

## Draft Regulations

### Draft Regulation

Environment Quality Act  
(chapter Q-2)

#### Compensation for municipal services provided to recover and reclaim residual materials — Amendment

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1) and section 124 of the Environment Quality Act, that the Regulation to amend the Regulation respecting compensation for municipal services provided to recover and reclaim residual materials, appearing below, may be made by the Government on the expiry of 60 days following this publication.

The draft Regulation provides that, as of 2018, the annual compensation owed to the municipalities is divided among the classes of materials to which the regime applies as follows: 70.8% for containers and packaging, 20.9% for printed matters and 8.3% for newspapers. The proposed amendment is based on a recent study on the costs of selective collection per material and per class of materials in Québec.

The draft Regulation also subjects a superstore, whose area is equal to or greater than 929 m<sup>2</sup> and is the only retail outlet, to the compensation regime for containers and packaging added there. It also specifies that, where a retail outlet is supplied or operated as a franchise or a chain, under a banner name, or as part of another similar form of affiliation or group of businesses or establishments, the contribution for containers or packaging and for newspapers and printed matters is payable by the franchisor, owner of the chain, banner or group concerned rather than, for example, each franchisee.

Lastly, the draft Regulation contains a provision for ensuring a minimum threshold of 70% for compensation of the eligible costs for services provided by a municipality located at 100 km or more from those of Ville de Montréal or Ville de Québec.

Under section 13 of the Regulations Act, the draft Regulation may be made within a shorter period than the period provided for in section 124 of the Environment Quality Act (chapter Q-2) because of the urgency due to the following circumstances:

—the need to follow up on the study on the costs of selective collection per material and per class of materials in Québec;

—the importance that the compensation regime takes into account, as of 2018, the results of the study.

The analysis of the impact of the draft Regulation shows that, for 2018, the proposed amendments would result, in relation to 2016, in

—a reduction of \$1,630,000 of the amounts paid for the compensation owed by the enterprises for the “containers and packaging” class;

—an increase of \$2,240,000 of the amounts paid for the compensation owed by the enterprises for the “printed matters” class;

—an increase of \$408,500 of the total amount of compensations paid to the municipalities to support the efforts of certain municipalities whose territory is situated 100 km or more from the territory of Ville de Montréal or Ville de Québec; and

—an increase between \$100,000 and \$150,000 of the amounts paid for the compensation owed by superstores with only one retail outlet for the “containers and packaging” class of materials.

The draft Regulation increases the costs for printed matters and decreases the costs for containers and packaging. The financial impact of the draft Regulation is proportional to the quantity of products marketed by the enterprises concerned.

Further information may be obtained by contacting Nicolas Juneau, Director, Direction des matières résiduelles, Ministère du Développement durable, de l'Environnement et de la Lutte contre les changements climatiques; email: nicolas.juneau@mddelcc.gouv.qc.ca; mail: Édifice Marie-Guyart, 675, boulevard René-Lévesque Est, 9<sup>e</sup> étage, boîte 71, Québec (Québec) G1R 5V7.

Any person wishing to comment on the draft Regulation is requested to submit written comments within the 60-day period to Nicolas Juneau at the above-mentioned contact information.

ISABELLE MELANÇON,  
*Minister of Sustainable Development,  
the Environment and the  
Fight Against Climate Change*

## Regulation to amend the Regulation respecting compensation for municipal services provided to recover and reclaim residual materials

Environment Quality Act  
(chapter Q-2, ss. 53.31.2, 53.31.3 and 53.31.5)

**1.** The Regulation respecting compensation for municipal services provided to recover and reclaim residual materials (chapter Q-2, r. 10) is amended in section 3 by replacing the second paragraph by the following:

“Where a retail outlet is supplied or operated as a franchise or a chain, under a banner name, or as part of another similar form of affiliation or group of businesses or establishments, the contributions provided for in the first paragraph are payable by the franchisor, owner of the chain or banner, or the group concerned.

If the person referred to in the first or second paragraph has no domicile or establishment in Québec, the first supplier in Québec of the products or of the containers and packaging, other than the manufacturer, may be required to pay the contribution, whether or not that supplier is the importer.”

**2.** Section 4 is amended

(1) by replacing “the chain, banner” in paragraph 2 by “the chain or banner.”;

(2) by adding the following paragraph at the end:

“(3) where only one retail outlet having an area equal to or greater than 929 m<sup>2</sup> is operated, the contribution for containers or packaging added at the single retail outlet is payable by the owner or, if the owner has no domicile or establishment in Québec, by the owner’s representative in Québec.”

**3.** Section 6 is amended by replacing the second paragraph by the following:

“Where a retail outlet is supplied or operated as a franchise or a chain, under a banner name, or as part of another similar form of affiliation or group of businesses or establishments, the contributions provided for in the first paragraph are payable by the franchisor, owner of the chain or banner, or group concerned.

If the person referred to in the first or second paragraph has no domicile or establishment in Québec, payment of the contribution may be required from the first supplier in Québec of the newspaper or printed matter, whether or not that supplier is the importer.”

**4.** Section 8.4 is amended by replacing the last paragraph by the following:

“Despite the foregoing, the costs eligible for compensation for the services provided by a municipality that is part of a group referred to in paragraphs 4, 5 and 6 of section 8 may in no case be lower than 70% of the net costs declared by the municipality under section 8.6.”

**5.** Section 8.9.1 is amended by replacing the second paragraph by the following:

“For the years 2015, 2016 and 2017, the shares applicable are the following:

- (1) 71.9% for containers and packaging;
- (2) 19.4% for printed matter;
- (3) 8.7% for newspapers.

For the year 2018 and for subsequent years, the shares applicable are the following:

- (1) 70.8% for containers and packaging
- (2) 20.9% for printed matter;
- (3) 8.3% for newspapers.”

**6.** This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

103212