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Chair

Mr. Harold Albrecht

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● (1535)

[*English*]

The Chair (Mr. Harold Albrecht (Kitchener—Conestoga, CPC)): I'd like to call this meeting of the Standing Committee on Environment and Sustainable Development to order. This is meeting number 29. We're continuing our study of municipal solid waste and industrial materials.

Our witnesses today include: from the Canadian Council of Ministers of the Environment, executive director Michael Goeres; from the Neighbourhood Liaison Committee of the Highland Creek Treatment Plant, Mr. Frank Moir, co-chair; by video conference from British Columbia, for the Federation of Canadian Municipalities, Mr. Raymond Louie, first vice-president; and from Charlottetown, Prince Edward Island, the Island Waste Management Corporation, with Gerry Moore.

We'll begin with 10-minute rounds of opening statements. First of all, we have the Canadian Council of Ministers of the Environment, with Michael Goeres, the executive director.

Welcome, Michael.

Mr. Michael Goeres (Executive Director, Canadian Council of Ministers of the Environment): Thank you very much, Mr. Chair and members of the committee, for your kind invitation.

I'm delighted to appear in person before you today on behalf of the Canadian Council of Ministers of the Environment, if only because I've just come from a meeting of our deputy ministers committee and one of the key items of discussion at that meeting was waste management. We're preparing for a ministers meeting in September. As a consequence of our discussions today, waste management is going to be on the ministers' agenda.

This is timely. There's a lot happening in Canada and internationally. There is no lack of innovative approaches, both from the public policy perspective and from the business perspective.

I'll take just a moment, if I may, to tell you about CCME. First of all, we're based in Winnipeg, not Ottawa, and have been in Winnipeg since 1990. The CCME is a private association formed by environment departments to facilitate ministers and their staff. We are not a regulator. We are not a legislator. Anything we agree to is implemented by each government within its own area of competency, but the keys to what we do and the keys to any success we may have had are that we operate on collaboration and by consensus. We marshal the resources of all member departments to undertake work as directed by ministers and deputy ministers. We're working on a number of priority areas, which obviously include air, air quality, water quality, contaminated sites, and, most recently, waste management.

I've said that collaboration is one of the keys to CCME. Environment ministers have long been interested and active in waste management. Some of the key actions that governments have undertaken through CCME are as follows.

In 1989, ministers agreed to establish a target for a 50% reduction of packaging waste in this country. The goal was 50% reduction in the course of 10 years through the very active involvement of all governments, the private sector, and civil society. That goal was achieved in 1996.

In 2009, the Canada-wide action plan for extended producer responsibility was agreed upon by all governments. All governments are now currently implementing EPR within their respective areas on a wide range of waste materials.

We have an agreement with some key industry leaders to reduce packaging even further. That includes Walmart, Kraft Foods, Norampac Cascades, Starbucks, and Tim Hortons. Also, we work very closely with the Retail Council of Canada, Food & Consumer Products of Canada, and the Packaging Association of Canada.

By now everyone has seen the rather dramatic graph from the Conference Board of Canada from last year, which indicated that Canada gets a D on municipal waste generation. It ranked Canada last in the OECD, even after the United States, embarrassingly, though they were close. There's no question that we can do better, but we also have to acknowledge some of the successes and achievements so far from all levels of government and our citizens. It's not the case that governments, business, consumers, and other stakeholders have been doing nothing.

Most significantly in the last five years, EPR as a major policy approach has been adopted right across the country and, as I said, is being implemented by every provincial and territorial government. Within Nova Scotia, 42% of the waste is now diverted to landfill. In British Columbia, it's 35%. In Quebec, 29% of waste is diverted. Quebec and Manitoba have landfill levies, which they use to fund new recycling infrastructure. In British Columbia, 23 programs for EPR have already been initiated and, according to British Columbia, have created approximately 2,400 jobs and diverted over 150,000 tonnes of garbage from landfills.

There is, of course, a hugely important economic aspect to waste management. The recycling industry tells us that 119,000 jobs are created by the recycling industry, which is 10 times more jobs and revenue than the disposal side of the equation. Problematically, municipal expenditures on waste management are increasing. Between 2008 and 2010, they increased by 12%, from $2.6 billion to $2.9 billion. In our landfills, we're disposing of over $1 billion annually in the market value of those materials.

You will have heard from other witnesses about the Conference Board of Canada's recent assessment that for Ontario, for example, increasing the rate of diversion from the current 23% to 60%, which admittedly is a significant leap, would create about 13,000 jobs and increase GDP by $1.5 billion. It isn't just federal-provincial-territorial governments that are concerned. Obviously municipal governments are very key stakeholders in this. The Federation of Canadian Municipalities has been instrumental in bringing municipal governments and stakeholders together in the National Zero Waste Council. I'm pleased to say that I'm involved as an adviser to that group.

Industry members in many sectors have accepted the responsibility of managing the life cycle of their products and are self-organizing to more efficiently develop and provide the services they require to meet government's expectations for extended producer responsibility. Major industry leaders like Walmart, Costco, Unilever, Procter & Gamble, and Metro stores are reshaping the way they do business, working to eliminate waste in all of its forms, and adding to their bottom line.

Last year ministers asked us as officials to develop more information for them on the state of waste management in Canada. We're currently fact-checking individual jurisdictional bits of information in that report, but it gives us a snapshot of what's going on in this country. We've identified some innovative practices in it and outlined some key challenges and opportunities for us within CCME, as federal, provincial, and territorial governments, to consider. The report itself is still being readied for public release, but I'd be very pleased to share it with the committee as soon as we have it ready. I think you'll find it of great interest and use in your deliberations.

You've heard a lot about the magnitude of the problem: 33 million tonnes of residential and non-residential waste per year. The four most populous provinces in this country have the highest total amount of waste disposed. Only about 24% of that is diverted. Nova Scotia has the lowest disposal rate, and Alberta has the highest. There's a direct correlation between municipal expenditures and the rate of diversion. Our study has indicated that quite clearly. Overall in Canada, diversion has stagnated. There's only been a 3 1/2% increase since 2000 while total disposal amounts are increasing.

We've tried to parse the really critical aspects of our particular study and then tried to focus on where we can have the most impact with the limited amount of resources and effort that we can apply to it. Two overarching observations from this particular study that we've done for ministers have really resonated with FPT governments and will be informing collaborative work amongst governments for the next while.

Two-thirds of the waste disposed in this country is non-residential. Approximately one-third of our residential waste is diverted, so that means one-third of one-third, while only 20% of our non-residential waste is diverted. Most of our efforts collectively, so far, have been focused on residential consumers and the waste that they generate, but that's not the biggest sector to address. It's important, and we have to continue to do the things we're doing, but we're trying to focus our efforts on the larger generators of waste.

Secondly, what's emerged—and you will have heard this from previous witnesses—is that lack of data is a real problem. It's a problem for governments; it's a problem for industry; it's a problem for all stakeholders in this area. Within CCME, we have defined the industrial, commercial, and institutional and the construction, renovation, and demolition sectors as our two priority areas of focus. Working with stakeholders from these sectors, we're going to start by identifying the key issues, gaps, barriers, and opportunities, so that we can identify or develop the tools and best practices that will support jurisdictions' actions. We're also very mindful of the particular circumstances of rural and remote regions. Not everything that works for large metropolitan centres works beyond their boundaries.

● (1540)

As well, organics waste will be receiving our attention. Biodegradable material, such as food and yard waste, constitutes approximately 40% of the residential waste stream in Canada and, based on an Ontario estimate, perhaps 20% of the non-residential waste stream. Most of that comes from the institutional and commercial sectors.

The Chair: I need to interrupt you here. We've gone beyond your time. Maybe you can work in some of your remaining comments later. From the material that I have, I can see you have about a page left.

To committee members, because this wasn't available in both official languages, you don't have it in front of you today. It will be distributed as soon as it's translated. I would encourage you to read it, as it's very helpful.

We'll now move to Mr. Moir for a ten-minute statement, please.

● (1545)

Mr. Frank Moir (Co-Chair, Neighbourhood Liaison Committee, Highland Creek Treatment Plant): I'm here to talk about the lessons learned from the biosolids environmental assessment that was undertaken for the Highland Creek sewage treatment plant in the city of Toronto.

My name is Frank Moir. I'm the co-chair of the Highland Creek sewage treatment plant neighbourhood liaison committee. This committee provides an information bridge between the City of Toronto plant staff and the adjacent community. We meet twice a year to discuss matters of mutual interest.

Highland Creek is one of the four treatment plants in the city of Toronto. The plant was built in 1955 and is located at the mouth of Highland Creek in eastern Scarborough. There are four plants in the city. The main plant, Ashbridges Bay, is right downtown. There's one in the west, the Humber, and a small one up on the Don River.

What is a biosolid? A biosolid—sludge—is the highly odorous solid-liquid material left after the treatment of sewage. It contains pathogens, nutrients such as nitrogen and phosphorus, heavy metals, various industrial chemicals, pharmaceutically active compounds, and other emerging substances of concern. It is not just human waste. It's 25% solid and 75% water.

