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Sent via e-mail: shari.sookhoo@ontario.ca

Dear Ms. Sookhoo,

**Re: EBR Registry Number 012-5832
Resource Recovery and Circular Economy Act and the Waste Diversion Transition Act**

The Canadian Association of Recycling Industries (CARI) is an industry association made up of over 250 member companies in the recycling sector. Our members range from small family scrap yards to massive capital-intensive processing plants that process, broker, and consume recyclable commodities. The members are engaged in the recycling of all commodities, but the majority deal primarily or exclusively in metals. CARI is a national association, but the majority of our member companies are located in Ontario.

As the voice of the Canadian recycling industry, CARI is pleased to submit the following comments on the proposed Waste-Free Ontario Act.

CARI supports the fundamental purpose of this proposal: minimizing valuable resources sent to landfill, reducing greenhouse gas emissions, and increasing market value of secondary resources.

However, CARI strongly believes that any waste-diversion program should not interfere with existing market-based systems. Many products and materials are currently being well collected and recycled within the existing network. This system helps create jobs and involves no direct cost to taxpayers. Regulating these materials would not increase diversion, but could create a negative impact on the existing system. The bill is unclear as to how targeted materials will be selected. It is vital that the province investigate whether a product or material is already being well managed and consult with the recycling industry before designating it for stewardship.



The purpose of this Act is to reduce the use of unrecyclable materials in product manufacturing and to retain valuable **resources** to be reused within the production system. It is important to note that this Act is not about diverting *waste* from landfill, because waste cannot be recycled. To that end CARI believes the Act should include clear definitions that differentiate waste from secondary resources, and separate the waste and recycling industries.

The role of recycling facilities is not clearly defined in the current bill. CARI members are concerned that the Act as proposed could add a considerable administrative burden to their businesses. Registering, record-keeping, and reporting of information requires additional labour cost and time, and some of the smaller yards that cannot afford the manpower would be placed at a disadvantage or forced out of business altogether.

CARI is pleased to see the province encouraging the principles of design for recycling. We believe true producer responsibility and waste elimination starts with a product's being designed for maximum material recovery, for ease of material recovery, and for safe material recovery. We are also encouraged by the province's intention of adopting a procurement plan to help increase markets for recycled materials.

However, this incentive is not enough to increase the market value of recovered materials. Manufacturers may still find using virgin materials to their greater advantage because the majority of virgin materials are still taxed less than recycled material. This cost difference provides a disincentive to the manufacturing of goods from recycled material. If the government were to equalize tax treatment for secondary commodities, no doubt their use in production would increase.

We appreciate your taking the time to address our concerns and look forward to working with the province to achieve its goal of a waste-free Ontario.

Tracy Shaw
President and CEO