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Chair

Mr. John Aldag

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● (1530)

[*English*]

The Chair (Mr. John Aldag (Cloverdale—Langley City, Lib.)): Good afternoon, everyone. We're on to our fifth hearing on plastics pollution.

Thank you to our guests with us today.

We have four different groups represented, including the PAC Packaging Consortium with James Downham and Dan Lantz; Éco Entreprises Québec with Geneviève Dionne; Environmental Defence Canada with Keith Brooks and Vito Buonsante; and the Retail Council of Canada with Philippe Cantin and Andrew Telfer.

Welcome to each of the guests.

Before we get to the opening statements, I want to welcome Mr. Clarke to our group today.

Mr. Alupa Clarke (Beauport—Limoilou, CPC): It's an honour to be here.

The Chair: I think he's our only guest today.

Hon. Ed Fast (Abbotsford, CPC): Mr. Lobb is coming.

The Chair: Okay.

For any of our panellists who haven't been before committee before, we follow a somewhat tight time frame to keep the discussion moving. I have a handy card system. When you have one minute left in your opening statements or in the rounds of questions, which are six minutes, I give the yellow card, and when you run out of time, I'll give you the red card. I don't expect you to stop mid-sentence, but just to wind up the thought you're on so we can move to the next person. That keeps the discussion flowing.

With that, we have a PowerPoint presentation from the Packaging Consortium all teed up, so we'll start with them. Mr. Downham or Mr. Lantz, whoever wants to start, I'll give you 10 minutes.

Mr. James D. Downham (President and Chief Executive Officer, PAC Packaging Consortium): John, thanks very much.

Ladies and gentlemen, we appreciate being here today to talk about a subject that I assure you is very near and dear to PAC Packaging Consortium's heart.

Let me give you a little snapshot of who we are. We were founded in 1950 as the Packaging Association of Canada. We're a small not-for-profit corporation. Our member base and our corporate members include companies, government, academic institutions and individuals. We have 325 corporate members across the country. We go into the U.S. for membership as well. We have over 2,000 associates.

Or core mandate is to educate, advocate, collaborate and celebrate all safe and sustainable packaging materials and the associated systems. The key word there is “all” packaging. We're not here representing glass or plastic or fibre. We're here to speak on behalf of all packaging today.

We have a very small management team of less than 10 people, full time and part time.

I'm going to flash through our 10 minutes really quickly.

We don't like to think just about plastics and the plastics issue. We're really focused on all things to do with waste. What we mean by that, really, is that there are many non-plastic packaging materials that exist today and are recyclable and/or contain recycled content, but the recovery rates are low.

The single message I want to give you is that things that are already made of 100% recycled material and are collected at curbside are still not being recovered. As an example, folding cartons—cereal boxes—have very low rates in that regard. In fact, they're quite low compared to PET plastic and HDPE plastic. That's what our chart on this slide will quickly show you.

The problem of increasing recycling rates is systematic, including the package design, the consumer behaviour—all of us are consumers, and I call consumers the forgotten stakeholders—recovery and the recycling processes themselves.

The next slide is about plastics and how important they are in terms of the value chain. I'm not going to talk about the economic value of plastics because that has probably been addressed already, but in terms of packaging when it comes to food, what that symbolically tells you is that packaging zucchini takes you from one day on the shelf to five. Packaging of mangoes takes you from 20 days to 40. Fresh swordfish takes you from seven days to 12.

When you think about this in the environmental footprint context and holistically, and you associate everything else with that, packaging has a tremendous role, especially plastics packaging, in terms of the protection of food, and of course there is a great protection of all other products associated with that as well. Without packaging, quite simply, waste and the associated costs would skyrocket. Of course, education is vital to everybody, especially the influencers.

The next slide shows the core issues on our mind with regard to increased recovery of all packaging and plastics. There is a huge cost disparity between going into landfill and recycling. Recycling is a very expensive proposition, and it's a big issue. Package design and innovation are of course critical, because we have to be thinking about that at the front end of the process. We need to be thinking about that, and in our world we call that the “SEEscape design process”, where we think about it as circular. When we sit down and design something, we want to think about what's going to happen to it when it goes off into its next life as well.

A really critical issue is that of confused and disengaged consumers. That's a big one. Again, it's the forgotten stakeholder. Even packaging experts are very challenged when we get into this discussion.

As for what I want to say here about upgrading recovery facilities and reprocessing challenges, think about this: digital technology is incompatible with analog technology. In the world we live in, where we're seeing packaging design going on and we think it's cutting edge, we don't see the same kind of investment in the back end and the recovery end. That has to be in harmony. Otherwise.... This is a system. It's not just “design it right and the problem will go away”. That's not going to happen. Costs will come down when volume levels increase, so it's a question of scale as well.

● (1535)

What are we doing about it as an industry? The current slide shows you that the significant organizations in the world today that are in consumer packaged goods are really paying attention to this. They all have 2025 commitments with recovery, recycling, reusability.

I was in Walmart in Bentonville about three weeks ago. It was celebrating with a thousand people in the room. It called its initiative “Project Gigaton”. Project Gigaton talks about all things to do with the environment, but a key component is packaging. All of those other companies that you see there on that slide are suppliers to Walmart. What retailers do is that they help to drive the value chain and bring their supply chain along with it, so all of the major actors are involved.

The thing that's important about this, and I want you to understand this, is that global actors are designing for global markets, not just Canada. We shouldn't just be looking for a made in Canada solution. That's an important one. There is a very small market for these global companies, and we're part of it.

There's a huge knowledge, communication and motivation gap between the large organizations that I believe are doing it right, and the small, medium and offshore organizations that walk in your front door with the next greenest package in the world and who, if they haven't done their research, they don't have that capability. They don't have the skills set to talk that way. There's a big gap between what these big powerful organizations are doing and the smaller organizations.

What's PAC doing about it? We're publishing white papers on ocean plastics. The Ocean Wise folks have been in and we collaborated with them on this. We have packaging sustainability checklists that are design guides for people designing packaging. We've got our packaging innovation gateway. We're going to talk a little bit more about that in a couple of minutes. We have educational courses on package circularity.

We partner with CCME and we consult. I'm actually the vice-chair of the National Zero Waste Council from British Columbia, which has been before you. We're working with the City of Toronto on a pretty cool project. We're also heavily engaged with the Conference on Canadian Stewardship.

This is a typical event. By the way, I've given a lot of brochures and information about us to the clerk. There is one for May 30. It's an example of people we're bringing in to talk about disruptive innovation in plastics and packaging. All of our speakers are coming in from the U.S., such as Tom Szaky. If you haven't heard of Tom Szaky, he wasn't actually born in Canada but raised in Canada and now lives in the U.S. But look up Google Loop. It's an amazing initiative.

We've got people who are coming in who are piloting the separation of post-consumer polypropene and they're taking that back. They're turning it back into pure flakes, so it can be used in packing again.

We've got WestRock coming in, one of the largest fibre companies in the world that is now taking in coffee cups, which have been the evil packages of all time to recover and recycle. It's now taking them to eight mills. It's collecting them in eight cities in the U.S. at curbside, and it is taking them back and turning them into good products. The coffee cup solution is there, and we're going to be talking about that in Toronto on May 30.

We're looking at how government can help us. Stronger governance. We want to be part of the solution. We don't want just to be perceived as part of the problem.

When you form committees, don't just call us in like this. Have us sitting on that side of the table with you, so that we can help to collaborate and facilitate solutions. Harmonized policies are absolutely vital to success. Without harmonization across the country, we're not going to get to zero waste, so that we can communicate from province to province, municipality to municipality, and a consistent message to consumers.

Endorse a process that we're going to be starting very soon with the City of Toronto where we want to be a gatekeeper to help screen packages coming into the system. Drive investment. Help us with investments in recycling, in the back end, because that's a big area and big issue. Landfill bans are a big problem.

● (1540)

I have one more thing.

The Chair: Sure.

Mr. James D. Downham: Right now we're shipping waste from Ontario into Michigan. Close the border. The government can do that. You can ban what's going into landfill.

So there are significant things that government can do to help us. Our consumer package goods community can design all we want and we can make great things, but if we can't get it through the system and keep it circular, it's very problematic.

Thank you very much.

The Chair: Perfect. Thank you for those opening comments.

We'll move next to our guest from Éco Entreprises Québec.

Madame, you have 10 minutes.

● (1545)

[*Translation*]

Ms. Geneviève Dionne (Director, Eco-conception, Circular Economy, Éco Entreprises Québec): Good afternoon, everyone.

Éco Entreprises Québec is a private non-profit organization that represents companies in their responsibility to fund the net cost of municipal curbside recycling services. There are organizations like ours in other provinces aside from Quebec.

The mandate of Éco Entreprises Québec falls under the principle of extended producer responsibility and, for 13 years, our organization has been redoubling its efforts to push the limits of circularity in the recycling system.

We have submitted a brief for today's meeting, in which we address certain concerns and make recommendations on the four points of discussion. I will try to summarize them.

The first point raised is that of restrictions targeting certain single-use non-recyclable plastics and the industry's use of additives in the masterbatch. The use of additives, ink, mineral fillers and other products in plastic packaging is clearly problematic for their recyclability because there is a lack of transparency on that packaging's composition. The masterbatch is at the core of protection of packaged products, so the industry's use of additives in the manufacturing of packaging is not innocuous. There is also the whole issue of colour, as any pigmented plastic resin will be difficult to recycle or its mechanical recyclability will be limited.

