliers to comply and we see ourselves as already being compliant, we do not believe that we should be subject to the same requirements as non-compliant industries. We believe that recognition of the beer industry's packaging management system within the bill is appropriate, fair and reasonable. We think that recognizing our system within the bill will actually improve the bill in its stated purpose. The stated purpose of the bill, its title, is "to promote the reduction, reuse and recycling of waste." Our system does all of that and we're close to 50% of what's diverted today.

In terms of how we see ourselves being recognized within the bill, we believe that can be accomplished through a clarifying amendment to section 22, which is a section that requires industries to convene an industry funding organization. By clarifying in that section that the Beer Store not be declared a designated waste and therefore not be required to establish an industry funding organization, given that we already have those administrative structures in place, that would be an appropriate amendment to the bill. But in making that recognition and incorporating us within the act and within the WDO, we don't believe that should not come with some form of obligation. Hence we are prepared that our ongoing recognition within the bill would be contingent upon us maintaining a diversion and financial performance that would exceed what is the alternate for beverage packaging, the blue box. So to the extent that the beer industry continues to achieve a financial contribution of its members that exceeds the 50% that's being proposed by the blue box and that our diversion to our system exceeds the diversion rate achieved by the blue box, then we should continue to have our clarifying section in section 22 retained.

#### 1440

We're also prepared to demonstrate that we will continue to achieve that performance by way of preparing and submitting to the Minister of the Environment an annual report that will be audited by a third-party auditor appointed by ourselves, which will demonstrate that we are continuing to achieve our diversion levels that exceed the blue box. We'll provide a copy of that report to the WDO group and then make it available to the public, and we will participate in the WDO through an executive seat on the board and lend our support to its efforts.

That concludes our presentation.

**The Chair:** That gives us just about two and a half minutes per caucus. This time the rotation will start with Mr Marchese.

**Mr Marchese:** You make some good points, obviously, but clearly they can't recognize you, because if they did recognize what you do, it would point to some

of the deficiencies of the bill. So they can't do that. Do you understand?

The fact that you operate voluntarily and that you pay the full cost is a good thing, and the fact that you have this bottle deposit-return is one of the things we should be doing. But again, if we acknowledge that, it recognizes that the government is not moving in that direction, so I can't do that. I just thought I'd—

**Mr Valiante:** I don't know if I'd agree with that. In bringing the Beer Store system into the bill, I think you're creating a unified policy framework that recognizes different approaches. The bill doesn't prescribe one course of waste diversion over another; it doesn't say that you must be in the blue box or you must operate a deposit-return system. Those would all be encompassed under one umbrella, one policy framework. Over and above that, I think recognition of an exemplary system strengthens the bill. It sets an example, and again, it brings consistency to the bill. So keeping the Beer Store system out, I think, weakens the bill.

**Mr Marchese:** Yes, I'm not disagreeing with you, I'm just trying to articulate a position for the government, which I won't tell you. Because Ted will tell you, "Thanks for coming. You guys are really doing great work." I thought I'd put forth a position for the government that they may not defend.

**Mr Valiante:** OK.

**Mr Marchese:** Because I think what you just said is useful. It does recognize different approaches. We support reusing, because we think it's a superior way of dealing with things other than recycling. The Toronto Environmental Alliance today talked about the hierarchy which says reduction is the best way, reusing the second best, followed by recycling—recycling is at the bottom—and disposal is the last one.

I'm suggesting and I'm recognizing that what you do is good, and if they did that and recognized your work, it would be a way of saying that reusing is a good thing.

**Mr Newton:** It seems to have merit. But the stated intent—

**Mr Marchese:** I agree. I didn't want to be misunderstood.

Why is it that you're able to do it and other companies are not able to get into this system of reusing bottles? Why can you do it and—

**Mr Newton:** I guess it stems from the way we look at our business. We don't necessarily look at waste management and environmental management as being at cross purposes. The management of our waste in this way and the recovery of our containers, the reuse of our containers, actually helps save us money. We can take a container, a refillable bottle that costs us 14 or 15 cents to purchase, and we can use it 15 to 20 times. Even when you incur the cost of washing and recovering it, it's significantly less than taking a single-use can that costs you 14 or 15 cents and sending it out the door once.

We found that entrenching waste management environmental practices into our business can not only help us save money and improve the performance of our

business, but it has that ancillary benefit of benefiting the environment. As to why others haven't got to the point of seeing that, I guess you'd have to ask them. I can't speak for them.

**The Chair:** The government—oh, we seem to have a number of interested parties, so we'll start with Ms Mushinski.

**Ms Mushinski:** Thank you, Mr Newton, for coming in this afternoon. It's a very interesting presentation. I was particularly impressed with your economic contribution statistics.

I do have one question, and it pertains to the 2.5% that isn't returned. I'm assuming that's in because you manufacture products that end up in other stores, like grocery stores and the LCBO. Do you receive or accept bottles that are returned from those establishments to a beer retail outlet?

**Mr Newton:** All beverage alcoholic products, all beer products the industry sells in Ontario, whether they're sold through the Beer Store, the LCBO or a manufacturer's onsite retail outlet at the manufacturing premise, are all redeemable for a deposit and recovered at the Beer Store. So even though the LCBO sells beer products and generates a profit from the sale of those products, the cost of recovering that waste is incurred by us at the Beer Store. So we recover all that packaging.

**The Chair:** Thank you. Mr Miller?

**Ms Mushinski:** No, I have—

**The Chair:** There's only two and a half minutes, so are you—

**Ms Mushinski:** I just have one very quick question.

**The Chair:** OK, go ahead.

**Ms Mushinski:** What is your concern about applying for exemption from the blue box IFO? You said the result would be a new bureaucracy and additional costs with no added value. I'm just curious. Given that you pretty well recycle 100% of your returnable bottles, why do you have a problem exempting yourself from the IFO?

**Mr Valiante:** If you look at the intent of Bill 90 as enabling legislation—and my understanding is that it's designed to create the administrative constructs which we'll then use to divert waste. So a waste diversion organization and an industry funding organization—those are defined in the bill. What we're saying is those administrative constructs already exist within the beer stores. There are 60 brewers that sell through the system. We've got everything from fee schedules for recovery of containers, different types of containers, we contract with a third-party recycling operator and we've got dispute resolution. Having 60 different brand owners under one roof, it tends to be a little raucous at times. We have a process that's worked for 74 years in negotiating various things. So all of that exists. That portion of the bill is duplicated if you apply it to us. So what we're saying is it doesn't apply; we've already got that. What we are subject to in terms of oversight is our ongoing performance and we're willing to demonstrate that on an ongoing basis. Basically what we're saying is you don't need to duplicate it.

**Mr Bradley:** There have been people in the past who have advocated selling beer and wine in corner stores. I've heard of that, anyway. What would be the impact on your environmental program if a government of Ontario were to permit beer to be sold in corner stores across the province? How would that impact upon you?

**Mr Newton:** The corner stores today don't operate a deposit-return system for any beverage containers. It would depend on whether they would do that in the future. If not, all our beverage packaging either ends up in the landfill or in the blue box, at significant cost to the municipality. You'd migrate beer packaging from the system that today operates at 100% funding by industry into a system that has inferior performance, diverts half the waste and has the taxpayer picking up what's proposed to be 50% or more of the cost of managing that waste.

**Mr Bradley:** So I draw the conclusion that, environmentally speaking, that would not be a good policy to implement. In fact, our Legislature has voted on it and voted it down, but that would not be an appropriate policy environmentally to implement. Would that be a fair assessment?

**Mr Newton:** It would clearly have an impact on the current funding and collection of our waste. There would clearly be an impact, yes.

**The Chair:** Thank you, gentlemen, for coming before us here this afternoon. We appreciate your input.

1450

#### CHRISTINE LUCYK

**The Chair:** Our next presenter will be Ms Christine Lucyk. Good afternoon and welcome to the committee. I'll just remind you that we have 10 minutes for your presentation here this afternoon.

**Ms Christine Lucyk:** Thank you to the committee. I'm here just as an ordinary citizen, unlike many of the other presenters. By way of background, I might indicate that I have been in the environmental business for over 30 years. I've been looking at this bill and I've been parsing it. I just have three quick comments to make. The issues are recovery objectives, accountability and equity. Let me deal with the first one first.

My question is, why are there no specific goals for recovery? In other words, we look at recycling rates and things like that but we don't seem to have a specific target. My question is, if you don't have a goal to go for, you don't know when you've arrived, so why don't we have some objectives? I actually did participate in the Blueprint for Waste Management development back in the 1980s, and it had very specific goals and targets which I thought were laudable, yet we seem to have lost that kind of perspective on things.

