



Report to: General Committee

Meeting Date: June 17, 2025

SUBJECT: Preparing for the Transition of Markham's Blue Box Program on January 1, 2026 (Service Impacts)

PREPARED BY: Dave Douglas, Manager, Waste & Environmental Management (x 2395)
Michael DiPasquale, Supervisor of Waste Operations, Waste & Environmental Management (x 3710)

RECOMMENDATION:

1. THAT the report entitled "Preparing for the Transition of Markham's Blue Box Program on January 1, 2026 (Service Impacts)" be received; and
2. THAT the City discontinue the community mailbox recycling program in 2025; and
3. THAT Staff report back to Council in the Fall with a further blue box program transition update;
4. AND THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

To update Council on the City's preparations for the provincially mandated transition of the blue box recycling program to full producer responsibility by January 1, 2026. This report outlines anticipated service impacts and describes how the transition will be managed to ensure service continuity for residents. The report is being brought forward now to provide Council with the most current information available to Staff, acknowledging that many aspects of the transition remain dynamic and outside the City's direct control. Staff intend to provide a breakdown of the financial impacts related to the blue box transition to Council in the Fall.

BACKGROUND:

In June 2021, the Province enacted Ontario Regulation 391/21 under the Resource Recovery and Circular Economy Act, 2016, requiring all municipal blue box programs to shift to full producer responsibility by January 1, 2026. Producers of packaging and paper products will assume complete operational and financial responsibility for blue box recycling. Municipalities will no longer fund or manage these programs, as producers will handle collection and processing through appointed organizations.

Circular Materials (CM), a not-for-profit Producer Responsibility Organization (PRO), has been assigned to coordinate the new blue box system across Ontario. CM has contracted Miller Waste Systems (Miller) to deliver blue box collection services in Markham, Richmond Hill & Vaughan starting January 1, 2026. Markham prepared for this shift through its eight-year collection contract with Miller, awarded in 2020 and launched in 2022, which anticipated key elements of the new blue box system. Blue box materials are currently collected separately, aligning with producer standards. Staff have actively engaged in provincial working groups, maintained communication with CM, and tracked timelines to support a smooth transition, ensure service continuity, and shift costs

off the municipal tax base. The City will still manage the collection of garbage, organics, and leaf & yard material.

OPTIONS / DISCUSSION:

The following section outlines anticipated service impacts for Markham residents, next steps for the community mailbox recycling program, and an overview of CM's/Markham's approach to public education.

Service Impacts for Residents

Ontario residents are expected to experience a seamless transition of blue box services beginning January 1, 2026. Staff have received written confirmation from Miller that, in Markham, weekly collection will continue on the same schedule using the same rigid blue boxes currently in use. From the resident's perspective, service will continue with minimal disruption, as outlined below.

Miller will be responsible for all customer service related to the blue box program, including:

- Missed collections
- Blue box provision (for purchase or replacement)
- Collector complaints and claims
- General program inquiries

Residents will need to contact Miller directly through a toll-free number or email. CM will implement an escalation process to address unresolved complaints.

A key feature of the new blue box system is a standardized list of accepted recyclable materials across Ontario. However, CM has not yet confirmed which recyclable materials will be included in curbside collection – particularly for harder-to-recycle items like styrofoam and plastic film. CM has indicated that municipalities will learn about the expanded material list in September.

Community Mailbox Recycling Program

The City currently manages over 2,500 blue boxes at community mailbox sites, which are collected weekly by Miller and integrated into the curbside residential recycling stream. Originally intended to support convenient recycling of unaddressed advertising mail, this program has become increasingly challenging to operate. In 2024, Staff responded to 564 work orders related to illegal dumping and ongoing maintenance, including missing/broken container replacements. Contamination audits show that, on average, 50% of the material in these bins is non-recyclable – primarily pet waste, food waste, and garbage – resulting in higher processing costs.

