Federal Plastics Consultation

Submitted to:

Environment and Climate Change Canada

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Restaurants Canada is a national, not-for-profit association advancing the potential of Canada's diverse and dynamic foodservice industry representing more than 30,000 members across the country. Before the start of the COVID-19 pandemic, Canada's foodservice sector was a \$93 billion industry, directly employing 1.2 million people, providing Canada's number one source of first jobs and serving 22 million customers across the country every day. The industry has since lost hundreds of thousands jobs and could lose as much as \$44.8 billion in sales in 2020 due to the impacts of COVID-19.

The challenges of COVID-19 continue to have devastating impacts on the foodservice industry and we would be remiss not to comment on the challenges with the timing of this consultation. While we have appreciated the opportunity to participate in webinars and discussions with Environment and Climate Change Canada (ECCC), our members have been focused on pivoting their businesses in order to survive the pandemic and have had limited capacity to engage in this work.

The consumer appetite for takeout and delivery has been increasing in recent years, and currently the need for restaurants to adapt to the COVID-19 crisis has made the critical need for single-use items clearer than ever before. With the pandemic likely persisting well into 2021, takeout and delivery will continue to make up a large part of foodservice sales for the foreseeable future and single-use items will continue to play a role in food and customer safety.

A recent <u>study</u> from the Agri-Food Analytics Lab at Dalhousie University revealed that support for tighter regulations and plastic bans in the food industry have eroded due to COVID-19. In particular, the study cites that support for stronger regulations has declined by 11 percentage points and support for a ban is down 12 points to 58 per cent in 2020 as compared to 2019 and that 52 per cent of respondents agree that any new regulations should wait until after COVID-19 is resolved.

We believe that our industry has shown its ongoing commitment to environmental responsibility. From locally sourced ingredients to energy efficiency, sustainability is simply a part of doing business in restaurants today. Across Canada, restaurant owners, managers and staff are working hard to navigate the complex regulatory environment related to managing the day to day operations of their businesses.

As foodservice businesses have demonstrated a willingness to adapt their practices to support progress toward the implementation of a Canada-wide strategy on zero plastic waste, they also need to continue providing their customers with safe, accessible and affordable takeout and delivery options. This has become even more vital as foodservice operators across the country have had to pivot to takeout/delivery in an effort to survive the current pandemic. They further want to be sure that any changes and investments will result in positive environmental outcomes.

Restaurants Canada is pleased to continue our work with all levels of government toward:

- A whole-of-society approach, recognizing the need for consumer education to ensure single-use takeout and delivery items are successfully recycled or composted.
- Evidence-based policies that improve environmental outcomes, allowing for reasonable timelines for alternative products to enter the market that can be effectively diverted.

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• Consistent standards across jurisdictions, facilitating harmonization of waste management practices and improve diversion rates.

It is our view that in consideration of the COVID-19 pandemic and its economic and social impacts, the work of the federal government to ban single-use plastics as early as 2021 must reflect the critical role single-use plastics play in providing Canadians and small business owners with the safe, affordable and accessible packaging options while also remaining grounded in sound scientific research. This pandemic has demonstrated the role single-use items play in the health and well-being of Canadians.

Canadian Environmental Protection Act (CEPA) Schedule 1 – List of toxic substances

It is the view of Restaurants Canada that CEPA Schedule 1 is not the right policy tool for the management and designation of "plastic manufactured items". CEPA Schedule 1 has historically been used to ban chemical substances and list them as toxic rather than to designate broad product categories of items as is currently proposed.

In the case of foodservice, all packaging, including the plastic manufactured items listed and under consideration for management, have been approved by Health Canada and are used to protect consumers. These are items that the Government of Canada has already confirmed and approved as safe for food packaging as well as food safety. For these items to be listed on Schedule 1, whether the language is altered from "toxic" or not, will lead to consumer confusion and may also be leveraged by the anti-plastics movement to further discourage their use and misinform Canadians.

We would also suggest that any trade implications must be fully reviewed and understood as it relates to the use of CEPA Schedule 1.

Managing single-use plastics

Within the foodservice industry, single-use items play an important role in protecting both the food being provided and the consumer. Our members make decisions based on a variety of factors including health and safety, accessibility, costs and other considerations such as the overall customer experience.

To date there has not been a universal solution regarding what can and will be diverted in all jurisdictions across the country as a result of variances and challenges with existing recycling and composting infrastructure. These challenges, coupled with consumer behaviour and litter, frequently leads to a perception that the packaging or single-use item is the issue, rather than a combination of other factors.

