INSIDE TORONTO

# Riding the blue box at half price

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News that Toronto stands to lose even more money on its expensive recycling operations because empty liquor and wine bottles are now going back to the store, rather than into blue boxes, failed to shake the foundations at city hall yesterday.

That's because it's the least of the problems now threatening to transform our feel-good recycling system into a burdensome mess.

The liquor-bottle worry is just the latest expression of an economic perversity that has marked the program from its beginning more than a quarter-century ago. But with blue boxes now overflowing, and armies of night-time scavengers robbing them of all their valuables, it could be enough finally to drive some much-needed change.

Toronto and other Ontario municipalities aren't worried about losing liquor bottles because they are valuable. In fact, the empty bottles lose virtually all their value as soon as they are thrown into a blue box and mixed up with the less desirable, often contaminated glass found there. But the city wants it anyway. The reason: Stewardship Ontario, the industry-led group responsible for financing the blue box, pays by the tonne for glass, even junk with no viable second life.

The irony here is that liquor-store glass is clean when the bottles are returned, and can be easily sorted by colour. That means it can actually be sold for money, and returned to use as something more valuable than abrasive sand (the latest hope for blue-box glass). The fact that a municipal recycling program is now competing to prevent glass from being recycled properly is classic blue-box economics.

And it raises a more fundamental question: Why is the city paying to collect and allegedly recycle anybody's cast-off containers? The brewers have been operating a model deposit-return system forever. The liquor board is finally onside. But private industry continues to ride the blue box at half price.

Getting industry to pay the full cost of recycling, as opposed to the 50 per cent it currently pays, remains a major objective of municipalities who are roped into providing the service. In the meantime, the burden of recycling is becoming onerous -- so much so that a 2006 report for the Association of Municipalities of Ontario recommended municipalities be relieved of their obligation to collect glass for recycling.

Among the problems cited by the study were low revenues, low recovery rates and the fact that much blue-box glass ends up in landfill anyway. Glass wreaks havoc with trucks, according to the report, and the constant addition of new containers, such as hard-to-recycle Tetra Paks, drives up costs.

Meanwhile, about that revenue. Blue-box scavenging in Toronto exploded as soon liquor and wine bottles became returnable. In writing to Environment Minister Laurel Broten about the problem,

Toronto Mayor David Miller complained that the new bottle deposit system "will exacerbate and expand [scavenging], costing the city hundreds of thousands of dollars per year in lost revenues and . . . tonnage-based funding."

Scavenging can only help the liquor board in its efforts to recover bottles, but if it keeps increasing it could well destroy the blue box. In the meantime, it makes a terrible mess and reduces the so-called system to a Third World free-for-all.

Both the province and the city have responded to the epidemic with new rules against scavenging. But the city has no staff to enforce its bylaw and the provincial regulations have done little to prevent enterprising wholesalers from trading in used bottles.

In the end, getting booze bottles out of the blue box can only be a good thing, despite the perverse consequences for city taxpayers. Aluminum cans should be the next to go, abetted by a similar deposit-return system. That would produce an even more devastating effect on blue-box revenue, but with one significant advantage. It would help reveal the program for what it is -- a subsidy to industry -- and encourage a major rethink.

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