

Brief Submitted to

The Standing Committee on Environment and Sustainable Development

Study on the Ban of Single-Use Plastics

Submitted by:

Canada Coalition of Plastic Producers of the Foodservice Packaging Institute

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About the Canada Coalition of Plastic Producers (Coalition) and the Foodservice Packaging Institute (FPI)

The Coalition exists, under the umbrella of FPI, to support the Canadian plastic packaging industry. The mission of the Coalition is to represent plastic food packaging products accurately and fairly to the Canadian government and its citizens. The Coalition is committed to advocating on behalf of the plastic food packaging industry, which ensures food and beverage products are supplied to consumers in a sanitary, economically sound, and sustainable manner.

The goals of the Coalition are to:

- Further the understanding of the critical role plastic food packaging plays in the Canadian economy;
- Ensure a fair marketplace, which allows plastic products to compete based on performance, costs and end-user needs/desires;
- Promote the circularity of plastics by encouraging proper waste and litter management, recovery efforts, and use of recycled material.

Members of the Coalition are companies involved in the manufacture of plastic packaging and resins. These companies produce plastic food packaging, straws, and plastic retail and reusable bags in Canada with extensive experience working to find solutions for their products at end-of-life.

This sector supplies Canadian and U.S. marketplaces. The majority of these plastic sector companies (approximately 90%) are small to medium sized family-owned Canadian businesses who may or may not recover, if the federal government proceeds with designating plastic as a toxic substance.

FPI is the material neutral trade association representing the foodservice packaging industry in North America. FPI promotes the value and benefits of foodservice packaging and serves as the industry's leading authority to educate and influence stakeholders. Members include raw material and machinery suppliers, manufacturers, distributors, and purchasers of foodservice packaging.

The food packaging sector employs thousands of Canadians across the country. That employment is significant, and according to the Government of Canada's Economic Study of the Canadian Plastic Industry, Markets and Waste¹ report – national direct employment is 93,000 Canadians in the plastics sector while indirect employment sits at 279,000 people. A third of employment in the entire plastic sector is in packaging with that employment concentrated in Ontario, Quebec and Alberta. Directly put, the stakes are high for Canadians, and their futures, based on the federal government's proposed plastic management approach.

The Coalition appreciates the opportunity to submit our brief to inform the Standing Committee on Environment and Sustainable Development's study into the federal government's recent announcement of a ban on single-use plastic items and designating plastics under the Canadian Environmental Protection Act (CEPA). For your consideration, the Coalition has provided our concerns with the Canadian government's approach to plastics management as well as the predicted impacts to the plastics industry and the economy, and the impacts on human health and the environment.

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¹ Economic Study of the Canadian Plastic Industry, Markets and Waste

Overview of the Canada Coalition of Plastic Producers' Objections to the Federal Government's Proposed Order

The breadth of what is being proposed under the October 10, 2020 Canada Gazette notice making an order adding "Plastic Manufactured Items" to Schedule 1 of the *Canadian Environmental Protection Act, 1999* ("*CEPA*")² (the "**Proposed Order**") is astonishing. Canada is the only country in the world proposing that plastics are toxic. With that designation come many negative consequences for the economy, environment, and the health of Canadians.

"Plastic manufactured items" can be made from a wide range of compounds into a vast array of products used by Canadians every day – anything from coffee cup lids and stir sticks to contact lenses to masks, gowns and gloves – the personal protective equipment being used to fight the spread of COVID-19. If the Governor in Council makes the Proposed Order, every day products that have been used for years would be deemed to be "toxic", and would be subject to regulation, restriction, and even prohibition by the Government of Canada. In fact, the objective of the CEPA toxic designation is to allow for federal jurisdiction over the management and banning of plastic products.

As such, the Coalition objects to the Proposed Order for the following reasons and has submitted, in greater detail, a Notice of Objection³ to the Minister of Environment on December 9, 2020. In summary we outline the following objections to the proposed order:

- 1. "Plastic manufactured items" are not "a substance". They are a broad, heterogeneous class of substances that cannot be collectively classified "toxic" and listed in Schedule 1 of CEPA;
- 2. The Ministers have not completed a scientific screening assessment or review to support their recommendation as contemplated by subsection 77(1) of CEPA. This departure from the usual process contravenes the legitimate expectations of the public and industry stakeholders that a proper scientific assessment will be completed before a substance is deemed to be "toxic":
- 3. The Science Assessment that was completed does not support a finding that "plastic manufactured items" are "toxic";
- 4. The federal government, including through the Canadian Council of the Ministers of the Environment ("CCME"), has not yet completed its scientific research into plastic waste, or developed the resulting policies. As such, the Proposed Order is unsubstantiated, as the federal government does not yet have the necessary scientific evidence to make a determination as to toxicity or the need for regulation; and
- 5. The Proposed Order is inconsistent with Canada's global commitments under the Ocean Plastics Charter. It is expected that the Government of Canada would intend to comply with its international obligations, and not make orders or enact regulations that are inconsistent with those obligations, which did not involve a declaration that plastic items are toxic.