What is the issue? In 2002 the newly amalgamated City of Toronto wanted to solve the problem of sludge disposal at its four sewage treatment plants. It was decided to undertake a biosolids master plan class environmental assessment.

This is a municipal class environmental assessment, and is managed by the proponent, which in this case is the City of Toronto. Proponents must follow the planning process set out in the provincially approved class EA document. All class EA reports must be submitted to the provincial Minister of the Environment for final approval. If there remain significant environmental concerns that are not resolved through the class EA process, the minister may decide to intervene.

As far as Highland Creek EA was concerned, there were three main steps. The first step was to define the problem; the second step, to identify possible solutions to solve the problem; and the third step, to identify the preferred solution to solve the problem.

In the first stage, the city needed to define the problem. The city needed a safe and environmentally acceptable solution for biosolids disposal for the next 20 years. The sewage treatment plant was built in the 1950s, and Highland Creek had sludge incinerators installed in 1975. They have been operating continuously since then. However, the incineration equipment is outdated and needs replacement.

Eleven alternative solutions, in step two, were looked at for Highland Creek, and then a short list of three possible solutions was selected: continue on-site incineration; land application, sometimes called beneficial use; and landfilling or landfill cover. The results of the analysis were reviewed with interested agencies and the public.

In step three, the preferred solution was selected. The three shortlisted options were evaluated for 21 environmental, social, and economic indicators. The highest-scoring option, and the preferred alternative for Highland Creek, was for new updated incinerators with enhanced emission controls. In October 2009 the final report was tabled for a 30-day public review and there were no objections. Council accepted the solution for three of the plants, but not for Highland Creek. More studies were requested.

The staff undertook the additional studies, but again recommended the incinerator upgrade for Highland Creek because it was the least-cost solution, it had the lowest greenhouse gas emissions, and it had the least negative social impact on the community. It provided a safe and reliable solution familiar to plant operators. It was preferred by the local community because it avoided having five large odorous sludge trucks passing through seven kilometres of local streets every morning.

Then council reversed the environmental assessment decision. In June 2010 council ignored the EA recommendation and voted to implement agricultural land spreading, with landfill as a backup.

● (1550)

The community was shocked to hear council's decision. Letters were written to newspapers; 1,500 signed petitions were submitted, requesting the city restudy the issue; presentations were made to various city committees; and a meeting was held with Ministry of the Environment staff to express our concerns that the city had acted illegally.

The city, however, had a problem. Many councillors wanted their solution implemented, but council hadn't approved the environmental assessment report for Highland Creek. So the city said they had to hold another public meeting to inform the community of council's decision. They had that meeting, and they reported the city's preference for land-spreading. However, there was very strong community support for the incinerator upgrade.

Staff promised to issue a revised biosolids master plan report for 30-day public review by early 2012. However, they did not deliver.

Just to give you a little history—I have some pictures for you in the final PowerPoint presentation—sludge trucks are big, long trucks that are loaded from the top and tip out. They have canvas rollback covers. They don't have a sealed cover on top. When this thing drives down the highway, the canvas stops the rain getting in but it doesn't stop the odours getting out.

The route in Highland Creek is seven kilometres from the treatment plant through a very busy neighbourhood in eastern Scarborough. It goes up across Kingston Road, along Lawrence and Morningside, up past the new Centennial computer centre, past the new aquatic centre that's being built for the Pan Am Games, and to the 401. Then it goes we're not sure where.

This is distinctly different from the situation in Ashbridges Bay, where the plant is only half a kilometre from the Gardiner Expressway. The trucks don't go through any residential areas. But these areas are residential and commercial, and include schools.

In 2005 Toronto was trucking its sludge to Michigan, and one of the trucks spilled right in the middle of the town of Flat Rock. What happened was that the truck came to a halt—the sludge is basically solid, but when you shake it, it goes to liquid—so it all spilled over the front of the truck right onto the street. It took two days to clean up. Six to nine months later, the State of Michigan closed the border to Toronto sludge and also garbage. At that point, Toronto had to make very rapid alternative arrangements.

What are other communities doing? The adjacent regions of York and Durham, which are to the north and east of the city, and Peel on the west all use sludge incineration with emission controls. This is also the case for many large North American and European cities. Many food producers will not accept produce grown on land fertilized with biosolids.

The city finally backed down in the summer of 2012. They met with Ministry of the Environment staff to discuss the situation. The MOE staff cautioned that the city might have trouble getting the biosolids master plan EA approved because of community opposition. Requests to the Minister of the Environment for a bump-up, if successful, could have delayed the work on all four plants. The city staff decided to close off the existing biosolids master plan for the three plants and do a new EA for Highland Creek.

Council agreed in November 2013 to the new EA. The work started in April 2014 and will take 12 to 18 months. All possible options for sludge disposal will be considered and evaluated. Public consultation will be an important part of the process. The first meeting is scheduled for next week.

In conclusion, there were some lessons learned. By not accepting the preferred solution recommended in this class environmental assessment, the city council did not adhere to the principles of the municipal class EA. The city staff were unable to rewrite the final biosolids master plan report to justify city council's decision. And the threat that the minister might not approve the EA because of opposition from the Highland Creek community was sufficient to trigger a new EA for Highland Creek.

I will conclude by saying that environmental assessment is an important and effective tool to ensure that citizens' voices are heard. Getting involved in community affairs is important.

Thank you for your time.

● (1555)

The Chair: Thank you very much, Mr. Moir.

We'll now go to Burnaby, British Columbia, via video conference. From the Federation of Canadian Municipalities, we have Mr. Raymond Louie, first vice-president.

Mr. Louie, please proceed with your ten-minute opening statement.

Mr. Raymond Louie (First Vice-President, Federation of Canadian Municipalities): Thank you, Mr. Chairman, and good afternoon to you and the committee members.

I am honoured to have the opportunity to present to the committee this afternoon. I am the first vice-president of the Federation of Canadian Municipalities, and I'm also the vice-chair of the Metro Vancouver regional district, which is a federation of 22 local governments here in the Greater Vancouver area.

Today I'm speaking on behalf of the National Zero Waste Council, which has been developed by Metro Vancouver and the FCM to find fundamental solutions to a problem that all of us face here in our country and can only be seriously addressed through national action.

I know we've distributed our material to all of you. I hope you have it in front of you. I'll be referring to my slides and asking for the committee members to turn your pages as I reference them. I hope you also have our National Zero Waste Council brochure, introducing who we are and what we do. I'll be happy to take any questions afterwards.

The Chair: We have both of those materials. Thank you for providing them to us.

Mr. Raymond Louie: Thank you very much.

You'll see on the agenda what I hope to go through with you today, including how we perceive the problem and the areas we will be focusing on, through the five working groups. I will close with some opportunities, which I hope the federal government will take seriously and engage in with us at the National Zero Waste Council.

Slide 3, which says “too much garbage” at the top, shows that in the 2013 report released by the Conference Board of Canada, Canada ranked below our 17 peers in terms of waste generation. That really is the crux of our problem. Our local governments across Canada spend close to $3 billion annually to deal with our waste. These are taxpayers' dollars that, at a time when we have major infrastructure gaps that we need to address—such as waste water, transit, and housing affordability—could be, I think, better spent and redirected to those issues if we would be more efficient in terms of our waste generation and our waste management.

Slide 4 highlights the costs to us and pays attention to not just the cost but the environmental issues. We are generating too much waste. Managing our waste involves not only the environmental issues at the front end but also the upstream impacts. A third of the greenhouse gas emissions that we create, which do such things as raising our sea levels, come from industry and agriculture. Now, both of these are important, and we need the products that industry makes and farmers provide for us, but, of course, in certain instances, and through experience.... The UN food agency, for instance, put out a report in 2013 that shows about a third of our food is thrown away. This food never ends up on our plates. If we can eliminate this food waste, that means that about a third of the water we expend to produce that food, a third of the fertilizer, a third of the transportation costs, and so on can be saved, and those energies and monies can be redirected elsewhere again.

The same argument can be made for industry. We produce a number of products that provide good service to us. But, of course, they wear out too quickly; they're expensive to repair; and in many cases they cannot be repaired. They all end up in the garbage dump, but that's not the end of the story. Oftentimes that is the end of the story for consumers, but at the municipal level, we know about the energy that goes into producing these products, whether it be mining for the resources, manufacturing the product, distributing it, or retailing it. All that disappears from the value equation and instead there is a cost item for the local municipalities as we need to deal with that waste.

The next slide says, “toward a circular economy”. To address this problem, we need to internalize the costs of waste generation at the production phase; we need to educate the marketplace about the costs of this; and we need to make better and more effective choices. We need to get at the root cause and prevent waste from being generated in the first place. We need to move away from what we have now, which is a linear economy, in which we extract resources to produce the products, we distribute them, and then we end up having the situation I previously described. This is all done without any incentive to consider the garbage that is generated at the end of that process.

Instead, we need to shift to a more efficient economy, which is a circular economy, in which products are better designed and can be repaired, recycled, and reused at what appears to be the end of their useful life. Through a circular economy, we hope that waste will be reduced at all stages of the supply chain.

