Responsible and Smart Waste Management and Sustainable Budgeting

Presented to Executive Policy Committee, April 20, 2016
Peter Miller – p.miller@mymts.net

Good morning. I am Peter Miller, a volunteer at Green Action Centre. I want to speak to two main points.

The first is to support the restoration of responsible smart decision-making in the city's management of organics by speaking **FOR Item 3: Garbage, Recycling and Organic Waste Programs (as amended)** from the Water and Waste, Riverbank Management and the Environment Committee. This is the position of Green Action Centre, which will be elaborated by Sylvie Hébert in a later presentation.

Later, in speaking **AGAINST Item 1: 2016 to 2018 Water and Sewer Rates***,* I will show how recent budget decisions work against the poor and the environment and how a change in course is needed if Winnipeg is to become a sustainable, just city. This second part is my own analysis, which goes beyond Green Action Centre's position.

FOR Item 3: Garbage, Recycling and Organic Waste Programs (as amended)

Responsible organic waste management means we cease to bury organic materials in our landfill.

Responsible waste management is not about providing an additional personal service that citizens may or may not want (like plowing sidewalks) but about reducing the harms that our present services create. Curbside organic waste collection is an alteration to our current waste collection and disposal system so that we no longer bury organic materials in the landfill. Burying organics results in a loss of nutrients and the generation of methane gas, which has 25 times the climate impact of carbon dioxide[1]. This makes Brady landfll the second largest point source of greenhouse gas emissions in Manitoba.[2].Responsible sewage management means we don't treat our rivers as open sewers and pollute Lake Winnipeg. Responsible organic waste management means we don't treat the atmosphere as a sewer in the sky. Waste management is a core function of city government and we need to do it responsibly.

Various suggestions have come forward as alternatives to the proposed residential curbside system. The fundamental sustainability test for any and all is the extent to which they stop the burying of residential organic waste in the landfill and provide alternative less harmful treatment and more beneficial uses.

How much diversion from landfill is possible?

Councillor Mayes raised this question at the Water and Waste committee meeting last week. In a properly constructed consultation process one should be able to put that question to City experts and their consultants and receive an informed answer. The Green Action Centre handout offers a couple of answers. The FCM graphic in the appendix shows that typically 40% of residential waste is recyclables and 40% organic waste, so a target of 80% diversion is not unreasonable shoot for. Toronto, for example, currently stands at 66% for single residential homes, 26% for multi-residential homes and 53% overall while aiming higher.[3]

Dresden, Germany does much better. In Dresden, with a Pay As You Throw (PAYT) collection and billing system using RFID transponders measuring frequency and volume of pickup, annual garbage collection

---

[1] "Overview of Greenhouse Gases: Methane emissions." U.S. EPA at https://www3.epa.gov/climatechange/ghgemissions/gases/ch4.html.

[2] http://www.winnipegfreepress.com/local/Manitoba-Ontario-and-Quebec-to-standardize-cap-and-trade-system-360865261.html

[3] http://www1.toronto.ca/wps/portal/contentonly?vgnextoid=2750e03bb8d1e310VgnVCM10000071d60f89RCRD

per capita was reduced from 305 kg in 1994 to 143 kg in 2008 despite increasing incomes and consumption. Charges per bin and per unit of collected waste have remained constant since 2003 and are among the lowest in Germany.[4] Note, for comparison, that in 2013 Manitobans landfilled 840 kg of waste per person.[5] If we assume a tonne of material waste per capita, a common figure in discussions two decades ago, then Manitoba's 840 kg represents a 16% reduction from that figure and Dresden's 143 kg an 86% reduction. This is just a guesstimate to provide some perspective on what is achievable.

Responsible government should be smart and provide informed public engagement.

