

Update on Recycling Markets – As of July 2019

Market Update: Import Restrictions

Market uncertainty still exists halfway through 2019. Import restrictions by the Chinese Government have and continue to have a large impact on global recycling markets. Many countries, such as those in Southeast Asia, started accepting more recycling commodity imports but have now implemented similar measures to those of China. India and other countries announced that they will stop accepting mixed paper material¹. It has been stated by government officials, that environmental concerns and an effort to clean up polluted areas are the primary motivators for implementing these restrictions.

Cardboard and Mixed Paper

The biggest impact of new policy from China has been the disruption of recovered paper fibre markets, which constitutes the largest amount of marketed material by weight in most curbside programs. In the last year, the average price per tonne for cardboard has declined by up to 45%, and mixed paper has fallen to a negative value. The quality standard for cardboard and paper has increased significantly. Polycoat (i.e. plastic-lined cardboard containers) have become difficult to market, along with other cardboard products that are considered a mixed material and include metal or plastic content.

Plastic

Prior to recent market restrictions by China, low oil prices resulted in weak market prices for most plastic grades. Market restrictions have added to the challenges of recycling plastic. New technologies at processing/manufacturing plants in North America have shown some promise, but unfortunately, transportation costs are a large constraint for many communities.

Number 2 Plastic has remained somewhat stable but the other numbers of plastic have struggled. There have been many municipalities across North America (including several in Alberta) that removed plastic #3 through #7 from their curbside program because they were unable to find viable markets. Black plastic has been difficult to market and often ends up in the landfill. It is also being removed from programs in Alberta and elsewhere.

¹ <https://www.recyclingtoday.com/article/india-bans-plastic-scrap-imports/>

Saskatoon Curbside Recycling Material Characterization

Table 2 shows a breakdown by material of tonnages in the curbside recycling program from 2013 to 2018. Contamination is defined as non-recyclable material (such as garbage) placed in the recycling cart by the resident. Residual materials are recyclable but cannot be captured during the sorting process, often because they are too small. As shown, paper and cardboard make up over 70% of total material. Glass is 4% by weight and Plastic #3 through #7 is 1.5%.

Table 1: City of Saskatoon – Curbside Recycling Material Breakdown
(Using program characterization information from 2013 to 2018)

Material	Percent % (by weight)
Cardboard and Paper Total Newspaper (23%) Cardboard (21.2%) Mixed paper (27.2%)	73.3%
Metal Total Tin (1.8%) Aluminum (0.30%)	2.1%
Plastic #1 through #7 Total Plastic 1 (1.47%) Plastic 2 (1.85%) Plastic (Mixed) 3, 4, 5, 6, 7 (1.5%)	4.9%
Beverage Deposit	1.2%
Glass Total Unbroken glass (0.8%) Broken glass (3.2%)	4.0%
Contamination	10.1%
Residuals	4.4%
Total	100%