



## B.C.'s new recycling scheme: Another good idea gone bad

As a political debacle, Monday's planned implementation of B.C.'s recycling stewardship program isn't in the same league as the ill-fated HST. The latter ignited an unstoppable firestorm, the former is being met with anger and resistance only from directly affected businesses, not the public.

BY VANCOUVER SUN MAY 17, 2014



As a political debacle, Monday's planned implementation of B.C.'s recycling stewardship program isn't in the same league as the ill-fated HST. The latter ignited an unstoppable firestorm, the former is being met with anger and resistance only from directly affected businesses, not the public.

But viewed from a policy perspective, the two issues - one a full-fledged fiasco, the other what looks increasingly like a fiasco in progress - have more in common than you might think. Both have taken what could be - and should be - a sound policy and mucked up badly. The problem in both cases isn't just ill-conceived implementation, it's political pigheadedness of first former premier Gordon Campbell and now Premier Christy Clark, in responding - or, more precisely, in not responding - to legitimate concerns.

The concept of the new waste-management program is simple and sound: People who produce garbage should pay the cost of recycling it.

This means, in the words of Multi-Material B.C., the not-for-profit set up to do the provincial

government's dirty work on this, that "businesses that supply packaging and printed paper to B.C. residents will be responsible for collecting and managing these materials so they can be recycled." What that really means, of course, is that these aforementioned B.C. residents who are supplied with packaging and printed paper products will ultimately pay more because businesses that don't pass on their costs don't survive.

There is nothing inherently wrong with this. Residents used to pay, through our taxes, for municipalities to handle this stuff. Now, a portion of what we pay for products will support a businessfunded, non-profit agency to do the same.

But there is a great deal wrong with the way this is playing out.

For starters, although the government and MMBC maintain this is not a tax, it might as well be. It is a governmentmandated cost imposed by government to cover a government-mandated service, and its impact is identical to a tax.

When it comes to checks and balances, however, the similarities end. MMBC is accountable to neither the public nor the majority of businesses that will pay their tab, and there is no thirdparty oversight - like the auditor-general who looks into tax-funded programs - to ensure value for money.

And there is no reason to expect this move to replace a tax-funded activity - municipal recycling - with a neartax-funded activity - business recycling - is anything like the tax shift we saw when the carbon tax was implemented and income tax was correspondingly reduced. This is a new and additional expense - municipalities aren't expected to lower their tax rates to reflect their reduced responsibilities.

So the province has created a new near-tax plus a new monopoly and, despite vague assurances they will keep an eye on things , it has given the monopolists pretty much a free hand. Hands up if you think this is likely to end well.

It certainly isn't starting well.

A host of businesses, my industry included, has cried foul for some time, maintaining this policy imposes too great a burden too soon, and with too much coercion and too little consultation.

You may take some of what business says about this with a grain of salt - they never welcome a new tax. But dozens of firms presented compelling cases that they are being pushed to, or even over, the wall. And coherent and credible arguments against the policy have been articulated by spokesmen like Mike Klassen of the Canadian Federation of Independent Business and Kelvin McCulloch, the CEO of Vancouver Islandbased Buckerfields home and garden stores, who is trying to rally support to sue the government. The opposition is strong enough, consistent enough and credible enough that Clark and her colleagues should slow down and listen.

Making matters worse is the inexplicable decision to put MMBC in the hands of a board comprised of senior executives from Toronto-based Unilever Canada and Toronto-based Loblaw's, plus the managing director, Allen Langdon, who comes to the job from the Toronto-based Retail Council of Canada. So not only do the B.C. businesses that will feel the greatest impact have no representation on the board, they have precious little affinity with those who do.

In short, thanks to government's ham-handed approach, this grand recycling scheme has at least one too many things in common with oldfashioned garbage: It stinks.

dcayo@vancouversun.com

© (c) CanWest MediaWorks Publications Inc.