² Canadian Environmental Protection Act, 1999, S.C. 1999, c. 33 ("CEPA")

³ Borden Ladner Gervais Notice of Objection Dec. 9, 2020 for Canada Coalition & FPI

Notice of Objection Request for Board of Review of Proposed Order Declaring "Plastic Manufactured Items" to Toxic Schedule 1 of the *Canadian Environmental Protection Act*, 1999

The Coalition has requested that the Minister establish a board of review under section 333 of *CEPA* to review the basis for the Ministers' recommendation. The purpose of a board of review is to "inquire into the nature and extent of the danger posed by the substance in respect of which the decision is made or the order, regulation or instrument is proposed". In determining whether or not to convene the board of review, the Ministers should consider "the sufficiency of the science in support of the proposed order". To date there has been no response or decision made.

There is broad agreement in society that litter of plastic, or any material, needs to be addressed. However, in order to address this issue, the scope and opportunities must be reviewed and understood to ensure Canadians continue to benefit from the many positive economic, environmental, societal benefits and attributes of plastics.

- Less than one percent of all plastics in the economy across all sectors construction, medical, transportation, packaging, textiles, electronics, appliances/white goods and other uses currently is generated at unmanaged landfills or through litter/leakage to the environment.
- Putting Canada's performance in managing plastics into perspective, Canada is #187 out of #192 countries, with China being the number one contributor of ocean plastics (Jambeck Study Plastic waste inputs from land into the ocean)⁴. Canada manages plastics well versus other jurisdictions, as evidenced by the Jambeck study. The plastics industry supports continuous improvement and recognizes Canada can do better. Canada through the CCME Zero Plastic Waste Strategy is implementing solutions to reach the Oceans Charter goal of zero plastic waste.
- In addressing litter there are two types to consider. The first, is mismanaged items in waste systems (e.g., windblown litter from waste & recycling bins or unmanaged landfills). The second is the unintentional litter of items discarded outside of accepted and existing collection systems. A discussion about litter and waste must draw on a clear distinction between the product itself and a waste management issue.

Keeping these distinctions in mind, the federal government should continue to work collaboratively with the provinces, industry and other stakeholders to manage plastics and, by the Government of Canada's own words, keep plastics value in the economy. Plastics play an essential role in our healthy lifestyles and more recently, the benefits of single-use plastics are evident in the fight to prevent the spread of COVID-19.

⁴ Jambeck Study - Plastic waste inputs from land into the ocean 768 13 FEBRUARY 2015 • VOL 347 ISSUE 6223 sciencemag.org

Science Assessment - Does Not Support Government Plastic Toxicity Statements

The plastics industry is a science, innovation and technology-driven sector. It is heavily involved in research and development, understands scientific processes and what constitutes valid science. There are numerous issues present in the Science Assessment as highlighted below that do not support the proposed designation of plastic manufactured items as "toxic":

- 1. The scope of the actual mismanaged plastics issue in Canada is not adequately assessed. No effort is made to quantify the amount of plastic in the environment in Canada. Therefore, the extent of or magnitude of the issue is not known.
- 2. There appears to be no acknowledgement that many plastics are inert and not inherently toxic. The Science Assessment glosses over research concerning the toxicity of plastics. It is stated that "Many of the chemicals observed to be bound to plastic particles have been assessed by various programs at Environment and Climate Change Canada (ECCC) and Health Canada" (p.11)⁵, but it does not acknowledged that over 2,275 plastic polymers have been approved by Health Canada Safety Branch and the US Health Safety Branch.

As an example, the federal government has previously analyzed styrene, a building block of polystyrene, using the CEPA definitions, and determined that it is not "toxic" because it does not enter the environment in quantities large enough to pose a concern. Styrene is actually a naturally occurring element and is found in commonly consumed foods such as strawberries, peaches, cinnamon, beef and coffee.