On the Management Framework for Single-use Plastics, Restaurants Canada understands the approach to characterize single-use items based on whether they are environmentally problematic or value recovery problematic. However, we would suggest that **the determination of environmentally problematic**

must ensure strong scientific data to support this characterization. And with respect to the characterization of items as value recovery problematic based on low recycling rates, consideration must be given to whether the low recycling rate is reflective of the current and varied recycling infrastructure across the country or the result of the item itself.

We would further recommend that life-cycle assessment of plastics and alternatives be integrated into the management framework in an effort to mitigate any unintended consequences and to validate the anticipated environmental outcomes.

Proposed single-use plastics bans / restrictions

With respect to single-use items, Restaurants Canada recommends a management approach, such as extended producer responsibility (EPR), rather than bans.

Although a ban on select single-use plastics, as proposed, may remove selected items from the marketplace, it may not result in an overall waste reduction. In other jurisdictions that have implemented bans, such as San Francisco, litter audits have revealed that the volume of litter remained the same while the composition of the litter changed. Further, the implementation of a ban does not eliminate the need for alternative single-use items to replace plastics and in some instances may not improve environmental outcomes.

The Province of Ontario's recent proposal regarding producer responsibility for operating blue box programs clearly reflects their position that the single-use items currently under consideration for bans federally, should be managed via producer responsibility. This approach allows for producers to demonstrate their ability to establish collection and diversion programs as a means to achieve zero plastic waste and contributing to the circular economy.

In the event that the government moves forward with bans of the proposed items, the impact on the foodservice industry will be significant as five of the six items are used in our industry, including straws, cutlery, stir sticks, food service ware made from problematic plastics and plastic checkout bags.

Our members are seeking clarification on the precise definition of the proposed items, such as food service ware made from problematic plastics, and whether, over time, the government is looking to expand the scope of proposed bans beyond the current six single-use plastic items. As members look to evolve their packaging strategies, certainty is paramount. We recommend clarifying the definitions and the government's intent in this regard.

As identified in the ECCC's proposed integrated management approach to plastic products to prevent waste and pollution discussion paper (<u>discussion paper</u>), any approach that seeks to discourage or eliminate certain types of packaging must consider whether there are appropriate alternatives available, consider any food and consumer safety issues, and whether it is currently feasible to collect and recycle the packaging being considered for restriction.

Restaurants Canada has heard from its members that while identifying alternative packaging may seem straightforward, there are a number of challenges and considerations. For example, some members have explored the use of wood utensils and have found challenges with overall performance, possible health and safety concerns (splintering) as well as the potential to change the taste profile of food offerings. On the other hand, using a sturdier alternative designed for reuse, such as bamboo, for single-use may only serve to increase the overall environmental footprint as compared to plastics.

Another important aspect of assessing whether appropriate alternatives is their ability to meeting the accessibility needs of Canadians. As we have seen in the case of straws, the continued availability of plastic straws is an accessibility requirement in some jurisdictions like <u>Vancouver</u>.

We have further been advised by our members that identifying, testing and transitioning to alternative single-use items can take up to two years. Availability of alternatives that meet performance requirements in the quantities needed for an entire industry to transition may further extend the timelines needed for any possible change. **Any proposed bans must take extended timelines into consideration.**

With respect to whether it is currently feasible to collect and recycle the packaging being considered for restriction, on a number of items we would suggest that there is evidence that diversion is currently possible. As an example, black plastics are collected and recycled in some municipal recycling programs today based on the capabilities of individual material recycling facilities. Regardless of their recyclability, they are currently under consideration for a ban. Additionally, the plastics industry has been investing in recycling technologies for all plastics including polystyrene which is also being considered for a ban.

As an industry, we also have a concern with respect to the economic impact of the proposed bans. Not only was the foodservice industry among the first and hardest hit by the impacts of COVID-19, the road to recovery will be long given the razor thin profitability with an average of 4.2 per cent nationally and the continued need for physical distancing as the economy struggles reopens. We have heard from our members that use of alternatives can be extremely cost-prohibitive during the best of times. Under current circumstances, the foodservice industry cannot bear additional costs that may impede their very ability to keep their doors open. Some member examples would indicate that alternatives, when available in the supply needed, can represent as much as a 150 per cent cost increase. Restaurants Canada is calling on the Canadian government to take a 'do no harm' approach until the global community begins to rebuild and the Canadian economy, of which restaurants are an integral component, begins to recover.

Any socio-economic impact analysis that has been done in support of the proposed bans must reflect the current state of the economy, the devastating impact this crisis has had on our members, and ultimately ensure that restaurants are not unfairly targeted as we endeavor to build back local economies across the country.

Non-conventional plastics

Non-conventional plastics, such as compostable, bio-based or biodegradable plastics may be viable alternatives to single-use plastics if the much-needed infrastructure to ensure diversion is developed and accessible.