Slide 6 says, “prevention is better than cure”. Changes of this magnitude are, frankly, largely out of the control of local governments. That's the reason for the building of this national organization, in collaboration with the FCM and Metro Vancouver. But even nationally, this challenge is daunting because of the international nature of economies around the world. Thankfully, we find that we're not alone. For instance, the British government recently released a policy paper, “Prevention is better than cure: The role of waste prevention in moving to a more resource efficient economy”. You'll see the ministerial forward. I won't read it to you, but you can refer to it.

● (1600)

The next slide on the World Economic Forum shows that, again, as I stated earlier, we're not in this alone. The World Economic Forum makes the same point that it is to our advantage to move to a circular economy. It states:

> Linear consumption is reaching its limits. A circular economy has benefits.... This is a trillion-dollar opportunity, with huge potential for innovation, job creation and economic growth.

The next slide shows our National Zero Waste Council's vision and mission. I'll just read the vision to you: “Canada united in the achievement of zero waste, now and for future generations.” I would highlight the words “future generations”. Our mission is to “act collaboratively” with all sectors and find common ground that heads towards our goals.

The next slide is on strategic directions. Our council is currently working on two strategic directions: catalyzing change in the design of products and packaging to allow them to be more easily reused, recovered, and recycled, and promoting behaviour change amongst the sectors of society, with the goal of reducing the amount of waste entering the waste stream.

The next slide shows our governance structure. We have a chair; a vice-chair; a management board; a collaboration board; five working groups; a secretariat, which Metro Vancouver is currently; and our members, which are wide and diverse. It is a multi-stakeholder council, with groups such as the Canadian Council of Ministers of the Environment, the Canadian Stewardship Services Alliance, and the prestigious Cradle to Cradle institute from California. We hope to continue to grow that list. That's part of the reason why we're here today talking to you.

The next slide is on priority areas. The council has three priority areas: building public awareness, policy harmonization, and knowledge exchange.

We also have five working groups. I'll go through them briefly for you. The next slide is on working groups, as shown on page 12. First is a national communications campaign group aimed at strengthening public awareness. Again, there is additional language there, but I'll leave it to you to go through the more specific language of these various working groups.

The next slide, slide 13, is on the working group on food waste. A food working group is looking at opportunities for policy harmonization that could best keep food out of our garbage and bring forward measures driven on a Canada-wide scale, including advancing federal and provincial tax incentives for food donations.

Slide 14 is on the product and packaging design group, which is aiming to increase the understanding of barriers that stand in the way of reducing packaging waste and also to increase the recovery of packaging materials. This includes identifying and addressing the technical, regulatory, and behavioural impediments. Of particular note, we're looking for policy harmonization Canada-wide.

The next slide is on the circular economy. We touched on that earlier.

The Chair: You have just one minute.

Mr. Raymond Louie: Thank you.

Mr. Chairman, maybe what I'll do, then, is move right to the end, which is the most important part. Slide 17 is about the federal role. What we hope is that you engage with the National Zero Waste Council; that you develop a Canada-wide strategy to reduce waste; that you develop incentives for producers and consumers; and that you reduce waste.

These three final points are on the slide, but I'd like to make them for you. First, we know that we all produce too much waste and that we need to do better. Second, local governments bear the brunt of this in facing the direct costs of waste management, but with little scope to solve the problem. Third, we need the federal government —it's the missing piece—to address this issue.

I'll leave it at that. I hope the committee has the opportunity to read the rest of the material.

Thank you, Mr. Chairman.

● (1605)

The Chair: Thank you very much, Mr. Louie.

You've left us with very good material. I'm sure committee members will be looking at it in more detail. Also, in your responses to questions that committee members may have a little later, you're free to make any points that you were unable to make in your presentation.

We'll move now to the Island Waste Management Corporation and Mr. Gerry Moore, the chief executive officer, from Charlottetown, Prince Edward Island. It's great to have witnesses from coast to coast today.

Welcome, Mr. Moore.

Mr. Gerry Moore (Chief Executive Officer, Island Waste Management Corporation): Thank you very much. It's my pleasure to be here this afternoon. It's late afternoon here Atlantic time.

I wanted to give you a little bit of the history of Island Waste Management. Island Waste Management is a provincial crown corporation that administers and provides solid waste management and services for Prince Edward Island. Waste is managed on a provincial basis in P.E.I. as compared to normal municipal bases in other parts of the country. I guess our geography has something to do with that.

Island Waste Management's mandate is to deliver a cost-effective and environmentally responsible waste management system for the residential and the commercial sectors of our province. It is a corporation organized under a board of directors with the day-to-day operations administered by me, the chief executive officer. We also have a mix of private and commercial identities that do a lot of the business we do.

We're fully integrated. We collect for every home in the province, and we do that via a commercial tendering process for contractors to collect the goods. All of our organic material collected province-wide goes into a central composting facility that processes all the organics collected on the island. That's a $20 million facility.

In addition to that we have under contract an energy-from-waste facility that takes the non-recyclable and non-compostable items and turns it into steam energy used as the central heating system for the University of Prince Edward Island and the Queen Elizabeth Hospital in Charlottetown, and it's on a grid that does a lot of commercial power. Both provincial and federal buildings use that for heat.

As for our history, Prince Edward Island isn't really blessed with a lot of areas that can house landfills without being close to someone. Unlike other jurisdictions, trying to source a landfill can be somewhat difficult. The province and the community understood that. At the time Island Waste Management was created, we had roughly 35 municipal dump sites in the province. Those have all been closed. We only have one municipal landfill now.

We generate roughly about 100,000 metric tonnes of waste annually, and we have diverted well over 50% of that waste since this program was put in place.

We have programs for many goods. In addition to compost and recyclables, we also have a used tire program. We also have an electronic waste disposal. And very similar to other jurisdictions we have a whole host of items we would divert under our program. We're well under way with our program.

An issue that we think that perhaps the federal government can assist us with is that there really isn't any financial consideration given for those who are attempting or trying or actually making an effort to divert. Again, on our own, this is totally funded by the taxpayers of the province. We charge a homeowner rate to every individual in the province to collect the waste curbside. It's separate from any property, municipal, sales tax, or anything. It's an Island Waste Management fee that's charged to each homeowner in the province. We charge that fee on a full cost-recovery basis.

We have made tremendous strides, most notably with the closure of 34 of the 35 landfills that were in the province. Really our concern is that given that there's no either incentive or disincentive for those who may want to do it a different way, the cheapest thing to do is to place all waste in the ground. It's not the right thing to do, but it's the cheapest thing to do. But there's no financial consideration given to municipalities or provincial jurisdictions that want to attempt to do it the right way.

● (1610)

In addition to that, what we've found in the recycling market is that there are ever-changing packaging materials and goods are not clearly identified as to the recyclability of their materials. As an example, you will note that for many packages you get from a grocery store, for instance, it is almost impossible to find out if that material is recyclable or not. One thing I would like to pass on is our feeling that it's hard to recycle something if it's not clearly marked as recyclable. We feel it's important for the federal government to take a role in having packaging materials clearly identified as to their makeup, so that if they are recyclable, they can be recycled.

These would be my initial comments. Thank you.

The Chair: Thank you very much. That's very helpful, Mr. Moore.

We're going to now proceed to the committee members and their questions.

We'll begin with Mr. Woodworth, please, for seven minutes.

Mr. Stephen Woodworth (Kitchener Centre, CPC): Thank you, Mr. Chair.

As always, my thanks to the witnesses today for your helpful evidence.

I am going to direct most of my questions to you, Mr. Goeres. The reason for doing so is that I have developed an interest in extended producer responsibility and I'm aware of the good work your group is doing in that area. I'm hoping that you can give me some further details. I really only have four questions for you.

The first is this. The way it's working right now, every province is working on its own extended producer responsibility program, stewardship and otherwise. Why doesn't the Government of Canada simply legislate and regulate extended producer responsibility across the country? Or to put it another way, are there barriers or advantages to working in the collaborative manner that the Canadian Council of Ministers of the Environment is pursuing?

Mr. Michael Goeres: I would argue that without the collaborative approach from the federal-provincial-territorial ministers of government, we would not have achieved the 2009 Canada-wide action plan for extended producer responsibility, which was begun by ministers collectively in 2000. The development of that took a very long time. That plan represents a consensus of governments at that time.

The intent was that the basic policy requirements of that plan, which we call CAP EPR, would be the basis for a common policy approach, recognizing the constitutional responsibilities of each order of government and, therefore, that each province and territory, with its municipal partners, would implement the broad outlines and the broad intent of CAP EPR as it saw fit for its own particular circumstances.

Mr. Stephen Woodworth: Do you mind if I translate that into language that I think might be understandable to my constituents? That is, it's the provinces and municipalities that really are the front-line people charged with delivering these programs. Therefore, it only makes sense that they should be involved in the development of the policies and standards. Is that a correct rephrasing of what you said?

