
BILL 102
COMPANIES WILL BE REQUIRED TO CONTRIBUTE FINANCIALLY TO
CURBSIDE RECYCLING

Bill 102 was finally adopted unanimously by the National Assembly on December 12, 2002. Bill 102 creates a legal obligation for the “target companies” to financially compensate municipalities up to 50% of the net cost for curbside recycling. To do this, they must group within one or more industry funding organization which would collect the determined amounts and turn it over in trust to Recyc-Québec.

The industry funding organization(s) should negotiate with recognized municipal associations the amount representing the total net cost for curbside recycling as well as the criteria for the handing over of said amount to the municipalities.

According to the preliminary estimates presented by the Minister, Mr. Jean-François Simard and Recyc-Québec during the Transport and Environment Commission hearings held in May 2002, the total net cost for curbside recycling in Québec could be approximately \$50 M for the year 2000-2001.

The Legislative Assembly of Ontario adopted Bill 90 on June 13, 2002, which created Waste Diversion Ontario (WDO). This legislation stipulates that target companies must financially compensate municipalities 50% of the total net cost for curbside recycling programs.

Harmonization between Bill 102 and that of Ontario is important considering that the companies required to pay a major portion of the financial aid do business in Québec as well as in Ontario. It is equally essential not to harm the competitiveness of Québec companies.



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Message of the President and Managing Director

Bill 102 was unanimously adopted on December 12, 2002 with the aim to assure the future of curbside recycling in Québec. Various aspects of the bill will need to be specified by a regulation. However, it has not yet been tabled.

Even if all our recommendations were not retained, we are convinced that for all the partners implicated, Bill 102 constitutes a compromise which, as in Ontario, recognizes the shared responsibility of companies and municipalities in the financing of curbside recycling and confirms their role in the decision making process.

The Ontario Parliament adopted Bill 90 on June 13, 2002. The expected regulation was quickly adopted and the industry announced the creation of Stewardship Ontario in October, 2002. Waste Diversion Ontario (WDO) and Stewardship Ontario tabled their "Blue Box Program Plan" last February 28th. Meanwhile, the launch of provincial elections caused a delay in adopting the "Ontario Plan".

In accordance with Bill 102, Éco Entreprises Québec was incorporated on April 30, 2003 to eventually represent those companies which market containers, packaging and close to one-third of printed material in Québec. Meanwhile, its temporary board has appointed Collecte sélective Québec to act as the secretariat of the new organization.

Financially, we have already invested a substantial amount and dedicated considerable energy to comply with Bill 102. We are now waiting for the regulation to be tabled.

André Martel
President and Managing Director



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THE EXPECTED REGULATION

The bill recommends that a compensation system be implemented by the companies in order to financially support the municipalities for the recovery services they provide. For the legislator, it is the Product Stewardship's principle, which appears in "The Québec Residual Materials Management Policy 1998 – 2008".

Various aspects of the bill must be specified by a regulation to be adopted by the government.

The regulation could determine the categories of target material, target companies and equally state that the compensation payable with regard to a category of material (for example: newspapers, hebdomadaires and magazines 'printed media') could be made by means of in kind contribution (e.g. free advertising).

The percentage of the net cost for curbside recycling to be assumed by the "target companies" shall be determined by the government in the regulation, however, it cannot exceed 50%.

It is also stated that the government could authorize Recyc-Québec to retain a sum not exceeding 10% from the amount paid by the target companies.

As in Ontario, the regulation could specify, notably, that the "target companies" are those which market containers, packaging and printed materials (brand owners) in Québec and the first importers (when the "brand owners" have no business offices located in Québec).

THE ROLE OF THE INDUSTRY FUNDING ORGANIZATION

In Québec, Bill 102 creates a legal obligation for the "target companies" to group within an industry funding organization. It should, notably, fulfil the following functions:

- negotiate with recognised municipal associations the amount representing the total net cost of curbside recycling and the criteria for the handing over of said amount to the municipalities;
- develop the consultation process;
- adopt a fee schedule along with the de minimis exemptions and have it approved by the government;
- collect the amounts due to then be turned over in trust to Recyc-Québec.

The fee schedule is published in the Gazette officielle du Québec. Failing a payment from a target company, the industry funding organization has the right to claim, in addition to the interest, a sum equal to 20% of the amount.

ÉCO ENTREPRISES QUÉBEC

In accordance with Bill 102, Collecte sélective Québec has taken the steps to incorporate a new industry funding organization to represent those companies which market containers, packaging and close to a third of the printed materials in Québec. It is important to note that Collecte sélective Québec cannot be this organization considering its complex legal structure based on partnership, its restrictive mission and its voluntary financing.

Therefore, Éco Entreprises Québec was incorporated on April 30, 2003.



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The founding directors represent these organizations:

- CCGD - Canadian Council of Grocery Distributors
- CTAC - Conseil de la transformation agroalimentaire et des produits de consommation
- CQCD - Conseil québécois du commerce de détail
- CILQ - Conseil de l'industrie laitière du Québec
- ADA - Association des détaillants en alimentation du Québec
- SAQ - Société des alcools du Québec
- FCPMC - Food and Consumer Products Manufacturers of Canada

On June 19, 2003, the founding members of *Éco Entreprises Québec* appointed Collecte sélective Québec to implement the organization and act as the secretariat of the new IFO. It was also decided to eventually reimburse CSQ for its expenses.

Therefore, personnel from CSQ is available to meet with associations and companies interested in obtaining information concerning these points. Equally, the municipal partners can contact CSQ and receive updates on the future regulation.

Note:

For further details, we invite you to consult the documentation included on the websites of *Éco Entreprises Québec* and *Collecte sélective Québec* at the following addresses:

www.coselective.qc.ca
www.ecoentreprises.qc.ca

MARYSE VERMETTE JOINS CSQ

Mrs. Maryse Vermette joined CSQ on September 8, 2003 as Director of Communications and Municipal Relations.

As such, and under the authority of the President and Managing Director, Mrs. Vermette will notably, direct all business relating to establishing the net cost of curbside recycling and distribute to the municipalities, funds which *Éco Entreprises Québec* handed over in trust to *Recyc-Québec*, as well as any future negotiations between *ÉEQ*, municipal associations and *Recyc-Québec*.

REMINDER



The partners of the *Phénix de l'environnement* are actually preparing the 7th edition of this prestigious event.

**WATCH FOR THE LAUNCH THIS
UPCOMING DECEMBER !**