Currently, this program is funded through the City's per-household rate with Miller. Following the transition, the full cost of collecting from over 2,500 containers would shift to the City, with an estimated annual cost of \$1.7 million. Continuing the service in 2026 would result in an incremental, fully tax-funded cost, that is equivalent to a 0.88% property tax increase. This significant cost increase is due to the loss of economies of

scale and the end of the current blue box funding arrangement. This would also offset a significant portion of the annual savings the City is expected to realize through the blue box transition, which will be detailed in the Fall report. Given the absence of regulatory obligation, high costs, and operational challenges, Staff recommend ending the program in 2025.

Staff recommend removing all community mailbox blue boxes in Q3 2025. A standardized public response and FAQs would be provided to Council and the Contact Centre to support handling inquiries. Canada Post will be obligated to maintain mailbox sites once blue boxes are removed.

To reduce litter at community mailboxes, Waste & Environmental Management has launched the Bring It Home campaign, encouraging residents to sort and recycle their mail at home. Staff are also promoting Canada Post's Consumers' Choice Program, which lets residents opt out of receiving unaddressed advertising mail. The campaign will run indefinitely, with anti-litter messaging and information on mail reduction options.

Public Education

CM has indicated they will initiate messaging to inform Markham residents about the transition to the new producer-led blue box program in Q4 2025. CM will lead all broad communications, including how residents should participate in the new system.

Markham will implement a local promotion and education campaign aligned with CM's messaging to ensure consistency and clarity. The City's message will inform residents that, starting in 2026, all blue box-related service requests, complaints, and inquiries should be directed to Miller. Communications will be delivered through the City's website, social media, and other primary channels.

After the blue box transition to producer responsibility effective January 1, 2026, all public education responsibilities will rest with CM and other PROs. These organizations will handle the development and distribution of promotional information, provide updates on accepted materials, and manage all program-related inquiries. Markham will continue to support these efforts with collaborative messaging where appropriate.

Service Impacts Summary

Table #1 summarizes key service indicators and highlights which elements of Markham's blue box program will remain unchanged and which will shift under the new producer-led system effective January 1, 2026.

Table #1 Summary of Service Impacts			
Indicator	Current (Pre-2026)	Post-Transition (New Blue Box System)	Status Quo or Change

Blue Box Collection Service Provider	Miller (Contracted by Markham)	Miller (Contracted by CM)	Status Quo
Service Frequency	Weekly	Weekly	Status Quo
Collection Schedule	Tuesday to Friday curbside (No change for multi-residential)	Tuesday to Friday curbside (No change for multi-residential)	Status Quo
Collection Method	Manual curbside collection	Manual curbside collection	Status Quo
Customer Service Contact	Markham (Contact Centre)	Miller (Toll-free number and email)	Change
Blue Box Supply	Supplied by the City	Supplied by Miller	Change
Accepted Materials List	Determined locally	Standardized across Ontario	Change
Community Mailbox Recycling Program	2,500+ bins serviced by City	Program discontinued (Subject to Council approval)	Change
Blue Box Promotion & Education	Led by the City	Led by CM (City to support and align communications)	Change

Staff recognize that many components of the blue box transition remain fluid and continue to evolve as producers refine the details of their new collection system. The decisions of CM and other industry PROs, as well as any future amendments to the regulation itself, remain outside of the City's control. Staff are committed to remaining responsive and flexible, and will provide updates should any new information arise that warrants Council's attention.

Additionally, it is important to acknowledge that the broader economic climate may also influence implementation timelines and resourcing. The City will continue to approach all transition-related decisions with caution and fiscal responsibility, ensuring that service continuity and waste diversion performance remain top priorities.

FINANCIAL CONSIDERATIONS

Staff will report back to Council in the Fall with an update on the blue box transition, including a detailed breakdown of the financial impacts and the effects on the Waste & Environmental Management operating budget.

HUMAN RESOURCES CONSIDERATIONS

N/A

ALIGNMENT WITH STRATEGIC PRIORITIES:

By ensuring a seamless blue box transition for residents with minimal changes to key service variables, Markham continues to advance Goal 1: Exceptional Services by Exceptional People, as outlined in the 2020–2026 Strategic Plan.

BUSINESS UNITS CONSULTED AND AFFECTED:

Contact Centre, Financial Services, Legal Services

RECOMMENDED BY:

Eddy Wu
Director, Environmental Services

Morgan Jones
Commissioner, Community Services