We mustn't also forget the difficulties related to production costs and to the properties of plastic, which is a multi-use material. However, every polymer recycling cycle comes with a drop in quality of the resin in terms of its technical and aesthetic properties.

That is one of the reasons why Éco Entreprises Québec organized in early February, in Paris, a forum on plastic solutions with Citeo, our counterpart organization in France. That forum brought together more than 400 participants, including industry leaders, packaging manufacturers, businesses that market packaged products, recyclers, sorting centres and processors. To use the words of Mr. Downham, the objective was to bring all the system stakeholders to the same table to find solutions for plastics recycling, starting with the packaging design stage.

Encouraging businesses to use recycled content in plastic packaging would help stimulate local economies by creating local opportunities for plastic resins, while reducing the exporting of those materials. The use of recycled content presupposes access to quality materials that are recycled at a good price and whose supply is stable. As long as virgin material remains less expensive than recycled material, businesses will use virgin material, especially since recycled material has not yet become popular in people's minds.

I want to point out that, in 2009, Éco Entreprises Québec was the first environmental organization in the world to implement a credit for the recycled content of certain types of printed materials and certain types of plastic packaging, including PET and HDPE.

The issue we are discussing today is plastic, but I want to tell you that our organization is also interested in other materials. As Mr. Downham pointed out, fibre or glass packaging also presents challenges, and so the system should be addressed as a whole, with all its complexity.

Éco Entreprises Québec is very involved in innovation. About 40 individuals are supporting packaging ecodesign businesses, and we are providing training and personalized support. We are helping municipalities achieve a good PE—performance, effectiveness—factor for their activities of collection, sorting, and recycling of recyclable materials. We are also investing in sorting centres to improve their technology, in addition to supporting the creation of local opportunities.

In order to reduce the presence of ink and additives in packaging, a better job must be done of targeting businesses that design them. We have to start by reviewing the protection provided by that packaging, while avoiding its weakening by eliminating certain important additives, which could lead to more food waste or product breakage.

When it comes to the last point, innovation, it is important to encourage knowledge transfer and to build bridges between provinces and various administrations. I know that the federal government already has experience with providing training.

● (1550)

Let's take the example of plastic microbeads. We are supporting many businesses in that process. Similar programs should be developed. It is not enough to focus on single-use plastic packaging. The problem related to plastics is much more complex. The circularity of plastics must be understood. Plastic used for the first time in packaging can have a second life as a textile or a sustainable product, such as street furniture.

We should consider the system with open loops and determine whether recycled resin can supply other activity sectors, especially in packaging. It should be understood that some health and safety issues are involved. Polyethylene terephthalate, or PET, is the only resin that is currently subject to a no-objection letter regarding its use in the manufacturing of packaging in contact with food. So it is impossible to integrate recycled content into food packaging composed of other types of plastic resins.

We recommend that this innovation be financially supported. Mr. Downham provided some examples earlier. In the area of molecular recycling, businesses are starting up. There are some great ones in Canada that are performing very well on the global stage, and it is important to support them. After all, molecular and chemical recycling has been a promising option that has complemented the mechanical recycling of plastics for a number of years.

I agree with Mr. Downham that things must be considered in a global context, at least for the North American market, as material movement goes beyond Canadian borders.

Those are the various points I wanted to present to you.

[*English*]

The Chair: Thank you.

We'll move to our guests from Environmental Defence Canada.

Mr. Brooks and Mr. Buonsante, you have 10 minutes for your opening statements.

Mr. Keith Brooks (Programs Director, Environmental Defence Canada): Thank you.

I'm just reading it from the computer, which is why I have it open in front of me.

Thank you, members of the committee, for the opportunity to present here. I'm Keith Brooks, and I'll be presenting for Environmental Defence. Vito, my colleague, is here to help answer questions.

We are a national charity based in Toronto, and we have an office here in Ottawa. We work on climate change, fresh water, toxics, plastics and advocating to protect Ontario's greenbelt.

We began our stand-alone plastics program in 2018, in response to the immense public outcry that something needed to be done about plastics. We note that this government has been talking about doing something about plastics for awhile, which is encouraging. We are happy to be here in front of this committee.

We acknowledge that plastics are a contributor to increasing standards of living, and have many extremely innovative and important uses in modern society. There is, however, a downside to the proliferation of plastic, especially of single-use plastics. We're going to focus our remarks today on single-use plastics, which are products and packaging used only once or for a very short period of time.

Some of the most durable material in the world is manufactured to be used once and then thrown away. There's an issue here. At this time, we think efforts to curb the negative impact of plastics should be focused on single-use plastics, and in particular, plastic packaging. This is not to say that other plastics are free from being problematic. The plastics industry uses hundreds of toxic additives to modify the properties of plastic materials. The European Chemicals Agency recently identified over 400 chemicals of concern that are used as plastic additives, such as flame retardants, plasticizers and UV filters.

We have been advocating for changes to the Canadian Environmental Protection Act, or CEPA, to ensure that it would better address and protect Canadians from these and other toxic chemicals, but that's a discussion for another day.

Shoreline cleanups, litter audits and pretty much all of the research done on this tell us that much of the most visible plastic pollution threatening wildlife is related to these single-use plastics and plastic packaging. Although Canada has been a front-runner in tackling plastic pollution by declaring microbeads toxic and banning them from most consumer products, not enough has been done to deal with other problematic sources of plastic pollution.

In fact, Canada continues to subsidize the production of plastics, in many cases. For example, a very recent gift of $49 million to the Canada Kuwait Petrochemical Corporation was announced. By mid-2030, this facility is going to be processing 23,000 barrels of propane each day and turning it into polypropylene to make products, some of which will be single-use plastics, such as plastic packaging. We're actually subsidizing the production of more single-use plastic packaging.

These subsidies, and the production of virgin plastics, has to stop. The subsidies are, in particular, working at cross purposes with the objective we have of moving toward a circular economy, where we're using old plastics in the manufacture of new plastics, and moving away from using virgin fossil fuels to produce single-use plastics that then get thrown out.

We think the federal government should be supporting a move to a circular economy, in part by fixing Canada's broken recycling industry, to ensure that Canadians' efforts to recycle are not in vain. A report recently done by Deloitte on behalf of Environment and Climate Change Canada, as I'm sure everyone here knows, reported that Canadians recycle only 9% of the plastics we use in this country.

That same report argues that only 1% of that plastic is leaking into the environment, but in this case, that's 29,000 tonnes of plastic leaking into the environment every year. We are contributors to this global plastics pollution problem in its worst manifestation, which is leakage into the environment. We think that 29,000 tonnes number is probably an underestimate. Regardless, it's not acceptable. We can and must do better.

In addition to avoiding the loss of billions of dollars of valuable plastic to the environment or landfills, recycling plastics is more climate friendly. A study published in January of this year shows that recycled plastic reduces energy consumption by 79% for PET, 88% for HDPE and 88% for polypropylene. According to this study, recycled resin can cut emissions over virgin materials between 67% and 71% for a variety of plastics. It has a significant impact on climate change as well.

Polls indicate that Canadians support take-back schemes and bans on single-use plastics, to ensure that plastics stay out of the environment, and to increase our recycling rates. It's our view that if this government doesn't include bans of some plastics in its strategy for dealing with plastics, Canadians will reject the strategy as inadequate. Environmental groups certainly will. This is not to say we're calling for a ban on all plastics, but bans certainly have a part in the strategy this government and the nation needs to come up with.

● (1555)

All levels of government, of course, have a role to play in solving this problem, and many provincial governments will be moving in the near future towards extended producer responsibility schemes. We'll do what we can to support that, and to support it in Ontario in particular, where most of our efforts our concentrated, but it's very important that the federal government ensures there is a level playing field among the provinces.

In May 2018, Environmental Defence brought together 15 major environmental and civil society groups from across Canada to draft a joint declaration on plastics. That declaration now has over 40 signatories. It's been submitted to the federal government for consideration. Based on that declaration, we would recommend the following.

The Canadian government should set binding collection targets for categories of plastic packaging items. Producers should be responsible for reaching these collection targets.

Ban plastic products that have a negative impact on the environment. The EU single-use plastic list of bans could be a good place for Canada to start.

Require progressively increasing recycled content in plastic products and packaging. This is to ensure there is a demand for recycled content and that we're creating a circular economy and using old plastics to create new plastics instead of virgin fossil fuels to create single-use plastics that then get thrown out.

We need to ban problematic polymers such as polyvinyl chloride, polystyrene, and additives such as phthalates that put human health and the environment at risk and can impair the recyclability of these plastics as well.

Finally, set enforcement mechanisms and data collection requirements to ensure that these provisions are complied with.

All these measures will need to recognize that some plastic items, namely single-use plastics and some plastic materials such as those containing toxic additives, as well as PVC and polystyrene, should be recognized as toxic under the CEPA, the Canadian Environmental Protection Act. That, incidentally, was the mechanism that was used to ban microbeads. For this reason, Environmental Defence and some of the other environmental organizations that signed on to our declaration submitted a request to the federal government in June 2018 to add single-use plastics, microplastics and microfibres to the priority substance list for assessing whether they are toxic or capable of becoming toxic under CEPA. To date we have not heard back as to how the Canadian government is treating this request, despite a requirement under CEPA to provide a response within 90 days of a request being submitted. Therefore, we are following up on that request to find out what the government intends to do. Following listing as toxic, the federal government would then have powers to put in place a broad variety of measures, including those to mitigate risks and reduce the environmental impacts of plastics.

