

New garbage tax grab stinks!

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City of Toronto workers pick up garbage. (MICHAEL PEAKE/TORONTO SUN files)

TORONTO - As you may have heard through recent media reports, city staff are not only requesting a 3% tax increase on garbage containers, but what is most concerning, is the removal of the containers' rebate subsidy.

In other words, if city staff get their way, the small garbage containers will increase from \$10.63 to \$245 and the medium size will increase from \$88.73 to \$298, etc.

So, you're doing your part and recycling like mad. You've become an expert garbage sorter — to the point of carefully picking the yucky waste and piling organics in the green bin. Your extra-large blue bin is four times as large as your tiny garbage bin. You take recyclable materials like tires, batteries and other bulk stuff to the transfer station and save your paints, electronics and toxic liquids for Community Environment Day disposal.

In 2007, when the new garbage and recycling bins were rolled out — under then-mayor David Miller's administration, taxpayers were promised a rebate to keep things cost neutral for homeowners and revenue neutral for the city.

The principle behind the program is pragmatic: Charge residents according to how much garbage they create. The more garbage you create, the more you pay. Single-family households (who are statistically the city's most avid recyclers) will be penalized the most when the proposed rebate subsidy is taken away — this rebate was passed by council in 2007, however, the implementation process stinks.

Property taxes are meant to cover costs for essential city services, such as police, fire fighting, public works, water supply and sewer services. This proposed garbage tax increase is not only regressive by punishing low- and middle-income families, it targets residential property owners who are doing an excellent job in exceeding the city's waste diversion rates.

This means that taxpayers, who already pay in full for garbage collection through their property taxes, will now be paying for garbage collection again through the implementation of a separate waste management revenue stream — at a time when the cost of this service is significantly lower than previous years.

To add insult to injury, these ridiculous fees have been presented as a way to encourage recycling and to help the city meet its goal of a 70% waste diversion rate. The fact is homeowners who are subject to this rate increase have already met this target rate year-after-year. It is unfair to penalize homeowners to subsidize apartment buildings and condos that are failing to meet Toronto's waste diversion targets.

One thing for certain is that in the coming months, when residents open bills showing their new combined waste, property tax, and water rate increases, homeowners will undoubtedly be in for a shock — if the proposed new revenue stream for garbage taxes and sewage/lot size fees is implemented during the 2016 budget process.

It's time to draw the line on the sand. New and proven technologies are being used throughout the world. In Ontario, York, Durham and Peel regions have endorsed energy from waste as a way to manage their residential garbage. Toronto should stand up to the occasion, as a leader — not a follower.

Highrise buildings and condominiums have failed miserably in waste diversion — apartment buildings must be retrofitted to accommodate waste diversion with enforceable guidelines.

Possible solutions:

In the short term, the city has the ability to continue the grant program, where every property be provided a flat rate to offset the property tax collected as the solid waste portion of the budget.

In the long term, the city needs legislative authority to remove the SWM costs from the property tax system and replace it with user fees. I'm afraid this path to "pay as you throw" will undermine the purpose of property taxes to cover for this essential service.

Sadly, the public perception will undoubtedly be that the city government is unreasonably rigid and clueless, the bill residents will be receiving will include the full recovery cost for their garbage bin, which will undermine public confidence under the city's proposed tax "pay as you throw" system.

If the vehicle registration tax created public outcry, I can only imagine what this regressive tax will create!

— ***Palacio is chair of the Licensing and Standards Committee and councillor for Ward 17 (Davenport).***