Mr. Michael Goeres: In part it is. The responsibility for the collection aspects of CAP EPR have been in most cases delegated to municipalities through provincial power. The intent of extended producer responsibility is to impose the responsibility for the life cycle of a product on the producers. The challenge that governments are confronting, of course, is putting that policy into practice on the ground. The chosen methodology so far has been to utilize the existing collection systems and the existing municipal infrastructures.

● (1615)

Mr. Stephen Woodworth: Here's my second question. That plan you've mentioned, which I believe was published in October of 2009, included a provision for a phase one, with a commitment to work towards managing a number of products and materials in operational EPR programs within six years of the adoption of the CAP. Now, I'm assuming that the adoption was 2009, and six years takes us to 2015. I appreciate the complexity of the issues, but could you give us a status report on phase one? Is it going to meet that 2015 target? What can you tell us? Is there in fact a report that's been prepared with that status information?

Mr. Michael Goeres: In fact there is a report. It is going to be published, I would estimate, within three weeks, and it will show that every province and territory either has or will have by that deadline the appropriate regulatory or legislative requirements in place to enable EPR programs for the range of materials.

Mr. Stephen Woodworth: That's excellent. I hope, Mr. Chair, we'll perhaps be able to get a copy of that if and when it's issued, before we finish our report.

The Chair: Mr. Woodworth, he is nodding that it will be available.

Mr. Stephen Woodworth: Good.

I will ask my third question really with a kind of amazement, because often on this environment committee, of which I am the longest-serving member, when we encounter a problem, I'm always amazed to find that governments are already responding to it and are on top of it. I'd just like to know a little bit about the role of Environment Canada and the Canadian environment minister within the Canadian Council of Ministers of the Environment. What contribution is made federally to that work?

Mr. Michael Goeres: I assume that means besides money.

Mr. Stephen Woodworth: It's money too. Just give me some notion of how much of the funding comes from the Government of Canada, for example.

Mr. Michael Goeres: It's one-third of the funding, and that's been the practice since 1964 when the Canadian Council of Ministers of the Environment, then resource ministers, was created. It's been a very long practice.

Environment Canada plays a very important role. The environment itself is an area of shared responsibility, as you know. Environment Canada also has a depth in its science capacity and, frankly, a depth in its human resources that individual provinces don't have. The counter to that is that a number of provinces have a depth of expertise in particular areas that Environment Canada does not have, and together they are much greater than the sum of their individual parts.

The federal minister is one of the 14 ministers around the table. This is a somewhat different forum in that it is not a federal-provincial-territorial forum. It is a federal, provincial, and territorial forum. Each minister sits as a minister of the environment within his or her own right. There is no co-chairing. There is an annual rotation around the table. Every member takes a turn.

The Chair: You have about 10 seconds. I think you're ambitious in trying to get four questions in there.

Mr. Stephen Woodworth: What are the next steps on the CAP, the action plan for extended producer responsibility?

Mr. Michael Goeres: We just completed a five-year review. The results are going to ministers and will form part of the background for their discussion in September.

The Chair: Thank you very much.

Thank you, Mr. Woodworth.

We will move next to Mr. Choquette.

[*Translation*]

Mr. François Choquette (Drummond, NDP): Thank you, Mr. Chair.

I'd like to thank all the witnesses for being at our meeting today and sharing their expertise with us. Their input is invaluable to our study on waste management.

My questions are for Mr. Goeres and Mr. Louie.

You talked about a report that I found shocking. I was shocked to learn that the Conference Board of Canada had released a report in which it ranked Canada the last among 17 peer countries in terms of waste generation.

I had wondered why a study on waste management was so urgent, and now I know. We have a lot to do, and we need to act as a matter of urgency. I hope the committee will be able to issue some solid recommendations at the end of our study given how serious the situation is.

By the way, it would be wonderful if one of you would provide the report to the committee so the members could read it and our analysts could review it.

My first question is for Mr. Louie.

You've done a great job, and your presentation was extremely clear. What is the federal government doing right now on the matter of the circular economy, which you described quite well and would like to see put in place?

● (1620)

[*English*]

Mr. Raymond Louie: Thank you so much for the question.

At this point in time we're not aware that the federal government is involved with transitioning from a linear economy to a circular economy. This is the first step we are taking, as the National Zero Waste Council, to highlight the fact that we've been working for far too long under the linear system, which is reliant on a very resource-rich environment and is designed to provide good service to our citizens without recognizing the end-of-cycle costs. So our hope is that through this effort today, through this opportunity, we can, in turn, engage the federal government in a more meaningful way.

I know that both in the U.K. and in Europe their national governments are much further ahead in their engagement with regard to extended producer responsibilities and understanding the up-stream impacts of waste generation.

[*Translation*]

Mr. François Choquette: If I understand you correctly, then, the federal government has not done anything so far in that regard; it hasn't had any involvement in the circular economy. I believe you included a recommendation on the issue at the end of your document. I am sure it will end up in the final report since you explained how the linear economy was no longer sustainable in the long run, either in terms of pollution or greenhouse gases.

I also noted that you pointed out the fact that waste management represented a huge cost for municipalities. I believe I saw somewhere in your notes that they spend $2 billion or several billion dollars managing waste. I wouldn't want to make a liar out of you. It's actually $2.5 billion that municipalities spend on waste management. Hence the tremendous importance of the federal government getting involved in the area.

You recommended that the federal government develop a national waste reduction strategy and introduce related incentives. Could you kindly elaborate on that recommendation and give us some examples of incentives the federal government could introduce? What might a national strategy look like?

[*English*]

Mr. Raymond Louie: The issue is that we are going through a consultative process with a group of entities right now. I think it might be a bit premature to give exact examples of what it might look like, but we do think the first step is to have a collaborative initiative that includes the federal government, and together we can design the programs recognizing the strengths of each of the organizations. As a representative of local government, I think it's the most respectful way for us as a local government to be engaged in that process when we have individuals come to us. Our local council is asking us to be engaged or asking us for resources. I think in the development of whatever initiative they're proposing it is important to have that early dialogue. We're actually asking for an integrated coordinated collaboration with the federal government at this point in time.

[*Translation*]

Mr. François Choquette: Thank you.

I want to use the last few moments I have left to ask Mr. Moore a question.

If I understood you correctly, you made a recommendation about the role the federal government should play in the design of products and packaging to make them easier to recycle. Could you kindly elaborate on the importance of that and the possible consequences of the federal government not doing anything in that regard? Could you be a bit more specific about what exactly you'd like the federal government to do?

[*English*]

Mr. Gerry Moore: Thank you very much for the question. I guess in Prince Edward Island as indicated, we currently have a full recycling program for metals, plastics, glass, tires, batteries, and electronics, based on our size. But we find that a lot of packaging does not identify the type of plastic or material that it contains, so it's pretty hard to educate consumers in our province. Right now we recycle plastics numbered one through seven, but it's hard to recycle those if the packaging material isn't numbered one through seven, because if it's not, you can't identify the type. We find that there is a lot of packaging that is not identified or the identification is so small that the average person couldn't clearly see it without looking at it under a microscope.

I think it would be a very simple thing to have regulations regarding the size of the number on packaging so that it is clearly identifiable as a recyclable material. We can recycle it if we know what it is, but it's pretty hard to recycle when you don't know what it is.

● (1625)

The Chair: Thank you very much, Mr. Choquette.

Mr. Toet, go ahead for seven minutes.

Mr. Lawrence Toet (Elmwood—Transcona, CPC): Thank you, Mr. Chair.

Thank you to our witnesses today.

Mr. Moore, I just wanted to pick up on your last comments regarding the ability to know what particular plastic is in the product. We heard from a witness the other day from Emterra, which actually has a technology that will allow them to do an optical reading on all plastics and get away completely from the hand sorting. In fact she said that the hand sorting going forward is really not an alternative because of the cost of the human intervention. Are you aware of that technology or is it something you might be looking at, Mr. Moore?

Mr. Gerry Moore: I am aware of the technology. The problem is that in Prince Edward Island, we have a full source-separated program. What that means is that each home in the province is required to source-separate its waste into multiple streams, namely, compost, recyclables, and waste.

If Mrs. Smith in Charlottetown or Mr. MacDonald in Summerside opens up a package of Christie cookies and the loop or the identifying marker on the label on that packaging is not visible, they're not about to have an optical sorter to determine that. So what they have to do is....

If they're in doubt, we can't recycle it, when clearly it could have been a recyclable product if the manufacturer had simply made it identifiable as such.

Mr. Lawrence Toet: That's also where adaptability comes in. If there is new technology, sometimes we have to look at changing how we're actually doing things. Maybe the sorting at home has to be done in a different manner. I think it's just important to note that there are technologies out there. I agree with you that labelling is greatly important, but if we can find a solution to actually do it in a more efficient way rather than the hand-sorting, that might be something to look at very closely.

Mr. Louie, I want to ask you about your comments regarding working with the provinces and territories and municipalities. You talked about the collaborative approach and the need for collaboration on this. I think it's important to note that. I mean, you obviously would understand, it being a jurisdictional issue, that....

Being from the Federation of Canadian Municipalities, I would assume you wouldn't want the federal government to come in and dictate terms to you on how you have to handle your waste in each individual municipality. You'd like some help and some guidance on that, but you'd like to be able to work together on it rather than an approach where the government would step in and say “This is what you're going to do”.