My second issue is that of accountability. I'm particularly concerned that this legislation sets up basically what is called an unaccountable and unelected body to make rules for waste management. We've seen protests against the G8 group, which is similarly unelected in many ways and similarly has no charter. Here we will be

seeing what is essentially a private group representing members of major trade organizations, but the small companies which are not members of the organization will not be effectively represented and have no say. The WDO will have rule-making responsibilities, which essentially I think usurps some of the powers of the Legislature and runs contrary to what was put forward in the McRuer commission recommendation, which you may recall was a commission back in the 1960s—I have a long memory. It essentially said you can't just put everything into bylaws and regulations; that a lot of legislative procedure should actually be dealt with by the Legislature, not allocated to third-party groups. So I am concerned that there is an organization which will have considerable effective legislative responsibilities, although they do not have the full accountability.

Let me look specifically at section 4, about the responsibilities of the WDO and the establishment of a dispute resolution mechanism and monitoring. It effectively makes the WDO self-governing, without independent third-party oversight among the parties involved. As we all know, recourse to the courts is expensive. There is a requirement that a business plan be submitted to the minister and be made available to the public, but it does not specify that there should be public input to the development of the business plan. These are minor details, and I think the legislation can be amended and improved by requiring those things.

Finally, let me look at the issue of equity. This has been brought up by a number of other organizations, so I don't want to beat a dead horse. There seems to be a perverse incentive in this bill. If you go to the dump, you go for free, but if you are doing the right things right, in other words, you're doing recycling or reduction, you have to pay for that privilege. I would urge the committee to look at some way of encouraging that all businesses and residents pay in a responsible way for waste reduction, all of the three Rs, because to tag recycling alone I think is misplacing the incentive in this particular case. I thank you for the committee's time.

**The Chair:** Thank you very much. If you're willing to answer questions, we've got about a minute and a half per caucus. This time we'll start with the government.

**Mr Arnott:** I just want to thank you very much for coming in. You said you've had an interest in the environment for 30 years, and we now have the benefit of some of that advice, and we appreciate it.

You talked about garbage going to the dump for free. I just want to let you know that in my community, in the county of Wellington, I pay \$1 per bag. In our area, my experience has been that where municipalities have brought in a fee per bag of garbage, people at first are somewhat disappointed, but they come to accept it very quickly and realize that it helps people reduce the individual waste stream from their household. I think it has that positive effect.

**Ms Lucyk:** I certainly appreciate that—

**Mr Arnott:** I don't know if that's the case across the province, but I would encourage other municipalities to consider that kind of an approach.

**Ms Lucyk:** I'm sorry to have interrupted you.

**Mr Arnott:** It's OK.

**Ms Lucyk:** I certainly appreciate that aspect. What I'm thinking is that this bill tries to shift the cost back to the producer as opposed to the consumer. What you're dealing with is the consumer, which works admirably, as you are suggesting. What I'm suggesting, though, is that if you try to treat all products going into the waste stream equitably, then you have to shift the cost back to the producer rather than on to the consumer.

**Mr Bradley:** I recognize what you're saying. What Ted has said is what exists in a number of municipalities now, and that is, particularly beyond a certain number of bags that are allowed to be placed out, there is a stipulation that you must pay further than that or you must pay for all; different municipalities have different views on that. Do you believe that the Ontario government, through legislation, should specify that municipalities in fact must charge on a per-bag basis?

**Ms Lucyk:** You're going to get a waffling answer from me because it's one thing—

**Mr Bradley:** You may be a cabinet minister some day.

**Ms Lucyk:** I wouldn't wish that on myself. It's a real challenge. I've looked at this issue from a number of points of view and you end up with a situation in Toronto where I see garbage bags routinely disposed of in our public parks or the subway or wherever. So it's not a cut-and-dried answer. I would say give the municipalities the option to charge, but the quid pro quo would be, make sure they deduct it from the tax bill.

**Mr Marchese:** Just to tackle another theme with respect to the WDO body and how it's constituted, it's not likely to change. The government is just going to proceed with that body, as you know. Right?

**Ms Lucyk:** OK.

**Mr Marchese:** I can guarantee it.

**Ms Lucyk:** Tell me the honest truth.

**Mr Marchese:** I can guarantee it. We need to be frank with these things or there's no point.

**Ms Lucyk:** I know.

**Mr Marchese:** Otherwise we deceive everybody into thinking that we have a great deal of knowledge, and we don't. But let's just think that we do.

**Ms Lucyk:** Let's dream the dream.

**Mr Marchese:** Yes. Some people have said we should have more municipal representation, because these people are elected and it would be better to have—I believe they have municipal representation.

**Ms Mushinski:** More than what?

**Mr Marchese:** Yes, a couple. But the majority of them might be municipal representatives, because they're elected. Do you think that's a good idea? Maybe that's doable.

**Ms Lucyk:** My comment would be that, yes, I would like to see maybe one or two more municipal representatives, but I'd also like to see some citizen representatives. Right now there are very few of those. It's

been at-large kinds of parties that could participate who have an intense interest in the environment.

**Mr Marchese:** I agree. How would we do that? I'm sure there are thousands of people across Ontario who want to be on that board. How would we select such a person? I think it's a good idea.

**Ms Lucyk:** It's probably through the usual process of appointments through cabinet, unfortunately. Maybe there could be a way of organizing things so that—there are any number of NGOs out there, such as the Recycling Council of Ontario, who could put forward a number of names.

**Mr Marchese:** Are there Tory environmentalists that we could invite? That could work.

**Ms Lucyk:** I don't know. I don't know the political stripes.

**The Chair:** There's one who chairs this meeting. Thank you very much for coming before us here today. We appreciate it very much.

1500

#### ALTECH ENVIRONMENTAL CONSULTING LTD

**The Chair:** Our next presentation will be from Altech Environmental Consulting, Mr Rod Shaver. Good afternoon. As a reminder, we have 10 minutes for your presentation today.

**Mr Rod Shaver:** It's 3 o'clock on the Friday before a long weekend, so I hope nobody holds that against me right now.

**Mr Marchese:** And don't hold it against us.

**Mr Shaver:** I don't want to hold anybody up.

My name is Rod Shaver. I'm the director of the site investigation and remediation services division at Altech Environmental. It's a small environmental consulting company and I'm just here to talk briefly about Bill 56, the brownfield—

**Mr Marchese:** We almost forgot about that.

**Mr Shaver:** Yes, I know. I was listening to all the recycling stuff. I was hoping I was in the right room for a while.

I sort of rushed something out. To be perfectly candid with you, I booked my appointment here at 3 at about 11:30 this morning. The handout that you have is something that I submitted on June 14 to Chris Lompart, whenever he was asking for these things about the Brownfields Statute Law Amendment Act. One thing I have learned—and it's my first time in front of a government committee—is that everybody seems to have their own little bailiwick. I hope mine isn't too small to grab your attention, but if it tends to wander, stop and ask a question. I am not a professional speaker, nor am I a lobbyist. I'm just a geochemist, so bear with me while I get through this.

I was trying to think of a certain way to discuss what I wanted to discuss, and really it is that part of the brownfields act sets up a number of different things and one of them is, I suspect, to give confidence in the people

who are carrying out the environment work, or the consultants. There's something called a QP or a qualified person process where people end up getting admitted and go through a little bit of hoop-jumping and become qualified people so that they can work under this act. That's one of the regulations that's going to come later. Because we work in Ontario, but because we also work in the States and across the country, to me, anyway, there's a little bit of a disconnect between the QP eligibility process and the implementation of what you're supposed to do on the site.

Although I've been thinking about some way to present this in a manner which is not reading, I would like just to read three paragraphs from my letter. I thought a lot about the letter and I can't necessarily think of any better or shorter way to say it than that, if that's OK. It's just three paragraphs. It starts with the fourth one down:

"The number of times a phase II ESA is completed," and a phase II is physical investigation at a site as opposed to historical review, "and contamination other than what was identified in a phase I is encountered is much higher than may be realized. Further, the Guideline for Use at Contaminated Sites in Ontario...outlines 117 parameters in the tables of generic criteria (for each soil and water). It has already been suggested by some parties, that 'Under Bill 56, accountability is intended to rest with environmental consultants who are recognized as qualified persons....The significant additional responsibilities and risks assumed by such parties in the new system will likely impact adversely on the cost and complexity of site investigations.'" This was the Smith Lyons law bulletin from May of this year. "Proponents..."—who I'm assuming for the cases of my conversation are developers for brownfields—"will not, under most circumstances, be convinced of any necessity or requirement to undertake 'significant additional' environmental testing in order to facilitate the achievement of the 'significant additional responsibilities' that are assumed by a consultant who is a QP. Proponents will not, in most circumstances, approve additional funds for exploratory testing for any contaminant, or in any area, other than those that are clearly and explicitly identified and delineated...." For example, around underground storage tanks and such things.

