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July 21, 2025/VIA EMAIL

Marc Peverini
Ministry of the Environment, Conservation and Parks
Resource Recovery Policy Branch
40 St. Clair Avenue West, 8<sup>th</sup> Floor
Toronto, Ontario
M4V 1M2

Re: Environmental Registry of Ontario (ERO) Proposal Number 025-0536

Maintaining recycling collection for small businesses

The Canadian Federation of Independent Business (CFIB) is a not-for-profit, non-partisan organization representing the views of over 39,000 small- and medium-sized businesses in all sectors across the province.

We welcome the opportunity to comment on the small business part of this proposal, and **support** maintaining blue box collection in municipalities that lost it/will lose it due to the transition to the new Individual Producer Responsibility (IPR) model.

We've heard from several small business owners in municipalities across the province (e.g., Kawartha Lakes and Prince Edward County) about the negative environmental and other effects of being denied recycling service.

At a time when small businesses are struggling with low demand, ever-rising costs, and tariff impacts, they cannot afford to pay for private collection. According to CFIB's monthly Business Barometer® data, July 2025 marked the 23<sup>rd</sup> consecutive month that Ontario small businesses rated insufficient demand as the top limitation on their sales or growth. When people aren't buying their products or services, our members can't get ahead of increasing costs coming from all government levels.

Transporting their own recyclables to designated drop-off locations is not an option for many small businesses, as included in these thoughts from a home goods store owner in Eastern Ontario: "My business is impacted because I cannot reduce the amount of packaging. Shippers have already streamlined packaging over the past 20 years (i.e., no more Styrofoam), and there has to be recyclable packaging for breakable items.

I cannot physically dispose of the recycling, as I don't have a truck, and I do not have time to go to the dump.

It is my belief that many businesses will now put recycling in the garbage - or worse, burn it. The environment is the loser here, but the government only speaks of dollars saved. None of those savings are being passed on to businesses so they could "possibly" hire a private business to take their recycling to the dump.

My preferred outcome is the status quo. We have a limit on how much we can put out. It's not a freefor-all. Residents have no restrictions on putting out recycling from Amazon, Wayfair, Walmart, etc. It's another direct hit to small businesses."

It's important to note that this business owner is from Prince Edward County, where small business recycling services ended on July 17, 2025, <u>almost six months ahead of the full blue box system transition on January 1, 2026</u>.

According to the proposal, the government intends "to maintain the current approach to small business collection, where municipalities and PROs (Producer Responsibility Organizations) negotiate commercial agreements to have blue box collection for small businesses, at municipal expense".

Small business blue box collection could be covered using the funds being freed up in affected municipalities as they transition from the outgoing 50-50 cost-sharing model between municipalities and producers to the new IPR recycling framework financed 100% by producers. Datacall statistics show that net Blue Box Program costs totaled \$308,966,640 in 2021 for all 246 participating municipal programs, which includes \$3,414,689 for Kawartha Lakes alone.

Thank you again for the opportunity to share our views on small business recycling collection. We hope our members can continue to count on the recycling collection services they received/are receiving under the old Blue Box Program.

Sincerely,

Original signed by

Julie Kwiecinski Director of Provincial Affairs, Ontario

cc: Hon. Todd McCarthy, Minister of the Environment, Conservation and Parks Hon. Nina Tangri, Associate Minister of Small Business Laurie Scott, MPP (Haliburton-Kawartha Lakes-Brock) Tyler Allsopp, MPP (Bay of Quinte)