



A Division of  ProAmpac

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April 5, 2021

Mr. Francis Scarpaleggia, M.P.  
Chair, Standing Committee on Environment and Sustainable Development  
Sixth Floor, 131 Queen Street  
House of Commons  
Ottawa, Ontario  
K1A 0A6

By email: [ENVI@parl.gc.ca](mailto:ENVI@parl.gc.ca)

Dear Mr. Scarpaleggia:

**Re: Study on Single-Use Plastics**

**Hymopack Ltd.**

- Recognizes the importance of addressing plastic waste and understands that industry must play its part to contribute to solutions.
- Shares the common objective to create a circular economy for plastics and divert plastics from landfills.
- Is committed to working with governments to implement an innovative, forward-looking plan to create a circular economy for plastics through improved product design, enhanced recovery systems, and augmented end-markets for post-consumer plastics.

**The Plastics Industry Role in the Circular Economy for Plastics**

As a member of the Chemistry Industry Association's Plastics Division, Hymopack is committed to advance viable solutions to address plastic waste. We have made the following commitments:

- 100 per cent of plastics packaging being recyclable or recoverable by 2030.
- 100 per cent of plastics packaging being reused, recycled, or recovered by 2040.
- Implementation of Operation Clean Sweep by 2022, an international plastic stewardship program aimed at eliminating the escape of plastic pellets from industry operations, with a focus on preventing leakage into rivers and oceans.

Hymopack recognizes the role that plastics play in our modern and sustainable way of life: protective food packaging helps ensure consumers have access to safe, sanitary food products, and play a



significant role in extending product shelf-life and reducing food waste and greenhouse gas (GHG) emissions. Plastics are critical to achieving our climate change goals – from lighter, stronger wind turbines, lighter, more fuel-efficient vehicles, to insulating materials to keep our homes warm.

Several Members of the CIAC Plastics Division and other innovators across the country are advancing important and innovative technologies to ensure that post-consumer plastics remain in the economy, not the environment. This includes, but is not limited to:

- INEOS Styrolution which entered into a partnership with AmSty and Agilyx to construct a polystyrene recycling facility (a product currently being considered for a Federal ban);
- Modix which recycles and pelletizes low-density polyethylene (including plastic bags which are currently being considered for a Federal ban);
- Revital Polymers which recycles polypropylene (including black plastic which is currently being considered for a Federal ban);
- Ice River Springs which uses 100% recycled content for its green water bottles;
- CleanFarms which provides recycling solutions for agricultural communities;
- Pyrowave which uses innovative microwave technology to depolymerize post-consumer plastics and return it to its molecular level;
- GreenMantra which transforms recycled plastics into value-added synthetic waxes and polymer additives that are used for roofs and roads and composite materials.

There are only a few examples of how innovative thinkers are providing solutions across the country. It also speaks to how the proposed Federal approach fails to harness this innovative drive and, instead, is introducing measure that will hamper and effectively undermine all the investment to date. In face of this innovation, it is unclear what goal is being achieved with a Federal approach that seeks to ban products that are being recycled and where companies have made significant investments of time and money to contribute to the establishment of a circular economy for plastics.

As Canada's largest manufacturer of recyclable plastic bags, Hymopack reuses all of its Plant scrap and incorporates recycled material in all of its bags.

### **Economic and Job Impacts on SMEs and the Plastics Industry of the Proposed Federal Government Approach**

Hymopack is concerned that The Government of Canada has not taken into account the economic impacts of bans on the plastic sector or the economy.

- There are over 1900 plastic companies in Canada employing 93,000 individuals. The plastics sector is an SME-driven industry; 86 per cent of Canada's plastic product manufacturers are family-run businesses across the country. Based on data from Statistics Canada, the Chemistry Industry Association of Canada has estimated that the designation of single-use plastics could potentially be applied to approximately one quarter - \$5.5 - \$7.5 billion – of Canada's plastic product shipments, representing 13,000 – 20,000 Canadian direct jobs. Indirect jobs range from 26,000 – 40,000 jobs.
- For every direct job lost in the plastics sector, there are 2 indirect jobs that are at risk of being lost. Any assessment of the broader economic impacts of this approach must take into account both direct and indirect job losses.



