



## Partial Pay-As-You-Throw for Garbage

This backgrounder describes what is meant by ‘Partial Pay-As-You-Throw’ and provides information to help consider and evaluate this Curbside Garbage Collection Option, including:

- The potential to increase the City’s waste diversion rate
- What the option may mean to you financially
- What you may have to do differently with your garbage set out
- Potential benefits with this option
- Key considerations for this option
- How this option has increased the diversion rate for other municipalities

### What is Partial Pay-As-You-Throw?

A partial Pay-As-You-Throw (PAYT) program for garbage is a collection policy that requires households to pay for garbage collection based on the volume or number of bags/items set to the curb. With partial PAYT, residents can place a set number of garbage items at the curb. If additional garbage items need to be disposed of, households can pay a fee for each additional item set out above the limit. This is usually done through the purchase of tags for the extra items.

Curbside households pay for garbage collection and processing through the Solid Waste User Fee issued with the annual property tax bill. This advance payment for service creates little connection for residents between what they pay and the amount of garbage they produce. Studies have found that this tends to result in households producing and disposing of more garbage than they would if they paid for disposal with each garbage set-out.



## Solid Waste Master Plan

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#### What is Full Pay-As-You-Throw and why are we not considering it now?

The [Solid Waste Master Plan's Long-Term Waste Management Needs assessment](#) identified the City's future long-term waste management needs. This exercise identified both a partial PAYT and full PAYT system as options that could potentially meet future curbside diversion needs. A full PAYT program would require homeowners to pay for each item of garbage set out, rather than only paying for items over a set limit. However, a full PAYT system would require changes to how the service is funded, which is out of scope for this project. A full PAYT system is being considered through development of the Solid Waste Master Plan and will be evaluated accordingly.

#### How could this option increase the waste diversion rate?

The waste diversion rate represents the amount of waste kept out of the landfill through recycling and green bin programs. The City of Ottawa calculates its waste diversion rate based on collected tonnages, and is done by dividing the weight of collected material in our waste diversion streams by the total amount of waste collected by the City:

$$\frac{\text{Weight of collected recycling, organics, and leaf and yard waste}}{\text{Weight of collected recycling, organics, leaf and yard waste and garbage}} \times 100$$

If partial PAYT was implemented in Ottawa, our garbage per capita could reduce by up to 28% and our curbside waste diversion rate could increase by up to 6%.



### What would this mean for me financially?

If this option was introduced, homeowners could see their garbage fee increase by up to 38 cents per month (\$4.50 per year). This increase would pay for ongoing outreach and education and operational costs. It does not include the cost for residents to purchase additional bag tags. Municipalities with a partial PAYT program in Ontario typically charge between \$2 - \$3 per tag and this is set to recover costs associated with collecting, transporting, processing and disposing of household waste.

If material bans (of recycling and organics) are added with this option, homeowners could expect to see their garbage fee increase by approximately 67 cents more per month (\$8 more per year) due to the additional cost to process the larger amount of recyclables that could potentially be diverted with this policy.

### What would I have to do differently when setting out my garbage?

You would continue to use garbage bags or containers to set your garbage out to the curb for collection. Garbage bags and containers would need to continue to comply with the size and weight parameters in the City's Solid Waste Management By-law. If you have more garbage items than the program allows, you would need to purchase a garbage tag for each additional item.

Note that recycling, organics, and Leaf and Yard waste will still get collected without any tags and with no limits.

### Potential benefits of this option

Benefits:

- Encourages equity among users by charging fees to individual households based on the amount of garbage disposed. Treating garbage like a “utility”, similar to electricity and gas consumption, allows customers to have control over what they pay by controlling what they consume and what they put in the garbage.



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- Provides residents with the flexibility to dispose of excess garbage by purchasing garbage tags, compared to a firm bag limit that does not permit additional garbage bags to be disposed of at the curb.
- Households exceeding the garbage limit pay for what they dispose. Residents that divert all they can won't have to subsidize those who are not.
- The policy can be enforced by the collection contractor at point of collection by only collecting bags within the designated limit and with a garbage bag/tag.

#### Key considerations with this option

- This program may be viewed as unfair by residents and purchasing tags may be difficult for low-income households.
- Some residents may find the cost negligible and purchase tags for easy and convenient participation in garbage set-out, therefore “buying their way out” of participating in waste diversion programs.
- Pairing a partial PAYT program with a set out limit or material ban can reduce the risk of residents buying their way out of participating in recycling and Green Bin programs.
- The price of garbage tags will need to be established on a cost recovery basis and cannot be revenue generating. Municipalities with a partial PAYT program in Ontario charge between \$2 - \$3 per tag.
- The City will need to develop a system for the purchase and distribution of garbage tags through various channels.

#### What other cities have a partial PAYT program in place? Have these programs been successful in other places?

78 municipalities in Ontario have a partial PAYT program in place, including Kingston, Niagara Region, some areas of the Region of Peel, Durham Region, the Region of Waterloo, and municipalities surrounding the City of Ottawa like Russell, Carleton Place, and Perth.



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The City of Kingston introduced their PAYT program in 1999 with a three-bag limit, and gradually reduced the limit to one bag every week by 2012. Kingston’s diversion rate in 2019 was 62%.

Niagara Region introduced their PAYT program in 1996, and also implemented a gradual reduction in the set-out limit. Households can set out two bags of garbage bi-weekly for collection, with anything above the limit requiring a tag. Niagara’s diversion rate in 2019 was 55%.