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The Honourable George Heyman,  
Minister of Environment and Climate Change Strategy

Delivered by Email to: [env.minister@gov.bc.ca](mailto:env.minister@gov.bc.ca)

**Re: Request for a meeting to discuss items identified in your recent CleanBC announcement regarding the reduction of plastic materials.**

Dear Minister Heyman:

The BC Bottle and Recycling Depot Association (BCBRDA) offers our congratulations on your recent CleanBC announcement concerning the reduction of plastics materials and we are particularly pleased that all stakeholders have been invited to participate in the consultations of the CleanBC initiative.

In addition to supporting the province of BC's efforts to reduce plastic, the BCBRDA is also an active participant on CCME's Canada Wide Strategy on Zero Plastic Waste working group.

The BCBRDA supports the CCME's Top 10 Stakeholder Action Items and envisions that the following action items can be incorporated into CleanBC's initiative:

**CCME item 2:** Harmonize Residential and Depot Collection between Provinces and Territories.

**CCME item 4:** Provide more support and best practices guidelines for good product and materials design for recycling/ reuse.

**CCME item 5:** Develop environmental based performance strategies to support improved product design (e.g. for recycled content, recyclability).

Through our previous meeting with you and ongoing correspondence and meetings with Ministry of Environment staff you are aware the BCBRDA has been championing and promoting the expansion of the deposit system to include milk and milk product containers into the deposit system and increase deposit levels to match Alberta's deposit rates for over 15 years to all levels of BC governments.

Important actions and initiatives were identified in your announcement, and the BCBRDA asks for clarification on the statements made in the CleanBC announcement.

- 3) Plastic bottle and beverage container returns:** expanding the deposit-refund system to cover all beverage containers – including milk and milk-substitutes – with a 10-cent refundable deposit, keeping millions more containers out of landfills and waterways.

The BCBRDA applauds the inclusion of milk containers into the deposit as a great victory for the environment and for the viability of the bottle and recycling depots industry. More deposit bearing materials will increase the incentive for consumers to do the right thing and return materials for recycling. Containers returned to authorized bottle depots undergo a more accurate counting process than the random bale samples audits provided by RecycleBC. The deposit system has proven to be the most effective method of material recovery.

All levels of government in BC have supported the expansion of the deposit system to include milk product containers for some time. In 2009 the BCBRDA offered the government of the time thousands of petition signatures that the BCBRDA gathered through depots, along with support letters from 92% of BC cities and municipal regions stating they were in support of milk containers into the deposit system.

In 2009, Alberta included milk containers into their deposit system at a deposit level of 25 cents for the large jug and experienced immediate favorable results. Local governments in Alberta experienced a sudden subsidy to their recycling programs when collecting large HDPE plastic milk containers that had been valued at \$400 a tonne minus baling and shipping costs (14,000 containers per tonne) were suddenly worth \$3,500 in deposits.

Alberta's recovery rate blossomed to over 100% in a very short period to time due to the fact that in BC did not harmonize our deposit program with Alberta, but instead offered BC consumers a voluntary return milk container service at participating BC depots.

The lack of deposits on milk containers in BC made it very attractive for those who live in communities close to Alberta to take their milk containers to Alberta. Those same consumers who live close to Alberta continue to also take their small used beverage containers to Alberta as the small beverage containers in Alberta carry a deposit twice that of B.C.

Alberta was forced to temporarily stamp identifying marks on Alberta milk containers to protect their system, but the problems of cross contamination continue for other used beverage containers that in BC still carries a smaller deposit level. This situation is still extremely problematic to depots located close to Alberta.

### **Single Deposit Levels of 10 cents**

The BCBRDA is concerned that the introduction of a single deposit level of 10 cents for all containers will devalue all of beverage containers making it less attractive to bring containers to a bottle depot. It may encourage consumers to throw them out, abandon them in blue boxes, encourage the return of more containers back to retail. Retailers continue to be resistant to beverage container returns as it is a health concern to store dirty containers around food sources and limit the returns to 24 items per day or less. We believe that a reduction of deposit levels will encourage more containers to be disposed of in the garbage, and again consumers living near the Alberta border may increase their activities of taking containers across provincial boundaries.

The BCBRDA supports harmonizing our deposit levels with Alberta deposit levels of 10 and 25 cents.

### **Who pays the cost of recycling?**

There are continued claims that any increase in deposits or inclusion of milk containers into the deposit stem will dramatically affect those who are financially challenged.

