

Saskatchewan  
Multi-Material Recycling Program  
Consultation

**Saskatchewan May 4 Multi Material Recycling Program Consultation  
Held May 4<sup>th</sup> 2010**

*General Question and Answers*

**Question Categories:**

- [IC&I Materials](#) - page 1
- [Municipal Operations](#) - page 2
- [Preferred Option](#) – page 3
- [Targeted Materials](#) – page 4
- [Obligated Stewards](#) – page 5
- [SARCAN and deposit system for beverage containers](#) – page 6
- [Governance](#) – page 6
- [Timelines](#) – page 7
- [Other Questions](#) – page 7
- [Questions directed to the Ministry of Environment](#) – page 8

**IC&I Materials**

<i>Question</i>	<i>Response</i>
Why does this program include recyclables from the residential sector only, and not from the IC&I sector?	The primary reason why IC&I material has not been included in the MMRP is that in most jurisdictions, most of this material (which is primarily cardboard) is being managed separately outside of a stewardship program and businesses are paying for this service. However, program developers have been advised that this is not always the case in Saskatchewan, especially in rural communities. This is something that the Advisory Committee will have to consider.
Are IC&I recycling costs currently incurred by municipalities and more specifically by residential taxpayers?	Typically, medium and large size municipalities charge businesses for waste and recycling services. Thus, taxpayers do not pay for the recycling of IC&I material. However, in small rural municipalities, this may not be the case.
How will program developers distinguish between IC&I and residential waste?	Municipalities that service both sectors will be required to distinguish the two. For one material (cardboard), the MMRP may set “a cap” to limit how much cardboard can be claimed for compensation (i.e. x% of all the residential recyclables collected). This will allow municipal collection systems to collect recyclables from both sectors at the same time.

# Saskatchewan Multi-Material Recycling Program Consultation

## Municipal Operations

<i>Question</i>	<i>Response</i>
How will municipalities' 25% contribution be paid/collected?	This will be determined in the MMRP Plan. In other jurisdictions, the municipalities typically bear the cost of the program and submit periodic reimbursement claims. Municipalities are usually grouped according to population and paid on a per tonne basis. This integrates an incentive for municipalities to collect as much recyclables as possible.
What municipal costs will be eligible for the 75% reimbursement under this program?	In general, eligible costs will include those that are directly related to operating the recycling program, including capital costs.
Our recycling depot is regional in scope (i.e. we provide service to more than one rural community). Will we be compensated for services we provide to every community?	This will be addressed in the MMRP Plan. In principle, individual communities may chose to enter into agreement with a regional service provider. The services provided by this regional service provider would be eligible for reimbursement under the MMRP.
How do you see this program identifying and reducing litter in Saskatchewan?	Similarly to other jurisdictions, this will be addressed in the MMRP plan. This can be done through litter audits, awareness campaigns, etc.
Will existing contracts that are established with Recycling Agencies and their surrounding communities be taken into consideration, when developing the MMRP? What will be the role of such service providers under the MMRP?	It is anticipated that municipalities will be able to contract with whomever they wish. There will be an emphasis on ensuring that the contract is cost effective but the final decision will rest with individual municipalities.
Will the program cover municipalities' capital expenditure costs, for example weight scales?	Further detail on those costs that are and are not covered will be provided in the MMRP plan. In principle, the program will cover capital costs that are directly related to recycling.
We are a municipal program with a population greater than 25,000. We do not currently offer a curbside recycling program. Would we qualify for funding to operate one under the program?	Yes. The funding would be based on the cost of operating a cost efficient curbside program.
We currently service a community of less than 25,000 people with a curbside recycling program. What are the "incremental costs" we would have to bear under the MMRP?	This will be addressed in the MMRP plan, which will set out funding according to population size and the level of the service offered. A community with a population of 25,000 or more would be funded to operate a curbside program. If a community of 2,000 wanted to offer a curbside program, it would be funded for the cost of operating a depot system. In other words, it would have to cover the incremental cost between the two systems.