As stated above, Restaurants Canada does not support the ban of single-use plastics but rather a management approach to support diversion. The same would apply in the case of non-conventional plastics.

We recommend that the federal government continue to work with the provinces and territories to establish national composting standards, with clear definitions, and invest in the infrastructure needed to ensure diversion of non-conventional plastics.

Establishing performance standards

Restaurants Canada supports the development of national standards relating to recycled content to allow for a harmonized approach.

In setting recycled content standards, it is important to recognize that not all products have the same ability to incorporate recycled content. As noted in the discussion paper, this will require compliance with the safety provisions of the *Food and Drugs Act* and associated regulations. It may also require recycled content standards to be set by the product category.

Setting the rules for measuring and reporting will be critical to validating progress on recycled content targets.

Ensuring end-of-life responsibility

Restaurants Canada is aligned with the Government of Canada's role in supporting the Canadian Council of Ministers of the Environment's (CCME's) Action Plan on Zero Plastic Waste. As noted in the discussion paper, the work with provincial and territorial governments to develop national guidance on extended producer responsibility (EPR) policies for plastic includes:

- common material categories and product definitions;
- performance standards to guide reuse and recycling programs;
- options to encourage innovation and reduced costs; and
- standard monitoring and verification approaches.

That said, creating guidance and consistent EPR policies cannot focus on plastic packaging in isolation of other packaging. Restaurants Canada supports an approach that would build on the CCME's Canada-Wide

Action Plan for Extended Producer Responsibility to harmonize approaches for all consumer packaging and printer paper across the country alongside the work on zero plastic waste.

Further, EPR policies must remain focused on residential sources and not the industrial, commercial and institutional (ICI) sector. The foodservice sector has a long and successful history of waste reduction and diversion. We have heard from our members about the unique diversion programs they have implemented, both in the back-of-house and customer areas, to divert their specific materials from landfill. These programs have often required significant investments and unique commercial arrangements to allow for service hours and equipment that suits the individual location's needs. Any expansion of EPR into the ICI sectors would only serve to interfere with currently successful diversion programs.

Continued work with the provinces and territories to expand on the EPR programs for residential sources beyond those provinces with programs in place will facilitate increased diversion and overall management of plastics and other packaging that is consistent, comprehensive and transparent.

Conclusion

Restaurants Canada and its members are aligned with an approach to plastic products that seeks to prevent waste and pollution. However, as shared in this submission, we offer a number of areas for consideration in order to make progress on this important issue as follows:

- Use of CEPA Schedule 1: It is our view that CEPA Schedule 1 is not the right policy tool for the management and designation of "plastic manufactured items".
- The Management Framework:
 - Environmentally problematic: We would suggest that the determination of environmentally problematic must ensure strong scientific data to support this characterization.
 - Value recovery problematic: The determination of value recovery problematic items based on low recycling rates, must consider whether the low recycling rate is reflective of the current and varied recycling infrastructure across the country or the result of the item itself.
 - We would further recommend that life-cycle assessment of plastics and alternatives be integrated into the management framework in an effort to mitigate any unintended consequences and to validate the anticipated environmental outcomes.
- Proposed single-use plastics bans / restrictions:
 - Restaurants Canada recommends a management approach, such as extended producer responsibility (EPR), rather than bans.
 - o In the event that the government moves forward with bans of the proposed items:
 - Clear definitions and intent for identifying further items for proposed bans is needed.

- A thorough understanding of alternative packaging, health and safety, accessibility, supply and timelines is crucial.
- Any socio-economic impact analysis that has been done in support of the proposed bans must reflect the current state of the economy, the devastating impact this crisis has had on our members, and ultimately ensure that restaurants are not unfairly targeted as we endeavor to build back local economies across the country.
- **Non-conventional plastics**: We recommend that the federal government continue to work with the provinces and territories to establish national composting standards, with clear definitions, and invest in the infrastructure needed to ensure diversion of non-conventional plastics.
- Ensuring end-of-life responsibility: Continued work with the provinces and territories to expand on the EPR programs for residential sources beyond those provinces with programs in place will facilitate increased diversion and overall management of plastics and other packaging that is consistent, comprehensive and transparent.

The COVID-19 pandemic has highlighted the need for single-use items in our industry as foodservice operators across the country have had to pivot to take-out/delivery in an attempt to survive. And while the foodservice industry will continue to demonstrate their willingness to adapt practices to support progress toward the implementation of a Canada-wide strategy on zero plastic waste, we must acknowledge the role single-use items play is providing customers with safe, accessible and affordable takeout and delivery options.

Overall, Restaurants Canada is calling on the Canadian government to take a 'do no harm' approach until the global community begins to rebuild and the Canadian economy, of which restaurants are an integral component, begins to recover.