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# The Regional Municipality of Durham Information Report

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From: Commissioner of Works  
Report: #2025-INFO-56  
Date: June 27, 2025

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## **Subject:**

Proposed Amendments to the Resource Recovery and Circular Economy Act and Blue Box Regulations and Impacts to Service in Designated Business Areas

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## **Recommendation:**

Receive for information

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## **Report:**

### **1. Purpose**

- i) The purpose of this report is to provide an update on recently proposed amendments to the *Resource Recovery and Circular Economy Act, 2016* (RRCEA) and the Blue Box Regulation 391/21 (Regulation); and
- ii) To provide an update on potential impacts of these proposals to Blue Box collection services to small businesses still serviced by the Region particularly in Designated Business Areas (DBA).

### **2. Background**

- 2.1 In June 2021, the Province of Ontario released Regulation 391/21 Blue Box under the Resource Recovery and Circular Economy Act, 2016, which shifts the financial and operational responsibility of blue box recycling from municipalities to the Producers of packaging, paper and packaging-like products. The Regulation takes full effect province-wide on January 1, 2026.

- 2.2 The Regulation defines eligible sources as residences and facilities only. Facilities are defined in the regulation as residential-type buildings such as long-term care and not-for-profit retirement homes, multi-residential buildings and schools. The regulation does not include commercial or industrial establishments, including small businesses located in a DBA.
- 2.3 The new Blue Box program is managed by producers under a Common Collection System that is operated by Circular Materials (CM). CM is only obligated to collect Blue Box material generated by eligible sources as defined in the Regulation. Small businesses are not eligible sources. Ontario is currently in the three-year transition period to full implementation of the Regulation on January 1, 2026.

### **3. Previous Reports and Decisions**

- 3.1 Report [#2024-WR-2](#) titled “Update on Small Business Recycling Post Blue Box Transition” resulted in Council direction to cease Blue Box collection and processing services to small businesses in Designated Business Areas on December 31, 2025. The decision was based on the increased costs for this service due to the loss in economies of scale since the material can no longer be co-collected with residential material after December 31, 2025.

### **4. Proposed Amendments to the RRCEA and Regulation**

- 4.1 On June 4, 2025 the Ministry of Environment, Conservation and Parks (MECP) posted proposed amendments to the RRCEA and Blue Box Regulation to the Environmental Bill of Rights website. The proposals were posted with comment periods of 47 days and 30 days respectively.

#### **Key Changes Proposed for the RRCEA ([025-0536](#))**

- 4.2 The MECP has proposed two significant changes to the RRCEA:
- a. Allow the Minister to direct the Resource Productivity and Recovery Authority (RRPA) to collect information on the design, operation and cost of Blue Box collection to evaluate the effectiveness of the Regulation.
  - b. Require producers to negotiate with municipalities to continue servicing small businesses located on residential routes at municipal cost to maintain economies of scale for supporting these businesses.

**Key Changes Proposed for the Regulation ([025-0009](#))**

- 4.3 The MECP has also proposed changes to the Blue Box Regulation. Notable proposals are outlined below:
- a. Delay the expansion of blue box collection to additional residential sources not currently serviced. This change would prevent existing multi-residential buildings not currently serviced from signing up for blue box collection starting in 2026. Existing, un-serviced multi-residential buildings and new multi-residential buildings are both impacted by this proposal. Not-for-profit long-term care homes and schools will also no longer be permitted to request producer-funded blue box collection in 2026.
  - b. Delay the phase-in of higher recovery targets for recyclable materials by five years which will freeze targets at the current levels until 2031.
  - c. Remove the requirement to collect recycling in public spaces such as parks and arenas. This change would not impact Regional operations since local area municipalities are responsible for garbage and recycling in these areas.
  - d. Allow energy recovery to count as diversion for up to 15 per cent of collected non-recyclable material. Note: this is not anticipated to impact the DYEC as the facility only accepts materials from Regional collection programs.
  - e. Allow flexibility on the promotion and education requirements for printed materials and French language materials.
- 4.4 Staff is working with municipal associations to submit comments to both proposals by the July comment deadlines. Of note, initial discussions by staff as well as other municipalities indicate that several of the proposed changes will weaken the overall recycling system and reduce improvements to outcomes.

