

## **Attachment 3: Industry Comments**

### **Comments on the Draft Plastic Bag Ban By-Law**

#### **Definitions**

##### ***Biodegradable, Compostable or Photodegradable Plastic Bag***

The *Canadian Plastics Industry Association (CPIA)* questioned the rationale for the inclusion of degradable plastic bag in the ban as studies show that degradable bags do break down over time. Solid Waste Management Services noted that residents are not required to use degradable bags to line Green Bins due to the anaerobic composting methods which remove plastic film from the front end of the process and are landfilled. Furthermore, plastics bags are currently accepted in the Blue Bin Program and degradable bags would contaminate an otherwise marketable material.

##### ***Single-Use Plastic Carryout (Shopping) Bags***

*CPIA* found the definition of single-use plastic carryout bags problematic. Despite its intended use to carryout purchases on just one occasion, a plastic bag can be reused afterwards for other purposes and, therefore, not fit well into the definition of single-use. The current plastic film bags distributed by retailers are highly reusable for other purposes, such as to line garbage containers.

Industry representatives feel that the draft amended code is inadequately structured to prevent retailers from claiming that the distributed plastic bags are not meant to carryout purchases but are intended for an alternative purpose and given to customers as a token of appreciation for shopping at their establishment. Industry representatives feel that the term single-use plastic bag, regardless of its intended use to carryout purchases, requires further consideration for alternative wording.

The *Retail Council of Canada (RCC)* asked about the merits of using thickness or gauge to define single-use. Staff indicated there is concern that this could enable retailers to distribute thicker plastic film bags, as was the experience in Seattle, Washington, after the enactment of the plastic bag ban ordinance.

It is not the intent of City of Toronto to ban reusable bags, and staff asked *CPIA* to clarify the definition of single-use plastic bag versus reusable bags. *CPIA* responded that that reusable bags are also made from plastic but are neither primarily nor entirely made from plastic film. Therefore, reusable bags are exempt from the ban.

*CPIA* commented that reusable bags are often made from a plastic weave and not from a single sheet of plastic film. Bags made only from the latter would be banned under the new by-law.

*Toronto Association of Business Improvement Associations (TABIA)* questioned the exemption of bags provided by pharmacists for prescription medication. The size of the bag is not defined. Therefore, pharmacies could provide larger bags to carryout more purchase in addition to the prescription medication.

*TABIA* asked whether any consideration has been given for e-commerce items that are packaged in a plastic bag and gave an example of a UPS bag. *TABIA* also questioned what is different about plastic film overwrap, such as one found over a six-pack of pop cans and whether this sort of plastic is included in the ban.

### **Offences**

*TABIA* was uncertain how the by-law would be enforced and whether the Municipal Licensing and Standards (MLS) by-law officer had to witness the commitment of an offence. Furthermore, *TABIA* alleged that MLS officers are only permitted entry upon invitation from the retailer.

*TABIA* also questioned if retailers could be held accountable if customers entered their establishment with their own single-use plastic carryout bag and were witnessed by Municipal Licensing and Standards officers upon exiting the establishment carrying purchase in a prohibited bag.

### **Comments on the Implementation Plan**

#### ***Effective Date***

All industry stakeholders that participated in the consultation sessions or provided written submissions have issues with the January 1, 2013 effective date. Retailers strongly indicated that they will not be ready to conform under the new by-law as the period between when the draft by-law was made available to them and January 1, 2013 is too short of a notice period.

Retailers do not have sufficient time to order alternative bags in time for January 1, 2013. *RCC* commented it would take their members approximately three to four months to order and receive their alternative bags. *RCC* also added the members would not order alternative bags until City Council decides to officially pass the by-law at its November 28, 2012 meeting, which leaves event a shorter period to procure alternative bags.

*RCC* and *TABIA* indicated that retailers would be in the possession of large quantities of prohibited bag as they would have stocked their inventory for the new year. *RCC* estimated it would take 3 months for members to deplete their existing stock. *TABIA* noted it could take longer, possibly 6 months, for small businesses to deplete existing stock due to decrease in sales.

*RCC* further added that business owners stock plastic bags that would needlessly be disposed of. *TABIA* noted that small businesses are further challenged to move stock to outside of Toronto, unlike some larger business. Retailers also pointed out the associated cost to transport stocks of prohibited bags to areas outside of the City not affected by the ban.

*RCC* stressed that large retailers have to invest resources and time towards training staff to be educated on the ban and how to manage confrontation with customers that do not know about the new by-law at the point of checkout. One large retail grocer indicated that approximately 11,000 employees need to be trained. Retail grocers may also be required to reconfigure checkout lines, costing up to \$1,000,000 as communicated by one large retailer.

