



Canadian Restaurant  
and Foodservices  
Association

Association canadienne  
des restaurateurs  
et des services  
alimentaires

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Chrystiane Mallaley  
NATIONAL Public Relations  
Founders Square  
1701 Hollis Street, Suite L101  
Halifax, Nova Scotia B3J 3M8

Dear Ms. Mallaley,

I am writing to you on behalf of the Canadian Restaurant and Foodservices Association (CRFA) and I appreciate the opportunity to provide comment on the review of solid waste management in Halifax Regional Municipality (HRM)

The Canadian Restaurant and Foodservices Association (CRFA) represents the owner/operators of Nova Scotia's restaurants, bars, caterers and pubs. Foodservice operators and our employees are an integral part of Nova Scotia's social and economic fabric. In financial terms, our industry is made up of more than 2,000 small business operators doing over \$1.6 billion in sales. On top of this, for every dollar spent in a restaurant, an additional \$1.85 is spent in the rest of the economy. With 32,000 employees, we are the third-largest, private-sector employer in the province. While this review is specific to HRM, the municipality accounts for the majority of provincial foodservice activity.

Foodservice operators in HRM face a tough economic environment due to the downturn in the economy and at the same time have seen significant increasing costs for food, labour and energy. At a municipal level, operators have seen their municipal tax bill soar, a substantial increase in water rates and a new fire inspection fee. With razor thin pre-tax margins of just 5.0% it is little wonder that over half of the establishments surveyed in HRM have decided to scale back their renovation or expansion plans. The same survey found that 79% of restaurateurs believe they do not get good value for their municipal tax dollars and fewer than 2 in 10 believed City Hall understand the challenges faced by small business.

Solid waste is an important issue for foodservice operators. Since the vast majority of waste is generated back of house, foodservice operators as a whole have managed to achieve a significant diversion rate from their kitchens with a low contamination rate. This success has come at a high cost to small business operators and HRM must take action to reduce the high cost burden of garbage removal on small businesses. Foodservice establishments already

subsidize the garbage removal for residential ratepayers through the disproportionate amount of tax (3 times the rate) they pay. On top of the high tax rate, unlike residents or many small businesses restaurateurs also must pay thousands of dollars per year for their own garbage removal.

It is clear from the Stantec report that **solid waste costs in HRM are completely out of line with other jurisdictions and the primary goal of this review should be to reduce costs on both businesses and ratepayers.** Unless there is a real and serious environmental downside, all recommendations that could reduce costs should be explored and implemented.

The continued control over the flow of waste in HRM has resulted in a disproportionately expensive waste management system when compared to other jurisdictions. By controlling the flow of waste and containing it within the City's boundaries, the waste management system has been deprived of competition and limited the types of materials that can be sent to be composted by the institutional, commercial, and industrial sector (IC&I). Not only has this resulted in unnecessarily high costs for businesses, the Stantec report has determined it has also resulted in exacerbated costs for HRM and hence small business owners.

Organic waste processing technologies such as anaerobic digestion have the potential to allow the IC&I sector to divert a greater range of compostable materials from the waste stream and generate more revenue over the long term. Combined with the ability to produce biogas to generate electricity or heat, fuel for vehicles, and liquid or solid fertilizer, this is an option that should be evaluated by HRM in conjunction with neighbouring municipalities. Serious consideration must also be given to eliminating the FEP and consolidating waste facilities if cost reductions can be realized. More flexibility is needed in the HRM system and across Nova Scotia to create the economies of scale necessary in the waste management system to halt the rise of waste management costs, with the goal of reducing them in the future.


One topic raised during the consultation process is the use of clear garbage bags. CRFA opposes this measure. Permitting haulers to determine what level of contamination is too high, without any accountability or providing the IC&I sector with alternative disposal options outside HRM, is costly and ineffective incentive to increase waste diversion.

To be environmentally sustainable and increase waste diversion, a waste management system must also be economically sustainable throughout the supply chain. By controlling the costs of operating the system, HRM would provide increased incentives for businesses to divert more materials without continuing to escalate the costs to their businesses.

I trust you will give the views of this important industry due consideration.

Sincerely,

Original Signed



Luc Erjavec, P.Eng.  
Vice President, Atlantic Canada