"Additionally, all QPs will be viewed as identical by the proponent because all are 'approved' qualified persons, even if each QP involved with a particular site or process selects a different approach, identifies different risks, and proposes a different future strategy and investigative plan. The only practical difference between the QPs will be the quoted dollar amounts for the work each QP proposes in order to sign off on the report of site conditions. As such, a prescriptive process for personnel selection with respect to the QP is seemingly not matched by a prescriptive process for the work process undertaken by that same QP. In the absence of a prescriptive process, the proponent"—or the developer—"will select a QP with the most minimal work program," in other words,

the lowest cost, "which has an associated higher risk.... The option of proponent payment of increased costs for the 'significant additional responsibilities' undertaken by the QP will, when the rubber hits the road, not be an option at all. Again, this is simply because the only selected option which will be recognized by a proponent matches exclusively with the most inexpensive work program. The associated QP with perhaps an unreasonable and/or unrealistic risk tolerance (in the name of business development) will dominate the industry in almost every circumstance.

"It is reasonable to assume that as contaminants are not identified presently on investigated sites through either error or lack of funds for proper investigations, that it follows that by reducing the work programs for brownfields through Bill 56 to a sheer dollars game heading towards the lowest level, more errors and oversights will occur. The logical conclusion of this is that the RSCs will experience significant fallout a few years after this is implemented due to the discovery of 'false or misleading information.'"

I'm not going to read the last couple of paragraphs. But being a consultant who does only environmental work—we're certified as an engineering company, but we don't build bridges and we don't make roads. We only do environmental work. I started in 1989, and although I'm not all that particularly old yet, I hope, I've seen the process where the ministry has been pulling itself back from liability. That's what the guidelines for contaminated sites were about.

You may recall that in 1994 when they first came out with that, the ministry decided that only professional engineers could sign on any contaminated site cleanup or investigation because they had insurance. The ministry will not give you an opinion any more; they'll only give you an acknowledgement. So it's a process of pulling back and back, and the qualified persons process is another way of foisting the consultants forward, and that's fine. I don't mind a dollars game, because it has to be competitive. That's fine. But it has to be a dollars game apples to apples.

I know I only have 10 minutes and they're almost up, but the thing about it is that in any other jurisdiction where people are qualified, there is a prescriptive process. There is no prescriptive process here. In fact the whole guideline is completely voluntary; it says that at the beginning. What's going to happen is that if you think consultants don't get along now and have different ways of approaching a site, wait until they are all seen to be the same, and a developer goes across on a brownfield site and says, "him" because he's \$500 cheaper than the other guy, or \$5,000 cheaper than the other guy, or \$500,000 cheaper because it's a \$20-million job.

The first time they put in a loading bay or footings and you find out somebody has missed something, and as soon as "false or misleading information"—which is a quote directly from the act—is found and the report of site conditions isn't good any more, that consultant ends up getting sued because he had a low risk tolerance, and



the guy with the higher risk tolerance who maybe knew what was going on on the site didn't get the work. So a couple of years from now, you have people who are out of work who knew what they were doing, and people who don't are in a bunch of lawsuits.

It's not a particularly high-level policy thought paper I'm putting forward. It's something I've just seen. There are any number of consultants who are professionals in large companies and are professional engineers, and you will get any array of opinions from them on any site. So to assume that just because they're qualified persons they're going to come up with the same thing would be incorrect. I guess I'm here advocating that either a prescriptive process be developed under this—"If you find this, you do that"—or you do away with the qualified persons requirement, because it will simply be dollars and that's it. Nobody will care about technology. It will be, "How cheap can you dig it up and take it to a landfill?" Because right now that's the cheapest thing anyway. It's going to be a dollars game for taking away the lowest number of trucks and sampling, and that's it. For what it's worth, there it is.

**The Chair:** Thank you very much, Mr Shaver. You've gone slightly over, but that's not a problem. I do appreciate you bringing your perspective in dealing with this particular part of the act today.

1510

#### JANNOCK PROPERTIES LTD

**The Chair:** Our next presentation will be from Jannock Properties Ltd. Good afternoon and welcome to the committee.

**Mr Mitchell Fasken:** Thank you, sir. I've just handed my presentation to Ms Stokes, and she's circulating copies of it.

Chairman Gilchrist and members of the committee, I appreciate the opportunity to come before you today. My name is Mitchell Fasken. I'm the president of Jannock Properties Ltd. I would consider us a small development company, active throughout the GTA, and this is a field we have been active in for many years. We're not here as consultants or as an advocacy group. We're here as people who have been committed to infill urban re-development and the issues of brownfield development for some 10 years.

What I've given you is kind of a summary of my presentation, and although still somewhat lengthy, I've tried to break it down into the keys points to cover off, by the time we're toward the end of this presentation, what I believe are the eight key issues that need to be looked at.

Both Jannock Properties and myself personally have been active in this field for some 25 years. Jannock Properties was an evolution of Jannock Ltd, the owner of Canada Brick, Vic-west Steel, a number of large manufacturers. So I fell into the area of brownfield development and brownfield remediation through necessity, not necessarily through want. Being affiliated with a large corporation has forced us and required us to be mindful

of doing things in a proper manner that will protect our shareholders, our directors and officers of the corporation while maintaining the integrity of the developments.

We have been successful in developing a number of brownfield sites in the absence of this legislation. But this legislation is something we have been advocating and working on with provincial, local and regional governments for years, for fundamental changes to the legislation to utilize brownfields in a manner in which they have not been used before.

Our objective is really threefold: to add certainty to the process, to clarify the process which identifies the requirements for brownfield cleanups and decommissionings, and to make brownfield development better and more attractive than greenfield development.

The last point is really the focus of where the balance of my presentation will take you today. We do only brownfield development. Where I have done greenfield development on my own, I can tell you it is a whole lot simpler, a whole lot faster, a whole lot easier. You don't fight with residents, you don't fight local issues, you don't fight anyone, unless you're in the moraine—and we've seen the issues associated with that—or the Niagara Escarpment. They both carry the same issues.

But within urban centres, intensification and infill development is clearly something that we've all seen for years is advancing and an issue we have to address. The current environmental legislation, Bill 56 absent, does not allow us to effectively use brownfield sites.

I often think of it as a triangle—I'm going to digress just for a second. Brownfield sites are a triangle. At the top of the triangle are the sites that are very easily remediated, cleaned up—very few environmental problems. Over the past five years, with the improvement in the economy, those sites have disappeared quickly. We have now migrated to the middle of that triangle, to the more difficult sites. With the more difficult sites come issues of off-site remediation, more complex remediation and more difficult market cycles. Then we move to the sites that sit at the bottom of the triangle, which cannot be effectively cleaned up under the current standards, have significant off-site problems and/or are in markets that simply do not allow economies of scale to implement remediation.

This bill represents what we believe is a significant step forward. If it was Bill 56 or nothing, we'd take Bill 56 if we had our choice. But we believe there is an opportunity, through the standing committee and others, to adjust Bill 56 and make it better. The opportunity to open the door for effective use of brownfield sites is clearly the step this province is taking with Smart Growth and intensification, and we need the tools. Ten per cent of the city of Hamilton sits in brownfield sites; you can't use them. More than 10% of Hamilton sits in brownfields, and I tell you it's a whole lot more difficult doing business in Hamilton, because of the economies of scale, than it is in Toronto. In many cases the issues in Hamilton are much more significant in terms of decommissioning.

Bill 56 has been a successful tool as a result of the commitment of the parties at the table, both the provincial government as well as the stakeholders involved. The key concerns are really focused in two areas. On the second page of my synopsis, I describe it in what I consider to be two cases. This is really where the issues of Bill 56 come to roost.

The first case is where you're dealing with a contaminated site where all of your issues are within the property boundaries—similar to within the opening among these tables. Provided all of your environmental issues are within your sandbox or within your property boundaries, they are under your own control to manage, to deal with the decommissioning, and the responsibility and liability falls solely in your hands as the owner. Bill 56 has made significant strides towards redeveloping the sites with the contamination solely within the boundaries of the sandbox much more effective and much more viable. In those areas, I really applaud what the government has done. I didn't expect them to go as far as they did, and we are very supportive of those moves.