Green Action Centre vigorously opposed the original clause B. of the Eadie/Wyatt motion to "immediately suspend the implementation plan for curbside SSO (kitchen waste) collection, and cancel any and all plans to conduct public consultations on a curbside SSO program." We regarded that clause as failing the above sustainability test, the mayor's commitment to informed public engagement, and the principles of smart decision-making, which require well-researched investigation and thoughtful consideration of alternatives. The new clause B. resolves these issues by reopening consultations but with a broader range of options. It's something we can support.

The last few months have been quite bizarre from the standpoint of responsible smart policy. Members of the public have seen no report explaining the need for organics diversion and analyzing options for collection, processing and funding. We have instead been forced to respond to leaked hearsay. It's time to restore responsible, smart decision-making to this file. Adopting the amended motion on Garbage, Recycling and Organic Waste Programs can lead to this.

A lesson learned – responsible, smart government requires sustainable, just funding.

At the same time public discussion to date, whatever its limitations, may have had some benefit. It is reported that the initial Public Service presentation to councilors offered a very limited set of options for analysis and decision. In particular flat-fee financing on the utility bill was said to be presented as a non-negotiable feature, which was judged to be unfair, unaffordable or both. So there is a critical need to examine other funding and payment models.

On October 19, 2011, Council adopted the Comprehensive Integrated Waste Management Plan (CIWMP), which prescribed that "the program costs be funded through a combination of property tax support and a user fee collected on the water bill, with property taxes supporting the diversion programs and the user fee funding the balance of garbage collection costs;"[6] As they explained: "The philosophy is that all sectors of the City benefit from increased diversion, through the savings of landfill capacity and the avoided impacts to the environment" (CIWMP, 165). No one has been able to say how this got turned around so that garbage removal and burial of organics get a free ride while the responsible alternative of composting organics is presented as an option that attracts the killer flat fee.

Thus it is crucial that when this matter is referred back to the Public Service they consider alternative funding models including the one adopted by Council in 2011 as well as new green infrastructure funding programs from the federal and provincial governments. We also recommend (as we did in 2011) that the current $55 flat fee component on the water utility bill be converted to a Pay As You Throw (PAYT) model comparable to the volumetric charges for water and sewer. This is a best practice in other jurisdictions. Billing should ideally reinforce a preferred waste reduction hierarchy, say by charging double or triple for a

---

[4] J. Reichenbach, Applications of Pay-As-You-Throw in Germany – Saxony and the City of Dresden as Good Practice Examples, Presentation at VIII Jornada de Prevenció de Residus Municipals, Reus (Spain), Nov 2010. http://www.arc.cat/jornades/jornadaprevencio2010/pon_4.pdf

[5] "Recycling and Waste Diversion: A discussion paper," part of Tomorrow Now: Manitoba's Green Plan, p. 6; available at http://www.gov.mb.ca/conservation/envprograms/recycling/pdf/mb_recycling_strategy_2014.pdf

[6] October 19, 2011 Council Minutes. http://clkapps.winnipeg.ca/dmis/ViewDoc.asp?DocId=11373&SectionId=&InitUrl=

bin of garbage and a lesser amount for a bin of recycling or organics collected. Such a system would reward diversion from garbage and encourage reuse and home composting.

I was encouraged that anti-poverty activist Sel Burrows at last week's Water and Waste Committee meeting said he hoped Winnipeg would soon have the Cadillac version of organics diversion once we got the funding right. We agree.

RECOMMENDATION

Approve the amended version of the Garbage, Recycling and Organic Waste Programs proposal.

AGAINST Item 1: 2016 to 2018 Water and Sewer Rates

Although a flat fee for organic waste diversion has attracted much attention, the water and sewer rate proposal before you is many times more costly - increasing water bills by 28% or $284 over three years. I want to look at these bills from the perspective of sustainable and just budgeting. I repeat that these are my own views that go beyond Green Action Centre's organics brief.

Sustainable and just budgeting.

