

**Solid Waste and Recycling Industry Advisory Committee
Key Topic Discussion Feedback Summary – September 10, 2024**

At the September 10, 2024 Solid Waste and Recycling Industry Advisory Committee meeting, committee members provided input and feedback on the generator levy. A summary of feedback received is presented below.

This feedback will be considered as part of the idea generation phase of engagement on the solid waste management plan update, and will also be reported to the Zero Waste Committee.

Discussion Questions	Feedback
<p>What are your thoughts on the generator levy?</p>	<ul style="list-style-type: none"> • Understand the intent, but it seems overly complicated • Seems like a tax might work better rather than asking haulers to collect and remit • Recyclers benefit from a higher garbage tipping fee as it incentivizes recycling • Questions related to changing the current system, if we didn't have the generator levy: <ul style="list-style-type: none"> • Who will take on the burden of social change initiatives, if not the public entity funding such initiatives (through generator levy)? • Who will build recycling depots? • Generator levy is important to fund the system but should be funding work to create regulations that restrict materials from being disposed and invest in technology for source-separation.
<p>What does it accomplish?</p>	<ul style="list-style-type: none"> • Prevents the flow of waste outside the region by making it more costly to dispose of waste outside of Metro Vancouver • Discourages use of less costly private sites • Generator levy is important as it helps to fund recycling initiatives such as mattress recycling, education, and behaviour change campaigns • Generator levy helps to raise capital funds for the maintenance and development of Metro Vancouver facilities • Generator levy helps to pay for the recycling and waste system in Metro Vancouver, but it also stifles innovation and competition • Captures loss of revenue if waste is transferred out of the region • The generator levy is required to avoid taxation to fund the public system • Re-use programs are an example of solutions that address gaps in the system, which accompany the current approach led by Metro Vancouver and can be funded by the generator levy

Discussion Question	Feedback
<p>What challenges do you see with the generator levy and how could these be addressed?</p>	<ul style="list-style-type: none"> • Metro Vancouver has the advantage of being able to send waste out of the region at a lower rate than private businesses (as private businesses would pay the generator levy on top) • Generator levy’s main focus is transferring waste to regional facilities (landfill/waste-to-energy). Instead, prefer to see money go into longer-term processing solutions (e.g. pre-sorting and pulling out some recyclables, equipment, processing capacity) • Recycling rates are set by the market and it fluctuates a lot; not a lot of money to be made so private companies may not be able to invest. • Neighbouring jurisdictions don’t have the same rules so haulers from outside the region can avoid the levy (Metro Vancouver staff note: haulers from outside of the region picking up garbage within Metro Vancouver are obligated to pay the generator levy the same as local haulers). • No proof of stated benefits that the generator levy increases waste reduction, increases efficiency, and reduces GHG’s. • People are not clear on what the levy is, and how it works exactly. A presentation on how it works would be helpful. <ul style="list-style-type: none"> • Increase transparency on where materials go after being received at Metro Vancouver facilities. • What about residuals from recycling facilities? Is that a loophole? • Explain the provision that prevents the generator levy from being collected twice for the same waste (for example when a private facility sends waste to Metro Vancouver facility) • Metro Vancouver’s comparisons to other jurisdictions are not applicable. For example, private facility rates in Toronto are much lower than the rates charged at City of Toronto facilities.
Discussion Question	Feedback
<p>How does the generator levy affect competition?</p>	<ul style="list-style-type: none"> • No compelling evidence supporting that the current approach is creating innovation. • Creates higher business costs across operations and supply chains. • The current price of \$145 is not competitive (for private facilities). Metro Vancouver has funds and existing infrastructure, and being both regulator and competitor, it’s not fair competition.

	<ul style="list-style-type: none"> • Comment that Metro Vancouver will not license any private facility to receive municipal waste in the region. • Currently haulers end up winning contracts based on proximity to facilities as opposed to other factors • Ensures that only Metro Vancouver can take waste out of the region, which has negatively impacted smaller waste businesses.
Discussion Question	Feedback
<p>What alternative regulatory approaches could be considered for Metro Vancouver?</p>	<ul style="list-style-type: none"> • Fees collected at solid waste facilities need to go up to encourage more recycling • Cost of the generator levy should be charged upfront (at the point of sale or the beginning of the product life cycle) rather than at the time of disposal; so the payment amount is still based on the level of consumption, but it's at the front end instead of the disposal end. <ul style="list-style-type: none"> • For example: Everyone pays half a cent for items bought – including visitors – so it's not all borne by the residents since visitors create a lot of waste. • Distribute the costs more evenly throughout the system • Incentivize with lower disposal fees on items that are highly recyclable • Put in a mechanism to report tonnage for private transfer stations and use that to fund the public regulatory system • Politically, it would be better to have a higher levy so those costs are baked into the services provided to municipalities • Look and what Singapore, Taiwan, and other high-density populations where there's a lot of waste generation potential. Are there takeaways we can adopt? • Less government intervention/input; the private sector can be more nimble than the regional district or the province. • Standardize requirements through provincial regulation – need legislation passed to establish a broader approach to long term waste management • Look at how we're spending the money now, to help analyze how effectively the funds are being used; is there a way we can manage the money from generator levy better to increase value from our efforts? <ul style="list-style-type: none"> • Example: San Francisco's disposal rate high because they apply a levy on waste, take money back from the levy and apply the surplus to subsidize recycling • Suggest Metro Vancouver put regional facilities up for auction and focus on regulating and compliance. Let private industry manage facilities and provide services. • Suggest a hybrid version where private sector can accept waste, pay a discounted generator levy to acknowledge their

	investment in infrastructure, and must accept the same materials as Metro Vancouver sites
Additional Comments	Feedback
	<ul style="list-style-type: none"> • Consistent political lobbying is needed within the industry • Our priority must be to remove recyclables from the waste. Focus on creating and enforcing restrictions and regulations that support resource recovery. • Government/Metro Vancouver does not have private sector expertise to effectively innovate and develop infrastructure. • Invest in and fund more diversion technologies and projects.

MEMBERS PRESENT:

Craig Hodge, Director, Metro Vancouver
Board of Directors (Co-Chair)

Aidan Kiani, Lock-Block Ltd.

Angus MacFarlane, Growing City

Christian Dietrich, Ecowaste Industries

Dayton Skei, EverGen

Dimitri Pantazopoulos, Waste Connections of
Canada

Ken Schultze, (Alternate for Fabio Scaldaferrri,
Pacific Mattress Recycling Inc.)

Glen Furtado, Cement Association of Canada

Happy Deol, Super Save Group

James Collins, Tymac Launch Service Ltd.

Jamie Kaminski, HSR Zero Waste

Maya Mouchachen, Merlin Plastics

Michael Zarbl, Major Appliance Recycling
Roundtable

Mike Lannin, Super Save Group

Patrick MacNeil, Wescan Disposal Ltd.

Pinky Vargas, Republic Services

Ralph McRae, Revolution Infrastructure Inc.

Shad Prasad, Cascade Recovery +