1. Council Information Package

1.a News Release MPP David Plccini


1.b Northumberland County

re. Recycling System Transition to Producer Responsibility Questions & Answers
### Ontario Government Stepping up to Support Beef and Hog Farmers During COVID-19

*Funding will cover increased costs, while redirecting surplus pork to those in need*

**NEWS**

**PORT HOPE, ON** - Today, David Piccini, MPP for Northumberland-Peterborough South, joined Hon. Ernie Hardeman, Minister of Agriculture, Food and Rural Affairs, in announcing that the Governments of Ontario and Canada are supporting Ontario’s beef and hog farmers by investing up to $10 million in emergency assistance for beef and hog farmers.

The funding will help cover the increased costs of feeding market-ready cattle and hogs due to COVID-19 related processing delays, while redirecting surplus pork products to help those in need.

This program will help ensure the country’s food supply chain will remain strong and ready to recover as the economy gradually and safely reopens.

The **beef cattle set-aside program** will provide beef farmers with up to $5 million in support. Farmers can claim $2 per head of cattle per day to help pay for additional maintenance costs should they have to keep their market-ready animals on their farms for extended periods of time.

The **hog sector support program** will also provide hog farmers with up to $5 million to help cover additional maintenance costs from producers who have participated in alternate feeding programs. Additionally, Ontario is providing up to $1.5 million to process and package surplus pork for food banks, to provide those in need with fresh, locally produced pork products. This will assist the pork processing industry with managing capacity while helping those in need.

Both the beef cattle set-aside and hog sector support programs are being offered through AgriRecovery initiatives, under the Canadian Agricultural Partnership. The provincial contributions are part of *Ontario’s Action Plan: Responding to COVID-19*.

These support programs for both the beef and hog sectors are the latest in a series of investments to support Ontario’s agri-food sector, helping to ensure that Ontarians can continue to rely on a steady and safe food supply.

“The need for emergency support to help farmers maintain their operations during COVID-19 was clear amongst participants in our Agriculture and Food Processing economic recovery consultation,” said MPP David Piccini. “We understand the challenges that our farmers are facing. We continue to work with our commodity organizations to address their priorities and help our farmers manage through these unprecedented times.”
QUICK FACTS

- The Canadian Agricultural Partnership is a five-year, $3-billion commitment by Canada’s federal, provincial and territorial governments to support Canada’s agri-food and agri-products sectors.

- The province is significantly expanding the Agri-food Workplace Protection Program and committing up to $15 million to enhance health and safety measures on farms and in food processing facilities. The Enhanced Agri-food Workplace Protection Program provides cost-share funding for farmers to purchase Personal Protective Equipment (PPE) and implement workplace modifications and other measures.

- The Ministry of Agriculture, Food and Rural Affairs has also partnered with the Workplace Safety & Prevention Services (WSPS) to provide agri-food businesses, organizations and associations with educational resources, tools and consulting services to help them implement COVID-19 health and safety protocols. Additional details about businesses that may qualify can be found on the WSPS website.

- During the COVID-19 emergency, Foodland Ontario has promoted local foods of all kinds, including lamb and veal, to help consumers choose and buy local, and to market the important sectors that bring food to Ontarians’ tables.

ADDITIONAL RESOURCES

The Canadian Agricultural Partnership in Ontario
Ontario.ca/reopening-ontario
A Framework for Reopening our Province: Stage 2
Resources to prevent COVID-19 in the workplace
Tell us about the economic impacts of the COVID-19 outbreak

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1. What changes are planned for Ontario’s recycling system?

- In August 2019, the Province announced next steps for moving responsibility for recycling programs away from municipalities and over to the private sector producers of packaging and paper products.

- The Province’s plan is that the first group of municipalities and First Nations will transfer their programs to producers starting January 1, 2023. By December 31, 2025, producers will be fully responsible for providing recycling services province-wide. Municipalities will no longer be responsible for providing recycling services from that point forward.

2. Why is the Province shifting recycling system responsibility to the private sector?

- The Province indicates that there are over 240 municipal Blue Box programs in Ontario that each have their own separate lists of accepted recyclable materials, which affects cost savings and the amount of product contamination.

- In addition, across Ontario, approximately 70 per cent of all waste goes to landfill, with up to 30 per cent of what is put into the Blue Box also sent to landfill.

- The Province has identified a plan to move all municipal Blue Box programs to the Producer Responsibility model over a three-year period, starting in January 2023.

- Producer Responsibility is based on the idea that the companies that design, create and market products and packaging are in the best position to reduce waste or increase resources that can be recovered from their products.

- The Province’s intention with this move is to make recycling easier for people and ensure that the Blue Box program remains viable over the long-term by:
  - Ensuring a common collection system, province-wide;
  - Standardizing what goes into the Blue Box;
  - Setting province-wide effective diversion targets; and
  - Transitioning costs away from municipal taxpayers.
3. **How long has this transition been planned?**

- The road to full Producer Responsibility has been a long one.
- In mid-1990’s municipalities were legislated to provide Blue Box recycling programs for their residents.
- The provincial government, municipalities, producers and service providers have been discussing Producer Responsibility since the early 2000’s.
- The Waste Reduction Act of 2002 introduced a requirement for producers to partially fund diversion programs, administered by municipalities.
- Various pieces of legislation have been introduced since 2013 with the goal of transitioning the full cost of waste diversion programs to producers.
- The Report on Recycling and Plastic Waste prepared for the Province in 2019 recommended specific timelines for transitioning Blue Box Programs from municipalities to producers.
- Based on these timelines, in August 2019, the Province announced next steps for moving responsibility for recycling away from municipalities and over to the private sector producers of packaging and paper products.

