



*Recycling Council
of Alberta*

November 24, 2011

Sid Hinton
Alberta Recycling Management Authority
1310 Scotia 1 Tower
10060 Jasper Avenue
Edmonton, Alberta T5J 3R8

Dear Sid:

As previously expressed, the position of the RCA is that the tire program should incent the highest level of recycling possible within the waste management hierarchy. Under the current program, this would mean the greatest incentive to durable end products manufactured utilizing recycled tire crumb. These products provide the greatest environmental benefits, which are important for the program to maximize. Therefore, we are concerned with the Board's decision to remove the subsidy for manufactured products.

We understand the financial constraints that the program currently faces, and also appreciate that the hope is that these markets will one day become self-sustaining without an industry subsidy. However, we are concerned that removing the subsidy for the highest order recycling option at this time could potentially affect the financial viability of manufacturers' current choice to utilize recycled material in their processes.

At a minimum, we would ask that you monitor end uses closely to determine the impact this program change has on the percentage of tires ultimately being utilized for manufactured products. This will help to assess the validity of the assertion that the subsidy is not an important factor in these utilization rates. In the event that the percentage of tires being directed to higher-order uses decreases, we would ask that ARMA reconsider reinstating payments for manufactured products, and consider increasing the rates to further drive this end use.

As always, I would be pleased to discuss this issue further.

Yours truly,

A handwritten signature in black ink, appearing to read "Jason London", with a horizontal line extending to the right.

Jason London
President

cc: Hon. Diana McQueen, Minister of Environment and Water