**5. Impacts to Designated Business Areas**

- 5.1 The Region transitioned its curbside Blue Box collection to producers on July 1, 2024. During the transition period, CM agreed to allow its contractors to continue to collect small business Blue Box recycling at the Region's cost until December 31, 2025. The Region provides Blue Box recycling to approximately 2,800 small businesses, including those in DBAs, located in the City of Pickering, the Town of

Ajax, the Town of Whitby, City of Oshawa, the Municipality of Clarington and the Townships of Brock, Uxbridge and Scugog.

- 5.2 The Regulation does not impact the Region's collection of non-hazardous garbage, Green Bin organics or leaf and yard waste from small businesses in the City of Pickering, Town of Ajax, Municipality of Clarington and the Townships of Brock, Uxbridge and Scugog. The Town of Whitby and City of Oshawa provide these services in DBAs in their respective municipalities.
- 5.3 The proposed RRCEA change to require producers to negotiate with municipalities to continue collection from small businesses could allow the current cost-effective collection of Blue Box recyclables from DBAs to continue.
- 5.4 For services to continue an agreement with the PRO's and their service providers including cost considerations would be required. This would include the need to address previous direction stemming from [Report #2024-WR-2](#).
- 5.5 Comments on the proposed changes to the RRCEA close on July 21, 2025. Municipalities have been advocating for this option and are preparing comments in support of the change to legislation to continue providing cost-effective blue box collection services to small businesses.
- 5.6 While legislation would not pass until the Provincial legislature resumes sitting in the fall, municipalities have been advised by the MECP that the Minister has made the request to PRO's that they begin to plan immediately for implementation. The intent of this has been presented as ensuring uninterrupted servicing of these areas.
- 5.7 Staff communicated the upcoming loss of service to DBAs in 2024 and planned additional communication this summer and fall. Based on the legislative proposal, staff will defer additional communication to impacted businesses until fall in anticipation there is clarity on the final legislative requirements by then.
- 5.8 Staff will report to Council in the fall with updated recommendations if required based on the outcome of the proposed changes to the RRCEA as they relate to providing blue box recycling collection to small businesses in DBAs and any discussions with the PRO's or service providers which have occurred.

## **6. Relationship to Strategic Plan**

6.1 This report aligns with/addresses the following Strategic Direction(s) and Pathway(s) in Durham Region's 2025-2035 Strategic Plan:

a. Connected and Vibrant Communities

- C1. Align Regional infrastructure and asset management with projected growth, climate impacts, and community needs.
- C6. Continue to revitalize and transform downtowns into hubs of economic, social, and cultural connection.

b. Environmental Sustainability and Climate Action

- E1. Reduce corporate greenhouse gas emissions to meet established targets.
- E4. Lead the transition to sustainable living through waste management, diversion, and the circular economy.

c. Strong Relationships

- S3. Collaborate across local area municipalities, with agencies, non-profits, and community partners to deliver co-ordinated and efficient services.
- S4. Advocate to the federal and provincial government and agencies to advance regional priorities.
- S5. Ensure accountable and transparent decision-making to serve community needs, while responsibly managing available resources.

6.2 This report aligns with/addresses the following Foundation(s) in Durham Region's 2025-2035 Strategic Plan:

- a. People: Making the Region of Durham a great place to work, attracting, and retaining talent.
- b. Processes: Continuously improving processes to ensure we are responsive to community needs.

**7. Conclusion**

- 7.1 Blue Box collection from small businesses in Designated Business Areas and a few grandfathered locations is currently scheduled to end on December 31, 2025.
- 7.2 Recent legislative proposals, if approved, may allow the Regional Municipality of Durham to continue the contract with producers to provide Blue Box collection in Designated Business Areas at Regional cost to continue to recycle the material.
- 7.3 Additional communications about the cancellation of blue box recycling collection to DBAs planned for this summer will be deferred until there is clarity on the proposed legislative changes.
- 7.4 For additional information, contact: Andrew Evans, Director Waste Management Services, at 905-668-4113 extension 4102 or Peter Veiga, Manager, Waste Management Operations, at extension 3720.

Respectfully submitted,

**Original signed by:**

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Commissioner of Works