We welcome any questions that you have. Thanks for your time.

● (1600)

The Chair: Thank you for those opening comments.

Lastly, we'll move to the Retail Council of Canada.

Will both of you be speaking?

Mr. Andrew Telfer (Vice-President, Health, Wellness and Industry Relations, Retail Council of Canada): Both of us, yes. We're going to tag team it.

The Chair: Excellent. We look forward to hearing what you have to say.

You have 10 minutes.

Mr. Andrew Telfer: We're going to be a little different from the rest of the witnesses.

We are Andrew Telfer and Philippe Cantin, for the Retail Council of Canada. Thank you for inviting us this afternoon to talk on this important issue, apparently an issue that is ever-increasing, as I hear that a disposable coffee cup was spotted in Winterfell on *Game of Thrones* last night. It's definitely an increasing issue.

We're from the Retail Council of Canada. Retail is Canada's largest private sector employer, with over 2.1 million Canadians working in our industry. The sector generates over $76 billion in wages and employee benefits annually. Retail Council of Canada members represent more than two-thirds of core retail sales in this country. We're also a not-for-profit industry-funded association. We represent more than 45,000 storefronts in all retail formats, including department, grocery, specialty, discount, independent, and also online. Our grocery members represent over 90% of the market in Canada.

[*Translation*]

Mr. Philippe Cantin (Senior Director, Circular Economy and Sustainable Innovation, Montreal Office, Retail Council of Canada): Plastics reduction is truly a global challenge. We know that plastics also have a role to play, if they are properly and appropriately managed.

We think that Canada is well-positioned, thanks to its recycling infrastructure, to accept the challenge. From retailers' point of view, we support plastics management through the three Rs hierarchy: first, prevention through reduction, then repurposing and reuse, and then recycling. Following that would be compostables. Finally, there is the landfill, which is the last resort.

Plastics are recognized for their light weight and light look, which means that many businesses will use them. That also may lead to a better GHG balance for their transportation, since they are lighter. However, their weight and their small size create their own set of challenges in the sorting and recycling stages.

Although most types of plastics are recyclable, and despite recent innovations—including in molecular recycling—as my two colleagues were saying earlier, there are various opportunities to improve the recyclability of the most problematic categories, such as polystyrene. The fact remains that for us, retailers, plastics help both extend the life of fresh foods, as Mr. Downham mentioned earlier, and meet the food safety standards, which involve very clear restrictions in terms of materials.

The consumer also really plays a key role here. If the consumer does not participate, nothing works. So it may be worthwhile to launch an education and awareness campaign for Canadians based on the science concerning plastics in order to rebalance perceptions by highlighting considerations such as the benefits and properties of those materials.

[*English*]

Mr. Andrew Telfer: Many retail companies have recently made and/or announced efforts to reduce the amount of plastics and packaging in their operations. These include removing excessive packaging, removing difficult-to-recycle materials, increasing post-consumer recycled content, ensuring and encouraging use of recyclable packaging materials, reducing packaging for e-commerce specific items, plastic shopping and grocery bag reduction initiatives, providing better for the environment alternatives to single-use plastics, and they also allow customers to shop with reusable containers.

Some retail companies in Canada are also collaborating with consumer goods manufacturers and civil society organizations and the Circular Economy Leadership Coalition to find ways to better utilize, reduce and replace plastic materials.

Regarding single-use plastic bans, we see them as only one tool within the toolbox. A ban on single-use plastic is only effective in reducing plastic waste where the replacement item is better for the environment. For example, the City of Vancouver reports that 65% of plastic single-use checkout bags were used for household waste. When plastic bag bans are instituted, the sale of plastic bags intended for household waste typically increases twofold.

We would support a ban on plastic bags if it were implemented in a harmonized way, with harmonization in mind across many jurisdictions, to avoid a patchwork.

We do not support bans if no suitable or feasible alternative materials are available.

Our recommendations are to ensure replacement materials are both available and have a smaller impact on the environment and ensure bans are harmonized across multiple jurisdictions to decrease consumer confusion and burden to businesses.

● (1605)

[*Translation*]

Mr. Philippe Cantin: When it comes to standards on recycled content, we are in favour of increasing the use of recycled content in packaging products, when that is feasible. Increasing recycled content will also develop secondary markets of materials collected to be turned into new packaging products. A national standard on recycled content would support or even increase the quantities of materials already collected in Canadian homes.

However, as it was said earlier, a Canadian standard in this area will need to be developed while keeping in mind that supply chains are now integrated across the continent, even across the globe. Alignment must be achieved with what has been done in other countries to find inspiration in best practices and to ensure that any Canadian approach would make sense and be relevant.

We are also favourable to a well-defined and easy-to-understand standard, but it must also lead to positive effects on the environment compared with the status quo. So creating incentives to promote recycled content is an element that is really important to us.

[*English*]

Mr. Andrew Telfer: Regarding additives in plastic packaging, because recycling is preferred over compost, we do not support the use of additives to plastic resin to make it biodegradable. We prefer that the plastic molecule be kept in motion through recycling. Additives to make plastic biodegradable add unwanted costs. Recycling of plastics supports the circular economy, in that plastics can be collected, recycled and made into new products and/or packaging. Biodegradable plastics can contaminate the recycling stream if not handled properly at the end of their life. The recommendation is to introduce a framework to address the use of additives in plastic packaging.

[*Translation*]

Mr. Philippe Cantin: When it comes to federal actions to facilitate recycling, we think that the government's role could be to contribute to the success of provincial programs by reducing cost disparities between landfill and recycling—landfill is currently all too often the least expensive method in Canada to manage waste materials—by implementing a national education and awareness campaign to relay provincial messages and provide information on their programs, by providing more funding for innovation and improving sorting and recycling facilities, including through molecular recycling, and by offering incentives for the use of recycled resin versus virgin material. We know that the cost of virgin resin is often tied to oil prices. So it is often difficult for SMEs that manufacture recycled resin to be competitive or to break into the market, be it in terms of costs or volumes.

Our recommendations concerning federal measures would be to implement funding mechanisms to drive innovation and provide more incentives to encourage the use of recycled resin. In our opinion, that would help complete the cycle in terms of the circular aspect of our products and packaging in Canada.

[*English*]

Mr. Andrew Telfer: Thank you.

The Chair: Thank you to all of the groups for your very tight opening comments. That give us lots of time to get through the rounds of questions.

With that, our first round of six minutes of questions will go to Mr. Amos.

Mr. William Amos (Pontiac, Lib.): Thank you, Chair.

[*Translation*]

I thank all the witnesses.

I really appreciate your suggestions. This is a very complex issue with numerous aspects.

Today, I would like to focus on your comments and your recommendations. I assume that our committee will soon have to recommend very concrete, very specific measures, and that it will have to go beyond the principles of circular economy, among other things. We may agree that it is a good idea to go with circular economy, but sometimes very concrete decisions have to be made to get there.

I would like to put my first question to Mr. Telfer and Mr. Cantin, whom I will ask to answer briefly, as we have very little time.

As far as I understand, you feel that the harmonization issue is very important, be it on a provincial or a national level, or even on an international level. Should it be surmised that it could be very good for the federal government to think about establishing national standards? That would create certainty within industry and within Canadian communities. Should Canadian authorities move forward with those standards?

● (1610)

Mr. Philippe Cantin: Yes, indeed. The most harmonized approach would consist in implementing Canada-wide standards. In that case, we feel that the government should look at what is being done in the United States or in certain American states and ensure that Canadian standards are in line with the market elsewhere in North America. The objective is to become integrated into the supply chain. Developing products only for Canada would be a bit difficult to imagine if we want Canadians to have access to affordable products. This is what I think should be considered. That said, it would really be very appropriate for Canada to decide on standards.

Mr. William Amos: I understand the harmonization dynamic between the north and the south, with the United States. However, Ms. Dionne raised a European issue and the potential of closer collaboration with Europe. As we have signed a new economic and trade agreement with Europe, it seems to me we should think about standards—as Mr. Brooks just said—that were established in Europe.

Ms. Geneviève Dionne: To follow up on Mr. Cantin's comments, I would say that we should consider North America and Europe. You are talking about free trade. However, it is certain that our products can be exported to Europe. So they should meet the requirements of the European Commission, which has taken circular economy and the issue of plastics and single-use products seriously. I think that it is important to have the same objectives, but that the means to achieving them can vary.

Could Canada use creativity and adapt the operationalization of those objectives or goals to give them a Canadian flavour? Yes, of course. However, I think it is important to align ourselves with the global context. These concerns require all stakeholders to think about a range of criteria. So it is important for all of us to be going in the same direction.

Mr. William Amos: Okay.

It is very difficult to get there when there are so many players on the industrial side, both upstream and downstream, depending on where you are in the industrial chain.

We have already seen, in the past, difficulties in the management of issues on an intergovernmental level in Canada when an attempt to establish standards was made.

[*English*]

We've had major conflicts around the establishment of national standards, particularly on the issue of carbon emissions. Rather than going to the lowest common denominator, how do we get to the highest common denominator around national standards in Canada?

[*Translation*]

Ms. Geneviève Dionne: Like I was saying earlier, we can agree on the ultimate goal we want to achieve, such as a certain rate of recovery, recycling and integration of recycled content.

Various provinces must be given the opportunity and flexibility to implement mechanisms to achieve their objectives. That flexibility is necessary. Not one territory or province operates in the same way.