# Saskatchewan Multi-Material Recycling Program Consultation

## Municipal Operations

<i>Question</i>	<i>Response</i>
Do municipalities intend to lower their taxes regarding recycling costs to their constituents?	Neither the Joint Advisory Committee nor the Stewardship Responsibility Organization is able to influence municipal decisions concerning taxes.
We understand that municipalities will be compensated on the basis of the tonnage collected. Will there be a limit to the compensation based on municipal population?	In many jurisdictions, the amount paid to municipalities is based on a per tonne amount (i.e. on the reported quantity of residential recyclables collected). However, the most appropriate municipal pay-out model for the Saskatchewan MMRP will be determined in the MMRP plan.
Will municipalities be responsible for ensuring that non-recyclable materials do not end up in recycling systems under the MMRP?	Limiting contamination by non-recyclable materials is a function of the Promotion and Education (P&E) messaging and presence, which will be addressed in the MMRP plan. In other jurisdictions, P&E activities are carried out by municipalities and are eligible for reimbursement by the stewardship program.
Is the 75% cost share a starting point or is it what we are looking at long term in the program? Will municipalities be required to fund the disposal of the recyclables that are not diverted?	The 75% cost share for industry has been established by the provincial government. At this point, we are not aware of any plans to change the funding split. Under a stewardship program such as that being proposed for Saskatchewan, the more a municipality drives materials to recycling rather than to landfill, the more it is rewarded.
How will you determine effectiveness and efficiency given the wide range of programs operating in the province? Has this already been determined?	This has not yet been determined. This will be established in the MMRP plan, which will be written in response to the Regulation. As a principle, it is important and helpful to both municipalities and industry for programs to be effective and efficient. Moreover, the definitions of what is effective and efficient will be based on examples within Saskatchewan as opposed to taking examples from other jurisdictions.

## Preferred Option

<i>Question</i>	<i>Response</i>
What happens to the revenues collected from recycling fees and environmental levies that are already being collected?	The proposed MMRP will not impact the environmental levies in place in any of the other stewardship programs already in place.
How was the estimated \$10 million system cost arrived at? Might the actual system cost be greater due to the presence of a large number of small communities in Saskatchewan and the large distances between them?	Estimates were determined based on current system costs and projecting an established level of service under the MMRP. The MMRP plan will ultimately determine the actual program cost.
Why is industry not responsible for 100% of the cost of the program?	The government of Saskatchewan considers that the 75/25 funding split represents the optimal balance between industry's

# Saskatchewan Multi-Material Recycling Program Consultation

## Preferred Option

<i>Question</i>	<i>Response</i>
	financial responsibility and municipal control of the recycling system
Do the estimated costs include the advance funding provided by government loans? Is all that advance funding expected to be recouped through the program? Who received the loan and what did they do with it?	It is estimated that it will cost approximately \$10M to operate the MMRP on an annual basis. The government funding announcements that have been made pertain to the provision of \$1.75 million in bridge funding until the MMRP is in place; this amount does not need to be repaid by municipalities. A \$100,000 grant was provided for consultation and the work of a MMRP Project Advisory Team towards the establishment of the MMRP; this does not need to be repaid. A \$250,000 loan was provided for the development of the MMRP plan. The \$250,000 grant is to be repaid by reinvesting that amount into the MMRP once the program is fully functional.
Most rural waste management authorities incur significant costs to transport materials to markets. Are those costs being considered in the MMRP?	Yes. In the analysis, costs across the province were considered. These vary widely, and although distance to markets is an important determinant, it is not the only one. For example, some remote communities may benefit from backhaul opportunities and incur lower costs than less remote communities.

## Targeted Materials

<i>Question</i>	<i>Response</i>
Will Service Packaging (in store packaging) be dealt with in the same fashion as in Manitoba, Ontario and Quebec?	This will be determined in the Regulation.
Are Natural Health Products containers (Bottles, Bags, etc.) included in this?	If the containers are made of any of the following materials: plastic, steel, aluminum, glass, paper, cardboard, or a combination of any of those materials, and if they are typically managed in the residential system, they would be included.
Will blank photocopy paper sold as a product be a designated material under the MMRP?	This will be determined in the Regulation. In the Quebec program, blank paper is included based on the rationale that blank paper typically is printed by the user and is ultimately directed to the recycling stream. The Ontario and Manitoba programs do not include blank paper.
Will grain bags be included in the program?	Grain bags are considered to be sold into the IC&I (Industrial, Commercial, and Institutional) market and are therefore not subject to a stewardship fee.
Are used oil and containers included in the MMRP? If so, this would be a duplication from the Used Oil Management Association program	The MMRP only targets packaging and printed paper. Oil would therefore not be included. Moreover, given that oil containers are already managed under an approved program, they would not likely be included in the Regulation.