*RCC* clearly indicated that the January 1, 2013, enactment date would place stress on retailers during November, December and January -- a period that is typically the busiest time of the year. In addition to the added strain of holiday sales, retailers are concerned over achieving positive final quarter sales. *RCC* suggested that June or July would be a better time to implement the ban.

### ***Education Phase and Warnings***

*RCC* pointed out that its members do not want to reverse the ban but do have issues against the date of effect. *RCC* feels that the by-law is not being set up for success and that the by-law is too rushed for a January 1, 2013 start date. Although not the best approach, *RCC* felt that a staged implementation is the preferred option to a total enforced ban effective January 1, 2013.

### ***Communication***

Retailers do not want to aggravate their customers, and *RCC* feels that imposing a ban in a short time period and without a clear communication plan would stress the retailer and consumer relationship. *RCC* emphasized that a clear communication plan is needed to educate the public in the event of a phased approach to implementation that starts with an education phase. Otherwise, retailers would be subject to unfair scrutiny by the public and in the media for not abiding by the ban.

*TABIA* questioned the accuracy of the retailer mailing list provide by the Province, which Solid Waste Management Services used to send information about the 5 cent bag fee in 2009. *TABIA* mentioned the Provincial list is based on dated Municipal Property Assessment Corporation lists and does not provide a complete list of all retailers. *TABIA* highlighted the shortcoming of this communication approach.

All industry stakeholders are looking to the City to provide a clear communication plan not only to educate the retailers but also to manage expectations of the public. *TABIA* feels that it is not up to the retailer to educate their customers and that this is solely the responsibility of the City.

### **Other Issues Related to the Plastic Bag Ban**

#### ***Environmental***

*CPIA* noted, in comparison to single-use plastic bags, transporting paper bags requires more trucks that will result in increased greenhouse gas emissions.

*CPIA* feels, from a waste reduction perspective, that the ban will force customers to purchase thicker plastic bags to line their garbage or Green Bin container, thereby creating more waste and adding to the cost of managing additional waste.

*CPIA* referred to a study from Ireland that found that residents avoided the bag fee by purchasing kitchen catcher bags, resulting in a 77% increase in the purchase of these sorts of bags. However, an independent consultant retained by the City reviewed the Ireland case study and reported that the percent increase in kitchen catcher sales represented a very small volume.

#### ***Social***

*CPIA* stresses that Toronto is critical to the health of Ontario, and the ban would have a negative impact on people's lives and businesses.

Currently, Toronto residents are provided with options to exercise the 3Rs -- reduce, re-use, recycle -- when purchasing items. Residents have the option to bring a reusable bag or pay a bag fee for single-use plastic carryout bags, which is still the practice of some large grocers. *CPIA* feels that in order to maintain social sustainability, customers and citizens must be kept happy and that imposing a bag ban would negatively impact customer happiness.

*TABIA* is concerned that small business entrepreneurs will be negatively targeted or viewed as "criminals." *TABIA* provided an example of a retailer providing an elderly customer a prohibited bag because they forgot to bring a reusable one.

## ***Financial***

*TABIA* specifically listed ways in which small businesses will be economically impacted by the new by-law. Small businesses that have purchased single-use plastic bags that cannot be distributed after January 1, 2013 will incur additional cost of purchasing alternative bags, ability to up-sell to another retailer that is not impacted by the by-law, and a decrease in revenue resulting from customers purchasing fewer items for not having brought a reusable bag.

*CPIA* cited statistics that imposing a ban will result in layoffs of 5,000 people and referred to a study on California that reported a reduction in retail activity as a result of bag ban ordinances. *CPIA* also added that the new by-law would raise taxes and increase the cost of living.

*CPIA* feels that it is likely that retailers near the margins of Toronto will experience a decrease in revenue as residents may choose to shop at retail locations outside Toronto that do not have a bag ban.

*TABIA* and *CPIA* feel that imposing a ban on single-use plastic bags would have a negative impact on impulse purchases from retailers, such as convenience stores. *CPIA* further added that small retailers may experience a decrease in sales as customers making impulse purchases and are without a reusable bag may purchase fewer items due to the inconvenience of not having a single-use plastic bag provided to them.

## **General Statements on the Draft Plastic Bag Ban By-Law**

*CPIA* and *TABIA* do not support the plastic bag ban and would like to see it reversed.

*RCC* is not looking to reverse the ban but does have issues with the January 1, 2013 start date.