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March 27, 2024

SUBMITTED BY EMAIL: [consultations@rpra.ca](mailto:consultations@rpra.ca)

Frank Denton, Chief Executive Officer  
Resource Productivity and Recovery Authority  
4711 Yonge Street, Suite 408  
Toronto, ON  
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Dear Mr. Denton:

**Re: Consultation on the Use of Administrative Penalties Collected by the Resource Productivity and Recovery Authority**

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The City of Toronto ("the City") is pleased to provide comments in response to the consultation document regarding the use of Administrative Penalties collected by the Resource Productivity and Recovery Authority ("the RPRA") that was posted on the RPRA website on February 12, 2024.

In 2021, the City, along with other municipal partners, asked the Ministry of the Environment, Conservation and Parks to expedite the approval of the then proposed Administrative Penalties Regulation under the Resource Recovery and Circular Economy Act, 2016. As part of this submission on behalf of municipal governments (see attached), it was noted that while moving to performance-based recycling regulations was intended to drive better economic and environmental outcomes, this approach required clear consequences for non-compliance.

Building on this approach, the City would like to provide the following comments.

**1. RPRA proposal to use Administrative Penalty funds to reduce costs for the program from which the Administrative Penalty was issued.**

- The City feels that there is merit to the concept of applying the funds collected back to the program areas from which they were generated. However, the use of the funds

should be prioritized to support activities that improve economic and environmental outcomes in the relevant programs, consistent with the comments provided to the Ministry of the Environment, Conservation and Parks in 2021.

- There is a need for the RPRA to reduce any perception that registrants in program areas with compliance issues are directly benefiting from any penalties that are assessed. Some of the examples provided by the RPRA in the consultation document, such as applying the penalty amount to the relevant program budget to reduce program fees for all program registrants, could be seen as reinforcing this perception.

## 2. Use of Administrative Penalty funds to support better economic and environmental outcomes.

- The City appreciates that the RPRA will likely be receiving support from many registrants for its proposal to allocate funds from penalties to the relevant program budget, in order to reduce program fees for all program registrants.
- One possible way to address this feedback would be to prioritize the allocation of a set amount of funds from penalties each year to support proposed activities (see comment 3) within the program from which the Administrative Penalty was issued. The amount would be determined on a program-by-program basis.
- Any funds collected from penalties in excess of this set amount could be used to reduce costs for the program from which the Administrative Penalty was issued. In addition, an annual process could be put in place that would allow any unspent money from the funds set aside to be reallocated to the reduction of the relevant program fees.
- The following table outlines how this process could be structured.

|                                                                 | Year One                                 | Year Two                                                       | Year Three                                               |
|-----------------------------------------------------------------|------------------------------------------|----------------------------------------------------------------|----------------------------------------------------------|
| Penalties Collected in prior year                               | \$25,000 – Batteries<br>\$25,000 – Tires | \$5,000 – Batteries<br>\$20,000 – Tires<br>\$20,000 – Blue Box | \$10,000 – EEE<br>\$5,000 - Tires<br>\$20,000 – Blue Box |
| Funds set aside to improve outcomes                             | \$10,000 – Batteries<br>\$10,000 - Tires | \$0 – Batteries<br>\$10,000 – Tires<br>\$10,000 – Blue Box     | \$10,000 – EEE<br>\$0 - Tires<br>\$15,000 – Blue Box     |
| Funds to reduce program costs                                   | \$15,000 – Batteries<br>\$15,000 - Tires | \$5,000 – Batteries<br>\$10,000 – Tires<br>\$10,000 – Blue Box | \$0 – EEE<br>\$5,000 - Tires<br>\$5,000 – Blue Box       |
| Unspent funds from prior year - applied to reduce program costs | N/A (first year of program)              | \$5,000 – Tires                                                | Nil                                                      |

### 3. Proposed activities to support better economic and environmental outcomes.

- The City believes that penalties should be prioritized on activities that support the RPRA in its efforts to improve outcomes in the program areas from which the penalties are generated. This could include using penalty funds to support the RPRA in:
  - compliance and enforcement efforts, including the identification of free riders and the reviewing of reporting to RPRA for completeness.
  - finding other areas of non-compliance or under-performance within a program area through enhanced analysis and program tracking.
  - improving economic outcomes through higher value recycling and reuse of collected materials by increasing outreach to Ontario-based business and economic development agencies.
  - developing and delivering additional promotion and education efforts, focused on both registrants and the public, as informed by the activities noted above.
- The City would also be supportive of the example proposed by the RPRA in the consultation material to apply the funds from penalties to the costs associated with future enhancements to the relevant program registry portal.

Should you have any questions regarding our comments, please contact Charlotte Ueta, Project Director Business Transformation – EPR, Solid Waste Management Services, by email at [Charlotte.Ueta@toronto.ca](mailto:Charlotte.Ueta@toronto.ca) or by telephone at 416-392-8506.

Yours truly,



Annette Synowiec  
Director  
Policy, Planning & Outreach  
Solid Waste Management Services

Attachment: Response to Administrative Penalties Regulation made under the Resource Recovery and Circular Economy Act, 2016 – EBR Registry Number: 019-0045

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Copy to: Matt Keliher, General Manager, Solid Waste Management Services, Email: [Matt.Keliher@toronto.ca](mailto:Matt.Keliher@toronto.ca)

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