Mr. Raymond Louie: Thank you for the question.

I think generally I would agree with what you've said. There are instances, I think, where government of whatever order needs to make some very definitive decisions when they see the larger perspective—i.e., that costs to local government are very high and growing. Given the fact that local governments are very challenged economically right now, we are looking for every opportunity to reduce our costs.

So what we're hoping for is that—

Mr. Lawrence Toet: That's all understandable, but obviously you wouldn't want us to step in as a government and take over that role as opposed to working with you on establishing ways of doing that in a more efficient way. I think we are all on the same page on that. I think it's just important to note that, because of jurisdictional issues, we cannot just step in and say “We're going to take over, and this is how you're going to do it”.

● (1630)

Mr. Raymond Louie: No, you are correct. It's not dissimilar to our hopes with wastewater treatment, where general regulations were established and we have to meet certain standards. Now we're dealing with that on a municipal level.

It's the same situation here for solid waste. We're hoping that we on the front end can develop systems in place collaboratively to meet the highest standards as set out by the federal government and provincial governments but keep costs low and provide better service to our community.

Mr. Lawrence Toet: Mr. Goeres, you talked about Nova Scotia being the lowest and Alberta the highest, and you highlighted the difference. Through the research you've done, have you been able to determine what the differentiation is and why that is there? Are there some lessons to be learned from one jurisdiction to another on how we can improve?

Mr. Michael Goeres: Lessons learned is the exercise that we're going through right now. From the people I've spoken to, some of the reasons for Nova Scotia's relative success have been the regionalization of their landfills, the ban on organics and recyclable materials into the landfills, and an absence of the same kind of economic fervour that Alberta has.

Mr. Lawrence Toet: You also talked about the jobs in the recycling industry. You mentioned 119,000 jobs. You also talked about the increase in GDP by $1.5 billion.

That would lend me to think, as a businessman, that there are also great opportunities in this to attract business, that business would be very attracted to these industries, and that there is a real strong ability to make some money because of the change in attitudes and also the change in approach. Are you seeing that through your work? Are you seeing businesses coming forward that really want to work with you to create opportunities to actually expand and grow these industries?

Mr. Michael Goeres: I'm aware of a number of those. They don't necessarily work with us. I think Norampac, of Cascades, is an excellent example of one of those industry leaders. I mentioned a number of other companies in particular sectors that are doing all sorts of innovative things.

Some of the difficulties that recyclers in other industry sectors identify are things that are completely manageable—low or non-existent tipping fees for municipal landfills, for example, or the huge differentiation between Canadian tipping fees and American tipping fees when so much of our population is so close to the United States. Those are disincentives to do anything other than get rid of it somewhere else.

Our population is simply growing. The difficulty is that the growth in waste is higher than the population growth and is higher than the economic growth. This means that we have not rid ourselves, in any way, shape, or form, of the disposal aspect of our society, the "toss it in the bin" aspect. I grew up in the Bic pen and Bic lighter era. The marketing behind it was that you simply use it and throw it away. We still seem to have that.

The Chair: Thank you, Mr. Goeres.

Thank you, Mr. Toet.

We'll now go to you, Ms. Duncan. Welcome. It's good to have you back.

Ms. Kirsty Duncan (Etobicoke North, Lib.): It's nice to be here, Mr. Chair. Thank you.

Thank you to all the witnesses for their testimony.

Most of my questions will go toward you, Mr. Goeres, and then I'll turn to Mr. Moir.

Do we have data on pharmaceutical waste—residential, hospital, and industrial?

Mr. Michael Goeres: I'm not aware of the range of data we have. Through CCME we've done some initial work, related to biosolids, on identifying key contaminants of concern. That's generated a list. I'm not conversant with the range of data beyond that.

Ms. Kirsty Duncan: Could you table with the committee the list of contaminants of concern?

Mr. Michael Goeres: Certainly.

Ms. Kirsty Duncan: Thank you.

As well, Mr. Goeres, how is CCME defining and managing hazardous pharmaceutical waste?

● (1635)

Mr. Michael Goeres: We have not done any recent work in that area. We prepared, I believe in the mid-nineties, voluntary guidelines for the management of biomedical waste. Since that time, if memory serves me correctly, both the Canadian Standards Association and Health Canada have superseded those guidelines with standards and codes of practice and guidelines of their own.

As a body doing specific work in the environmental field, we have stepped away from that.

Ms. Kirsty Duncan: Do we have data on pharmaceuticals—this is very much related to the environment—in surface water, groundwater, and drinking water?

Mr. Michael Goeres: I would have to defer to my technical working groups on that.

Ms. Kirsty Duncan: No, this is solid waste; this has to be part of it. Can that information be tabled with the committee?

Mr. Michael Goeres: I don't know what information there is. I will look for it, and if I have any I will certainly table it with the committee.

Ms. Kirsty Duncan: So the last time CCME looked at pharmaceutical waste was when?

Mr. Michael Goeres: I wouldn't characterize it as looking at pharmaceutical waste. The last significant work we did that involved pharmaceuticals was through the development of the Canada-wide strategy for the municipal wastewater effluent, which resulted in the federal regulation you heard about, and our guidance on biosolids.

Ms. Kirsty Duncan: When was that?

Mr. Michael Goeres: Gee, you would think I'd know that off the top of my head. It is on our website. I believe that was 2009-2010, but honestly I'm guessing. The federal regulation on municipal wastewater effluent I believe was promulgated last year.

Ms. Kirsty Duncan: Okay. When have we looked at the data for pharmaceuticals in surface, ground, and drinking water? When did we start monitoring? Who's monitoring it now? Can we have the latest data?

Mr. Michael Goeres: CCME does not monitor. We establish the guidelines by which the provinces, territories, and, in certain areas, the federal government do the monitoring. We establish the guidelines for a particular chemical or substance of concern, which is then the basis on which that monitoring is done.

Ms. Kirsty Duncan: I appreciate that. Is this something that the environmental ministers are looking at?

Mr. Michael Goeres: I'm sorry. The question is....

Ms. Kirsty Duncan: Is this something the environmental ministers are looking at? There are real concerns around small concentrations of endocrine disrupters, for example, having detrimental effects on aquatic species and possibly human health.

Mr. Michael Goeres: Yes. The council is indeed looking at all of that. I read an assessment from our technical group not too long ago specific to endocrine disrupters and trying to assess the state of the science, so that we can begin developing the guidelines and governments can begin to do the monitoring that I think you're suggesting. The assessment from the technical people, from the scientists, is that the science itself is not ready to enable us to apply that additional screen to develop the guidelines.

Ms. Kirsty Duncan: Have you looked at other jurisdictions? I'm going to ask about precautionary principle, because research data is accumulating, and I think it's important to look at the adverse impacts of waste pharmaceuticals on the environment and human health.

Mr. Michael Goeres: Yes, in any of those discussions, the technical folks and the scientists are very conversant with the science, wherever it is coming from, and do scans all around the world.

Endocrine disrupters specifically and a number of other pharmaceuticals are on what I would call a watch-list. It's a long list of things that our technical groups are constantly reviewing and assessing so that when the time is right, which means when the science is available and when we have the ability to go at it, we will develop those guidelines.

● (1640)

Ms. Kirsty Duncan: As a former scientist, I guess I would always err on the side of the precautionary principle, and I think there's some concerning data.

I do want to ask you, Mr. Moir—

The Chair: You have about 20 seconds left.

Ms. Kirsty Duncan: —for your recommendations on biosolids.

Mr. Frank Moir: I think biosolids are a problem where there's no happy solution for everybody, but the thing that concerns me is that one-size-fits-all is inappropriate. The environmental assessment process is supposed to weigh all the multiple different things that come to bear on the decision-making process, one of which is obviously that different communities have different perceptions.

In Highland Creek, the people are basically happy with the situation that exists at the plant. It has been operating satisfactorily for 40 years. But city council decided on its own it had a better solution in spite of the fact their own study indicated something totally different.

I just want to get across the fact that it's important to go into these issues with an open mind and listen to the scientists, listen to the health people, and listen to all the issues, and then try to make an assessment that's appropriate for each individual position.

The Chair: Thank you very much, Mr. Moir.

Thank you, Ms. Duncan.

We will move now to Madam Freeman for five minutes.

Ms. Mylène Freeman (Argenteuil—Papineau—Mirabel, NDP): Thank you, Chair.

I would like to ask our guest from the FCM, Mr. Louie, if he could talk about the.... Actually, I have the presentation here only in French from

[*Translation*]

the Construction and Building Waste Working Group.

[*English*]

Since our witness from the Council of Ministers of the Environment did really point out in his presentation that two-thirds of waste is non-residential and is what really needs to be addressed, could we talk specifically about the construction, renovation, and demolition sector of solid waste? What *lignes directrices* are being worked on? What role do you see for the federal government?

The Chair: Thank you.

We just have to make sure that we were able to get interpretation to Mr. Louie.

Are you okay in French as well, Mr. Louie?