3. The Science Assessment advocates using the precautionary principle to take action to reduce plastic in the environment. However, it does not provide enough evidence to trigger the use of the principle and a declaration of toxicity under CEPA. It fails to identify any toxic properties of plastics – for either macroplastics or microplastics. Therefore, the use of the precautionary principle is not warranted. The evidence of harm does not meet the threshold outlined in the preamble CEPA to trigger the precautionary principle.

Negative Impacts on Canada's Economy, Human Health and the Environment

The negative, unintended consequences of the Government of Canada's proposed CEPA toxic designation and contemplated plastic ban approach on the economy, human health and the environment have not been adequately assessed. The Coalition offers the following with respect to the negative impacts in these areas.

Economic Impacts:

- The plastics industry directly employs over 93,000 Canadians in over 2,000 locations and an estimated 279,000 indirect jobs. Further the plastics industry is a \$35B industry. All of these jobs and revenues are at risk based on the current direction from the federal government that would see all plastic manufactured items labelled as "toxic".
- Plastic packaging represents one-third of the plastics industry which is immediately at risk.

⁵ Science Assessment of Plastic Pollution, Environment and Climate Change Canada Health Canada October 2020

- Ontario, Quebec and Alberta will be most seriously impacted as the provinces with the greatest concentration of plastics manufacturing and associated jobs.
 - o Ontario
 - Ontario is the third largest advanced plastics manufacturing jurisdiction in North America. It represents 55% of Canada's plastic activity and revenues.
 - It is home to over 1,552 plastics companies operating in 184 communities across the province.
 - In Ontario, 42,780 are employed directly in the industry and 128,340 indirect jobs.

Ouebec

 According to Statistics Canada in 2019 there were 51,685 employed directly in Ouebec in est. 600 to 800 facilities.

Alberta

- The plastic resins and plastic products industry (plastics industry) was one of the province's largest manufacturing industries with total revenues of \$6.3 billion, accounting for 9.4% of total manufacturing revenues.
- Plastic resins revenues were \$4.7 billion and the plastic products' revenues were \$1.6 billion.
- This industry's share of manufacturing output was 8.4% in 2015 (in constant 2007 dollars).
- 171 business establishments, of which 22% have more than 50 employees.
 Of these 171 establishments, 159 are part of the plastic products sector and 12 are in the plastic resins sector.
- The Government of Canada's proposed plastics policy is misaligned with the Canada-U.S.-Mexico Trade Agreement (CUSMA). The proposed actions may result in violations to the Technical Barriers to Trade Chapter of CUSMA and The World Trade Organization (WTO) TBT Agreements that ensure that technical regulations are not prepared and adopted creating unnecessary obstacles to international trade. This would impact Canada's export markets and trade.
- The "CEPA toxic effect", resulting from such a designation, will negatively and seriously impact investment/jobs not only in the plastics industry but other industries using plastics such as the foodservice industry, consumer products and manufacturing, as they are forced to seek alternatives that may not meet their performance needs and are likely to increase costs.
- With a label of toxic, it is foreseeable that the banking and investment sector will be swift in restricting financing and investment in the Canadian plastics and manufacturing industry using plastics.
- Bans and future uncertainty of the federal government's plastics policy will impact food and
 consumer plastic product manufacturing. Companies in this sector will be forced to make
 hard decisions whether or not they take on the expense to retool so that can manufacture
 alternatives. Manufacturers may find it preferable to make investments in other countries
 where there is more certainty in the marketplace and they do not need to adapt their
 processes. The end result being job and investment losses beyond direct plastics
 employment and investment.
- Canada is in the grip of the pandemic and resulting economic challenges. The loss of jobs in
 the plastic sector and disinvestment in the Canadian plastics industry will add to the
 unemployment numbers at a time when Canada needs to rebuild and strengthen its
 economy.

Cost of Living

- Bans will increase the cost of living and impact Canadians, which will hit those out of work
 due to the pandemic and low-income groups the most. Packaging manufacturers producing
 both plastics and alternative packaging report the alternatives to plastics can be more
 costly.
- Plastic food packaging is known to protect and extend the life of food. Alternatives may not
 be able to perform to the levels currently used packaging types, resulting in higher levels of
 spoilage in the supply chains. Those higher levels of spoilage ultimately result in increased
 costs to Canadians. Costs that are passed onto the consumer and drive up the nation's
 grocery bills.