But the second case is where the contamination has gone beyond the boundaries of the sandbox. More and more we're hearing of cases where that has occurred. What we are not recommending in any way, shape or form is abrogating the responsibilities of the polluter to pay for contamination. But the reality is, in many of these cases, the polluter no longer exists. They're bankrupt, they're no longer in existence, so we're now sitting with orphan sites in the hands of trustees and/or municipalities where the polluter, the party responsible to pay for the cleanup, is long gone.

The best example of this is a site which I recently looked at about six months ago in a mid-size city outside of Toronto: a prime downtown location suitable for redevelopment. The economies of acquiring the site were right, the price to acquire the site was right. The fact that it had off-site contamination 600 metres off of the site made it impossible to acquire. The reason for that is that the current MOE policies look to the owner of the property to be responsible for contamination irrespective of whether they are the polluter or the non-polluter. In this case, the site continues to sit abandoned. The owner is bankrupt, no one is going to clean up the contamination, so it continues to sit.

Our recommendations try to address what we believe are the key issues which can take Bill 56 and make a great piece of legislation into an incredible piece of legislation. It will allow areas within the city of Toronto, Hamilton, Kitchener-Waterloo and London to deal with those problem sites where the contamination issues affect other parties and affect other issues.

I'd like to take you to the page that deals with recommendations in my brief. It should be, I believe, on about the third page. There are eight key points, and we'll walk through them.

The first is to define—we need to add a definition to Bill 56 which separates the polluter and the non-polluter. As I've said, by no means do we want to abrogate the responsibilities of the polluter to be responsible for

cleaning up sites, but we also want to use this legislation to create incentives for the polluter to clean up, deal with it and know that when it's cleaned up, his work is done. But by the same token we must create incentives for the non-polluter to be able to acquire a contaminated site, deal with the on-site contamination, stop the migration off-site and make things better than they are today because in the absence of that, no one else will do it. So I believe strongly there need to be changes to the act to define the two parties.

With respect to off-site contamination, the non-polluting owner in many cases cannot fully mitigate off-site contamination. Nor should they be responsible for diminution in property value or the long-term effects of contamination off-site, because, unless you're prepared to create an opportunity, an incentive, for people to acquire the sites that are the source of the pollution, stop it and obey it, we will never address the off-site contamination issue. We need to find vehicles and establish protocol which will separate the polluters from the non-polluters in this particular area.

#### 1520

Once you've established the difference between the polluters and the non-polluters, there needs to be modification to the legislation which will limit MOE liability—and I don't know if we can go as far as civil liability; I know we'd like to but I don't know that we're ever going to get there—in terms of dealing with the EPA and clearly defining those parties.

The fourth requirement is that there needs to be a transitional period. All we do is acquire and develop brownfield sites, and it's a very hands-on process. It's a very scientific process. It's as much an art—not unlike politics—as many other things. We have to be able to adjust our work based on what we find every day. So a decommissioning requires that hands-on ability to turn the site over and start to understand what's underneath the ground, often in manners that we can't understand at the very beginning.

The transitional period would allow a non-polluting owner an opportunity to acquire a site and implement a cleanup program while they are confident that the Ministry of the Environment and everyone else will stand still. There won't be orders, there will not be litigation. It will give them an opportunity to go in and start to do what needs to be done to deal with the contaminated site. And it's an integral part, otherwise you have no incentive to move toward the contaminated sites.

The issue of timely approvals has been raised with ministry staff and with the lawyers in the consultation process. This really deals more with matters of site-specific risk assessments, which are becoming a trend for a more complicated cleanup process. Today there are no time lines and there is no appeal process. So if a site-specific risk assessment is completed, which could take two to four years to complete, after spending hundreds of thousands of dollars, the Ministry of the Environment is not required to give you a decision, and if they give you a no, you have nowhere to go.

It's more of a problem today because of the turnover that occurs within government staff and the changes that are occurring. Where you used to be able to have working relationships with staff, some of that is changing. We're not seeing a reduction in the staff that is working in these areas but rather a change as people are moving throughout the management structure, consistent with any other company we're dealing with in Canada.

So there needs to be an opportunity for (a) submitting a record of site condition or a site-specific risk assessment and knowing that within 60, 90, 120 days the director must give you an answer, and (b) if they say no, or they decide that as a result of an audit you fail on a matter, you need to have a body to appeal to, to go to and say, "No, they've made a mistake," or "I disagree," to let you correct the problem. You need to make this a process that people want to be involved in and know that they can get through versus one that you cannot deal with.

The next item is registration on title. Registration on title really falls into two areas. It is for site-specific risk assessments and stratified cleanups. I don't know if any of you have seen the document that the Ministry of the Environment registers on title. It used to be called a certificate of prohibition. They are now going to change the name of it, but it is the scariest document you've ever seen in your life. It's about two pages long, it's been written by a lawyer and it basically tells you you're a criminal if you dig anything out of the ground and do anything with it other than take it to a landfill site. If you're a lawyer, an environmental consultant or a specialist, you understand the document, but give it to a couple who are buying a new house and they're running out the door as fast as they see that document. I say that from experience. I developed a small site in Hamilton, just above the bay, which I did a stratified cleanup on. I sold it to a small builder. It's only eight houses. He loses, on average, 12 purchases for every one that is successful. That's not just 12 offers, it's 12 parties who have committed, said yes, and when their lawyer sees the registration on title, they're gone. Yet it's a safe, effective method of decommissioning. There is no health-related risk.

The Ministry of the Environment has recommended that we establish a registry so that everyone will know a site that is decommissioned. You say to your lawyer, "Go search the title." He'll search the registry and he'll know your site has been decommissioned and there was a stratified cleanup. What we would like to see is that for generic stratified cleanups and level 1 site-specific risk assessments, registration on title not be required, because it will promote two of the most effective methods of decommissioning to be used more actively.

I'm quickly trying to get to the end of this because I know I'm going slightly over my time.

The second-last item is limiting the use of the record of site condition. I don't know if you've heard it today but I believe you'll hear it as this matter goes forward. Some parties would like to see us broaden the use of the record of site condition, add more categories, make it

more complex, use it for building permits, demolition, everything. It then becomes a political impediment versus a reporting tool. All I'm going to ask you is, in your review of this legislation, do not broaden the use of the record of site condition to start to be used as a tool to force things that shouldn't happen to be done. The objective here is to make this a process that promotes brownfield development. We don't want to use it as an impediment.

The last item I'd like to touch on is the need for Bill 56 to encourage and require changes to regulation 347 and other tools used by the government to encourage the recycling, reuse and reduction of waste from sites. Today when you dig materials out of the ground, if they do not comply with the necessary criteria and they are not inert fill, they are considered a waste and must either go to a proper receiving site or a landfill. It's a position which is ludicrous.

For six years now, regulation 347, the MOE regulation which deals with soils, has sat on the desk of the Minister of the Environment unresolved. They proposed changes which would have advanced it. Senior management at MOE have done everything they could with this industry to help promote those issues but there has not been the will to bring the regulation forward to date. It needs to be done because it's an integral part. Everywhere we turn, you're closing landfills. How do you decommission a brownfield site and clean it up if everything that doesn't meet the criteria has to go to a landfill? There needs to be flexibility and adaptability and you need to encourage people to reuse the products that come from the sites.

Going through my notes, there is one item I missed and I'd like to come back to it—I believe it was the second item—and that is, where we are dealing with non-polluting owners, it's been the ministry's practice in the past, where it seeks litigation, to go after officers, directors, shareholders and other parties. I really like my wife, my kids, my house and everything else I have and I am not going to acquire a site where I'm going to put everything at risk because someone else has left a problem behind. When we come back to the principle of a non-polluting owner versus a polluting owner, as a non-polluting owner, I'm prepared to put the company that's acquired the site and the equity in that company at risk. But I can't put everything at risk. So the second change or the third recommendation we've had is to limit, for a non-polluting owner, the liability to the registered owner. If someone decides to acquire a site in their personal name, so be it, but most people will acquire them in shells to protect themselves against that potential third-party liability.

In summary, Bill 56 is a great tool. Although there is not large provincial or federal funding added to it, I don't think we need it. I think the TIFFs that have been included in the existing legislation will let the market, the users and people like us come to the market and bring these sites back to life. That's what we're good at. But the changes we've requested today and most particularly dealing with the liability and separation of polluters and

non-polluters is probably the most critical component of all of this legislation.

I'd be pleased to answer any questions you may have.

**The Chair:** Actually, we've gone over time. I indulged you an extra couple of minutes there. But we appreciate very much the points you've brought to us and the very detailed recommendations you've presented.