Mr. Raymond Louie: I am not. Thank you for asking.

The Chair: I didn't get the interpretation—

Ms. Mylène Freeman: I think I threw in four words. It was entirely in English otherwise.

The Chair: But I think the four words were the specifics of what you were asking.

Ms. Mylène Freeman: The construction—

The Chair: The construction and renovation?

Ms. Mylène Freeman: Yes, the slide on the working group on construction is what I'm looking at.

The Chair: Thank you.

Mr. Raymond Louie: What page are you referencing?

Ms. Mylène Freeman: I have page 16. I was just asking about what the working group's strategy would be and how the federal government would be involved. I'm not really referring to anything on the slide. That's all I was looking at.

Mr. Raymond Louie: Okay. As the slide mentions, the working group is currently establishing a prevention and diversion policy and guidelines for government. The hope is that, as was described, this amount of waste does not end up there. We're hoping to model this after a number of different jurisdictions and situations.

For instance, just yesterday, Vancouver City Council passed a deconstruction resolution. It will allow us to force any demolition of any house that is currently older than 1940 and deemed to have "character", at a 90% diversion rate. This is the first stage. It is a longer process and is slightly more expensive, but the cost is relatively small in comparison to the overall cost of the house. It's about $5,000, whereas it costs hundreds of thousands of dollars to create a house, but we end up with a 90% diversion rate coming out as a result.

The working group was just formed. The mandate is to try to recycle. We're looking to perhaps increase some of our current region-wide bans. For instance, we have a ban on clean wood waste in the Metro Vancouver region. That could be something that is layered in across the country as well.

Essentially, what we're looking for is not quite specific to the ICI group, but consistency across our nation, I think, is important for industry and businesses. I think we've talked a lot about government today, whether local, provincial, or federal government, but the major component of this is business. We believe that it would be a competitive advantage for Canada if we were able to redirect resources that would normally flow through the consumer into our landfills or some incineration plant and able to have the beneficial use of that waste as it's reused. But it's more important not to have it happen in the first place. I think that's the focus for all of our working groups, including the group related to construction and building waste.

● (1645)

Ms. Mylène Freeman: So essentially, on the role, that potentially could become a recommendation. Recommendations for the federal government could potentially come out of this for what their role would be. It would be to set minimum standards around prevention. Is that basically what you were saying?

Mr. Raymond Louie: Well, that's correct. There's a standardization across the country. In terms of materials, for instance, I know that in Europe there are more stringent standards in terms of the types of materials that go into the manufacturing stream and into the waste stream. If there are more materials and they are not easily separable, it makes it harder for the reuse and recycle component of it. We're hoping that as a result of our efforts here and education through the various governments, and through business and manufacturing setting certain standards, we can in turn influence the entire cycle on the front end.

The Chair: Thank you.

We move next to Mr. Sopuck, please, for five minutes.

Mr. Robert Sopuck (Dauphin—Swan River—Marquette, CPC): Thank you.

Mr. Moore, did I hear you right? Did you make the point that landfilling is always the cheapest option? Did I hear that correctly?

Mr. Gerry Moore: Well, certainly, in most cases, not having a properly functional landfill—one that's fully designed with leachate collection and so on—is the cheapest option. Because a lot of times, based on transportation and so on with the recyclable materials.... There are a lot of recyclable materials that have a market that fluctuates dramatically. In some cases you try to recycle them, but it actually costs you more money to do so than to simply put them in a landfill.

Mr. Robert Sopuck: I really appreciate your saying that, because I find, quite frankly, on this issue of waste management and recycling, there is far too much religion and not enough math. I think doing the math is absolutely critical.

In your case, does the P.E.I. recycling program actually cost you money, or can you break even with the program?

Mr. Gerry Moore: We're totally funded by our customers, who

are the residents of P.E.I., and I don't mind sharing that we charge each islander $205 to collect curbside waste, compost, and recyclables on an annual basis. For that $205 we recycle all the materials we can. We send some to an energy-from-waste facility where we can incinerate safely. The materials we can't send there go into the one remaining landfill that we have.

That landfill is not simply a hole in the ground. It's fully lined. All the leachate, all the water collected on the site, is treated in an on-site treatment system.

Mr. Robert Sopuck: You're saying then that the market value of the materials is probably not sufficient to cover the full cost of the entire program. You depend on that $205 per household. Is that a fair conclusion?

Mr. Gerry Moore: That's correct. You can't fund a program based on the market price of the recyclable material that you receive. It's not enough.

Mr. Robert Sopuck: I think you've nailed the issue directly, because, as I said, I think practitioners like you are the people who really know what can be done and what the limitations are.

Mr. Moore, how do you deal with low-value materials? I would assume you would landfill materials like glass, which is nearly impossible to recycle in any economic way.

● (1650)

Mr. Gerry Moore: We currently do not landfill glass. We currently grind it, actually, and use it as an aggregate material. You don't get anything for that. It actually costs money to dispose of that recyclable at this time.

What happens in the recyclable industry is that things change. The economic benefit of utilizing these materials for other means sometimes happens because you have it, and somebody knows you have it, and they would like to build a business case to utilize that material for the remanufacturing of some other component. That has happened. Even in our small community here in Prince Edward Island, we had one recycler that was using silage wrap. For those who may not be familiar with that, it is a wrap used for agricultural silage and it's a plastic that, for the most part, is non-recyclable. The recycler was using it to make plastic lumber by mixing it with other plastics to produce a reusable product. That plastic was then used to fence in the cattle that were using the silage wrap.

Things like that do happen if you have enough material on hand to do that.

Mr. Robert Sopuck: I represent an agricultural constituency, and silage wrap, I can see, would be an issue.

Mr. Goeres, given the potential benefits you outlined—I hear all these numbers and I hear about all these materials and all this potential and so on, but I think Mr. Moore has given us an idea of the limitations—what's holding this industry back from achieving the goals you outlined?

The Chair: You're at your limit.

We'll give you time for a short response, Mr. Goeres.

Mr. Michael Goeres: On the recycling aspect, you heard from Ms. Leung from Emterra Group about a good number of the problems and about some of the potential opportunities.

There aren't enough recyclables. They aren't well enough identified. There are too many programs in large metropolitan areas in which there are differentiations among what is recyclable and what isn't recyclable, and that's a real problem that municipalities have to address.

Also, at the end of the day, there's simply consumer behaviour.

The Chair: Thank you very much.

We'll move to Madam Liu.

Ms. Laurin Liu (Rivière-des-Mille-Îles, NDP): Thank you for your presentations. They're all really informative. I think we got a really good, interesting view of the very micro levels and challenges related to waste management, as well as some of the macro challenges.

My first question is for Mr. Louie of FCM. I wanted to refer to a motion that my colleague Ruth Ellen Brosseau tabled in the House a few weeks ago. She tabled a motion to make reducing food waste a top priority. You might already be familiar with the motion. I believe it got the support of FCM. Essentially it encourages the federal government to take action on reducing food waste, among other measures, such as facilitating the donation of safe and unsold food from the private sector to community organizations and food banks. I think it's a really great measure, and it shows that the government needs to take some leadership on this issue. What else do you think the federal government should be doing to reduce food waste?

Mr. Raymond Louie: Thank you for the question.

Certainly, we have some experience here in British Columbia. I know that Ontario also has legislation, in fact, that allows for that to happen by eliminating the liability issues with regard to some of the old food that is produced and is perhaps very much still edible but ends up in the dump because it's not able to be given to other organizations, needy organizations.

One way for that to happen is for the federal government to revise tax laws to encourage food donations, so there is some value to this food and it's not just the goodwill of these organizations that are giving it to needy organizations, but it is rather like any other donation for which there's an assessed value, a deemed value.

There should perhaps be some direction in terms of food labelling. There's a misnomer, certainly among the consumer population, that when they see a date stamped on products, it is a spoil date, when in fact that's not the case. The date on labelling is a best-before date, which guarantees a certain standard of food quality for the consumer, but it does not necessarily mean that it is no longer consumable or that it should not be consumed after that date. I think baby formula is the only food product that actually has an expiry date, so this should change.

If we can do both an education program.... These are just a couple of examples. It's part of the efforts of this National Zero Waste Council to highlight these things for organizations and provinces and governments as well.

● (1655)

Ms. Laurin Liu: There's a lot of education to be done. I know in my community of Rivière-des-Mille-Îles there are groups and citizens who are trying to educate consumers about food waste and about how to eliminate or reduce their food waste. These are certainly really very valuable initiatives.

I just want to move to something you mentioned in your presentation concerning the treatment of waste water. We know that the federal government proposed a new pan-Canadian strategy on the management of waste water. This is particularly controversial among municipalities because, as you know, there were new rules put into place, that would essentially obligate municipalities to upgrade their infrastructure without actually having any funding attached to these new roles. I heard from many municipalities and communities in my region that were upset about this measure. Could you maybe give the committee a general policy recommendation on what part the federal government should play in funding waste treatment plants and wastewater treatment plants?

Mr. Raymond Louie: Thank you for the question. I need to recognize, first of all, that there was an announcement and that a program has been created, the building Canada plan, which embeds significant new infrastructure monies through the Building Canada fund, which will help to address some of these issues, including wastewater treatment.

