

Introduction

Retail is Canada's largest private sector employer with over 2.1 million Canadians working in our industry. The sector annually generates over \$76 billion in wages and employee benefits. Core retail sales (excluding vehicles and gasoline) were \$377 billion in 2018. Retail Council of Canada (RCC) members represent more than two-thirds of core retail sales in the country. RCC is a not-for-profit industry-funded association that represents small, medium and large retail businesses in every community across the country. As the Voice of Retail™ in Canada, we proudly represent more than 45,000 storefronts in all retail formats, including department, grocery, pharmacy, specialty, discount, independent retailers and online merchants.

Thank you for the opportunity to provide comment on the government's Plastics Action Plan. This plan will have very significant impact on the employment, workers, cost and operations of retail stores. We expect that impact would be greater than on any other private sector industry.

RCC has organized our response in the same order as the government's Plastic Action Plan. Section headlines are in red. Questions asked by government are in green. Our response is in black.

The Government document includes a mix of two significant groups of plastics (durable short-life, for example utensils, and less durable short-life plastics, packaging). RCC's perspective is that approaches for managing the end-of-life of these two groups is different.

Section 1: Bans on Single-Use Packaging

Do you think bans on plastic packaging should be implemented in B.C.? What plastic packaging products are a priority for B.C. to ban?

What types of bans should be considered (examples include bans on sale of a certain type of packaging or ban on use of a certain type, or bans on disposal)?

What types of bans should be considered?

RCC's view is that a disposal ban (for all residents, businesses and institutions) for plastic is generally appropriate, particularly if paired with a ban on export of waste beyond those jurisdictions where a trade agreement would prohibit an export ban¹.

Bans on the sale or use of specific plastic packaging should depend on whether there is an appropriate non-plastic alternative available (at the time the ban is considered), whether there are food and consumer product safety issues, and, whether it is feasible to collect and recycle the plastic packaging in question.

Requirements of food and consumer product regulators, and, health regulatory agencies, will require change before bans of certain items are possible. This is the case with items such as juice bottles, poly-lined cups for hot food and cups, catering trays, ready-to-eat items, film used to wrap cheese, meat trays and items such as rotisserie chickens that need to be kept under heat.

Another frequent cause of plastic packaging is to reduce theft. This packaging is generally added by the manufacturer. RCC supports the concept that there should be national efforts to achieve packaging reduction while continuing to be vigilant about loss prevention.

¹ In most of British Columbia, residential packaging is already banned from landfill. RCC's view is that a disposal ban for ICI packaging and requirements that packaging materials be accepted by ICI haulers provide better outcomes than an obligation of ICI packaging into an EPR regime under the Recycling Regulation.

Bans can be implemented in some form by all levels of government due to different regulatory powers in place. Are there bans best suited for implementation at the federal, provincial or local government level? Should local governments be given the authority to ban problematic plastic items in their community?

RCC advocates harmonization of bans at the highest practical level (e.g., nation-wide, or, province-wide). These produce better environmental outcomes, and lower consumer costs and business operational impacts than a patchwork quilt of local bylaws.

The best environmental outcome should always be the goal. It is important that the waste recovery or recycling system be harmonized for consumer understanding. This will dramatically improve results: when there are differences between neighbouring communities, or between work, home and school, consumers become confused and contamination of the recycling stream increases.

Accordingly, RCC does not favour the introduction of local government usage bans – because this increases consumer and business costs, and business operational complexity, without significant beneficial environmental outcomes.

RCC suggests that the recent local government bylaws stem from frustration about the lack of action taken by senior levels of government.

With a growing share of packaging supplied to British Columbians through e-commerce, municipal bans on certain types of packaging are both inefficient and ineffective.

In our view it may be more appropriate, and cost-effective, to ban some items which are very difficult to recover through “blue box collection” or deposit-refund programs (for example, certain types of plastic straws, utensils and stir-sticks). In these examples, alternatives made of more suitable materials are available².

If a ban was applied, how should exemptions be considered?

