

April 21, 2021

Honourable Jason Nixon
Minister of Environment and Parks, House Leader
Office of the Minister
Environment and Parks
323 Legislature Building
10800 - 97 Avenue
Edmonton, AB T5K 2B6
AEP.RecyclingRegulation@gov.ab.ca

Dear Minister Nixon:

RE EXTENDED PRODUCER RESPONSIBILITY

On behalf of the Medicine Hat & District Chamber of Commerce, we are reaching out to provide additional feedback on the Extended Producer Responsibility Engagement session we attended on April 8, 2021.

While we don't have direct feedback and expertise in each engagement and evaluation area, we wanted to capture a few areas that we feel are important for the Government to consider.

The first is ensuring that the solution is industry-driven and intended to correct or improve a problem that is not currently functioning well. Within our region, our municipality, along with private and not-for-profit organizations, provide exceptional service. Before implementing new measures, we must clearly understand the problem we are trying to solve and what is currently not working within the existing programs operated by municipalities, private and not-for-profit operators, ensuring this is an industry-led solution that fills a gap in the marketplace.

We also recognize the recycling is a market that places recyclers as price-takers, making some products less cost-effective than others to recycle, with some products being recycled at a loss. Any solutions must be industry-driven and industry-led to ensure it remains a viable solution for producers to maintain and sustain a long-term provincial recycling solution.

With an increase in online sales, particularly during the pandemic, there is a question as to how the Government can regulate and monitor online sales and the fees associated with those suppliers, vendors, and producers. Any program must ensure that it does not place undue hardship or a competitive disadvantage to Alberta-based or Canadian companies versus global competitors, closing any loopholes for online sales for those who may find ways to opt out.

As there are already private and not-for-profit operators that currently provide recycling programs, we also want to ensure that a provincially mandated program does not put these organizations out of business. There are many operators currently providing both residential and commercial recycling services effectively. Government-mandated programs should not compete with these existing sectors but rather be something created that can be complementary. It would also be beneficial for the Government to work with existing programs and operators to ensure costs don't exceed those already in place for consumers and that existing service standards are at minimum maintained.

Many municipalities and residents have already invested in recycling programs with existing infrastructure in place. The transition should factor in existing programs and assets, including blue bins in cities that can be reused within the new program, exchanged or compensated for the costs and disposal of these bins.

Connect • Support • Influence

In terms of red tape reduction, like many programs, it should be open to changes and adjustments as issues or challenges surface to further reduce regulatory burdens and red tape for operators and producers.

We also fundamentally believe a competitive marketplace is an advantage. Having the opportunity to have multiple Producer Responsibility Organizations (PROs) can provide producers with choice and provide an opportunity for PROs to work with existing recyclers, both private and not-for-profit, in delivering services. This could include depot services, along with drop-off sites and pick-up services for multiple products.

Exemptions are also a favourable consideration. Not only should charitable organizations be exempt, but also any not-for-profit organization, whether provincially or federally incorporated. Charitable status does not fully consider the different types of not-for-profit organizations and may exclude some unintentionally. We would also agree with the exemptions for small businesses and small producers. The definition of small businesses should perhaps look at a minimum of \$2 million versus one million based on the average revenue reporting by BDC for small businesses.

We appreciate the opportunity to provide feedback and hope that our suggestions and recommendations will factor into the Government's final decisions and outcomes.

Sincerely,



Marcus Campbell, President
2020-2021 Chamber of Commerce Board of Directors

Cc: Minister of Jobs, Economy and Innovation, Minister Doug Schweitzer
Parliamentary Secretary for Small Business and Tourism, Martin Long
Alberta Chambers of Commerce
Brooks-Medicine Hat MLA, Michaela Glasgo
Cypress-Medicine Hat MLA, Drew Barnes