Green budgeting seeks to:

i. Make it easier and more rewarding to act sustainably (e.g. free or low-cost recycling and public transportation services);
ii. Make it harder and more costly to act unsustainably (e.g. by removing perverse subsidies for sprawl and fossil fuel consumption);
iii. Promote planning and investments for a more sustainable future (e.g. economically and ecologically efficient buildings, communities, businesses, transportation and waste systems);
iv. Take a full-cost accounting perspective in assessing costs and benefits of actions (e.g. global and long-term social, ecological and economic costs and benefits of building, energy, transportation and waste choices);
v. Other things being equal, have users who impose social costs pay for those costs (user pay and polluter pay by internalizing the social costs imposed); but also
vi. Ensure that basic welfare and human development needs (e.g. affordable housing, health and education) are available to all citizens.

Principles (i.) through (iv.) lead to a more sustainable society. Principles (v.) and (vi.) represent two aspects of a just society that need to be reconciled – paying the social costs of one's actions and meeting basic human needs. Despite some potential tension between them, justice requires attention to both.

The 12% dividend contained in the proposed water and sewer rates is unjust and unsustainable.

The proposed 2016-2018 water and sewer rates do well by several of the above criteria. They incent more sustainable water usage by adopting a volumetric user-pay principle and are designed to fund investments for a more sustainable future through sewage plant and sewer main upgrades.

However where they fail is the inclusion of the 12% dividend to fund roads when that money is needed for sewage system upgrades and organics management. Costs of road construction and maintenance should be borne by drivers and owners of motor vehicles. The City asks, Do you want potholes fixed and a new Waverley underpass?, but not, Are you willing to pay an additional fuel or property tax on your car or pay a toll (using transponders) every time you use an underpass on Pembina, Kenaston or Waverley?

The dividend has a negative impact on the environment and the poor. By providing free roads to drivers, it increases the economic, environmental and social costs of driving by inflating demand. As well, the cost

of the water utility dividend makes housing less affordable for lower-income home-owners. This in turn has created a hostile reception to curbside organic pickup and composting proposals. This resistance is hardly conducive to Winnipeg meeting its sustainability and climate responsibilities and commitments.

I acknowledge we are all dependent on services provided by roads, but differentially. High road users get the largest subsidy from city and provincial budgets, from the poor and from the environment.

Need for a low-income household fee impact audit and response.

In recent years, Winnipeg has been offloading costs from property taxes, which are proportional to property values and thus have some correspondence to ability to pay, to fixed fees like frontage taxes, which are unrelated to either ability to pay or road usage. By our reckoning, non-discretionary property-related taxes and fees have increased at twice the rate for a $100,000 home as they have for a $400,000 home since 2010, adversely affecting relatively poorer households. My recommendations below respond to this regressive trend.

RECOMMENDATIONS

1. Reject the 2016 to 2018 Water and Sewer Rates proposal as it stands. Amend it either to reduce the 2016 to 2018 water and sewer rates by the amount of the dividend or put the dividend into the Environmental Projects Reserve for disposition after the Public Service has completed the funding study below.

2. Ask the Public Service to examine and report back on current tax and fee structures and their impacts on lower-income vs. higher-income families and on sustainability.

3. Ask the Public Service to identify potential remedies to reduce bill impacts on lower-income households. Removing regressive charges to utility bills that have nothing to do with utility services, raising required revenues from the mill rate on property instead, and finding ways to tax motor vehicles for the services provided them are several such measures. In addition there is a growing literature on multiple ways to shrink utility bills for lower income customers to make them more affordable, e.g. Best Practices in Customer Payment Assistance Programs.[7] The City might learn from Manitoba Hydro's Affordable Energy Program, which is currently under review for potential enhancements by a collaborative stakeholder process.

[7] https://www.dropbox.com/s/8cx8e49j0sjzfq2/PUB-GAC-3%20Attachment%20G%20Best%20practices%20for%20water%20utility%20payment%20programs.pdf?dl=0