A study by the Canadian Produce Marketing Association⁶ regarding plastic packaging found the following impacts: "The premature withdrawal of current plastic packaging could have far-reaching unintended consequences. Lack of effective packaging could lead to almost a half a million metric tonne increase in food losses and waste (FLW) above current levels. Valued at CA\$2.5 billion, based on average Toronto wholesale prices for 2018, this estimate is conservative. Externalities associated with the premature withdrawal of plastic packaging suggest that the true economic cost would reach \$5 billion, perhaps more. This is due to the withdrawal of current plastic packaging creating enormous wider economic consequences for industry and consumers alike." This supports our contention bans have far reaching negative unintended consequences that will severely impact Canadian's economically and hit them where they can least afford it in their wallets during this pandemic and future events.

Human Health

- According to the Public Health Agency of Canada 4 million Canadians (1 in 8 people) ⁷ get sick each year from contaminated food. Nationally, over 11,500 hospitalizations and 240 deaths occur each year due to food-related illnesses. Public health is a 24/7 and 365 day/year priority that needs to continue even after the current COVID pandemic subsides. One of the chief benefits of plastic shopping bags and other single-use plastic food packaging is that they help prevent our food from being contaminated by noxious pathogens viruses such as norovirus, bacteria like E. coli, molds, and yeast that can make a person sick and even be fatal.
- The federal government has acknowledged the important and essential role plastics play in all sectors of Canadian society. We enjoy a healthy lifestyle and sustainable future through plastics' efficiency in conserving resources, reducing waste through light weighting, hygienic properties to protect and keep our food supply healthy and reduce spoilage, ease of manufacturing complex shapes and parts and its recyclability, reuse and recovery alternatives. All of this is at stake with the contemplated bans.
- The federal government can best reflect the needs of all Canadians including those with disabilities by recognizing the essential role single-use plastics play in providing Canadians a healthy lifestyle by working collaboratively with industry and the provinces to manage all plastics and maintain plastics' benefits in the economy. For example, in the case of items such as straws another approach would not be a ban, but to supply straws on request.

Workplace Safety

• Bans on plastics bags and other single-use plastics may leave workers and consumers more vulnerable in the fight to stop the spread of COVID, viruses, bacteria and other pathogens.

⁶ Canadian Produce Marketing Association, A landscape review of plastics in the Canadian fresh produce sector 2019

⁷ Government of Canada, Infographic: Food-related illnesses, hospitalizations and deaths in Canada

- As highlighted by the current pandemic, provincial governments, such as British Columbia, have restricted the use of reusables, including reusable shopping bags, to protect against the spread of COVID. It is a scientific fact proven by numbers of studies since 2010 that reusable bags can be a source of pathogens, viruses, molds and viruses.
- The ramifications of reusable bags spreading germs goes beyond the health of consumers or customers and can also affect work environments for those workers in grocery stores or retail outlets who are exposed. The impact of unwashed reusable bags and the spread of pathogens throughout a grocery store has been documented in numerous studies including the following research:
 - o The International Outbreak Museum Reusable Bags Norovirus 8
 - Study: The Spread of a Norovirus Surrogate via Reusable Grocery Bags in a Grocery Supermarket - University of Arizona reusable bag study 9

Environmental Impacts:

- The move to alternatives to replace plastics generate negative environmental outcomes that affect all Canadian communities and sectors of society. Life cycle studies completed on various alternatives have found that alternatives may have a higher carbon footprint which contributes to higher energy use in our food delivery systems, leading to greater global warming potentials. This runs counter to reducing Canada's carbon footprint.
- Life Cycle Assessment of Shopping Bags by the Government of Quebec¹⁰, United Kingdom (U.K.)¹¹ and Denmark¹² found the single-use plastic shopping bag to be the best environmental option versus its alternatives including paper, reusable bags and cotton. Note studies of plastic bag litter in North America average less than 1%¹³ at 0.4% as they are managed well through the 3R's Reduction, Reuse, and Recycling.
- Any contemplated material restrictions and proposed alternatives must be evaluated based on a life cycle approach to evaluate their overall environmental impact and their potential to contribute to Canada's objective of building a greener economy.
- The bans do not support and recognize the new advanced plastic recycling technologies such as Pyrowave¹⁴, Green Mantra¹⁵, AMSTY-Regenyx¹⁶ that use a number of technologies from pyrolysis to microwaves to recycle plastics into new virgin-like plastics for manufacturing in the Circular Economy. These technologies will make it possible to recycle single-use plastics targeted in the ban such as straws, foodservice packaging, black plastics and other plastics that are not currently recycled at high rates.