It is also important to respect what is already underway on the ground in terms of projects. I have mentioned a few initiatives we have undertaken in Quebec. We want to transfer that knowledge and expertise to other provinces and then enable them to adapt them to their territory if it is beneficial.

[*English*]

Mr. William Amos: My last question is for our friends at Environmental Defence.

Single-use plastics are often seized upon by the public as being the crucial issue. I can understand a plastic bag that's in the water or a straw that's lying on the ground, but from the testimony we've heard, they represent such a small, small percentage of the broader plastics issue. How do we get at solving the bigger issue of rendering our use of plastics much more efficiently while not forgetting the single-use question?

Mr. Keith Brooks: I think plastic packaging is about 40% of all the plastic used. Durable plastics, which go into automatic things or the shell of a computer or a phone, live much longer. They're much more likely to end up in a landfill and not in the environment. One of the major concerns people are having globally, and it's why they're acting on plastics, is this leakage into the environment, which we cannot deny is happening. A whale washes up on the beach practically every week now with a belly that's full of plastic. That's why people are targeting single-use plastics. It's because of the amount of leakage into the environment and because of the rate at which we're churning through this stuff in this linear economy.

I don't know if that answers your question, but I gather we're out of time anyway.

● (1615)

The Chair: We may be able to come back to that in another round of questions, but Mr. Amos is out of time for now.

Mr. Fast, it's over to you for six minutes.

Hon. Ed Fast: I will follow up on the question about the harmonization of standards, and also the recycling regimes across Canada. The challenge, of course, is that we may provide leadership at the federal level, but implementation at the provincial level is always the biggest challenge.

Mr. Downham, what kind of model do you see as being effective in allowing the federal leadership to translate down to the provincial and municipal levels? Is it sort of like what we have with the Canadian building code, where we provide the leadership but each province implements separately? Or is there another regime you would implement that would be effective in doing that?

Mr. James D. Downham: I can tell you what we're doing. I think it's a model for the future for us. Essentially, we started the packaging innovation gateway about four years ago. It was really all about helping brand owners take a new product and get it through the system, so that it went all the way through and into its next life. It was called the packaging innovation gateway.

It was a very informal process. We identified 15 problematic materials. It was all very nice. We had what I call "transparent collaboration", where we had brand owners, retailers, package makers, waste management and municipalities—no provincial or federal representatives, but municipalities, because they're the primary folks who are handling and recovering the materials.

It was a very good process. The problem with it was that it wasn't collaboration; it was co-operation. We were able to bring everybody together, and they were saying that, yes, this is nice, but it was a lot of talk and no action.

We're taking it to the next level. We've modified the name to the "packaging innovation pathway". We're starting with municipalities and with brand owners and we're going to put together a formal process whereby we can create a standard—I don't like to use the word "watchdog"—whereby we can certify packaging materials. We're going to talk about the circular economy. We'll talk about it in the circular context. A package may be a 360 or it maybe be a 270; it may be a 180 or a 90. The idea is to look at all of these packaging materials as they're coming through and we're going to give it that standard and assign it.

When a brand new product comes in and they walk in to see my friend Luc Lortie at Costco and say that it's the greenest, greatest product in the world made from bamboo or whatever, he has no clue what to do with it because he doesn't have the capability inside. He'll tell them to go and see the packaging innovation pathway, get it certified, bring it back to him, and then he'll buy it once he knows that there's a certification on it.

Our vision for this is a national body. It's a national initiative. Everybody is welcome to participate. We're forming right now. We've got our first meeting on May 17. We have the City of Toronto involved with it. We have municipalities. We've talked to Montreal. We're in discussions with Vancouver. We're talking to folks like Procter & Gamble and Molson Coors. That's where we're trying to take this thing.

Hon. Ed Fast: Thank you.

A number of you mentioned mechanical versus chemical recycling. I'm interested to hear from you the degree to which chemical recycling will change how we do recycling and how it will change the outcomes. For example, it used to be that not all plastics could be recycled mechanically. My understanding is that pretty well all plastics could be recycled if you deploy both mechanical and chemical recycling. Is that correct?

[*Translation*]

Ms. Geneviève Dionne: Yes.

Plastic is a material that behaves similarly to fibre packaging. A fibre gets shorter with every recycling cycle. So you start with one sheet of paper and turn it into a product with an increasingly short fibre, up to egg packaging, for example.

For plastic, the situation is the same, its fibres will get shorter with every cycle, once mechanical recycling has been initiated. There are limits, as we were saying earlier: mechanical recycling does not make it possible to eliminate ink and all the additives found in plastics.

In addition, certain forming processes—such as extrusion, though I do not want to get into technical details—mean that we are limited in terms of the material obtained at the end of this mechanical recycling process.

Molecular recycling makes it possible to go much further. Molecular recycling could be broken down into different things. We could go back all the way to the monomer, to the raw solution of the monomer plastic where polymer chains will be redone to remake them into plastics. Any inks or additives can be eliminated.

The interesting aspect of molecular recycling—we were talking about it as a complementary process—was that it can resolve the problem of any flexible packaging, any laminated and complex packaging containing amalgams of various types of resins.

● (1620)

[*English*]

Hon. Ed Fast: Am I correct in assuming that because we now have molecular recycling as well as mechanical recycling, all plastics really could be recycled, which simplifies the recycling process for the consumer and for industry? If you're able to take any plastic, throw it into a recycling bin and get it off to the recycler and get it processed that way, it's a lot simpler than having to sort. I know there are a lot of Canadians who don't understand which plastics can be recycled and which can't. There are all kinds of rules related to it and they finally get frustrated and it all goes to the landfill.

In my mind, this should change that because it simplifies how the consumer gets to respond to recycling demands. Am I correct in saying that?

[*Translation*]

Ms. Geneviève Dionne: Absolutely.

In closing, I would say that molecular recycling opens the door to the recycling of other plastics outside the packaging industry. We are talking about plastics found in basic products such as children's toys, for example. There is not a lot of infrastructure currently to process those types of plastic products.

That simplifies Canadians' actions. The work will be done by the sorting and recycling industry.

[*English*]

The Chair: I gave you an extra minute.

Wayne, I'll go to you.

Everybody has gone over by one minute, so I'll give you four minutes right now to start.

I'm sorry, you have seven minutes.

Mr. Wayne Stetski (Kootenay—Columbia, NDP): Thank you.

The Chair: Look, we were already getting to the end.

Mr. Wayne Stetski: Thank you for being with us today.

I'm assuming we're now at seven and a half minutes.

I want to take a different approach, perhaps, and I'll start with Madam Dionne.

You mentioned there are a number of things that make recycling plastic problematic, like colours, additives, etc. I also want to ask the industry witnesses the same question.

Is there a plastic that is currently the best plastic for recycling? Could you set standards around what goes into plastic so that you are can make sure it can be recycled easily?

[*Translation*]

Ms. Geneviève Dionne: I will try to answer you quickly, as I could say a million things on this topic.

We need to do more research to find out what is found in plastic packaging, as that information is not currently accessible.

Our French counterparts at Citeo are currently doing testing on opaque PET. They are trying to find out what mineral fillers and additives are added to it and see what is being done to that opaque PET once it has been collected to be able to recycle it.

This type of research to find out the composition of plastic is not done very much in Canada currently. So we need to work on that aspect to perhaps be able to develop types of standards and identify what additives give the necessary barrier properties to products sensitive to air, humidity and light. There are some very sensitive products that need those barrier properties, which could not be achieved with plastic alone, fibre, aluminum or glass. So we need to consider that aspect.

I would personally go a bit further. I am an industrial designer and have training in design. I think we also need to examine packaging design. There is a proliferation of single-use packaging and flexible packaging. I also think there may be a form of standardization—that's not the right term—that could be done in terms of design of certain types of packaging, while considering market segments, for example.

● (1625)

[*English*]

Mr. Wayne Stetski: To the Packaging Consortium, Mr. Downham or Mr. Lantz, is there a best plastic that might be really boring because it doesn't have colour in it, doesn't have a bunch of things? Can we get to a standard that's better for recycling?

Second, in terms of packaging in general, we've said that the packaging that goes into vegetables can't be recycled at all, so could the industry instead switch to a plastic that could be recycled for vegetables, or use containers rather than throwaway plastics?

Mr. Dan Lantz (Director, Sustainability, PAC Packaging Consortium): There are advances being made all the time in plastics packaging. There are now laminated plastics out there that are compatible with polyethylene plastic recycling. In other words, those multi-laminated plastic pouches everybody loves to hate are now being made in multiple layers of a material with a barrier layer that's compatible, so it can go in with the plastic bags you're getting out of your grocery store.

The innovations are coming so fast from the packaging industry and from the likes of Dow and others that are creating these new things that by stepping back and saying let's ban things.... Polystyrene is a prime example.

There are three companies right in Canada, in Montreal, that are now taking polystyrene, EPS, and recycling it back down to the monomer level to create styrene that they can make back into polystyrene. By saying, “Oh you can't do that anymore”, what we're doing is stifling our own industry development. We're losing the opportunity to do something with all of this packaging.

If I were to choose a plastic, the ones that are most commonly recycled and worth the most and that you can do the most with, I would say it's clear plastic. I'm talking about clear as in having no colour in PET bottles and bottle grade, not thermoformed—not the things you get out of your bakery aisle. Those are very complicated to recycle.