1530

#### ONTARIO COMMUNITY NEWSPAPER ASSOCIATION

**The Chair:** Our next presentation will be from the Ontario Community Newspaper Association. Good afternoon. Welcome to the committee.

**Mr Fred Heidman:** Good afternoon. My name is Fred Heidman. I'm the first vice-president of the Ontario Community Newspaper Association, the OCNA. With me is Don Lamont. He's the executive director of the OCNA. I'm also the publisher of the Parry Sound North Star. Thank you for giving us the time to be here today.

We'd like to thank you for the opportunity of participating in these hearings today regarding Bill 90, which establishes Waste Diversion Ontario. The OCNA, or the Ontario Community Newspaper Association, supports Ontario's commitment on its endeavour for long-term sustainability of the blue box program. Part of our position to get where we are and help out with this program—sorry, I'm getting ahead of myself. That's the part where Don will be bringing recommendations to you later.

Our association is made up of 262 members serving both urban and rural communities, both large and small, throughout Ontario. Our research has indicated that 67% of the adult English population in Ontario served by these community newspapers bring a readership of over five million to Ontario every week. About 44% of our titles have circulations of under 3,500 and 73% of these are in tabloid format, which are much smaller physically in size—less weight—and approximately 76% of our members publish weekly.

Our community newspapers play a unique role in Ontario. As a communications medium—small and large—they bring education to the public about the need to recycle and encourage Ontarians to meet recycling targets. Community newspapers are an integral part of community life. More than business, we are the local voice of the community. Our members are the community's communications centre, an integral part of almost every city, town and village, and we help to build these communities and give them their identity and their spirit.

Community newspapers have already voluntarily contributed \$300,000 in unpaid advertising to the original WDO program, and we propose to continue supporting this program through unpaid advertising and editorial messages toward this education program to the public. This important contribution was within our means and generously reflects the cost of collecting and processing

newsprint, its resale value and the relative volume of old newspapers our readers put in the blue box.

At this point, I'll turn it over to Don, who will bring you our recommendations.

**Mr Don Lamont:** Essentially we have six recommendations. Before we get to those, we'd like to applaud certain sections of the act that we think are very critical and important to the success of the program. We applaud the fact that the act specifically empowers the WDO and IFO to enhance public awareness and to promote participation in waste diversion. Our industry feels that public education is the key to conservation and waste diversion and, of course, we're a medium to help you carry that communication message.

The first recommendation we have is that we would encourage the government to set out a framework for the WDO and the IFOs to use to determine the share of costs to be assigned to various materials in the blue box. We propose that you consider accepting the municipal recycling collection cost model. It's a model that helps assign costs of various materials and, indeed, it was developed in consultation with the Ministry of the Environment.

Elsewhere in the act it's noted that there would be a responsibility for WDO to deal with disputes and to resolve disputes regarding what contributions would come from various industries. We feel that if the ministry were to specify or provide that framework, it would certainly reduce those numbers of disputes. There's been quite a bit of a discussion before about weight and volume and how that contributes to costs, so I think the ministry providing that tool would be very helpful to industry to help us sort out shares.

The key point here is that because of our visibility, community newspapers are concerned that we would be asked to perhaps pay more than what our fair share would be, particularly when one understands that the cost of collecting and processing newsprint, given the resale value of that, is probably in Ontario worth about \$1.2 million to \$1.3 million. Even though newsprint has a considerable share of the weight in the system, if you looked at fair costing methods, the tab would be somewhere around \$1.2 million to \$1.3 million for all the newspaper that's in there.

We encourage you not to consider the material-based approach that is now being proposed to distribute costs to municipalities, which are the subsidies that municipalities would receive. We feel that model is appropriate for municipalities but it's not appropriate for industries. I think the municipal representatives in the consultation that developed that model would agree with that. I think that material-based model doesn't take into account all the factors that go into collection costs and how the collection process really takes place. In fact, it simply looks at the materials that are in there and assigns a flat share of costs to that and, again, it's not appropriate.

There are six sections of the act that we also want to point out to you that really work together to determine what contributions would be contributed by various

industries, and they're referenced in the report that we've given you. But flowing from that, we would propose recommendation 2 and it deals with the matter of exemptions. We would encourage that the act specify where exemptions in fact will be provided. The notion is that there are certain instances where it's appropriate to exempt people. The provision is in the act, but it doesn't say at the moment what the circumstances would be. I think that the WDO and the IFO would require some direction as to how to interpret that. I think the intent here would be that those exemptions would be provided to avert undue hardship, financial and otherwise, to companies and to communities. Also, it perhaps would apply to small-scale operations, where it's not reasonably administratively efficient to solicit or secure a contribution. So we ask that direction be given in the act to the WDO by way of clarifying who they would apply to.

The other thing is that we feel that once we know the circumstance, it would be helpful to say what is the instance or where do they apply more specifically; for example, what the threshold would be, let's say, of financial sales or whatever it might be for a corporation or a business. So again there's that framework, that direction provided to WDO to determine specific instances where that hardship is incurred, some direct guidelines.

We feel that when exemptions are considered in the case of community newspapers, we should look at exemptions on an individual newspaper basis—we call it a title basis—and not necessarily look at the whole entity or the business where, for example, there may be one or more community newspapers owned by a business. We feel it's appropriate to look at it one community at a time, because what you might do otherwise is put a financial liability or a burden on a publication. In our industry sometimes there are precarious situations as to how viable a paper might be. The economic base of a town may be affected or there are other instances. So to incur a liability in a paper might just be enough to tip the balance and what you find is that it's no longer viable and the community is without a newspaper. As Fred has indicated, as the communications centre for a community, what you do is you limit the ability of people in that community's ability to talk to one another or people from the outside world to come and deliver messages to that town. So we really would hope that we would look at exemptions on an individual title basis.

The key here, again, is that most of our members are grassroots, small business people who are simply not in a position financially to assume major cash donations. In the case of newspapers, community newspapers in particular, because newsprint is an international commodity, we're not able to pass that cost along to anybody else as the brand owner. Since a number of our newspapers are free-distribution newspapers, in terms of the customer being the reader, there is no capacity there to pass that cost on by increasing a subscription fee.

1540

We would also, in recommendation 5, recommend that a specific section of the act direct municipalities to

maximize their efficiencies and provide for some sort of reasonable limits on the contributions that might be forthcoming from industry. I think it's understandable that as an industry we would be concerned that we may be asked to pay for some of the inefficiencies that are in the system.

Also, the act simply places no boundaries on what municipalities can spend. For example, larger MRFs—material recovery facilities—would make recycling in Ontario more efficient. We understand that adding, say, nine or 10 ONP machines that kind of shake out materials in the process would significantly decrease the sorting costs, which are substantial. I guess what we're saying here is that it's only reasonable that if someone is asked to share the responsibility, there's a mechanism to govern those costs, and that efficiency be maximized. I believe it is the intent of all the players in the system to do that. We feel it's important also to reflect that in the act.

There are some sections also that speak to the industries that would contribute to the program. We would encourage that the act instruct WDO, in the appropriate sections, to take an inclusive approach, and in practice to ensure that all industries contributing material to the blue box are covered under the legislation. For example, community newspapers or daily newspapers are not the only source of newsprint in the blue box. We've both been active in the consultations that have been underway and have been at the table, but I think it's important to note that there are other materials that arrive in the blue box—directories and magazines and other publications that are printed on newsprint. So we encourage a very inclusive approach in bringing all parties who are involved to the table in practice.

**Mr Heidman:** Community newspapers make a valuable contribution and we will continue to act as stewards to do our part to advance our common goals. We intend to continue to voluntarily make a fair, reasonable and affordable contribution of unpaid advertising—as we have in the past—to this program, which represents a significant contribution to the promotion of recycling our material. Unpaid advertising has a real value in the marketplace. Newspapers incur a cost when they produce this advertising, and this contribution will help WDO meet one of its key responsibilities of communicating and getting the message out to the people.

On behalf of the OCNA, Don and myself, I would like to thank you for the opportunity of speaking with you today, and my apologies for stumbling through it; it's the first time I've tried this. If there are any questions, please ask.

**The Chair:** We've got time for about one and a half minutes per caucus, and this time we'll start with Mr Marchese.

**Mr Marchese:** On page 2, you talked about, "We are concerned that industry will be asked to pay for generally acknowledged inefficiencies in municipal recycling." What are those generally acknowledged inefficiencies?

**Mr Lamont:** I think if we looked at things from a systematic viewpoint, looking at Ontario as a whole, which I think this act encourages us to do, bigger materials recovery facilities would be more efficient. I know there are costs involved in making those facilities efficient. As I indicated earlier, I think some technology has come aboard—screens, for example. Were we able to install those in MRFs and so forth as part of the ongoing process of making operations more efficient, that would have a significant impact on reducing labour and sorting costs.