# Saskatchewan Multi-Material Recycling Program Consultation

## Impact on the Agricultural Industry

Questions	Response
Will agricultural products be included in the MMRP (e.g. agrichemical containers and packaging)?	It is anticipated that any packaging sold directly into the agricultural sector will not be included. This is subject, however, to the scope of the Regulation.
How does this program affect the agriculture industry? Are there any agricultural representatives on any boards?	As long as the Regulation does not include IC&I materials the agricultural sector is largely unaffected.

## Obligated Stewards

Question	Response
My company is not resident in Saskatchewan but sells products through a business partner in SK. Who will be obligated to report and remit the fees?	This will be determined in the Regulation. Under the proposed approach, the obligated party would be the brandowner, if resident in the province. If the brandowner is not resident in the province, then the first importer in SK would be the obligated steward. Subject to the final MMRP plan Rules, it may be possible for a brandowner outside the Province to become a Voluntary Steward for the material it brings into the Province.
Will there be a de minimis amount for reporting?	A <i>de minimis</i> is the exemption of a designated steward from program obligations based on an established minimum yearly sales value and/or a tonnage threshold for the purposes of administrative efficiency. Whether a <i>de minimis</i> is established and whether this is part of the MMRP plan or an administrative decision by the SRO will be determined in the MMRP plan.
How will you ensure that all designated stewards are contributing to the program?	The Regulation will ensure that a level playing field is created and that all obligated stewards are participating in the program. The MMRP plan will outline how the SRO and the Saskatchewan Government will go about ensuring compliance with the Regulation.
Will Stewards need to collect data regarding post consumer recycled content?	This is not yet known; it will be addressed in the MMRP plan.
Is it possible to change the process of how companies are charged for the Stewardship program (e.g., could the program charge a percentage of total sales per year instead of the current structure)?	This will be taken into consideration when the MMRP plan is developed.
Based on program commencement of June 1 2011, what will be the reporting period	This is likely to be the case, but exact dates will be determined in the MMRP plan.

# Saskatchewan Multi-Material Recycling Program Consultation

## Obligated Stewards

<i>Question</i>	<i>Response</i>
for this program start date? Will it be based on 2010 sales?	

## SARCAN and deposit system for beverage containers

<i>Question</i>	<i>Response</i>
Is SARCAN ready to participate and what costs will they incur?	We are unable to speak on SARCAN's behalf and thus cannot state whether it will participate in the program by providing expanded depot services in certain communities. It is recommended that questions concerning SARCAN's participation be forwarded directly to them.
Will the SARCAN deposit system be re-evaluated in light of the proposed MMRP?	We are not aware of any such plans at this time.
Will beverage containers be included in this program, and if not, why?	Beverage containers will not be included in the MMRP. The decision has been made by government for SARCAN to continue to operate its beverage container collection program separately from the MMRP.
What is the definition of "beverage"? Would meal-replacement beverages or liquid infant-formulas fall under the term "beverage"?	Those containers defined as "beverage" currently managed under SARCAN's program and that will remain under this program are described on SARCAN's website: <a href="http://www.sarcsarcan.ca/sarcan/beverage/index.php">www.sarcsarcan.ca/sarcan/beverage/index.php</a>

## Governance

<i>Question</i>	<i>Response</i>
Which groups have been selected to sit on the Advisory Committee, and how were they selected?	The government has sought to work with organizations that are representative of the interests of the packaging and paper sectors. On the industry side, the organizations that have been selected for the Advisory Committee operate in various jurisdictions. They are the Canadian Council of Grocery Distributors, Food and Consumer Products of Canada, Federated Cooperatives Limited, Retail Council of Canada, and the Canadian Newspaper Association. On the municipal side, the Ministry of Environment sent a call out to municipal organizations to appoint their nominees. The municipal representatives are the Saskatchewan Urban Municipalities Association (2), the Saskatchewan Association of Rural Municipalities and the Association of Regional Waste Management Authorities of Saskatchewan. The Saskatchewan Waste Reduction Council and a representative from the Saskatchewan Scrap Tire Corporation are also represented on the Advisory Council.

# Saskatchewan Multi-Material Recycling Program Consultation

## Governance

<i>Question</i>	<i>Response</i>
How will the MMRP/Program Plan be developed?	The MMRP plan will be developed by the Stewardship Responsibility Organization (SRO) once the Regulation is passed. The Advisory Committee will be consulted throughout the plan development process. MMRP plan development will also include a public consultation process.
Will the Board of the Stewardship Responsibility Organization be made up of industry representatives only? If that is the case, why are municipalities excluded from this organization, given that they will be contributing 25% of the cost?	Under the preferred approach, the Board of Directors of the SRO would be made up of industry representatives only. Concerning municipal representation, one view is that because municipalities will receive 75% of the funds, they could be seen as being in a conflict of interest if they were to be included in the SRO.