⁸ The International Outbreak Museum – Reusable Bags – Norovirus

⁹ **Study: The Spread of a Norovirus Surrogate via Reusable Grocery Bags in a Grocery Supermarket** - University of Arizona reusable bag study

¹⁰ The Science is clear: the conventional plastic bag is the best for the environment

^{11 2011} U.K. Government Environment Agency Study Report 2011 - "A Life Cycle Assessment of Supermarket Carrier Bags"

¹² The Danish Environmental Protection Agency Feb 2018 - Life Cycle Assessment of grocery carrier bags

¹³ All About Bags Litter

Need for Continued Support of the Canadian Council of Ministers of the Environment Zero Plastic Waste Strategy

Canada is recognized for its advanced waste management and recovery systems (e.g., United Nations recognized Ontario Blue Box) to manage plastic and other resources at their end-of-life, and should continue to build on this leadership.

A solution and plan to eliminate plastic waste and litter exists that is supported by all levels of government, industry and stakeholders - the CCME Zero Plastic Waste Strategy. The plastic industry was an active participant in the development of this strategy, sharing its knowledge and expertise on managing plastic resources (e.g., design, post-use, technology, education, policy, recycled content, innovation).

The CCME Zero Plastic Waste Strategy is being implemented through the provinces, who through Canada's Constitution are responsible for their own waste management and resources. Industry partners are active through Extended Producer Responsibility and design changes to their products to support reduction, reuse, recycling and recovery of plastic resources. The work of the provinces promotes a circular economy and it is our view that what the federal government proposal may serve to work at cross purposes. As a recent example, we have seen the Ontario Government include and manage single-use items, including plastics, in their proposed 100% producer responsibility regulations. Ontario has clearly signaled this is their preferred approach rather thant a ban on materials or packaging.

The Coalition supports the important work of the CCME as it uses science and data to avoid the negative unintended environmental, economic and social consequences of bans.

Recommendations to Sustainably Manage Plastics as a Resource

- 1. The Government of Canada focus its resources on working with its provincial and industry partners the CCME Zero Waste Strategy and the path to greater circularity of plastic in the economy.
- 2. The federal government must conduct a Board of Review on the CEPA designation that proposes to include plastic manufactured items in the Schedule 1 Toxics List. Any further action to ban plastics should not be taken until the review is completed.
- 3. The federal government should conduct the appropriate risk assessments in accordance with CUSMA and WTO conditions.
- 4. New advanced recycling technologies that make plastics infinitely circular should be promoted through innovation funding to establish facilities in Canada.
- 5. Provide innovation and research funding for new technologies to manage plastics in recycling facilities. For example, there are currently manufacturers in the marketplace that provide optical sorting technology for the management of black plastics in recycling operations. These sorters can differentiate between the black plastics and the conveyor belt beneath it.
- 6. Mismanaged items from waste and recycling systems, can be addressed through better waste management practices implemented by the waste sector/municipalities. This may include landfill management (e.g., daily cover to closing unmanaged landfills) to covered carts/bins for recyclables.
- 7. Litter needs to be addressed through investment in infrastructure, introduction of regulation, education and enforcement of litter laws.

8. Any future Government of Canada policy directions, in collaboration with the provinces and industry, must include assessments that recognize the life cycle impacts of all materials, products and packaging, health and safety issues, economic and environmental impacts in a holistic approach that is currently missing from the "proposed integrated management approach to plastic products".

Conclusion

The Government of Canada's Science Assessment does not provide the basis for the addition of "plastic manufactured items" the CEPA Schedule 1 (the List of Toxic Substances). More importantly, this proposed designation will cause unintended and harmful economic, human health and environmental consequences.

Improperly managed plastic can be best addressed through the creation of a national harmonized recycling system, predicated on provincial collaboration, while respecting the provinces jurisdictional responsibility in the area of waste management.

This should include the implementation of a National Extended Producer Responsibility framework and can be achieved by maintaining the course with the CCME's Zero Plastic Waste Strategy.

Canada Coalition of Plastic Producers

In early 2020, the Canada Coalition of Plastic Producers (Coalition) was launched, under the umbrella of the Foodservice Packaging Institute, to support the plastic packaging industry. The mission of the Coalition is to represent plastic food packaging products accurately and fairly to the Canadian government and its citizens. The Coalition brings together members of the plastic packaging supply chain, including both resin manufacturers and converters. The Coalition is committed to advocating on behalf of the plastic food packaging industry, which ensures food and beverage products are supplied to consumers in a sanitary, economically sound, and sustainable manner.

For additional information on this brief or the Coalition, please contact Carol Patterson, VP Government Relations with the Foodservice Packaging Institute at cpatterson@fpi.org.