**The Chair:** Sorry, Mr Marchese.

**Mr Marchese:** That was it?

**The Chair:** Sorry.

**Mr Marchese:** That was a minute and a half?

**The Chair:** That was about three.

**Mr Garfield Dunlop (Simcoe North):** Very quickly, sir, there are a number of Ontario community newspapers. I'm just curious: do you have any idea today how much you recycle percentage-wise? The free dailies come to homes all across the province and quite often they have a lot of supplements or inserts inside them from lumber yards, grocery stores etc. Do you have any idea what kind of percentage today?

**Mr Lamont:** Not of our particular industry, but there are data available that indicate that a higher proportion of newsprint is recycled than other materials in the system. I don't want to quote the number but I believe it's 72% that would be recycled.

Just one point we're making also about flyers is that under the notion of the brand owner, technically flyers in most instances wouldn't be the responsibility of a newspaper because they're printed by other people. They're called pre-printed inserts and branded. So it would be the company that produced those that would be responsible for a contribution for those materials.

**Mr Bradley:** I notice you made a virtue, and justifiably so, I must say, of free advertising which you allow for the purpose of promoting recycling. Would you like to have that considered as part of your contribution? When there's an assessment against each of the sectors, do you think it would be fair that the free advertising you provide would be counted as part of your contribution?

**Mr Lamont:** We look at it as perhaps what our contribution would be in total, because of how important public education is. Now that it's mandated that that be done, I think our industry, for example, would be able to deliver messages to all parts of Ontario, basically every nook and cranny throughout the province. Because of our history and the type of vehicles that we are, people know that it's a credible message from us. We have publishers who would be promoting recycling who have done so all along. It's just part of what we feel we need to do as a responsible member of the community.

**Mr Heidman:** The word "free" unfortunately is one that may be taken too freely. There is a cost to the newspapers to produce this ad and there is a value to that space, that it's there. So "free" isn't a good description of it.

**The Chair:** Thank you very much. We appreciate your taking the time to come make a presentation before us today.

#### RECHARGEABLE BATTERY RECYCLING CORP OF CANADA

**The Chair:** Our next presentation will be from the Rechargeable Battery Recycling Corp of Canada. Good afternoon and welcome to the committee. Please proceed.

**Mr Frank Zechner:** My name is Frank Zechner and I am legal counsel for the Rechargeable Battery Recycling Corp of Canada. The Rechargeable Battery Recycling Corp of Canada is a non-profit, industry-sponsored product stewardship program that collects and recycles rechargeable batteries. RBRC of Canada is very supportive of Bill 90 and the Ministry of the Environment's efforts and supports related to waste diversion in general. RBRC of Canada acknowledges that the Ministry of the Environment of Ontario, together with Transport Canada, has been vitally important in establishing and continuing RBRC of Canada's Charge Up to Recycle program in Ontario.

Our overall objective today is to express our support for Bill 90 and the Ministry of the Environment of Ontario and to obtain Ontario's recognition of the RBRC of Canada program. The RBRC of Canada's Charge Up to Recycle program is diverting rechargeable batteries at no cost to Ontario residents, at no cost to municipalities and at no cost to the province of Ontario. Susan Antler, to my right, is the coordinator of the Canadian Charge Up to Recycle program and will provide you with an overview of the RBRC of Canada program in Ontario and throughout Canada. Following her presentation, I would like to highlight some elements of RBRC's submission which is contained in the green folders that have been circulated to you.

Without further delay, I'd like to introduce Susan Antler.

1550

**Ms Susan Antler:** Mr Marchese asked if I wasn't here before, and I was, in another capacity. Both Rosario and I are ex-Harbord grads. Inner-city kids have to get along on many fronts, so—

**Mr Bradley:** Did you say "Harvard" or "Harbord"?

**Ms Antler:** We're Harbord Collegiate graduates.

I guess my role is to express the support of the Rechargeable Battery Recycling Corp and the 300-plus members of the industry who financially support the program. The packages that you have give you a highlight of the extensiveness of the program. Without the Ontario Ministry of the Environment's support, we would not have launched this program nationally. It happened in September 1997. One of your colleagues, the Honourable Mr Sterling, supported the launch of this program at the Canadian Tire store. This program is harmonized across Canada as well as the United States. We now have over 5,000 retailers who are participating in the program, such as Canadian Tire, Radio Shack and

Home Hardware, and in a couple of weeks we will have containers at all the Home Depot stores across Canada.

This is financially supported by the industry. We do not look for any government support except that we ask for support in terms of allowing us to efficiently collect the rechargeable batteries. In doing so, it is the kind of support that we got from Keith West and his team in terms of government approval to use public carriers as opposed to doing hazardous manifests.

We have programs for retailers and municipalities as well as businesses. If you are a retailer, a Home Hardware store, and you've signed up with the program, you get a tracking number so that you have a personal liaison with the RBRC. You would receive this box couriered to you. In this box are two battery collection kits. We have videos that train the store clerks and we have ongoing relationships with the head office. Your store clerks would put this up in a spot in the store that's probably behind the counter so that it doesn't become a collection box for gum and the like. The retailer is a very good place for the collection of rechargeable batteries, because usually you don't buy them that often; they're an excellent example of reuse. Eventually they do wear out, and you want to make sure you get the right one for your equipment, so you go back to your retail store. We have the support of the huge retailers across Canada.

What happens is that you would bring in your used rechargeable battery. The store clerk would then do this much more elegantly than I am. He would take the rechargeable battery, put it in this plastic Baggie, fold it and put it in the box. At the end, once it's full, this box becomes your shipping container. The store clerk calls Purolator, similar to what a courier document package would be, and because of the support we have from the MOE as well as all your provincial colleagues across Canada and Transport Canada, this can be just a regular courier shipment. It then goes to Fort Erie, Ontario, and gets consolidated with many boxes from across the country as well as those we receive from municipalities and the businesses that can participate in this program. Then it gets manifested across the border and it's recycled at INMETCO, which is a division of Inco located in Pennsylvania.

All of this is paid for by the RBRC member companies. Over 90% of the industry participates on a voluntary basis in this program. In addition to the costs that are associated with this that the industry pays for and manages, we have a very extensive education and promotion program. Richard Karn, who you see in the front of this brochure that explains the program, is our international spokesperson. Mr Guy Lafleur has helped us in terms of French Canada. We have an extensive amount of material in terms of public service announcements. A copy of the TV PSA featuring Mr Karn is included in your documents. Radio has been very supportive of our message. As well, we have a lot of effort in terms of public relations.

Any time you would like to do something in your particular constituencies to promote the program, give

me a call, and we have staff to make sure that happens. Stratford asked for that to happen, and we did a Bay in Stratford in terms of the program. We had an event at the mall with their local retailers who are participating in the program. We sponsored a luncheon for their local environmental committee, and we were fortunate to get press in terms of the Stratford Beacon Herald. So the objective is for us to get awareness of the program.

A similar type of program exists for businesses. They have to pay, but that's also their responsibility, to pay their way. It's a very efficient program. Municipalities can participate in this program free of charge. We have done work with Guelph, Toronto and Ottawa. We were recently at the AMO conference, the Association of Municipalities of Ontario, and the OSUM folks—that's the Ontario Small Urban Municipalities, the board of directors—were very supportive of the program. We also had the staff from AMO at our meeting, and we intend to do a very strong push.

The opportunity is for us to build this program, because we already have what you want. Specifically, we have all of the industry already paying. It is a harmonized program, North American, which allows for efficiencies, and the opportunity for us is to just get stronger.

**Mr Zechner:** Overall, RBRC of Canada is very supportive of the objectives of Bill 90. Our concern is that, number one, the supporters of the RBRC program, under certain circumstances—depending on how the act is implemented, what regulations are passed and what policies are adopted—may be duplicated in some respects by a separate provincial stand-alone agency.

Right now there are steward obligations in the act that require the payment by stewards of certain fees, require stewards to maintain certain records and require stewards to submit reports. The supporters of the RBRC program, some 300 separate manufacturing corporations, are already supporting this program. If they are asked to divert further funds and more administrative effort to comply with a yet-to-be-established government program, there are going to be inefficiencies and something will likely fall between the cracks.

