




## COMMUNICATION UPDATE

<b>TO:</b>	Mayor and Members City Council
<b>DATE:</b>	June 22, 2023
<b>SUBJECT:</b>	Waste-Free Ontario Act – Status of Blue Box Program Transition (WM2301) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>SUBMITTED BY:</b>	Angela Storey Director, Waste Management Public Works Department
<b>SIGNATURE:</b>	

This Communication Update is to provide the Mayor and Members of Council with an update on the status of the transition of Ontario's Blue Box Program to an Individual Producer Responsibility model. The information below includes the background of the Provincial Regulation and the status as it relates to the transition in Hamilton.

### Background

The Blue Box Regulation (O. Reg. 391/21) to transition Ontario's Blue Box Program to Individual Producer Responsibility was released by the Ministry of Environment, Conservation and Parks on June 3, 2021. This regulation will make producers of packaging and paper products fully accountable and financially responsible for operating Ontario's Blue Box program under the Resource Recovery and Circular Economy Act, 2016.

Under the Regulation, the operation of Ontario's Blue Box Program, which includes collection and processing, will be carried out by Producer Responsibility Organizations on behalf of producers. Producer Responsibility Organizations have already been established and each Producer Responsibility Organization represents multiple producers.

The Blue Box regulation intends to develop a province-wide common collection system that will service all communities, increase the materials that can be recycled, and result in higher waste diversion rates in Ontario. All municipalities and First Nations communities in Ontario are scheduled to transition to Producer Responsibility at a

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defined point in the transition period between July 1, 2023 to December 31, 2025. Hamilton is scheduled to transition on April 1, 2025.

Since the Regulation was released, a Producer Responsibility Organization known as Circular Materials Ontario has been assigned the responsibility of operating the collection and receiving of blue box materials, the post-collection management for the material and establishing a common collection system across the province after transition which is scheduled for January 1, 2026.

### Transition Roadmap

To prepare for transition, staff developed a roadmap to identify the required activities and associated deadlines required for transition. See attached Appendix “A” to Communication Update WM2301 for a graphic outlining steps to transition.

Tasks included in the Roadmap:

- Communicated to the Resource Productivity Recovery Authority Hamilton’s position to “Opt Out” of servicing the Blue Box Program (collection and processing) during transition (April 1, 2025 – December 31, 2025) approved by Report PW22064 approved by Council on August 12, 2022.
- Transition Report due to Resource Productivity Recovery Authority on August 31, 2023.
- Recommendation report coming forward to Public Works Committee in the fall of 2023 to confirm the post-transition model of servicing properties not eligible for blue box collection under the Regulation.
- Communication to residents and stakeholders throughout 2024 and early 2025 in preparation for transition.
- Transition the Blue Box Program to the Individual Producer Responsibility model on April 1, 2025.

### Financial Impact of Transition

Following the transition of the Blue Box Program to Producer Responsibility, the City will no longer be financially responsible for the collection or processing of blue box material generated by eligible sources under the Regulation. As transition is scheduled for April 1, 2025, the City will be responsible for an estimated \$7.7 million dollars of the annualized \$14 million dollar cost of the Blue Box Program in 2025. This includes costs to operate the program from January 1, 2025 – March 31, 2025 and early termination fees to end the contracts related to recycling collection and processing. This also includes the receipt of a small subsidy based on the funding model of the existing Blue Box Program. Beginning in 2026, the City will have no financial responsibility for the Blue Box Program related to eligible properties under the regulation. As noted in the task list above, the City

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may choose to continue service to non-eligible properties which the City would need to budget for. A recommendation report will be coming to Council for discussion later this year.

Ongoing work related to Transition

Staff are engaged with producers and other municipal stakeholders to ensure a smooth transition of the Blue Box Program to Producer Responsibility in Hamilton. This includes participating in consultations with the province and other municipalities to provide opinion to Circular Materials Ontario on developing a new program model that will be more efficient and cost-effective. The transition to a common collection system across the province for Blue Box material will require significant changes to the Blue Box Program which will be a responsibility of the Producers, including updates to resident communication, collection processes and infrastructure.

Additionally, a common collection system will require coordination and cooperation between Circular Materials Ontario and municipalities in how services are delivered in a shared space. Staff is advocating for these changes to be implemented in a way that minimizes disruption to residents and maximizes the efficiency of the new system.

The Mayor and Members of Council will continue to receive updates on the status of the Blue Box Transition through Communication Updates, Waste Management Sub-Committee and Public Works Committee. If you require further information please contact myself or Ryan Kent, Manager of Waste Policy and Planning, at extension 7686.

**APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” to Communication Update WM2301 – Transition Roadmap

# Blue Box Transition Timeline

## 2022



- April 29 - Submit Blue Box Program Initial Report to Resource Productivity and Recovery Authority
- May 3 - Communication Update #1: Status of Blue Box Transition (WM22001)
- August 12 - Recommendation report to Council: Blue Box Transition Update and Servicing (PW22064)

## 2023



- June 22 - Communication Update #2: Status of Blue Box Program Transition
- August 31 - Submit Blue Box Program Transition Report to Resource Productivity and Recovery Authority
- Q4 - Council Report Servicing of Non-Eligible Properties

## 2024



- April 1 to December 31: Communication to residents on blue box transition
- Q3 - Communication Update #3: Status of Blue Box Program Transition

## 2025



- March 31 - Submit Blue Box Program Change Report to Resource Productivity and Recovery Authority
- April 1 - Hamilton's Transition Date
- Start of Materials Recycling Facility and Collections Contract Revision

## 2026



- January 1 - Blue Box Program is Transitioned to Resource Productivity and Recovery Authority