The BCBDA does not support such claims as all other of BC's 22 EPR programs do not refund any of the estimated 400 million dollars they collect annually from consumers in BC.

Bearing in mind that Encorp claims that they last year refunded \$72,181,564 in deposits back to consumers, they also collected \$48.2 million dollars in non refundable Container Recycling Fees (CRF's), in addition to keeping \$18.2 million dollars in unredeemed deposits. The application of CRF's replaced any financial input from beverage manufacturers. The application of any kind of environmental fee apparently does not prevent consumers from purchasing anything. In fact refundable deposits incentivize people to do the right thing and return materials for recycling.

The BCBRDA has not been able to find and proof over the past 15 years that industry has paid a dime into EPR programs. Industry appointed stewardship agencies seem to be of the mind that because they are the ones who write the cheques within the EPR system, that they pay the cost when in fact all monies generated within the system are fees collected from consumers and others

forced into membership or the sale of material commodities. Industry feels that by collecting the money that somehow the collected monies are theirs and therefore they are paying all the costs.

The Ministry of Environment released the Guidance Document in April of 2018 that requires EPR stewards to prove they are paying the cost of recovery and recycling of their mandated materials. Depots play a large role in the recovery of mandated materials but are not granted participation in a “all stakeholder steering committee” to determine depot expenses or handling fee payment methodology under that Guidelines Document.

Instead EPR stewards are requesting detailed proprietary financial information from depots without including them in the entire process and some stewards have increased audits for depots that have refused to submit their financial information.

A recent study commissioned by the City of Vancouver stated that most EPR programs pay 20% or less of the cost of collection in Vancouver. The BCBRDA is currently asking all depots to participate in our 3 part online Calculating Depot Expenses Survey to gather data. The online program generates reports based on the received information. The response to date are revealing that a staggering number of depots are receiving less than the cost to recover EPR materials, meaning a substantial number of depots have been subsidizing EPR programs. If the BCBRDA is invited to participate in an all stakeholder committee to review the costs of recycling we would be happy to share information we have gathered about depot expenses.

### **Where are all the non recovered materials going?**

Reports have circulated that indicate that EPR programs combined have diverted 315,000 tonnes of waste from landfill and incineration in the past year which is to be commended, however that number represents on average 75% of the materials generated, another 105,000 tonnes went to landfill or incineration at no cost to the EPR stewards.

There is no argument that everyone wants to save and preserve the oceans and waterways but we must not forget what is going to landfill. Over the past 25 years of just the used beverage containers EPR program, an estimated 9 billion containers have ended up in landfill or incinerator. It may prove difficult to hold beverage manufacturers accountable for beverage containers that pollute our oceans due to the fact that labels disintegrate and it's difficult to prove where the containers originated but it is very easy to identify the origins of beverage containers and other EPR materials found in BC landfills and prior to incineration.

Municipal waste audits tell the tale of what is being landfilled and the BCBRDA has asked Metro Vancouver to charge back EPR stewards for materials that end up in landfills based on those studies. Metro Vancouver claims they have no recourse to do so under current B.C. Recycling Regulations.

The BCBRDA believes that is EPR stewards were made to pay for the cost of disposal at landfills and incinerators of their materials by audit percentage that they would do a better job of recovering their materials for recycling.

### **Additional BCBRDA Recommendations to the CleanBC Initiative**

- 1) We request that the Ministry of Environment include in its CleanBC initiative amendments the B.C. Recycling Regulations to give authority for Metro Vancouver and all BC Communities to charge EPR stewards for the cost of disposal for any EPR materials determined to be found in ongoing waste audits.
- 2) The BCBRDA requests an increase to the target recovery rates of all EPR stewardship programs.
- 3) The BCBRDA suggests that amendments are made to the BC Recycling Regulations to include marine products under EPR and where possible products that are sold in containers are to be included in schedule 1 to be captured under the deposit system.

Over the past 20 years B.C.'s EPR program recovery target rates have stayed much the same. Little change has been made to products or materials packaging for ease of recovery and recycling. This item would dovetail with CCME top 10 Action Plan Items.

We again request a meeting at your earliest convenience to further discuss current issues and how the BCBRDA can assist the Ministry of Environment to achieve its goals for CleanBC.

Yours truly,

Corinne Atwood

Executive Director, BC Bottle and Recycling Depot Association

Cc: Bob McDonald, Meegan Armstrong