HDPE natural, a milk jug, and polypropylene natural, so anything that's in.... It's almost white. It's semi-translucent in polypropylene. They tend to have the least amount of things in them, and you can do the most with them. They also tend to have the highest recycling rates today of all the materials. It doesn't mean we can't get them higher, but they have the most opportunity when they're captured. They can be recycled mechanically very successfully.

PET is going back into bottle grade. If you go into a Loblaws or a Walmart, that 24 pack of water is 100% recycled content, PET, so it can be done.

Mr. Wayne Stetski: In the end, I wonder if it's better, then, if the government's going to ban anything, to ban certain type of plastics rather than certain types of products.

Mr. Dan Lantz: I'll be honest with you. I appreciate the difficulties with PVC, but it is a very recyclable plastic if you get enough of it. The difficulty is that we don't have economies of scale anymore because everybody says, “You can't do this anymore; you have to put it in this plastic.” You lose the opportunity. The environmental footprint of a polystyrene package is much better than the environmental footprint of a PET package. So, you're sitting here going, “What are we trying to achieve at the end of the day?” It's the unintended consequences of some of the decisions that we're making right now that are actually going to create possibly more problems that we're going to solve in putting forward some of our solutions.

Mr. Wayne Stetski: I'm curious. I don't whether any of you have looked into it, but how much of the plastic products that we deal with in Canada come from other countries versus what we actually produce in Canada? That could change where the emphasis needs to be if we're going to do a better job around plastics.

Madame Dionne, I see you nodding your head yes.

[*Translation*]

Ms. Geneviève Dionne: I don't have any figures, but it is clear that our packaging industry is not flourishing. In Quebec and in Canada, we are very good at manufacturing certain types of packaging, but it is certain that a lot of supply will come from the United States or from overseas, as far as Asia.

If I compare once again with France, with which we are working a lot, 95% of packaging of products marketed in France are manufactured on French territory. Culturally, that is not what we do in Canada. That is why it is important to look at what is being done abroad in terms of standards.

However, we are very good in terms of fibre packaging, among others. We are also very good in glass industries and certain types of plastic industries, but not in all of them, clearly.

[*English*]

Mr. Wayne Stetski: I'm wondering whether what we allow into Canada needs to be part of free trade agreement discussions in the future.

Mr. James D. Downham: Could I just add something really quickly? I know you're at the end of your time.

When I came in to run PAC in 2006-07, there were 175 packaging converters. Packaging converters are those who take raw materials and convert them into a box, a glass or a can. They manufacture packaging. Today we have about 75, and that is because of the fact that most of it has moved offshore. We have flexible packaging, which is a potato chip bag and things like that. Most of the companies that produce those in Canada are small, privately held family-owned operators. The major producers of these materials are coming in primarily from the U.S. They all had big operations in Canada, but they no longer have them. They've all backed out.

● (1630)

The Chair: Thank you.

Mr. Fisher, you have six minutes.

Mr. Darren Fisher (Dartmouth—Cole Harbour, Lib.): Thanks, folks. I appreciate your being here.

I'm going to back to harmonization and the Retail Council of Canada's comments. I think you're bang on that we need to come up with some type of harmonization. Mr. Fast touched on this.

You have your municipality, which handles solid waste. You have your province, which issues the permit for the landfill. You have your federal government, which really only handles toxic chemicals through CEPA. Maybe FCM can play a role in this. What we have in HRM, Halifax Regional Municipality, is a four stream.

Someone else mentioned—I think it might even have been you folks—consumer education. We have four people in our house: two teenagers and two adults. We all try to do the right thing, but we all make mistakes. I just found out that the film that wraps vegetables or food is not to go in the plastic waste. So, as I was listening to this, I checked with the former deputy mayor in Halifax, and he said that, yes, there's no market for film. I've been throwing film in, and I feel like I'm doing a good job.

Mr. Mike Bossio (Hastings—Lennox and Addington, Lib.): It's the same with me.

Mr. Darren Fisher: Then you go to a restaurant, and the restaurant has two streams in a four stream, so then you talk about enforcement. I know that I'm sounding like I'm all over the place here. All of your testimony was wonderful, but I'm not coming away with how we proceed.

I'll just finish quickly and then give the time up.

Mr. Fast talked about the building codes, and I thought that was a really clever idea: that we could maybe look at it as a general umbrella of regulations. However, we're still not going to have the ability to enforce at the federal level what these municipalities and provinces do, whether it be the permit or whether they go....

That goes to the Retail Council of Canada. It's more of a discussion than a question, and I apologize for that.

Mr. Philippe Cantin: Sure. No problem.

Waste management is definitely an issue that is both municipal and provincial. The regulatory framework right now is designed in a very linear way. When we're talking about the economy and linear economy, everything is such that basically you produce something, you consume it and then you dump it.

There is clearly a need to close the loop on that, and in the regulatory framework there's nothing to address that at this point. This is where I think the federal government should jump in to close the loop. There is work to be done to facilitate upstream decisions in the supply chain to eventually help the supply chain get on board with material that's being recycled from collection streams from municipalities and provinces.

There is something to be done there, and I think this the role of the federal government, because it's not something we have seen at this point. Everything is made to be handled, from production to disposal. There is something to be done both to address the upstream from the packaging you're using for an item, and downstream from what the customer will be doing by putting the right packaging in the blue box or the green bin.

Mr. Darren Fisher: By all means, Mr. Downham.

Mr. James D. Downham: There is a body that functions today called the Canadian Council of Ministers of the Environment, which is a very significant organization, in my mind.

Mr. Darren Fisher: It's not binding.

Mr. James D. Downham: They're clearly responsible for strategy with regard to all things to do with the environment. They are working right now on a zero plastic waste action plan.

It seems to me that if you've given them—the federal government, or whoever...and they've agreed to collaborate and have that discussion, they really just need to take their rule setting down one notch further to say that if they're collectively going to agree on EPR, as an example—extended producer responsibility— they need to take EPR and that subset to harmonize in this way throughout the provinces. Collectively those 13 people at the table—14 because there's a federal body there as well—could make those decisions.

● (1635)

Mr. Darren Fisher: The CCME had an action plan on EPR in 2009, and I believe it has not really gone anywhere.

Mr. James D. Downham: EPR is fully implemented, and it's being followed. The problem is that it lacks teeth to take it down to exactly what you're asking about. That's what we're saying; they're going through the plastics review right now.

Don't take a plastics review, separate it, put in an EPR for plastics and have an EPR 1.0. Put the two of them together. That's when you put the teeth into it and then you give it a little more power. That's where I would do it.

Mr. Darren Fisher: Is there time for Mr. Brooks? He wanted to—

The Chair: You have a minute left.

Mr. Keith Brooks: I think this committee is headed in some good directions on limiting the types of plastics and the plastic components rather than the products. I think that's a good way to go—looking at toxicity, recyclability and other criteria.

When it comes to the federal role, standardization is absolutely the way to go, but I don't think the building code is the right analogy, because the model national building code is also not enforceable—it's nothing the provinces need to go by—so you need to do something that has teeth.

The fight we're having on carbon right now is about whether it's constitutional, so this order of government needs to establish, first, that it has the constitutional means to regulate plastics. The way they should do that is through CEPA and through toxicity to the environment and human health. That pathway has already survived with microbeads.

The Chair: Mr. Lobb, welcome to the committee. We'll move over to you for six minutes.

Mr. Ben Lobb (Huron—Bruce, CPC): It's great to be here. I see you're using recycled paper for your time warnings. That's great to see.

Hon. Ed Fast: It has all kinds of colours in it.

Mr. Ben Lobb: I want to ask Environmental Defence a question. I normally sit on the health committee, and I've probably missed most of what's going on here.

There's a thing out to do with plastic, which I guess you could see in the news or whatever. You go to the store, buy something and it has plastic on it. You eat whatever is in it and you put it in the recycling container, but you don't clean it. Let's say there's some sort of film kicking around on it.

My understanding is that, in some areas, if that goes through the recycling process, that's kicked out and sent to China or wherever else. Is that what you guys understand? What's going on with that?

Mr. Keith Brooks: It used to get sent to China, but they won't take it anymore.

Mr. Ben Lobb: Well, that's true. Okay.

Does it get sent somewhere else?

Mr. Keith Brooks: I think my industry colleagues have a better sense of where the stuff goes. To be honest, it's a bit of a black box. And that's one of the other things we would like to bring to this committee. We need more transparency and data to understand what kinds of plastics are coming into Canada, what the recycling rates are, and we want to talk about materials.

There are also some products that are problematic because they get contaminated with food. We would like to see that transparency as well over time so that we can set targets and move towards them, but we have the data that we need to understand where the problems lie.

Mr. Ben Lobb: Does anybody in the committee know where, say, a dirty plastic container goes? Does it get recycled or does it go to Timbuktu?

Mr. James D. Downham: They keep closing the doors because nobody wants it any longer.

Mr. Dan Lantz: Which plastic...? PET, HDPE and polypropylene 1, 2 and 5 stay in Canada, and they are normally recycled.

Mr. Ben Lobb: Clean or dirty?

Mr. Dan Lantz: Yes, because the residents are not necessarily good at cleaning everything the way you want them to. The other four plastics, typically the 3, 6 and 7, PVC, polystyrene and other plastics—that grand category of everything else—tend not to get recycled.

There is a lot of work being done, for example, in British Columbia. I was running the program out there. All of it was collected; we recycled all of it. The stuff that we couldn't recycle we turned into an alternative fuel that went to Lafarge, and we were actually cleaning the air in the Lower Mainland by substituting out the coal. So it isn't that something can't be done with it.

