

### **RCM Views on Extended Producer Responsibility**

Manitoba, like many other jurisdictions, is implementing a shift in waste reduction responsibilities from taxpayers to producers. The new regulated, industry-led programs are examples of Extended Producer Responsibility or EPR. Resource Conservation Manitoba (RCM) supports this shift and makes the following recommendations regarding best practices.

#### ***Clear Objectives***

In our view, the primary ideal goals of a waste minimization and management program should be “Zero Waste, Zero Harm.”<sup>1</sup> Zero waste means both conservation of resources and minimization or elimination of residual waste requiring disposal. Zero harm means minimization or elimination of products and wastes toxic to workers, users, waste handlers, the public, and the environment and the minimization or elimination of harmful emissions, effluents, and residual wastes. Life-cycle and footprint analyses and effects monitoring of products and processes are important tools for assessing levels of waste and harm.

Of course other dimensions of sustainability and a variety of other social principles also apply, such as justice, fairness, optimizing social wellbeing, cost-effectiveness, innovation and economic development. RCM believes that such goals and principles should guide program construction and evaluation, assist in the choice between alternate models and guide research into the identification of best practices.

Although industry may be required to assume responsibility for operating programs to fulfill these requirements, government is ultimately responsible for seeing that the job gets done one way or another and assessing whether that is happening.

#### ***Cost Internalization***

Extended producer responsibility means that responsibility, including cost responsibility, shifts from the taxpayer to the producers, as they become stewards of the waste their products generate. Managing packaging and end-of-life disposal becomes a cost of doing business in addition to the

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<sup>1</sup> We recognize that zero waste and zero harm may not be feasible in the short term for economic or technical reasons, but unless ideal goals like these are set, the drive to address and resolve cost and technical barriers will be lost and a lacklustre continuation of the status quo will persist.

costs of resources, labour, advertising, transportation, etc. The totality of producer and distributor costs plus mark-ups are rolled into a single cost or price to the consumer.

One of the intentions of Extended Producer Responsibility regulation is to encourage producers to reduce the impact their products have at the end-of-life by making their products more readily reusable, repairable or recyclable. By requiring producers to incorporate end-of-life management into the cost of their products, producers will develop ways to improve the product design and production processes in order to reduce these costs. However, when such costs are not incorporated into the cost of the product and producers are permitted to charge a levy directly to consumers, there is no incentive for producers to improve product design and manufacturing decisions. Furthermore, levies charged at the till may be misunderstood by consumers to be a government tax rather than a responsibility shirked by producers and may cause frustration if consumers are unable to easily anticipate the final cost of their purchases because a variety of the products they have selected have such levies.

### ***Consumer Education & Awareness***

RCM recognizes that responsibility for waste and harm reduction and prevention is not solely that of producers. While producers have the greatest control over the types of products available on the market, consumers also play an essential role through their choice, use and disposal of products. Hence it is important that consumers are well-informed of the rationale, responsibilities and opportunities of stewardship and the role they play. They also need specific and comparative product information regarding personal and environmental hazards, efficient use, and safe and efficient disposal. Product-specific information should be available at point of sale through sales representatives, videos, posters, labels, brochures, etc.

### ***Consumer Incentives***

Consumers do not always have stewardship considerations top-of-mind even when they are informed and they are subject to competing motives, including personal convenience and personal costs and rewards. Successful stewardship programs cannot rely merely on conscientious behaviour by industry and consumers. Regulation, enforcement, collection systems and incentives that make it easier and more rewarding to do the right thing and harder and less rewarding to do the wrong are also important as a complement to informed conscience and principle. The optimal application of education, social marketing, enforcement and incentives is a matter for behavioural research and experimentation. We can learn from other jurisdictions in this regard, but there is no reason why we should not be experimental leaders as well.

RCM supports consumer incentives where they can be proven successful in moving society closer to the ideal goals of zero waste and zero harm. The successful examples have visible costs that are avoidable, or rewards that are obtainable, by adopting the preferred course of consumer behaviour. We have previously noted, for example, the Irish success in reducing disposable plastic bag use by 90% through a modest levy and we look with envy at Alberta's recovery rates for drink containers from their deposit/return system (<http://www.bottlebill.org/legislation/canada/alberta.htm>). Discounted coffee to customers who bring their own mug illustrates

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rewarded behaviour. Levies on tobacco products are an example of “sin taxes” aimed at reducing harmful behaviour, which might provide a model for taxing products whose waste is hazardous to the environment and human health.

### ***Targets and Tracking***

It is vital that stewards establish targets to guide the development and measurement of their programs. We strongly recommend requiring stewards to work with stakeholders to develop reasonable, yet challenging targets and suitable means to track and measure performance.

In addition, we believe that targets and performances should be appraised with the overall stewardship objectives in mind. This means, for example, that the greatest social and environmental value lies in the highest recovery rates for the most toxic and harmful materials, the most valuable resources, and those whose diversion has the greatest favourable impact on energy and water conservation and GHG reduction.

### ***Meaningful Public Consultation***

Successful waste reduction and recycling programs require public cooperation and acceptance. A variety of consultation methods should be employed to reach a variety of constituencies. Informed public dialogue can help to shape a program responsive to public concerns and ideals. A waste reduction advisory committee of informed, concerned citizens can provide regular feedback and new ideas. EPR steward programs should ensure that they have an effective consultation program in place.