

CITY OF BURNABY

ENVIRONMENT AND WASTE MANAGEMENT COMMITTEE

HIS WORSHIP, THE MAYOR  
AND COUNCILLORS

RE: BEVERAGE CONTAINERS - NEW CHARGES

RECOMMENDATION:

1. **THAT** Council forward a letter to the Minister of the Environment opposing the imposition of recently introduced charges by the beverage container industry on non-alcoholic beverage containers and urging that a public process be put in place by the beverage container industry before any future increase is implemented.

R E P O R T

Council, at the Open Council meeting held on 2000 March 13, received the *attached* letter from the UBCM Environment Committee opposing the imposition of new charges by the beverage container industry on non-alcoholic beverage containers.

Council referred the UBCM letter to the Environment & Waste Management Committee for review and response.

The Environment & Waste Management Committee, at its meeting held on 2000 March 14, reviewed the letter and supported the UBCM Environment Committee position with respect to new charges on non-alcoholic beverage containers.

Respectfully submitted,

Councillor D. Johnston  
Chair

Councillor C. Redman  
Member

Councillor B. Der  
Member

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- DIRECTOR ENGINEERING  
- DIRECTOR FINANCE

# URGENT NOTICE

TO: Mayor and Council  
Chair and Regional District Board

CORRESPONDENCE  
2000 MARCH 13

FROM: UBCM Environment Committee

DATE: March 8, 2000

RE: **BEVERAGE CONTAINERS - NEW CHARGES**

**1. INDUSTRY INSTITUTES NEW CHARGES ON NON-ALCOHOLIC BEVERAGE CONTAINERS**

The non-alcoholic segment of the beverage container industry has instituted extra fees on top of the refundable deposit paid by consumers as part of British Columbia's beverage container recycling program.

These 'eco-fees', as they are called by the industry, may range from 1 cent a container to 7 cents a container depending on the type of container (aluminum, plastic, glass etc.). The 'extra fee' may be added to the consumer's bill as a line item like the GST and PST at the cash register. The new charge is a result of additional fees by the industries recycling arm Encorp Pacific. **It is not a fee being charged by government.**

The consumer could be further confused by the fact that the application of the fee may vary depending on the product and the retail store that the product is purchased from, as some brandowners and retail stores will attempt to cover the new charges being imposed on it by Encorp in other ways, such as through the products price.

The 'extra fee' industry argues is needed to cover the costs of the beverage container management system it has established. The additional money collected if not required to manage the beverage containers will go directly into industry coffers as increased profit. Industry has provided no evidence as to why these additional fees are needed. If the non-alcoholic sector of the beverage container industry is faced with increased costs it does have the option to increase the deposit fee on the containers which would also provide an additional incentive for the consumer to return the container.

The impact of the 'extra charges' being imposed by the industry could:

- Undermine consumer support for the deposit-refund system;
- Impose a new fee on the consumer by industry;
- Increase the cost to small retail stores who may be forced to collect these 'extra charges' being imposed by the beverage container industry;
- Undermine consumer confidence in recycling programs undertaken by local communities and the province.

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53 -- DIRECTOR PLNG. & BLDG.  
- DIRECTOR ENGINEERING

## 2. UBCM ENVIRONMENT COMMITTEE REACTION

The UBCM Environment Committee met on February 29, 2000 and considered new developments in the management of beverage containers. The Committee agreed to take the following measures, which were endorsed by the UBCM Executive:

- write the Minister of Environment, Lands and Parks indicating that it supports the requirement outlined in the beverage container regulation that beverage container stewardship programs achieve an 85% recovery by 2000;
- write the Minister of Environment, Lands and Parks indicating that it does not support the imposition of an eco-fee by industry on beverage containers.

Local government has continually been a strong supporter of the deposit-refund system for beverage containers (currently 5 cents for containers up to 1 litre and 20 cents for containers over 1 litre). The system was expanded on October 1, 1998 to include juice, mineral water, wine, liquor and other 'designer beverages' and the deposit refund fees were lowered at the request of the non-alcoholic segment of the beverage container industry. The deposit-refund system has been strongly supported by the public as it:

- Successfully diverts beverage containers from landfills;
- Rewards consumer recycling with a cash refund;
- Requires industry to take responsibility for its containers;
- Accomplishes the above goals at no taxpayer expense.

## 3. MEMBER CONSIDERATION

The UBCM Environment Committee is writing to first make you aware of the new developments in the management of beverage containers.

The Committee would suggest that local governments write Premier Ujjal Dosanjh and the Honourable Joan Sawicki, Minister of Environment, Lands and Parks and your local MLA indicating that:

- It does not support the imposition of an 'extra fee' on consumers by the beverage container industry and that action be taken to stop these additional charges from being imposed;
- The beverage container industry be required to clearly justify in a transparent fashion any future environmental fee increases on its products to the public before an increase is implemented;
- The deposit-refund system be the only method that the beverage container industry be permitted to use to recover its recycling costs from the consumer.

### Note

It is suggested that this item of correspondence be referred to the Environment & Waste Management Committee for consideration.