By the way, the PVC was pulled out. There was a system just to pull PVC out, so we were not burning it.

Mr. Ben Lobb: Okay.

Mr. Dan Lantz: But the idea is that it can be cleaned, it can be used, it can be recycled or it can be recovered.

Mr. Ben Lobb: Okay.

I want to ask the retail fellows here, and maybe the environmental guys if they want to chip in too. I've never been to the Beer Store. They tell me you go there for something. But the Beer Store in Ontario has the most successful recycling program in North America. That's what I understand.

Mr. James D. Downham: Maybe in the world....

Mr. Ben Lobb: Maybe in the world.... If Coca-Cola wants to sell their plastic two-litre bottles, why not put a 10¢ deposit on them? I don't drink pop, but it doesn't seem right to me that one little bottle of pop is two dollars. So does it matter if it's two dollars or $2.10? That's something we should do, because we know that the bottles and the wine bottles and the aluminum beer cans all get picked up. Is that what we need to do?

● (1640)

[*Translation*]

Ms. Geneviève Dionne: If I may comment on this issue, we have to look at the rate of recovery. It was mentioned earlier: the rate of recovery of PET bottles, for example, is nearly 70%. A deposit will not strongly encourage people to bring the bottle back, especially if the bottle ends up in the same type of system.

If the government starts to fund parallel systems, costs will skyrocket. If recycling and a deposit system were implemented in parallel and the return rates were not optimal, we would end up with two parallel systems through which infrastructure, transportation and greenhouse gas are potentially being generated.

What is interesting in returning to deposit systems is reusable packaging that has been cleaned, decontaminated and refilled, such as the brown beer bottle. However, if the packaging has to be crushed or if the plastic has to be decontaminated and recycled in the same way as a bottle or a product that currently does not require a deposit, all we are doing is opening other avenues, but not engaging in densification.

Earlier, you asked what is happening in the system when it comes to flexible packaging. The system is based on tonnage and our packaging is currently becoming increasingly light and small. So the recycling system must evolve to target and deal with packaging by volume and by unit.

[*English*]

Mr. Ben Lobb: Okay. I have one quick last question for the environmental guys again.

It irks me. I buy a big box of McDonalds Keurig cups, for example—the little things you put in your coffee machine—and they're compostable, but they're wrapped in plastic. What sense does that make? What is the possible logic? Do you guys not call up McDonalds and ask them what's going on, what they're doing there?

Mr. Keith Brooks: There are some organizations that take on the producers. I think Greenpeace is actually the most successful with that. For all the litter that's ending up on the beaches, they point a finger at who's responsible—Tim Hortons, McDonalds, these companies.

I wanted to say, though, that we are very much in favour of the deposit-return program for plastic bottles. Ontario and Manitoba are the only provinces that don't have them. We have the worst recycling rates in these provinces. We throw out 1.5 billion bottles in Ontario every year because we recycle only a half of the bottles we use. We can get a deposit. It's a very strong system and it does work well with the rest of the extended producer responsibility systems. It's in place in many European countries where they have advanced EPR systems. It's in place in many provinces in Canada, too.

Mr. Ben Lobb: I'm not saying put a deposit on it; I'm asking whether that is a possibility.

I don't want to get any negative attack ads here; I'm just asking a question.

Some hon. members: Oh, oh!

The Chair: You're out of time, but Mr. Lantz may wish to make a comment.

Mr. Dan Lantz: One great observation from Europe and one reason their deposit return rates are so high, especially Germany's, is that they have two deposit systems, one for single-use bottles. You want to attack the single-use plastic issue—the one-way water bottle, for example. The deposit is about 43¢, whereas on a refillable glass bottle it's only about 25¢ or 30¢ or something like that. It really does encourage a push to something like what Tom Szaky is promoting now with refillables and getting away from single use by creating a disincentive financially, or at least getting them back into the loop.

The Chair: I'm going to jump over Ms. Dzerowicz just to keep the discussion going.

There may be a chance, Mr. Downham, to bring in your comments.

Ms. Dzerowicz, you have six minutes.

Ms. Julie Dzerowicz (Davenport, Lib.): I'm going to continue with that line, since it was one of my questions anyway.

The thing about Germany is that they have so many more people in their country than we have. In terms of economies of scale, you have to take that into consideration. One thing we've been told quite a bit is that there's a missed economic opportunity, that there's a $150 billion market in not reusing plastic. It's a huge economic loss for us right now.

It's rather along the lines you're talking about here. I think we'd like to recycle; we'd like to give more producer responsibility. Given the number of people we have, however, and given our large country, what is your recommendation about how we can best capture more of that $150 billion opportunity?

Who wants to start first?

Mr. James D. Downham: Without repeating myself, and with what everybody else has said, it is, simply put, “harmonization”, in my mind.

Ms. Julie Dzerowicz: Okay.

Mr. James D. Downham: If you can get to that and can give the CCME some teeth to help or direct them to mandate harmonization downwards, so that the provinces and the territories take this back, then we can be recovering all the same thing in all the provinces with the same message to every single consumer—and we're all consumers in the room—so there's no confusion in your household between your daughter and you. You know exactly what you're going to do with that package.

Harmonization is the biggest thing you can do.

● (1645)

Ms. Julie Dzerowicz: I have two other questions, and they're completely different. In Davos this year, the consumer products industry was fairly much eviscerated because of plastic pollution. I was reading through some of the articles and I know that Unilever promised to ensure that all its plastic packaging would be recyclable, reusable or compostable by 2025.

Is this a big deal? Is this actually a significant promise, or is the devil in the details? If it is significant, how do they stay competitive, and how can we as a government encourage more companies to follow that path?

We'll start with Ms. Dionne and then we'll go down the row.

[*Translation*]

Ms. Geneviève Dionne: Those are indeed ambitious objectives for the industry.

It must be understood that there is a change in the industry. When we talk about retailers or manufacturers, they can all put undue pressure on themselves. Will Unilever wait for those targets or will it put pressure on its suppliers to be able to reach those targets in terms of recyclability and recycled content?

As we illustrated earlier, if we want the industry to reach those targets, major players like Unilever are capable of teaming up with companies like Loop Industries for the molecular recycling of their PET packaging.

However, we are talking about a Canadian industrial fabric that is full of small and medium-sized businesses that don't really have the luxury of teaming up with major players in molecular recycling to get their share. So the government must support innovation in recycling technologies and techniques.

[*English*]

Ms. Julie Dzerowicz: I was going to get to that. Just tell me what you think the government can do to help encourage this.

[*Translation*]

Ms. Geneviève Dionne: It can provide financial support for research and development on end of life, sorting and recycling of packaging. It can also facilitate transparency through a traceability system for recycled content, a bit like what's being done with sustainable fishing and other sectors.

We should know where the recycled material comes from through quality controls to secure a quality-based supply. That is something the government should support.

[*English*]

Ms. Julie Dzerowicz: We'll go over to Environmental Defence. I haven't heard from them.

Go ahead.

Mr. Vito Buonsante (Plastic Program Manager, Environmental Defence Canada): Thank you.

I only have a couple of comments. One is on the size of the country. I wanted to point out that Norway is quite big and has a population that is quite sparse. It has only five million people, yet it manages with its deposit return scheme to achieve a 97% return rate. That is possible. It's a full, extended producer responsibility.

On the issue of recyclability and compostability, that is really something desirable, but I would just point out that if we want to tackle plastic pollution, making things more recyclable is not necessarily going to make things not leak into the environment. We need to make sure, first of all, that we avoid things getting into the environment. How do we do that? We do it by reducing not only the multiplication of plastics and types of plastics but also by making sure that the producers ensure that all of the plastics put on the market are collected.

If we are thinking about composting, for example, or even chemical recycling, all of these innovations seem to be great, but they're not going to change the fact that plastics keep getting into the oceans and waterways. That's not going to help if we don't decrease the amount of plastic we have on the market by having high collection rates and increasing the recycled content of new materials. We need to decrease the amount of plastic we produce.

Thanks.

Ms. Julie Dzerowicz: All right.

Do I have any time left?

The Chair: You're in your last minute.

Ms. Julie Dzerowicz: I have another question on toxins.

Mr. Brooks, you talked a little bit about this and said that it would require a whole other conversation. As part of your recommendations, you actually said that you would ban polymer, or something. Is there something specific that you have in mind? I ask because I often think that every other country in the world is far more advanced than we are with regard to toxins. We have to prove to ourselves that it's toxic, whereas other countries kind of say, “Well, prove to us that it's not toxic.”

Mr. Keith Brooks: Right.

Ms. Julie Dzerowicz: From a government perspective, what's the obvious thing we should make sure is banned here in Canada?

Mr. Keith Brooks: We would support a criteria-based approach to banning plastics in Canada. The main criterion that we pick are plastics that are made from or contain toxic ingredients, like PVC and polystyrene. They could degrade to potentially toxic things as well, so they're more obviously toxic to the environment. Also, we pick on those things that are not readily, or just not practically, recycled. Again, these are a lot of the food containers and those kinds of things.

The things that are the most toxic are the things we find leaking into the environment and the things that are not recyclable. That's where we would go.

● (1650)

The Chair: Perfect. Thank you.

Mr. Clarke, you're up next for six minutes.

[*Translation*]

Mr. Alupa Clarke: Thank you, Mr. Chair.

Good afternoon everyone. Thank you all for being with us today.