For plastic straws, utensils and stir sticks, bans are appropriate where exemptions are made for those who have accessibility requirements for certain plastic single-use items.

For beverage cups and food containers, bans need to be sensitive to food and consumer health and safety requirements emanating from government (for example, regarding meat and deli items, ready-to-go meals and items that need to be maintained under heat). Clearly, regardless of the regime, reusable containers are the best outcome and must be encouraged. RCC’s position is that, particularly for food and personal hygiene products, significant regulatory reform is a precursor to bans.

For plastic shopping bags, common exemptions have included:

- reusable bags
- small plastic bags used to:
 - package loose bulk items such as fruit, vegetables, nuts, grains, and candy
 - package loose small hardware items such as nails, screws, nuts and bolts
 - contain or wrap frozen foods, meat, poultry, or fish, whether pre-packaged or not
 - wrap flowers or potted plants
 - protect prepared foods or bakery goods that are not pre-packaged
 - contain prescription drugs, and other items where personal confidentiality could be compromised, received from a pharmacy

² The alternative is to obligate these materials under an EPR plan (most likely Recycle BC) which would increase costs but result in little collection. RCC’s view is this will frustrate local government who will return to the province to demand a ban at a date in the near-term.

- transport live fish
- protect linens, bedding or other similar large items that cannot easily fit in a reusable bag
- protect clothes after professional laundering, dry cleaning or alteration
- Packages of multiple plastic bags and plastic straws intended for use at the customer’s home or business.
- Bags that have been returned to the business for the purpose of being reused by other customers.
- That the regulation does not apply to a bag purchased by a business before introduction of the regulation (so as not to have those plastic bags just go to a landfill unused).

There is also a common exemption which we do not believe is necessary – for newspapers.

Some local bylaws have required a fee to be charged for reusable bags. Our concern is that these generally do not provide retailers with any flexibility to promote reusable bags (for example, a promotion offering free reusable bags on Earth Day).

Some bylaws have made other requirements – for example “designed for use 100 times or more” – a requirement that enhances environmental outcomes. Other bylaws have requirements that the bag be made of fabric, or washable fabric. Some versions of bylaws would not provide a retailer with the ability to distribute or sell a bag made of jute or hemp – or recycled plastic. RCC strongly suggests that these are matters for national standards for reusable bags – rather than exemption requirements within a provincial regulation or local bylaw.

RCC is not opposed to the inclusion of recycled content in paper bags. We are strongly opposed to any requirement that retailers print content, eco-label or other information on paper bags because this complicates and lessens the environmental outcome at the end-of-life of the paper bag.

Section 2: More Recycling Options

Do you have comments or suggestions regarding the ministry’s proposal to include packaging-like products in the Recycling Regulation? Do you have comments or suggestions regarding the ministry’s proposal to add single-use items to the Recycling Regulation?

We are strongly opposed to some aspects of this proposal. When the retail industry supported the creation of the blue box program in 2011, we anticipated that materials added to the program would be collected by blue box.

When the decision was taken by MMBC/Recycle BC that certain obligated items would not be collected through the blue box, MMBC/Recycle BC established a sideline of collection through Return-It depots and other third-party sites.

Recycle BC’s recovery rates for non-blue box materials, including streetscape, have been very disappointing. It is our view that this non-recovery of a stewarded item has led to the local government plastic shopping bag bans.

Accordingly, RCC’s view is that only materials appropriate for collection in the blue box should be added to Recycle BC’s program. This is particularly important as we come to understand the importance of a collection system with low contamination rates.

Items currently in Schedule 5 that are not collected through the blue box would more appropriately be moved to another schedule and program whose primary focus is depot collection, or deposit-refund collection, as appropriate.

Likewise, newly obligated products should be examined through the lens of how they are collected before these are obligated under the Recycling Regulation. Those that are appropriately collected through blue box should be added to Schedule 5 and collected by Recycle BC.

Those that are not collected by Recycle BC should be added to another schedule and collected through either a depot collection – or another more appropriate method.

Section 3: Expanding Plastic Bottle and Beverage Container Returns

Do you have comments or suggestions on the ministry's proposal to include milk and milk substitutes in the beverage container deposit-refund schedule?