The FCM previously expressed to the federal government that, with regard to new regulations, we would have preferred the opportunity to have the discussion and influence the end result of that policy and that if new regulations were to be brought down requiring municipal governments to undertake these efforts, then attached funding should be made available and put in place as well. That did not happen as part of the Building Canada plan or Building Canada fund specifically, but we are able to access that funding.

At this point in time it is still uncertain when that money will become fully available to us. Negotiations between the federal government and the provinces are continuing, and the funding framework is still outstanding. Specifically here in Metro Vancouver, we are anxiously waiting, as we have a very large wastewater facility that needs upgrades to meet the 2020 deadline as set out by the federal government. This is an ongoing issue, which is why it's important for us as local government to have initiatives like this—and we're talking about solid waste—which in turn will save us all money, which we can redirect to things like wastewater treatment itself.

The Chair: Thank you.

Mr. Carrie, go ahead for five minutes, please.

Mr. Colin Carrie (Oshawa, CPC): Thank you, Mr. Chair.

Thanks to the witnesses.

First, I'd like to say hello to Mr. Moore from Minister Shea. She said she's had some great opportunities to work with you in the past.

I really enjoyed your presentation. The topic of our study really addresses technological innovation and best practices, and I liked what you had to say. I do have a question though about the numbers there. You said you charge $205 per person per year. Do you know how that compares to other municipalities for comparable service?

Mr. Gerry Moore: I do. Prior to the creation of Island Waste Management, the municipalities would look after that service, and it would be included in their municipal tax bill. There really wasn't any clear tracking of the waste component of their taxes. So it's very difficult to compare. But the $205 isn't per person, it is per household. I want to make that clear. It's per household, and for that $205 we provide each resident with collection carts. In P.E.I. they happen to be green and black, one for compost, and one for waste. We basically maintain those carts forever and a day.

So it's $205 per household. As for how that compares, the only thing I can say is that prior to waste watch, it wouldn't be uncommon for someone in a rural area of P.E.I. to have their waste collected by an individual—probably not really in the waste management business per se in a big way—and to pay $10 a week or $520 a year. Our rate is $205, which we are able to do through economies of scale and also because the recycler or the collection recycler takes back the market value of those recyclables that are collected from households. So in an indirect way, the consumer is benefiting from having a lower rate because the contractor is taking the recyclables out and using those to offset the costs of the collection for the homeowner.

Is that clear?

● (1700)

Mr. Colin Carrie: That's the type of innovative thinking I'm really interested in.

I have a couple more questions for you. You mentioned that you have energy from waste. I assume there are some profits with that. I'm curious as to how profitable that is as a business. Do you capture energy from the composting plant, and is that something people can potentially resell?

I have one last question. I was really impressed to hear you say you're doing it across the whole island, and I was wondering if you could let us know a little bit about rural P.E.I. and some of the growing pains and about how you get people to buy into this system the you have going there. Can you do all that within two minutes?

Mr. Gerry Moore: Yes, hopefully I can get that that done.

Voices: Oh, oh!

Mr. Gerry Moore: First of all, we have an energy-from-waste facility. It's a privately owned company that we contract with. We pay them for disposing of the waste. Because we have a source-separation program, most of the waste they receive is solid petroleum: plastics that for the most part are non-recyclable. They take that waste and make heat energy. They have a grid within the city of Charlottetown that heats federal and provincial buildings and the university, the hospital, and so on. We pay them a tip rate to take that waste, as opposed to putting it in our landfill, although we can't include it in diversion, according to.... If we were able to include that, our diversion rate would certainly be a lot higher.

On your second question, on the compost, we currently do not generate any energy from the compost. The facility was installed in 2003, so it's been going for 10 or 12 years. It's an aerobic process, not anaerobic, so we do not pull any gas from it at this time. Although as time goes on, I am interested.... I heard about the Building Canada fund and am glad to see a component in there for waste management. Down the road, if it's feasible for Prince Edward Island, we may have access to a similar types of funds for that.

The Chair: Thank you very much.

You're right on the button, Mr. Carrie.

We move now to Mr. Choquette for five minutes.

[*Translation*]

Mr. François Choquette: Thank you, Mr. Chair.

I'd like to pick up on the challenges associated with recycling.

Yesterday, Beauceville-based Recyc RPM announced that it was applying for protection under the Bankruptcy and Insolvency Act. That ties in to the circular economy. What this Quebec-based company does is useful because it takes bales of large plastic items from recycling facilities and converts them into pellets that are eventually used to manufacture other objects.

One of the problems the company encountered was the price of the materials it used. And processing those materials in accordance with the cradle to cradle principle also posed challenges. Over the past few weeks, witnesses have told the committee that recycling companies interested in alternatives to waste burial have problems turning those solutions into profitable ventures because carbon isn't tied to a price.

Does the CCME, FCM or anyone else believe that the federal government should adopt a clear policy on the cost of carbon to help those in the recycling industry, among others?

● (1705)

[*English*]

The Chair: You're directing that to...?

[*Translation*]

Mr. François Choquette: Mr. Goeres and Mr. Louie could answer first, followed by any other witnesses who would like to comment.

[*English*]

Mr. Michael Goeres: Thank you.

The CCME does not have a position on a carbon tax. I believe three of our member provincial governments have carbon taxes: Quebec, Alberta, and British Columbia.

The Chair: Mr. Louie.

Mr. Raymond Louie: I would have to mirror that answer. I'm not aware.... I'd have to look back in our resolutions for the federation. I'm not prepared to answer that as a position, but certainly I will find the answer and send you directly the position of the FCM.

The Chair: Are you going to pursue the line of questioning further with others?

Mr. Moore?

Mr. Gerry Moore: The only thing I would say to that is that I wouldn't necessarily get involved with a carbon tax myself, but there are some recyclables that are very profitable, most notably aluminum. There's the re-smelting of aluminum and metal.

There are others where the market is not so lucrative currently. That can change. But for those products, some incentive via a tax credit or to encourage people.... Also, maybe there is a product that can be made from these materials if someone were given the business opportunity to do so and perhaps get credits for doing that. That's the way I would suggest doing it in order to build markets for these recycled materials.

[*Translation*]

Mr. François Choquette: Very good.

I am going to come back to you, Mr. Goeres.

Earlier, you said that there wasn't enough data and that we should focus on the largest waste producers. Should the federal government have a hand in collecting the data you need? What can we do to focus on the largest waste producers? Do you have any recommendations for us in that connection?

[*English*]

Mr. Michael Goeres: I can only respond to that based on what the waste experts from the province, our waste management task group, report to me. It falls into a number of different areas, but there is dissatisfaction amongst the technical folks across the country with the range of Statistics Canada data and the granularity of Statistics Canada data.

There are a variety of reasons for that. There are concerns about the lengthy delays between receiving data and getting data. Sometimes two, three, four years intervene between the collection of data to the time it's available, which renders it somewhat problematic. There are no consistent definitions across the country on what constitutes recycling, what constitutes disposal, what constitutes a certain category of waste, what constitutes a particular category within a waste stream. Those are all areas that governments collectively are looking at and trying to address.

That gives you an example of some of the areas where the data itself is the problem.

The Chair: Thank you very much.

We'll move now to Mr. Toet, five minutes.

Mr. Lawrence Toet: Mr. Chair, I'll give my first couple of minutes to Mr. Carrie.

The Chair: Mr. Carrie.

Mr. Colin Carrie: Thank you very much.

Mr. Moore, you didn't quite get to explain how you managed to get the rural buy-in or some of the growing pains. I don't know if anybody does it the way you guys do it; it seems to be very innovative.

● (1710)

Mr. Gerry Moore: I think our geography certainly has helped in that regard. We're not really spread out that much. Prince Edward Island is a very small area. The rural area certainly is a very important part of our economy. It has been forever, and it continues to be. A lot of the farmland is developed with families.

We basically, at the time, didn't want to segregate. We were going to do this island-wide, with every home, cottage, and apartment in the province in the program. The source-separated program was very painful to start up. Sometimes people are reluctant to change.

But the program was offered to everybody, and people were told, “If you don't source-separate your waste, when we come around to pick it up it will not be picked up”. That was very tough to swallow at the outset.

As time has gone on, most people have come to appreciate that, listen, we're doing the best we can to dispose of all this material in an environmentally safe manner while trying to keep tax dollars in mind. Some say we do too much and others say we don't do enough. We try to strike a balance and do this as economically as we can and in the most environmentally friendly way we can.

The rural areas weren't any different from the city areas. In a lot of cases they were actually maybe even easier, because they were used to having to dispose of their waste themselves without having any municipal government pick it up for them.

Mr. Colin Carrie: Thank you.

Go ahead, Lawrence.

Mr. Lawrence Toet: Thanks.

Mr. Louie, the question was brought up about wastewater facilities and the regulations regarding those federal regulations regarding waste water from the municipality's perspective. Do you find those regulations onerous or much higher than they need to be? Or do you feel they are reasonable and achieve what they need to achieve?