RBRC of Canada is most concerned that this program that has already been established and has been functioning strongly since 1997 be allowed to continue to grow and prosper, both in Ontario and across Canada. We have as an example the RBRC program in the United States, which has a magnitude of approximately 10-fold of what the Canadian program has achieved, and again they have a separate regulatory regime that allows them to move their batteries without the hazardous waste manifest and protocols. But overall, RBRC of Canada is concerned that the provisions of WDO may duplicate and frustrate the already ongoing program by RBRC of Canada.

Secondly, there is an issue in terms of recognition of the program. RBRC of Canada would like to be recognized at the outset, when the legislation is passed, as an existing, fully functioning program for diverting rechargeable batteries. This is not the case, and there is no provision in the act to allow that to happen.

RBRC of Canada is already operating. They operate through thousands of retailers across the province and many more thousands across the country. We have support from 90% of the industry by payment of fees to RBRC of Canada to operate this program. No fees are being sought from Ontario residents or municipalities, nor from the government, but there is no mechanism in the Waste Diversion Act as it currently stands to recognize this program at the outset. What has to happen in the way this legislation is rolled out is that the province virtually has to establish an identical program through the establishment of an IFO and then, and only then, can private industry apply for approval of its program. We feel this is not the situation that Ontario residents would support or that the legislative committee would endorse. We feel we have a proven, positive, cost-free program that should be allowed to continue.

I'd like to stop at that and pause for any questions that any distinguished members here may have.

**The Chair:** You have given us about two minutes for each caucus. This time I think we're starting with Mr Miller.

1600

**Mr Miller:** Thank you for your presentation. I must admit yesterday I changed the battery in my camera, and I set it on the counter and thought, "OK, what do I do with this now?" Because I think there are an awful lot of batteries that do end up in the garbage, it's still sitting on my counter. In my own case we save one little blue box and put batteries in it the whole year, and then we basically give it to the municipality; that's about once a year. But I certainly have the feeling that the great majority of people probably just toss them in the garbage, and it's something where we have to strive to get batteries out of landfill sites for sure.

Do you have any idea what sort of participation rate you have at this time? It would be my feeling it's the exceptional person who's probably taking part in a program right now and not the average person, who's not going to go the extra mile to make a point of recycling batteries.

**Mr Zechner:** I'm going to defer to Susan on that.

**Ms Antler:** Your staff at the ministry has asked us that. They're very supportive of the program as well.

We have done some infrastructure changes to the program that allows for automatic replenishment of the boxes over the last while. I can give you numbers as we stand. In April of 2001 we collected just under 9,000 pounds of rechargeable batteries. In May we went up to 11,000, and by July we were up to just over 24,000 pounds. So we're on a growth spurt, and the objective for us is to make sure all the engines are firing. So we have the retailers involved, we have a very sound infrastructure collection, and the awareness program is where we're at right now.

So we still have a good opportunity to continue to grow. It is a voluntary program. If there is a way that you would like to mandate your residents to participate in the program, that would be terrific, because it exists. So one

of the objectives for us is to continue to build the awareness.

**Mr Bradley:** This is a technical question from a layperson, so that's how you always preamble these. Once the battery has been recharged—you say up to 1,000 times or something—and then it's no longer usable, what specifically happens to it when it gets to you?

**Ms Antler:** What happens to it? It just doesn't hold a charge.

**Mr Bradley:** So what do you do with it then?

**Ms Antler:** Then what you do is, you want to buy a new one because you want your power tool or your—

**Mr Bradley:** But what do you do with it?

**Ms Antler:** Oh, what do we do with it? It goes to INMETCO, which is a division of Inco. It's a recycling facility. It goes through a high-heat process and the cadmium and the nickel get separated. The nickel is then reused in stainless steel and the cadmium is then put on the spot market for the sale of cadmium for new batteries and other things.

**Mr Bradley:** That's precisely the part I was looking for out of that. So you do that.

**Ms Antler:** Yes. And the US EPA does audits, as do we, of the facility. We're quite thrilled from a Canadian perspective that INMETCO is a Canadian company.

**Mr Bradley:** Do you ever have trouble with leakage, because I heard you say Keith West allowed you to not have this declared a hazardous waste so you could just ship it in a box like that with Purolator. Do you have any problems with leakage at all?

**Ms Antler:** Leakage in terms of them not showing up or in terms of—

**Mr Bradley:** Of anything leaking out of the battery.

**Ms Antler:** Huge precautions; extraordinary precautions. Again, the Baggies. When we first started this program—would you like one?

**Mr Marchese:** No. I was going to ask about that.

**Ms Antler:** It was just like a lunch bag Baggie and it didn't have any branding, so it could be used by someone else in terms of lunch or whatever. So what we did was brand it, and we're very strongly focused on making sure the safety instructions are well understood by the store clerks and the businesses in the communities that participate.

**Mr Marchese:** This is the question I was going to ask: why put it in a plastic bag? It seemed like another additional wasteful thing, but obviously it protects—

**Ms Antler:** Again, you want to go the extra mile so that there are no issues associated with it. It's just making sure that we're being safe and sound.

**Mr Marchese:** So you collect rechargeable batteries and those batteries that are not rechargeable as well?

**Ms Antler:** No. It's focused on rechargeable batteries.

**Mr Marchese:** Right. Some people would know, I suppose, but I suspect that a lot of people would just bring any battery in, right?

**Ms Antler:** The store clerks are instructed to make sure they're focused on rechargeable batteries, because



that's who pays for this program: the rechargeable power industry.

What was very interesting: we first started off this program with nicads, nickel cadmium batteries, and we focused this whole program because of the toxicity of these specific batteries in terms of the whole array of different types of batteries. In 1997 we focused on nicads. We've now expanded to be all-rechargeable, which allows for an easier message, as opposed to saying just nickel-cadmium. That's kind of hard to explain, but if you say it's rechargeable, it's recyclable, it's an easier message for people to get.

**Mr Marchese:** And all the other batteries that are not rechargeable: my assumption is that they are just thrown in the garbage. Isn't that probably the case?

**Ms Antler:** It depends on the community; it depends on their attitude.

**Mr Marchese:** I think there is very little education with respect to those batteries, batteries in general in terms of reuse, rechargeable, and disposing of them in a place where they get separated so that they don't just go into a waste dump.

**Ms Antler:** If you would like, I can certainly defer to the Canadian Household Battery Association to send you some information about that.

**Mr Marchese:** It's obviously a very good program, and I think education is key. It's key with everything we're doing; not just with this but with everything. Does your educational program get into the schools?

**Ms Antler:** Yes, we have a battery education program with schools. In fact, we tested it in Durham with Judy Gould, who is the environmental coordinator for the region of Durham. We actually had Richard Karn up here, I guess a year ago, at the Ontario Science Centre to reward the students. That's on our Web site. One of the things I didn't mention is that we have an extensive Web site: rbrc.org. I guess the issue is that we also have staff on hand. If you want any support for your local constituency, we're here to help.

**The Chair:** Thank you very much. Always keen to help on education, Mr Marchese—there is in fact a receptacle downstairs, outside—

**Mr Marchese:** I have used it

**The Chair:** Excellent. I save mine up and bring them in too.

Thank you very much, folks, for bringing your perspective before us here today.

#### STEWART SUTTER

**The Chair:** Our next presenter will be Mr Stewart Sutter. Good afternoon and welcome to the committee. Just a reminder: we have 10 minutes for your presentation this afternoon.

**Mr Stewart Sutter:** Thank you, Mr Chair. The reason I came here today was that currently I am on a committee back in Ottawa where we're trying to get the Trail Road landfill site extended beyond its current usage to 2008. The engineers working on it are trying to decide whether

to go laterally or vertically, but they are still using the old system, putting leachate beds and one thing and another and that's it. But that's not the way to go.

The only thing we should be disposing of is toxic waste, which I understand in this province is very well handled right now. We must get back to diverting and recycling the products there in the way they should be but we've got to do it sensibly.

I looked into, for the sake of argument—for years we've been recycling glass bottles. I remember the days—let's go back 60 years—when beer bottles were routinely turned in to the outlets and they paid five cents, or 60 cents a case. The increase since then has only been by 100%. However, the contents at one time used to be about 16 cents. Now they're up to \$1.25.

It's just not worth recycling glass bottles and jars. The fact is that the basic component used in manufacturing glass, which is silicon dioxide, is very plentiful. It's readily available all throughout the world. It's cheaper to manufacture that. As far as glass bottles and jars are concerned, they're better off being ground down into fine particles and used for fill for various depressed areas and perhaps even as a sub-base for a roadbed.