4. **At the June 17, 2020 County Council meeting, what recommendation did Council adopt for a preferred date to transition the local recycling system?**

- Council adopted the recommendation put forward by staff for a preferred date of January 1, 2023 to transition the Northumberland recycling program to full Producer Responsibility.
- As part of this transition, staff recommended:
  - Concluding the County’s operation of the Material Recovery Facility (MRF) by the end of 2022; and
  - Continuing to administer collection of recycling on behalf of producers.
- It is important to note that while Council adopted this recommended approach, the final decision on timelines and recycling service contracts ultimately rests with the Province and with producers.
- The County anticipates more information from the Province on timelines in late 2020.
5. Why did County staff recommend transition of the Northumberland recycling system to Producer Responsibility at the earliest date in the transition process?

- Staff recommended transition early in the process in order to best position the Material Recovery Facility (MRF) for purchase by the private sector as an operating MRF, where recyclable materials can continue to be processed by the private sector following transition to Producer Responsibility.
- Private waste management companies will be looking to purchase facilities in preparation for the launch of Producer Responsibility.
- The hope is that this scenario will preserve some local employment opportunities, with the new owners potentially looking to hire for their operations. An early transition will also improve the potential return on the sale of this municipal asset.
- For this reason, staff recommended January 1, 2023 as the preferred date to transition the Northumberland recycling program to Producer Responsibility.

6. Staff recommended that the County seek to administer collection of recycling on behalf of the producer. Why did they not also recommend continuing to operate the MRF as a contractor for the private sector following transition to Producer Responsibility?

- The County currently administers a contract for curbside collection of all residential waste and recycling and will continue to provide collection of waste, green bin and leaf & yard waste for Northumberland residents following transition of the recycling program to Producer Responsibility.
- Staff therefore recommended that the County look to partner with producers to continue administering one large contract for all local waste and recycling collection. This is likely to generate favourable pricing for both the County and the producers due to economies of scale.
- It is important to note that while staff recommended this approach, the final decision on recycling service contracts will ultimately rest with producers.
- Conversely, staff recommended the conclusion of the County’s operation of the MRF as part of the transition to Producer Responsibility.
Proposing to operate a MRF under the Producer Responsibility model would require the County to compete with other private sector parties in bidding on the contracts issued by producers to process recyclables for the local market.

As a public sector organization, the County is not positioned to engage effectively in this business model, with the potential for rigorous contract terms and conditions creating volatility and risk for the County budget and local taxpayers.

7. Don’t municipalities generate revenue from the sale of recyclables? Wouldn’t it be profitable for the County to continue managing the local recycling system?

- Funds raised through the sale of recyclable materials off-set a portion – but not all – of the cost of providing recycling services for the community.

- When calculating the revenue from the sale of recyclables, along with current funding from the producer, against the cost of providing this service, there is a net cost to the County of $2.36 million annually, which is funded by the County levy (property taxes).

- With the new collection contract that starts in December 2020, the overall annual cost to the County will increase to $2.97 million annually.

- The Province’s plans to transition the recycling system to Producer Responsibility are intended to shift costs like this away from municipal taxpayers and over to producers.

8. The County estimates savings of $2.97 million annually once the responsibility for recycling transitions to producers. How will these savings be used?

- Savings will be reinvested into the ongoing provision and innovation of waste services.

- This includes strengthening curbside collection programs and off-setting the significant costs of administering and maintaining the Brighton landfill and the eight closed county landfills.
9. When will we know for certain when transition of the Northumberland recycling system to producers will occur?

- While Council has confirmed a preferred date of January 1, 2023 for transition of the Northumberland recycling system to producers, the final decision on timelines ultimately rests with the Province.
- Specific details on the timing of the Northumberland transition are not yet known.
- The County anticipates more information from the Province in late 2020.

10. What kind of change will residents see in their curbside collection as a result of the transition to Producer Responsibility?

- The Province has indicated that residents who currently receive municipal blue box services will continue to receive the same services throughout the transition period.
- Once producers are fully responsible for the program, Ontarians will experience the same or improved access to Blue Box services across the province.

11. How will the Province ensure producers are complying with recycling requirements? What if producers don’t meet their targets?

- The Resource Productivity and Recovery Authority is a non-Crown oversight body that has compliance and enforcement powers to ensure producers are complying with regulations.
- As part of this transition, Ontario is developing regulations to support the new Producer Responsibility model for the Blue Box Program. These regulations will address items such as:
  - ensuring access to Blue Box services for Ontarians
  - eligible materials that can be recycled through the Blue Box
  - diversion targets for producers
  - reporting requirements for producers/service providers

12. Where can I learn more about the Province’s plans for transition of the recycling system to Producer Responsibility?

- More information is available at bit.ly/2MIKOGd.