I pay close attention to the plastics problem plaguing the world. I've read articles in Nature, GEO and National Geographic, so I'm familiar with the problem. It's horrifying to see the continent of plastic often featured in TV documentaries.

Ms. Dionne, before getting into plastics, strictly speaking, I'd like you to clarify something. You mentioned the use of molecular technology in plastic recycling. You said it would soon be possible to recycle all plastics. What did you mean by soon?

Ms. Geneviève Dionne: A number of start-ups exist right now. They need help moving into the next phase and accessing a larger supply of recyclable content. That content also has to be able to make its way to those companies. Some of them are no longer start-ups, but they have not yet reached the point of developing and applying their processes at the industrial level.

Other companies are operating at full capacity and have become diversified. Three of them are in Montreal—Pyrowave, Loop Industries and Polystyvert—and they process different types of resin. In our brief, I included a link to our plastic solutions forum. More than 25 companies came to showcase their technologies.

It's important to identify innovative companies in Canada. International companies could also share their knowledge with us. If, tomorrow morning, we woke up to the political will and government desire to support this kind of innovation, it would solve a whole lot of problems.

Mr. Alupa Clarke: I see.

Thank you, Ms. Dionne.

[*English*]

Mr. Brooks and Mr. Buonsante, we hear a lot about these plastic containers in the Pacific Ocean. In the other oceans of the world, are there the same kinds of plastic areas and about the same size?

Mr. Keith Brooks: Yes, there's plastic. I mean there's a bunch of these gyres circulating whirlpools, where the water moves very slowly and isn't in major currents. That's where the plastic collects. It's not quite a floating island of garbage. It's actually a bunch of plastics that have broken down into pieces—they can be large pieces and small pieces—up and down through the water column. It's very difficult to clean up. It's not as though we can go out there and just hoover it all off the surface. It's up and down throughout the water column, and it's all different sizes.

Mr. Alupa Clarke: How deep in the water does it go?

Mr. Keith Brooks: Plastic has been found in the deepest ocean trench. As far down as we've gone, we've found plastic. We've found plastic in the High Arctic. It's everywhere they look and in every animal they test. They followed eight different people across the world. These were people with different diets and different ways of life, and in 100% of the feces samples that were tested, they found plastic. It's everywhere.

Mr. Alupa Clarke: Exactly how deep and how wide is this huge amount of plastic that's in the Pacific Ocean?

Mr. Keith Brooks: They used to say that it was the size of Texas, but they no longer say how big it is. It's massive. And there are many of them.

Mr. Alupa Clarke: In terms of its weight, it must be having some effect on the patterns of the ocean. Is it disturbing the way in which the ocean moves around?

Mr. Keith Brooks: I don't know. I think climate change is a bigger threat for oceanic currents, really, than plastics are, but it is a threat to marine life, big time. That's why we're seeing these animals dying.

Mr. Alupa Clarke: I'm not quite sure I understood clearly what you said earlier. Are you suggesting that we should one day ban completely all the kinds of plastics we use in Canada, for example?

Mr. Keith Brooks: No, but we think the ban should be part of the solution that Canada brings to bear in solving the plastic pollution problem. We think extended producer responsibility is a good way to go. We actually share a lot of the ideas our colleagues have put out here today—extended producer responsibility, bans, high recycled-content standards. We think the role for government around extended producer responsibility is to set high targets, hold producers responsible for reaching those targets, and levy fines if they don't get there. Establish that you have the powers to do it. Go ahead and let the provinces figure out the details. Let the producers figure out the details of how they're going to do it. You set the standard. You make them meet it.

Mr. Alupa Clarke: If we were to have the best standards of normalization, how long would the process take, do you think? You spoke about Norway, for example. There are other countries right now that are best examples, I guess, in terms of plastic management. If we were to apply in Canada the best plastic management on earth today, how long would the transition be to get to a point where we knew that no plastic was going to areas that we didn't want it to go?

● (1655)

Mr. Keith Brooks: It depends on the level of ambition of the government, I suppose, and on the ability of industry and everybody to innovate and markets to adapt and whatnot. Some jurisdictions have gone very aggressively. Even in the EU, their bans are coming in 2021. They are moving very quickly.

Mr. Alupa Clarke: Okay. Perfect.

That's all for me.

The Chair: Ben or Martin, there's a minute left, if you want it.

Mr. Ben Lobb: This is just further to the Keurig pods and the wrappers around them. Even if it says “compostable” in terms of the plastic or whatever it's made out of, there's a bit of a disclaimer there, because it says that it's only in the municipalities that are participating in the program. I'm guessing that's close to zero. How would I, as a guy recycling in Point Clark, Ontario, know if I'm in a participating municipality or not? How would I know this?

I'm not criticizing you guys; I'm just asking.

Mr. Keith Brooks: We don't make those pods.

Mr. Ben Lobb: No, I know that.

Mr. Keith Brooks: We don't sell them or distribute them either. The City of Toronto is in a fight with those guys, who are selling the pods in Toronto. The City of Toronto is saying to them that the city can't compost them, so what they're doing there is false advertising. They're butting heads on this.

Mr. Ben Lobb: Right. So if the biggest city in Canada—

Mr. Keith Brooks: It shouldn't be the consumer's responsibility to know whether the thing is recyclable. That's why we need the harmonized standards across jurisdictions. We need extended producer responsibility so that it's not up to municipalities to put the infrastructure in place and it's not up to consumers to have the right thing. It's up to producers who want to sell the products and make the money from them to make sure that systems are in place to capture, recycle and deal with their product's end of life.

The Chair: Mr. Bossio, you have six minutes.

Mr. Mike Bossio: This has been a great panel. I've been trying to encapsulate everything that's been said here today. There have been great questions all the way around, by all parties.

I guess what I'm trying to figure out is this. We've been trying to explore the federal level's ability to regulate different aspects of this—regulate the recyclability and the harmonization piece; regulate that everything must be recyclable; regulate the harmonization of those recyclables; regulate the level of collection of those recyclables; put enforcement around all of those; and finally, regulate with regard to the particular bans around the toxicity of certain plastics. Would you agree that in each one of those areas, the federal level of government would have the ability to regulate that, and then it would be up to the provinces and the producers? As you just said, it would be up to the provinces to implement and the producers to find a path forward to achieve those regulated targets.

I would ask Mr. Brooks to answer first, and then I'd like to see the others jump in with their thoughts as well.

Mr. Keith Brooks: We'd have to figure out exactly all of the details. In our declaration that I spoke of in our submission, we've been breaking down all the different pathways the Canadian government can take and the powers that government has. We think the government does need to regulate some aspects of that, but again, there are people who have greater expertise on constitutional law and the powers of the federal government to regulate.

We could figure out—and you could figure out, or people could figure out—what the role of the federal government is and what powers it has to regulate to and bring out these different outcomes that we need. Yes, provinces and producers have to get on side as well.

Mr. Mike Bossio: Yes, sure.

Please, Philippe.

Mr. Philippe Cantin: I think all of the different action items you mentioned are definitely in the scope of the federal government, except maybe for level of collection rates and setting up, say, EPR structures. Those are really provincial regulations. I think—

Mr. Mike Bossio: But if we treat plastic as a national issue—

Mr. Philippe Cantin: Correct.

Mr. Mike Bossio: —then could we not regulate, at some level, the methods to deal with that national problem?

Mr. Philippe Cantin: Yes, absolutely. I think when it comes to looking at the material—you mentioned recyclability, recycled content, toxicity, even education and awareness about the material, about plastics, R and D, upgrading the facilities—all of these are areas where the federal government definitely would be doing a better job through the harmonization lens that we've been talking about. This would definitely be a great opportunity for everyone if the federal government jumped on that aspect.

● (1700)

Mr. Mike Bossio: Please go ahead.

Mr. Dan Lantz: There are a couple things.

If you put policies in place just for plastics, you might run into something with trade, because now you're setting an uneven playing field for packaging within the country. What you're saying is, “Okay, plastics are bad, and I'm going to make sure you get X'ed”, whereas paper might be good. You're going to have—

Mr. Mike Bossio: Well—

Mr. Dan Lantz: But you're going to have—

Mr. Mike Bossio: I think under EPR, though, you would be regulating all packaging. Right?

Mr. Dan Lantz: You'd have to regulate all packaging. That's what we started with. This is not just a plastic issue. It's a garbage issue. It's a waste issue.

Mr. Mike Bossio: Right. It is, yes.

Mr. Dan Lantz: There are a few things I think that the federal government could do. First of all, landfill is way too cheap in this country.

Mr. Mike Bossio: Yes, it is.

Mr. Dan Lantz: It has been for years. If you look anywhere—whether it's Germany, or anywhere else in the EU, the U.K.—you're looking at a hundred-dollar tax on landfilling that we don't have here. Whereas recycling's $200 to $250 a tonne, landfilling is $100 a tonne.

Mr. Mike Bossio: If that.

Mr. Dan Lantz: You can ship from Toronto down to Michigan for 51 bucks.

Unless we start levelling that playing field.... You can control that, because that's the transportation of materials across a border. That's the transportation of waste. If you created for that the same idea that carbon's an issue, solve the carbon problem—

Mr. Mike Bossio: Right.

Mr. Dan Lantz: —solve the garbage problem, then bring that up so it's level.

The other thing, too, is the cost of making a recycled package—or pellets, whatever—is about 20% higher than the cost of oil. I'm not suggesting that you go and raise the price of oil to match it so that we have a level playing field, but you could subsidize it through grants or whatever, to say, “Listen, now do this”.

