

INFORMATION REPORT

TO:	Chair and Members Public Works Committee
COMMITTEE DATE:	August 11, 2016
SUBJECT/REPORT NO:	Waste Diversion Transition Act (PW16007a) (City Wide)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Raffaella Morello 905-546-2424, Extension 3926
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SIGNATURE:	

Council Direction:

Not Applicable

Information:

This Information Report provides an overview of the proposed *Waste Diversion Transition Act, 2016* (“WDTA”).

On June 1, 2016, the Government of Ontario approved the *Waste-Free Ontario Act* (“Bill 151”). The *Waste-Free Ontario Act* provides the framework to place full responsibility on producers for their packaging and end of life of their products. The new legislation includes the *Resource Recovery and Circular Economy Act* which sets provincial direction and establishes the new producer responsibility for handling waste materials, and the proposed *Waste Diversion Transition Act* which replaces the *Waste Diversion Act, 2002* to enable the transition to new producer responsibility. Information on Bill 151 was provided to Council through several Information Updates (OPS1509a-e), Information Report PW16007, and presented at the Public Works Committee meeting on February 29, 2016.

The proposed WDTA was posted on the Ontario Environmental Registry (EBR) by Ontario’s Ministry of the Environment and Climate Change (MOECC) on June 30, 2016. The purpose of the proposed WDTA is to wind-up (i.e. terminate) existing waste diversion programs and industry funding organizations which were established and operated under the former *Waste Diversion Act, 2002*. These programs and industry funding organizations include:

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- Waste diversion programs:
 - Blue Box materials;
 - Municipal hazardous and special waste;
 - Used tires; and
 - Waste electrical and electronic equipment.
- Industry Funding Organizations:
 - Stewardship Ontario - responsible for the Blue Box program and municipal hazardous and special waste program;
 - Ontario Tire Stewardship - responsible for the used tire program; and
 - Ontario Electronic Stewardship - responsible for the waste electrical and electronic equipment program.

The Government of Ontario's key policy areas of the proposed *WDTA* are outlined in Table 1.

Table 1

Resource Productivity and Recovery Authority ("Authority")

- Provides new and continued duties and powers of the Authority under the *WDTA*
- Provides the Authority to oversee the existing programs and their transition to the new regime

Waste Diversion Programs

- Sets out the provisions to continue and wind up the existing waste diversion programs.

Industry Funding Organizations (IFOs) and Stewardship Fees

- Provides responsibilities and governance structure of the IFOs, which includes making rules for existing waste diversion programs and developing wind up plans.
- Requires producers to pay fees to IFOs based on the rules set by IFOs

Compliance and Enforcement

- Provides scoped compliance and enforcement tools for the Authority subject to provides set in the *WDTA*

Source: Government of Ontario website

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The proposed *WDTA* outlines the regulations for the transition of existing waste diversion programs from the *WDA* to the new producer responsibility system in Bill 151. The regulations will enable the existing waste diversion programs to continue to operate under the proposed *WDTA* until they are transferred to the new producer responsibility framework under the *Resource Recovery and Circular Economy Act, 2016*. During the transition period, producers will be responsible for paying stewardship fees to IFOs. Once the waste diversion programs and IFOs are converted to the new system, the *WDTA* would be repealed.

Impact of the proposed *WDTA* on Municipal Operations

The provincial government has indicated it will lead the transition process and will ensure there are extensive stakeholder consultations to allow a smooth transition. Existing waste diversion programs will be available to the public until transitioned to the new producer responsibility system being developed under Bill 151. The 3Rs regulation (reg. 101/94) in the *WDA*, 2002, which requires municipalities to provide waste diversion programs, will remain in place during the transition. Municipalities will continue to be responsible for providing waste diversion programs during the transition period. The public's access to waste diversion programs including the blue box collection and depots for used tires, household hazardous waste and waste electronics will continue to be provided as usual during the transition period.

Municipalities are entitled to receive 50% of total net costs incurred to operate the Blue Box program during the transition period. The *WDTA* includes a dispute resolution process for municipalities and IFOs in the event that future regulations affect the percentage of Blue Box funding for municipalities.

The MOECC anticipates the transition of the municipal household special waste, waste electrical and electronic equipment, and used tires programs shall be completed within two to four years. The provincial government has indicated it plans to ensure that proper consultation and cooperation between the provincial government, municipalities and producers is maintained during the transition of the Blue Box program.

Public Consultation

The proposed *WDTA* is available through the Province's Environmental Registry (EBR #012-7818) and is open for public comment from June 30, 2016 to August 14, 2016. Staff reviewed the proposed *WDTA* in consideration of potential implications for the City's operations and are planning to put forward the comments in Appendix A on behalf of the City in response to the proposed *WDTA*. Staff will continue to follow-up on the progress of Bill 151, particularly the corresponding regulations and their potential impact on the City's waste management system. Updates will be provided to Council as further information becomes available.

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