Mr. Raymond Louie: Let me start by saying that I'm not an environmental scientist. What I try to deal with at the municipal level is to ensure that the municipality stays within regulation. We intend to do that, but we require the resources in order to make that happen.

That was the point of my comments earlier. If regulations are mandated to be applied, and municipalities must conform to those regulations, then given the fact that we receive 8 cents on the tax dollar and we are stressed in terms of the resources we have and the services we need to provide, I think it's important that we have partners in making that happen.

Mr. Lawrence Toet: But you would obviously have the expertise within your municipality that would tell you whether they felt the regulations were reasonable and fair or whether they were overly onerous regulations.

Mr. Raymond Louie: I think it does vary. You know, the regulations themselves, when I've had a look at them myself, depend on a number of different factors. The measurements on whether or not you fit into the category that needs compliance by 2020, or whether or not you fit into the second category that needs compliance by 2030, depends on your environmental situation. I think there is some science behind it. I don't take issue with the science. I think everyone is trying to improve the water quality that we all rely upon. My point is that in order to reach those standards, improve the quality, and maintain the quality that we need in our water systems, we require support in order to make that happen.

Mr. Lawrence Toet: The reason I asked that question was that the implication was brought from my colleagues across the table that with those regulations should come financial support. It's just very interesting to note that in my home province of Manitoba, the provincial NDP government actually raised the standards, the federal standards. They made them higher for the City of Winnipeg, which has pretty much doubled the cost of the wastewater facilities they need to build.

So it's interesting to say that on the one hand the federal government should be supporting when they bring regulations forward, and yet on the other hand the provincial government can raise those standards and have no need to support them themselves.

● (1715)

The Chair: Thank you, Mr. Toet.

We'll move now to Mr. Sopuck, for five minutes.

Mr. Robert Sopuck: Thank you.

Mr. Louie, you talked about food waste. It's easy to say, but aren't there significant public health considerations? I read recently that they've found antibiotic-resistant bacteria in some foods.

Don't you think we'd want to exercise extreme caution before we tried to divert food waste from the landfills?

Mr. Raymond Louie: Absolutely. You are correct that we should always have high and stringent standards. What we're saying is that there needs to be a test that should be met. If you can meet that test to indicate the food is safe, then that food should be absolutely diverted.

As I stated earlier in my presentation, fully a third of the food that is purchased to go home with you ends up being wasted. Are there ways that we could eliminate that from happening? Are there ways that we could reuse food that is obviously of good quality? There are ways, and they've been implemented in both Ontario and British Columbia for some period of time now.

Given the experience of both those jurisdictions, where thousands of people are fed each day, with no effects, I think we can learn from both of those experiences and apply it more consistently across the entire country.

Mr. Robert Sopuck: To me, it's critical that when we make environmental policy recommendations we focus like a laser on the environmental improvements that will be generated because of what we do in terms of public policy, which ultimately translates into actions on the ground and hopefully will translate into environmental improvement. For example, if you build a wastewater treatment plant at a paper mill, you will improve the water quality of the receiving waters.

I want to ask you this question, Mr. Goeres. It may seem like a simple one, but I don't think it is. What are the real environmental benefits of the waste diversion that you are advocating?

Mr. Michael Goeres: I'm not advocating for any particular policy approach. The environmental benefits are reducing waste going to landfills, improving the economics of that, and ensuring that the policy environment for all orders of government ensures that this disposed material is safely taken care of. Waste management, in some sense, is different from some of the other environmental issues, though they're inextricably linked, as our discussion on endocrine disruptors demonstrates. At the end of the day, we want to ensure that there's sound, appropriate management of things that are being thrown out of households. Governments have chosen certain ways in which to do that.

Mr. Robert Sopuck: I think my colleague across the way is very correct to raise the issue of pharmaceuticals, just dealing with the idea of municipal solid waste. But with all due respect, your answer was kind of circular: that the environmental benefit of reducing waste is to reduce waste.

More specifically, I'll give another example. If you restore a wetland, you will prevent flooding; you will improve carbon sequestration; and you will enhance biodiversity. Those are real environmental benefits from a certain action, in this case, restoring a wetland. I want to know what the environment gets out of this when we set up these large municipal recycling programs. What actually happens environmentally out there?

Mr. Michael Goeres: To use your example, sir, when a city dweller goes out to enjoy those wetlands at Oak Hammock Marsh or somewhere else, and they throw their pop bottle onto the landscape, someone can come behind and recover that and ensure that it's not simply left there or that the pop-top from a six pack of beer isn't left there so that the ducks get their necks twisted up in it. This is all inextricably interrelated.

The environmental interest on the waste side is to ensure that none of the bad stuff enters into our soil, our water, or our air. In those areas, we have or we will develop approaches to ensure the proper management of those. We'll establish guidelines to ensure thresholds or minimal amounts from various activities. Governments will do what they can to support the appropriate and safe collection of those materials.

● (1720)

The Chair: Okay, we're through with time there. Thank you, Mr. Sopuck.

For the final question, Ms. Duncan will have five minutes, and then we will have about five minutes of committee business that we'll do in public session. The proposed budget will be circulated while Ms. Duncan is doing her questions.

Ms. Duncan, you have five minutes.

Ms. Kirsty Duncan: Thank you.

I'm going to come back to this, because, as you folks know, I'm not a partisan person. I am actually concerned about this.

I did go to Environment Canada's website, and I'll quote from it:

> ...known for over 20 years that pharmaceuticals and personal care products (PPCPs) are released into the environment...only in the last 10 years have analytical methods become sufficiently sensitive to identify and quantify their presence in...effluents, surface waters, drinking water, ground water....

This was archived February 2, 2014. I don't know if the program's continuing. What I'm saying is that I think it's worth our looking into this.

My question will be for Mr. Louie. You're looking for incentives for producers and consumers to reduce waste. What would be your wish list to the committee? What would you like to see as recommendations in the committee report ?

Mr. Raymond Louie: I've outlined a number already, in terms of food waste. I've outlined how tax incentives should recognize donated food has value, in order to best reduce the food-waste side of the equation.

I think that overall the issue is so large and multifaceted that it is important that we work through all of the various issues together to try to find.... I know you're asking for very specific suggestions for the committee today.

Ms. Kirsty Duncan: If you have a few, can you—

Mr. Raymond Louie: The reason I'm hedging a bit is that I'm not at liberty to say; I want to be respectful of all the participants in the National Zero Waste Council and the working groups that are involved. They are working through the process. I think it's important for us to have the integrity maintained with that working group so that I don't then preclude them.

Ms. Kirsty Duncan: That's fair, Mr. Louie.

I have a question with regard to sewage. Has FCM done a vulnerability assessment of our infrastructure and the impacts of climate change on, for example, stormwater?

Mr. Raymond Louie: There have been a number of assessments done. In terms of our infrastructure, we've done a number of surveys. Most recently we did an infrastructure survey of our members representing over 90% of the population. We didn't get 100% of our population of our membership responding, but we had sufficient numbers where we had a good landscape picture of our infrastructure deficit across the country.

Ms. Kirsty Duncan: What is the deficit, and what are the recommendations that are relevant to this committee, please?

Mr. Raymond Louie: There are old numbers in terms of the overall infrastructure deficit: $123 billion is the number dating back to 2007. We did not update those numbers; we focused on the efficiencies of having upgrades to our infrastructures today rather than waiting until the end-of-cycle costs that are incurred. Those are 10 times more expensive than upgrades earlier on in the process.

All of this is to say that we are at the edge of infrastructure that is aging. Most of our infrastructure was built in the 1950s and 1960s. Municipalities own about 60% of the infrastructure in Canada. We are tasked with replacing and upgrading the infrastructure that is now at or near the end of life cycle. If we don't make near-term investments today, the costs to do replacement will be significantly higher than to maintain it. It's not dissimilar to road infrastructure. Rather than replacing a road, if you fix a road it's about 10 times cheaper.

● (1725)

Ms. Kirsty Duncan: So the recommendation to the committee is what, please?

Mr. Raymond Louie: The recommendation to the committee is to look carefully at the opportunities that we're presenting specific to waste. We believe there's an opportunity to reduce costs to municipalities and to consumers in general.

If you look at the circular economy, that is a more efficient way for us to conduct business in Canada as a whole. We will be more effective as a country as a whole if we implement it rather than the linear system.

The Chair: Thank you, Ms. Duncan.

To our witnesses, Michael Goeres, Frank Moir, Raymond Louie, and Gerry Moore, thank you for your time today and your expertise. It will be helpful as we compile our committee report.

To committee members, please look at the request for a budget that's in front of you. I want to point out that we're using, as much as possible, video conferences, which cut down not only on the cost but also on the environmental impact. I commend the committee for that.

Do we have a motion to approve the proposed budget, in the amount of $9,900, for a study of the management of municipal solid waste and industrial materials? Is someone prepared to move that?

An hon. member: So moved.

An hon. member: I'll second it.

(Motion agreed to [See *Minutes of Proceedings*])

The Chair: That is unanimous.

Thank you, committee members, and thank you, witnesses.

The meeting is adjourned.