#### 1610

The same thing of course applies now, where for years we've been saving newspapers. Yes, we'd put them out, we'd bundle them up and they'd pick them up. I know even locally where I live in Ottawa, across the river there are many plants that manufacture paper. It goes back to some of these plants. They have to add chemicals, and this effluent flows into waterways. It's just not worth it. Our inventory of trees right now in Canada is at the highest point it's ever been in our history, so we have no shortage of trees. It makes more sense to take these newspapers and compost them.

This leads into the next subject here, something I worked on many years ago with an outfit called Agripost in Florida—they tried to introduce this process into Canada but nobody seemed interested—and that is, we should be recycling our organic waste by composting it. What do we do now? We put it in green garbage bags and it's hauled out to the site. It will be there a thousand years from now. It will never break down. We should be putting this into biodegradable paper bags and sending it to the composting plant, where it is broken down, mixed with other items, and within 28 days we'd get good, black compost.

The beautiful part is that we receive something back from this. Years ago I was on a committee in the city of Ottawa—I'm talking about the original city of Ottawa—and our group came up with the idea of recycling yard waste and leaves. Since then they've been picked up on a regular basis. They are composted and every spring they put these products out for sale. You can buy them by the bag or by the load. There's no waste. People are getting the benefit of this. If we did this with organic waste, including the paper I'm talking about here, we would recognize something coming back. It would go back as part of our cost of recycling.

The de-inking of newsprint is no longer viable. It's in the write-up I've given here.

In this part of the world we certainly don't need to ever think again about sending garbage by train up to Kirkland Lake or trucking it to Michigan. This doesn't make sense. There are so many ways that we can do things.

The other thing I wanted to bring up is the fact that there's a lot of miscellaneous waste. I live in an apartment building. This morning when I left there, outside at the back there were used sofas, chairs, mattresses. Where are they going to end up? Landfill. Currently in Ottawa, at least, and I'm sure in this area too, there are groups that pick up what we call white goods—appliances, in other words. They will take them apart, use the parts, and the rest goes to be broken down as steel. That's as it should be. But a lot of these other components can go to a workshop. They can take off the metal parts, which go into the metal bin. The rest can be broken up and, there again, the small components go to where they are composted with other products. There's no need to send this kind of stuff to landfill.

It's about time we took this approach. Let's go ahead and let's do it, and we are going to be the winners in the long run.

If you have any questions, I'll certainly take them.

**The Chair:** We've got time for a quick question or two from each caucus. This time we'll be starting with Mr Marchese.

**Mr Marchese:** Mr Sutter, what did you do for a living?

**Mr Sutter:** I spent my lifetime as a transportation consultant in international trade.

**Mr Marchese:** With respect to the last point you made about beds and other materials that could be taken apart and reused, how would we deal with that? Would the city take these things, bring them to a site and the city workers would then take it apart? Is that what would happen?

**Mr Sutter:** That's right, which of course increases employment, too. That's the nice part about it.

**Mr Marchese:** And that would apply to beds and it would apply to any appliance?

**Mr Sutter:** That's right. It gives people jobs.

**Mr Marchese:** The appliances, where people don't take them from the streets and do it themselves, city workers would do that, too, and then find a way to sell them or to —

**Mr Sutter:** Yes. I don't know how you do it in the Toronto area, but in Ottawa there is an outfit that will come and pick up what we call white goods. You phone them and they will come and pick them up, and then they in turn take them apart and salvage parts. The rest goes, of course, to the scrap dealer, and from there it's broken down and made into steel again.

**Mr Arnott:** Mr Sutter, thanks for coming in. Did you make a special trip from Ottawa today to see us?

**Mr Sutter:** Yes. It's always a pleasure to come down and do things. I've done it before and I'll do it again. Just one more thing. I want to say this: a few years ago, there was an outfit called Trimtech. They wanted to build an incinerator on the Toronto waterfront—burn garbage, in other words. I made a submission and did a lot of research into that and came down to appear before the Environmental Assessment Board. They turned it down, and I'm glad they turned it down. You don't need that kind of pollution here.

**Mr Arnott:** It shows what one person can do.

**Mr Sutter:** Absolutely.

**The Chair:** Thank you very much, Mr Sutter. We truly appreciate your taking the time and the initiative to drive all the way down and speak to us here today. Thank you for your comments.

**Mr Sutter:** You bet.

**The Chair:** Our final presentation of the afternoon will be from the Ontario Bar Association, environmental law section. Is there anyone in attendance from that group?

*Interjection.*

**The Chair:** That's correct. So the clerk is—

**Mr Marchese:** You mentioned the name—oh, I see, the clerk is still checking.

**The Chair:** Perhaps I'd ask the clerk if you'd just check with your office to make sure they haven't called to say they'd be running a couple of minutes late.

We'll just recess the committee for two minutes and if at that point they have not arrived, then I'll adjourn for the day.

*The committee recessed from 1619 to 1623.*

**The Chair:** I'm going call the committee to order simply to indicate that the clerk has said that we haven't seen the people scheduled to present at 4:20, so I'm going to adjourn the meeting until 9 o'clock next Friday morning.

*The committee adjourned at 1624.*

*Continued from overleaf*

Altech Environmental Consulting .....	G-145
Mr Rod Shaver	
Jannock Properties Ltd.....	G-147
Mr Mitchell Fasken	
Ontario Community Newspaper Association.....	G-150
Mr Fred Heidman	
Mr Don Lamont	
Rechargeable Battery Recycling Corp of Canada.....	G-152
Mr Frank Zechner	
Ms Susan Antler	
Mr Stewart Sutter.....	G-155

## **STANDING COMMITTEE ON GENERAL GOVERNMENT**

### **Chair / Président**

Mr Steve Gilchrist (Scarborough East / -Est PC)

### **Vice-Chair / Vice-Président**

Mr Norm Miller (Parry Sound-Muskoka PC)

Mrs Marie Bountrogianni (Hamilton Mountain L)

    Mr Ted Chudleigh (Halton PC)

    Mr Garfield Dunlop (Simcoe North / -Nord PC)

    Mr Steve Gilchrist (Scarborough East / -Est PC)

    Mr Dave Levac (Brant L)

    Mr Rosario Marchese (Trinity-Spadina ND)

    Mr Norm Miller (Parry Sound-Muskoka PC)

Ms Marilyn Mushinski (Scarborough Centre / -Centre PC)

### **Substitutions / Membres remplaçants**

Mr Ted Arnott (Waterloo-Wellington PC)

Mr James J. Bradley (St Catharines L)

Mrs Tina R. Molinari (Thornhill PC)

### **Clerk / Greffière**

Ms Anne Stokes

### **Staff /Personnel**

Ms Lorraine Luski, researcher,  
Research and Information Services

# CONTENTS

Friday 31 August 2001

<b>Subcommittee report</b> .....	G-101
<b>Brownfields Statute Law Amendment Act, 2001, Bill 56, Mr Hodgson / Loi de 2001 modifiant des lois en ce qui concerne les friches contaminées, projet de loi 56, M. Hodgson</b> .....	G-102
<b>Waste Diversion Act, 2001, Bill 90, Mrs Witmer / Loi de 2001 sur le réacheminement des déchets, projet de loi 90, M<sup>me</sup> Witmer</b> .....	G-102
Ontario Home Builders' Association .....	G-102
Mr Wayne Dempsey	
Mr Terry Kaufman	
Association of Municipalities of Ontario.....	G-105
Ms Ann Mulvale	
Mr Andy Pollock	
Professional Engineers Ontario; Association of Professional Geoscientists of Ontario.....	G-108
Mr John Gamble	
Mr Brian Whiffin	
Mr Bill Stiebel	
Association of Municipalities of Ontario.....	G-111
Mr Patrick Moyle	
Ontario Waste Management Association .....	G-114
Mr Robert Cook	
Paper and Paperboard Packaging Environmental Council .....	G-116
Mr John Mullinder	
Corporations Supporting Recycling .....	G-118
Mr Damian Bassett	
Mr Justin Sherwood	
Ms Laurie Currie	
Mr Edwin Berry	
Mr Gemma Zecchini	
Environment and Plastics Industry Council.....	G-125
Ms Catherine Cirko	
Mr Mike Hyde	
Toronto Environmental Alliance .....	G-128
Mr Gord Perks	
Ms Katrina Miller	
Composting Council of Canada.....	G-131
Ms Susan Antler	
Information Technology Association of Canada; ITAC Ontario.....	G-134
Mr Robert Horwood	
Ms Laura Lukasik	
Recycling Council of Ontario.....	G-137
Mr John Hanson	
Mr Michael Peterson	
Mr Warren Brubacher.....	G-140
Brewers of Ontario.....	G-141
Mr Jeff Newton	
Mr Usman Valiante	
Ms Christine Lucyk.....	G-144

*Continued overleaf*