RCC understands that, while we support moving used beverage containers for milk and related products into the deposit-refund system, that this will have the impact of lowering Recycle BC's revenue.

Primarily, we support the change because it will improve the recovery rate (and thus improve environmental outcomes) despite our understanding that many of these containers will continue to be collected through blue box. It is our hope that the unredeemed deposits refunded by Return-It to Recycle BC for the milk and related containers in blue box will have the impact of lessening the revenue impact to Recycle BC by this change.³

RCC also notes that this will ease operational simplicity for retailers at one end. However, Government needs to be cognisant that they are significantly increasing the workload of retailers obligated to accept the return of these containers (and refund deposits).

While obligated by law to accept these refunds, retailers generally do not receive container handling fees from Return-It in arrangements such as those enjoyed by depot operators. Often dirty containers are being returned to an environment governed by health and food safety regulations.

Either the Government should remove the mandatory obligation to accept returned containers, or, the Government should ensure that retailers are compensated for the return costs in a manner similar to depots.⁴

Do you have comments or suggestions on the ministry's proposal to create a uniform 10 cent deposit-refund for all beverage containers?

RCC and our members support harmonization of deposits, although we note that it is consumers who will bear the increased cost. Harmonization will provide simplicity for consumer awareness and lower the operational burden for retail stores who are currently obligated by regulation to accept the return of the type of containers they sell.⁵

³ By contract between Return-It and Recycle BC, Return-It refunds deposits for eligible used beverage containers to Recycle BC while the Brewers Recycling Container Collection Council does not have such an arrangement.

⁴ In an era where the Government has insisted that the Stewardship Agencies prove their handling fees to (mostly privately-owned) depots are adequate, most retailers are not paid handling fees, and those who are paid handling fees receive a fraction of the fees received by depots. Return is mandatory even if a depot is adjacent to the retail store: effectively the government is allowing a benefit to one privately-owned businesses in a strip mall that is not available to the other.

⁵ While RCC supports harmonization of the deposit level at 10 cents, our expectation is that environmental NGOs and local governments will advocate either that the uniform deposit level be 20 cents, or, that only the 5 cent deposit be raised to 10 cents (and the 20 cent deposit remain unchanged). In addition, under the assumption that used milk containers are added to the deposit-refund regime, a deposit level higher than 10 cents is undesirable for those new containers.

In addition, there is a significant amount of deposit discounting, particularly with beer containers, which negatively impacts public confidence in the deposit-refund system.

Do you have comments or suggestions on the ministry's proposal to allow refunds to be electronic and paid in an alternative form of cash (e-transfer, cheque, in-store credit, charitable donation, or similar alternatives)?

RCC supports a change to the Recycling Regulation that recognizes the modern reality that refunds are already being paid in alternatives to cash.

Section 4: Reducing Plastics Overall

What should B.C. consider in the development of a national standard on recycled content and any associated targets?

A national standard on recycled content could be part of a series of national standards that would also include standards for reusable bags, containers, utensils and packaging. As cited earlier, it is difficult, and more expensive, for consumers and business when there are not uniform guidelines for reusable items and packaging.

With continentally or globally integrated supply chains, the likelihood that packaging would comply with provincial standards that do not align with standards elsewhere is quite low. National standards would likely also produce better environmental outcomes. In order to be efficient, proposed standards would have to align with those developed in the USA or adopted by major world markets, such as the EU.

There is clear demand from consumers and local government for better standards regarding compostable single-use items and packaging.

Do you have comments or suggested on any related provincial policies or actions?

Producers selling products into British Columbia with no footprint in the Province have had a significant price advantage over those who are resident in British Columbia (and who employ at least 285,000 British Columbians).

Because sellers of goods over the Internet have a price advantage, resident businesses are, in effect, paying for more than their share of the collection and recycling costs.

There are solutions available: (1) increased enforcement of "over the Internet" sellers, and, (2) obligation of courier companies as producers when they transport obligated products into British Columbia.