## Timelines

<i>Question</i>	<i>Response</i>
The ten day comment period is very short. A more reasonable period would be to allow 4 weeks from today.	Program developers recognize that the timelines established by the Ministry are tight. However, this is the very early stage of consultation and there will be further opportunity for comment, particularly when the MMRP plan is developed. We will strive for longer comment periods at that time.

## Other Questions

<i>Question</i>	<i>Response</i>
Assuming that costs to the industry partners are relayed to the consumer, doesn't that mean the consumer/taxpayer will be contributing 100% of the funding?	The responsibility for managing the waste is shared between industry and consumers. Whether industry chooses to pass on the costs to consumers (visibly or within the price of the product), ultimately, all of us as consumers bear the responsibility of sharing that cost.
What is the current thinking on Styrofoam, which is not currently being diverted from landfill?	Styrofoam is a packaging material and will thus be obligated under the program. Styrofoam has been a problematic material in many jurisdictions because of its light weight and high cost of transportation. This issue will be addressed in the MMRP plan.
Aside from recyclable materials, are the balance of the residential tonnes presented on slide 17 primarily organics? Would you consider composting some paper materials locally rather than recycling it? Where does that option figure in the advisory committee's thoughts?	<p>Yes, a large portion of the balance of residential tonnes is primarily attributable to organic materials. The remainder consists of Construction and Demolition (C&amp;D) waste originating from residences.</p> <p>At this stage, the scope of the MMRP is focused on providing funding for recycling activities only.</p>

# Saskatchewan Multi-Material Recycling Program Consultation

## Other Questions

<i>Question</i>	<i>Response</i>
Will there be safeguards in place to prevent a single organization from monopolizing all the services (e.g. providing transportation, processing/salvage, and disposal services)?	Municipalities will be able to decide with whom they contract. We anticipate that the market will determine who the various collectors/recyclers/brokers/transporters are.
Are multiple Industry Funding Organization/Stewardship Responsibility Organizations allowed under the proposed MMRP for Saskatchewan?	Yes, obligated stewards would have the option of joining a common SRO or running a program themselves for their own material.
Recycling is part of a broader solid waste management strategy. Other elements of this provincial strategy would likely include the development of regional strategies and the utilization of Energy from Waste in specific circumstances. When does all this tie together?	While regional waste management strategies may be developed in parallel or after the MMRP is put in place, MMRP developers are unable to comment on the government's plans for additional policy initiatives such as the elaboration of a provincial solid waste management strategy or Energy from Waste (EfW).
Is the Canadian Newspaper Association willing to participate in the development of the MMRP?	Yes. John Hines from the CNA participated in the May 4 consultation via webcast and will participate as a member of the Advisory Committee.

## Questions directed to the Ministry of Environment

<i>Question</i>	<i>Response</i>
How does the Ministry of Environment plan to ensure that local residents are recycling and are not disposing of their recyclable materials in the landfill?	We will defer this question to the Ministry. There are various mechanisms that municipalities can use to encourage recycling, including user pay garbage systems or fees at landfill.
Is the government looking to regulate IC&I waste?	We will defer this question to the Ministry. We are not aware of any such plans.
Does the province have any plans to reduce the number of landfills, ensure that landfill fees are increased, or ban certain paper materials from landfill?	We will defer this question to the Ministry. We are not aware of any such plans.
Do markets currently exist in Saskatchewan for all the materials to be collected through the MMRP? Are there plans to help drive the recycling industry, through R&D and	Like in many other jurisdictions, there are no local final end-market for much of the materials. Importantly, however, brokers (companies that consolidate and resell the material to end-markets outside of Saskatchewan) do have markets for most of the materials.

Saskatchewan  
Multi-Material Recycling Program  
Consultation

**Questions directed to the Ministry of Environment**

<i>Question</i>	<i>Response</i>
other efforts to encourage this industry sector in SK?	
What is Saskatchewan's vision on the issue of forced/regulated Industry Funding Organizations (IFO) versus recent developments in other provinces towards more flexible industry-led stewardship approaches?	We will defer this question to the Ministry.