

E&E Project Summary Report

Project Name: Analysis of User Pay System Costs in Ontario

Project Number: 191

Priority Area: Innovative Financing and Program Compliance

Lead Sponsor: AMRC and Oxford County

Completed By: Clayton Sampson

Total project cost: \$22,700

E&E fund contribution: \$22,700

Project Overview:

I. Goals

Goal: to determine the financial effect on recycling systems within a user pay waste program.

Objective: to undertake an analysis of the impact of user pay on municipal waste and recycling programs.

II. Accomplishments

The project results provide a detailed financial analysis of six Ontario user pay programs and outlined the costs, revenues and overall waste management impacts (i.e. program changes) of implementing user pay waste collection on both the blue box recycling program as well as the overall waste management system.

III. Lessons Learned/Best Practice implications

The research found that the implementation of User Pay resulted in an increase in gross blue box system costs. It was not possible, however, to identify the true impact on the net (funding removed) cost per tonne of blue box system (in some instances, the cost increased, in other, it decreased), therefore no definitive statement that can be made with respect to “next least cost tonne”.

In terms of User Pay Best Practices, it is important for any municipality which is considering, or in the process, of implementing a user pay program that clear goals are set and that waste management system data (costs and tonnages) be rigorously tracked and recorded before, during and after program implementation. This is key to determining if the program goals are being met, and if they aren't, this information can be used to assist in tailoring program changes.

In terms of determining whether User Pay constitutes a Blue Box Best Practice, this question has been forwarded to the Recycling Program Enhancement and Best Practices Assessment Project team for their consideration.

IV. Limitations

- It would have been useful to have included some “control” programs (i.e., programs that do not have user pay) over similar time periods in the analysis to compare the selected program recycling costs in order to determine the baseline costs and cost changes.
- Although funding support for project 191 was made conditional upon the selection of programs based on availability of pre and post data and robustness of this data, these conditions were not sufficiently detailed to ensure that the expected outcomes would be met (in at least two cases, no pre and post comparisons could be made due to fundamental changes in the municipality's Blue Box program).

Resources & Tools

- A link to the report will be provided on the User Pay tool of the Knowledge Network
- The decision on whether to proceed with the Help Desk function for User Pay on the Knowledge Network will be deferred until completion of the Recycling Program Enhancement and Best Practices Assessment Project.