- Many of these single-use plastics are everyday products such as packaging materials, foam packaging, bottles, and everyday items like straws, stir sticks, plastic cutlery, etc. Federal bans on these sorts of items puts at risk small producers, the vast majority of the market, many of which do not have the ability to consolidate or pivot to adapt to new product lines since investments in new machinery and equipment may be out of reach financially for many SMEs.
- Located in Toronto, Hymopack is part of a privately owned group of companies that have been family owned for more than 80 years. The proposed ban of plastic shopping bags will put the jobs of almost 200 Canadians at risk at a time when Canadians are suffering from economic and health challenges.
- Not only are Hymopack's jobs at risk, but so are the jobs of all the people who support its business including suppliers of raw materials, corrugated cartons, printing plates and inks, local small machine shops that repair or produce replacement parts, those who provide a wide variety of services to Hymopack, jobs in transportation and distribution and many more other indirect jobs.
- Furthermore, adding all plastic manufactured items to CEPA Schedule 1 *List of Toxic Substances* could put a risk of additional aspects of the \$35 billion plastics supply chain, especially resin producers with major operations in Alberta and Ontario. This designation will send a strong negative signal to the industry as it considers future investments. Alberta, Ontario and BC, and Quebec are all prioritizing chemistry and plastics investments as part of their economic growth and recovery plans.
- Beyond resin manufacturers, a designation under the *List of Toxic Substances* would also send a strong negative signal to manufacturers and recyclers who handle plastic materials. The implications and uncertainties around how this designation could affect organizational logistics are introducing risks to businesses that could face higher operational costs such as: increased liability insurance, higher labour relations costs as employees seek higher compensation for handling products designated under the *List of Toxic Substances*, higher transportation costs, specific requirements for site storage and handling, employee training, as well as permitting costs and complications when transporting across national borders to meet potential requirements under the Transportation of Dangerous Goods.
- This approach suggests that the Government is not aligned in its priorities which on the one hand is urging greater sustainability through a circular economy for plastics while on the other hand putting in place hurdles that will put at risk further investments in recycling.
  - This designation on the List of Toxic Substances could put at risk bank loans for business investments;
  - It removes valuable products from the 'blue box' recycling system thereby making it more expensive to manage;



- It mischaracterizes a cost-effective and durable product that is used to achieve sustainability goals resulting in the use of alternatives that are more expensive and could undermine sustainability goals.
- With no clarity on how extensively the Proposed Integrated Management Approach will continue to assess other plastic items, there is uncertainty regarding even broader economic impacts that the proposed approach will have. For example, the Government has not addressed questions regarding whether the proposed bans will be on the sale of these products in Canada (while allowing the sale in the US) or whether it will include a manufacturing and export ban.
- This determination has significant impact on being able to assess the scope of economic and job impacts as many companies export a significant amount of their product lines to the US.

**Recommendation 1:** Before proceeding with the proposed approach, the Government should conduct an analysis of the economic and job impacts on SMEs and the plastics industry of designating plastics under Schedule 1 of CEPA and banning some plastic products.

**Recommendation 2:** If the Government proceeds with the proposed ban of plastic bags ban, it should provide financial support to companies that will be impacted by it to transition to different products and protect the jobs of Canadians that will otherwise be lost as a result of the ban.

### **Environmental Impacts of the Proposed Federal Government Approach and How this Undermines the Establishment of a Circular Economy for Plastics**

Hymopack is highly concerned with the proposed Federal approach to list “plastic manufactured items” under the Canadian Environmental Protection Act (CEPA) *Schedule 1: List of Toxic Substances* and ban certain plastic products. Such an approach will not accelerate the solutions required to divert plastic waste from landfills and will have negative consequences on the growth and economic recovery of our industry. Moreover, it will undermine our advancement towards a circular economy for plastics.

- CEPA is the wrong tool to approach the management of plastic waste because it is not designed to regulate the broad set of consumer products. Plastic is an inert product. A scientifically unjustified designation for plastics on the *List of Toxic Substances* would blur the line with those substances that are truly toxic and are rightfully managed under CEPA.
- Mislabelling plastics on the *List of Toxic Substances* and banning single-use plastics inappropriately targets the use of plastic products rather than the insufficient end-of-life management of plastics that results from a lack of infrastructure, consumer education, and markets to drive the secondary use of post-consumer plastics.
- Punitive measures like bans on single-use products are counterproductive and create a false dichotomy. Governments should be focused on establishing a circular economy which maximizes the efficient use of resources by enabling continuous re-use and supporting sustainability and net-zero carbon goals. With a circular economy in place, there will no longer be the concept of single-use; our mindset and practices will shift from single-use to re-use.
- Governments should be promoting the expansion of reuse, recycling, and recovery, the integration and development of end-markets, and investments in innovative advanced recycling infrastructure and projects. Banning single-use products undermines the significant investments



that both industry and governments have put in place to develop and improve the technologies and systems to recycle plastics and build a circular economy for plastics in Canada. It sends a chill on future investment in a sector that Government is approaching in a punitive manner rather than from an innovation perspective.

