



INFORMATION REPORT

TO:	Chair and Members Public Works Committee
COMMITTEE DATE:	May 13, 2019
SUBJECT/REPORT NO:	Cannabis Packaging Recycling and Waste Control (PW19037) (City Wide) (Outstanding Business Item)
WARD(S) AFFECTED:	City Wide
PREPARED BY:	Ryan Kent (905) 546-2424, Extension 7686
SUBMITTED BY:	Craig Murdoch Director, Environmental Services Public Works Department
SIGNATURE:	

COUNCIL DIRECTION

Council at its meeting of January 14, 2019 approved the following motion:

That staff be directed to work with the Waste Management Advisory Committee to determine the types of packaging being utilized by vendors for the sale of legal recreational and medical cannabis and report back to the Public Works Committee, with that report to include whether or not those materials are recyclable and the cost associated for recycling or disposal of those materials at a landfill.

INFORMATION

As of October 18, 2018, Ontario residents can purchase cannabis online from the Ontario Cannabis Store (OCS) and following that, on April 1, 2019, Ontario residents can purchase cannabis at legal cannabis retail stores. Hamilton has two legal retail stores, one located in East Hamilton and one located in Dundas which are expected to open sometime in the month of April.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

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The OCS is the exclusive legal online store that provides Ontarians with cannabis products from Health Canada approved cannabis producers. Each licensed producer supplies the OCS with product which is packaged and labelled with the producer's labels. The OCS then packages each order for shipping through Canada Post from their warehouse(s). Currently, there are 24 licensed cannabis producers that supply products to the OCS.

The two legal cannabis retail stores in Hamilton receive the exact same packaging as the OCS from the 24 licensed cannabis producers.

Packaging Material

Regulations under the Cannabis Act established the packaging requirements for cannabis. Health Canada enforces these regulations that require the packaging to:

- protect against accidental consumption (the package must be child-proof and odour-proof); and,
- be opaque or translucent.

Aside from the requirements above, there is little standardization in the containers that Cannabis is packaged in aside from the sizes which are designed to contain 1 gram. When cannabis is mailed by the OCS, it has additional packaging including each individual container being wrapped in plastic film, bubble wrap and boxboard which is then covered in kraft paper. That means that if an individual orders 3 grams they will receive 3 individual packages in the mail with each package including an individual container with all of the additional packaging listed above. Cannabis purchased from retail stores does not require the plastic film, bubble wrap, boxboard and Kraft paper.

As the regulations under the Cannabis Act lack direction on the type of packaging material that must be used, packaging can vary between cannabis producers. Table 1 lists the materials (as shown in Appendix "A" attached to Report PW19037) used by cannabis producers, retail stores and the OCS to package cannabis products, and includes details about the recyclability of these materials in Hamilton.

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Table 1: Cannabis Packaging Details

Packaging Material	Producer	Acceptable in Hamilton Blue Box
White plastic pharmaceutical bottles (lids excluded)	Cannabis producers	Yes
Black plastic pharmaceutical bottles (lids excluded)	Cannabis producers	No
Coloured glass (lids excluded)	Cannabis producers	Yes
Clear moulded plastic	Cannabis producers	Yes
Boxboard	Cannabis producers	Yes
3-layer plastic envelopes	Cannabis producers and OCS	No
Cardboard	OCS	Yes
Kraft paper	OCS	Yes

Cost to Hamilton

To determine the quantity of material generated by cannabis producers that the City must manage, staff reached out only to the OCS for information on the quantity of material shipped to Hamilton given that the retail stores have yet to open. Unfortunately, requests for this information have gone unanswered. Consequently, staff filed a formal Freedom of Information (FOI) request with OCS. The information that has been requested by staff includes the number of deliveries sent to Hamilton and the average weight of these deliveries. Knowing this information will allow staff to estimate the amount of actual packaging entering the waste stream managed by the City and the associated cost. As of the writing of this report, no response to this FOI request has been received.

It is important to note that producers of blue box material pay stewardship fees to Stewardship Ontario to help fund the blue box program. Stewardship Ontario requires all Ontario based companies that exceed 2 million dollars in revenue and generate packaging and paper products to register as a Steward and pay the associated fees. The OCS is a registered steward but currently, none of the twenty-four cannabis producers are. The City is therefore only partially compensated for blue box material generated by the OCS but not for any non-recyclable material generated by OCS or any material generated by the twenty-four cannabis producers (recyclable or not).

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Next Steps

Once the OCS responds to the FOI request, staff will update the estimated costs for processing applicable recyclable material and disposal to landfill. This information will be sent back to Public Works Committee through the Waste Management Advisory Committee minutes. In the meantime, staff will continue to advocate for full producer responsibility of the blue box program through future regulations formed under the Waste-Free Ontario Act. Staff will also work with industry groups such as the Association of Municipalities of Ontario and the Municipal Waste Association to advocate for less packaging in the distribution of cannabis and cannabis products.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" - Images of Cannabis Packaging