- The Proposed Integrated Management Approach does not consider, from a life-cycle perspective, the environmental costs of alternatives that would be selected in the event plastic products are banned. Studies have shown that the environmental cost of using alternative materials to plastic in consumer goods is almost four (4) times higher. Estimates indicate that substituting plastics in consumer products and packaging with alternatives that perform the same function will increase environmental costs from US\$139 billion to US\$533 billion.
- A life-cycle assessment of plastic products compared to alternatives will help avoid regrettable situations where alternatives selected have a larger overall environmental footprint.
- A recent Life Cycle Assessment conducted by Recyc Quebec concluded that the thin plastic bag has the smallest environmental footprint when compared to paper bags or reusable bags. A paper bag must be reused 4 times to have the same footprint as a plastic bag and a reusable bag must be reused 50-1,000 times, depending on that bag type.
- The LCA also noted that more than 77% of plastic bags are used more than once.
- The Proposed Management Approach does not reflect current and future recycling capabilities. For many single-use plastic products, technologies to recycle and recover them currently exist but limited municipal budgets for investments in recycling technologies, absence of end-markets, and limited sorting capabilities result in poor recycling rates. Future capabilities through improved robotics for sorting and emerging advanced recycling technologies are paving the way for eliminating plastic waste and re-using plastic continuously in the economy. These are solutions help us achieve our environmental goals while also spurring innovation and economic development.

**Recommendation 3:** Do not use CEPA to regulate a set of consumer products like “plastic manufactured items”. Rather, the Government should re-focus the Management approach on investments and incentives to develop technological and system-wide process solutions in support of a circular economy. In that context, bans on single-use plastic products would not need to be included as part of the Government’s Management Approach since plastic products would be designed for recyclability and infrastructure would be in place for effective recycling and recovery.

**Recommendation 4:** We would recommend that the Government develop a life cycle assessment of single-use plastic products compared to alternatives when used in the quantities required to replace plastic.

### **Health Impacts of the Proposed Approach**

Plastics play an important role in protecting the health of Canadians and addressing food insecurity. Plastics are critical in the food supply chain for food safety and security, keeping food safe from human contact, germs, and cross contamination between products.

Plastics also reduce and prevent food waste throughout the food supply chain, a critical public health issue. Roughly one-third of the edible food produced for human consumption is lost or wasted globally. The Toronto Food Policy Council reports that \$31 billion worth of food is wasted in Canada each year,



representing 40 per cent of food produced in Canada annually.<sup>2</sup> A large portion of this food waste is edible and could be redirected to communities with low food security.

Plastics packaging reduces food loss and waste by protecting food products, extending shelf-life, and promoting behavior change (e.g., portion control, resealable features, and consumer messaging). For example, plastic film helps increase shelf-life of fresh meats up to 21 days or more, and plastic vacuum packaging extends shelf life 10 times longer than store-wrapped meat, resulting in 75% less food waste.

Plastics are also prevalent in the healthcare industry as they are impermeable to germs, making medical procedures simpler and safer and preventing the transmission of diseases in hospitals. From medical devices to artificial corneas, hearing aids to time-release pill capsules, innovation in plastic has revolutionized the medical industry. Plastics have also played an essential role in response to the COVID pandemic – from the production of personal protective equipment to the packaging and syringes used to deliver vaccines.

The Proposed Management Approach does not consider the impacts that banning plastic products would have from a food safety or food security perspective, nor does it consider the benefits plastics play in the medical and healthcare industries in protecting human health and preventing disease transmission. By associating the use of the word “toxic” with plastic products, it will create consumer confusion and concern, undermining confidence in the health and safety measures of these highly regulated products.

Given the high reuse rate of 77%, the lower environmental footprint of plastic bags compared to alternatives, and the fact that technologies exist to recycle plastic bags, the proposed Federal government approach does not achieve environmental goals, has a detrimental economic impact on SMEs, and doesn’t actually address the infrastructure gaps that exist. Industry’s support for provincial Extended Producer Responsibility programs (whereby industry will pay for and manage harmonized recycling systems with clear recycling targets) and commitment to implementing a circular economy demonstrates that forward looking solutions can be implemented when industry and governments worked collaboratively.

Sincerely,

Gerry Maldoff  
President  
Hymopack Ljtd.

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### **About Hymopack**

Located in Toronto, Hymopack is Canada’s largest manufacturer of Plastic Bags. Hymopack is privately owned and has approximately 200 employees. Hymopack reuses all of its Plant scrap and incorporates recycled material in all of the bags that it produces. Hymopack adheres to best practices in managing its environmental footprint.



Hymopack is also a Member of the Chemistry Industry Association of Canada (CIAC) Plastics Division, which represents Canada's leaders in plastics sustainability – a \$35 billion sector that directly employs over 93,000 Canadians. The Division encompasses the entire plastics value chain, including resin and raw material suppliers, processors/converters, equipment suppliers, recyclers, and brand owners.