The other thing you could control at a federal level is packaging for all goods. That you have the control over. You could say that packaging has to have a minimum of 25%, the same as X. The EU is 35%, the U.K. is 30%. You say, “Now, you have to match world standards”. If you do that—and that you can control—then all of a sudden it will raise the bar up for everybody and they'll say, “Okay, I've got to do this, and I'll go get it”.

Mr. Mike Bossio: Okay.

Sorry, I just have two more quick questions. I would like to give you a chance as well to add what may not have already been presented.

[*Translation*]

Ms. Geneviève Dionne: The only thing I would add is that everything we've talked about needs to be done in conjunction with industry and the scientific community. What lawmakers focus on is regulation and standardization, but it has to be fact-based to ensure the right substitutions or changes in behaviour are made.

[*English*]

Mr. Mike Bossio: There are two other issues that haven't been addressed—and this is something that I drill on all the time. I like to call it 3RU, instead of what we call the three Rs today. It's reduce, repair, reuse, upcycle. We've got to stop think about defaulting to recycling every time we look at anything. When you think of recycling, it's downcycling. You're not thinking of the value that's in that good.

We haven't really delved into this. The first order is reduction. All we've really talked about here today is recycling, recycling, EPR and bans and all the rest of that. How do we reduce the amount of packaging? If we are reducing through repair and reuse, then how do we ensure that we capture that, those [*Inaudible-Editor*]? Those are the other two areas—reduction and the capture of it.

The Chair: We're out of time, but I will let one person make a brief response.

[*Translation*]

Ms. Geneviève Dionne: Quickly, I can tell you that there are strategies. Repair is much more focused on product sustainability than on packaging. Some eco-design and circular economy strategies don't necessarily lend themselves to packaging. Reduction at the source is definitely the way to go. That's why we provide training and guidance to companies when it comes to reducing packaging or optimizing the recycling process. It's necessary to rethink how products are brought to the market. Can the packaging be removed? Can they be packaged differently?

Certain types of packaging or certain sizes of products will probably end up having to be adapted. People can choose from products in one, two or four millilitre sizes, but maybe they don't need all those sizes. That's something to think about as well. There is a big focus on single-use consumer products, so that means a lot of products with disposable packaging are sold in small sizes and quantities. That's really something to think about. Looking at the earlier phases of product development is key.

[*English*]

Mr. Mike Bossio: The final thing I was going to say is around importation—if somebody could reply to it. That's a huge issue. How do we do extended producer responsibility and ensure that all of the materials are recyclable if we can't manage the importation of it?

The Chair: Mike, instead of getting an answer right now—

Mr. Mike Bossio: I'll save that for later.

The Chair: I'm just looking at the time. We'll go to Wayne for his final question.

We do have a little bit of time on the clock and we may be able to go back for one more round, if there is interest from the committee.

Wayne, over to you for your final three minutes.

Mr. Wayne Stetski: Thank you.

I have two quick questions for Environmental Defence and the Packaging Consortium.

For Environmental Defence, you talked about government setting high standards. Things like single-use plastics are perhaps fairly easy to identify, but when we talk about high standards, there are so many different kinds of products. There are children's toys and electronics, etc. Are those high standards to be set by product or by the type of plastic that goes into making those products? I don't know whether they're the same or different.

For the packaging people, you showed a great chart at the start about recycling in landfills by product. Does your organization pay any attention to things like looking at whatever is being produced and saying that it doesn't have to be done in plastic; it can be done in a material that is already being recycled and kept out of landfills? Would you ever serve that role amongst your customers?

● (1705)

Mr. Keith Brooks: The answer to your question about products versus materials is sometimes one and sometimes the other. There are certain plastic products that we use that are totally unnecessary . The single-use plastic ban in the EU really targeted those things. Those are some of these plastic bags, cutlery, plates and things like that that we just don't need. We can't continue to have more and more of this plastic being produced all the time to get to the reduction point. We need to figure out the plastics that are unnecessary and for which alternatives exist and get them out. Ban those plastics.

We would also say we're going to ban certain types of plastics, such as those that are toxic and those that cannot be recycled. You could add a third criteria and say those that end up in the environment in great degree. That's why we're going at those single-use plastics. It's not a one size fits all; it's a bunch of different reasons and methodologies for sorting out what needs to be banned.

Mr. James D. Downham: That's really good question. I have been around in Ontario drinking beer for a long time, so I know this system real well.

I think this is the best way to answer your question. Look at the way beer was marketed in Ontario through the Beer Store. The Beer Store is owned by the brewers. Basically, they went into that business in 1925 because of prohibition. I wasn't around then. They were forced into it. It was all about distribution and recovery.

The Beer Store was set up so you go to the Beer Store, buy your beer, take it home, put the box in the corner, put the bottles back in there and then you take the box back. That's the way it was in Ontario, with standard bottles, a standard 24 pack and standard cans —standard everything.

But guess what's happening? Laws are changing. The brewers are not changing; the laws are changing. The first thing they did in Ontario was that the Liberal government said that they're going to start to sell those products into the LCBO, but it can only sell this amount. That disrupts the distribution and recovery system. You still pay a deposit on that bottle, but if you buy a six-pack in the liquor store, you're probably not going to take it back to the Beer Store, and that's what happens. It ends up in the garbage or in the waste stream and it could contaminate the blue box.

Now another law is coming in from the Ontario government. The other guys—the Conservatives—are now going to start selling it in convenient stores. The greatest model in the world—the Beer Store, which has been around forever—is going to be disrupted dramatically because of regulation.

I'll leave that with you as a cautionary tale. It's true. Those recovery rates are so huge and the reason it's being disrupted is that all of the other beers are now coming in from all over the world. Guess what? They come in different formats. They come in different glass bottles. They come in different closures. There's no standard beer bottle anymore. There's no standard beer case of 24 or 12 or six. It's all changing. You just can't control it.

The Chair: That takes us to the end of our formal round of questioning.

I'm looking for direction from both the committee and our guests. Our invitation to our panellists was to be here until 5:15. I don't know if anybody is available. We're scheduled to go until 5:30.

Does anybody need to leave right at 5:15, or if there is interest from the committee to continue to 5:30, would you be willing to stay?

A voice: I'm good.

A voice: Yes.

The Chair: Then for the committee, we could each do a five-minute round per side, if you're interested in continuing and have any unanswered questions. If you feel that you've been satisfied, then we can end at this point. What's the will of the committee?

Mr. Mike Bossio: I could certainly ask about importation.

The Chair: So you would take some time.

Do you guys have anything that you would like to add?

Wayne, do you want to do another one?

● (1710)

Mr. Wayne Stetski: I'm sure we could.

The Chair: Okay, let's do that.

Mike, perhaps you can start, and any of your colleagues who want to jump in. We'll give you five minutes.

Mr. Mike Bossio: I have two questions.

One is, as I asked earlier, around importation. If we're going to do extended producer responsibility, if we're going to do harmonization and if we're going to regulate recyclability, how do we do that in a world where the global supply chain doesn't necessarily follow the same rules?

[*Translation*]

Ms. Geneviève Dionne: It can be a function of the strength of the Canadian market. Under extended producer responsibility programs, I've seen countries deny market access to products because they didn't meet EU packaging directive requirements. That directive has in fact become an ISO standard. I've seen countries including the Czech Republic and the United Kingdom issue penalties or refuse market access outright. I'm not sure whether Canada is a big enough player globally to be in a position to refuse market access to products that fail to meet its requirements, but I think it's something that should be examined. It's definitely something to think about. If Canada does not want to allow certain materials, products or packaging in its market, it needs to put its money where its mouth is.

[*English*]

Mr. Mike Bossio: Mr. Downham or Mr. Lantz, I'm sure you have something you'd like to say on that front.

Mr. James D. Downham: What you're asking is very difficult.

I think the point that I was trying to make earlier with the image of Walmart and all of those logos on the slide was to communicate to you that the big, powerful packaged goods companies and retailers out there, certainly in Canada, are very responsible citizens. They're doing great work, and they're doing great things.

Let me give you an example. A month ago we saw a publication about a person who is a very high-profile individual and was talking about compostable packaging. This person was a subject-matter expert on writing cookbooks but had no clue about the packaging.

The reality is that the packaging was not compostable at all. It was probably brought in from offshore, and it was probably brought in from somebody from a small or medium-sized organization who walked in and said, “This is a green product. This is an eco”—they have all kinds of words for it, right?

Procter & Gamble and those companies would never do that stuff. I assure you, they just wouldn't, but those other companies would because they're entrepreneurs. They see a green package. They saw it online somewhere. They're going to start importing it. They go into business.

We have to figure out a way to manage that better, to educate those people and to control that. I don't have an easy answer for you on that. I really don't.

Mr. Mike Bossio: It's the Beer Store conundrum that you just mentioned.

Mr. James D. Downham: Yes.

Mr. Mike Bossio: Please, Mr. Brooks.

Mr. Keith Brooks: I want to make a comment about this international piece.

There are many things that Canada regulates just inside our borders that are different from what's happening in the rest of the world. Of course, we need to pay attention, being in a connected economy, etc., but we have the power to deal with things.

On packaging, which is a lot of the single-use plastics we're talking about, remember that Canada has it's own unique rules around packaging. We have to have French language. We have to have nutritional ingredients and all kinds of stuff. People are already considering and patching things specifically for this jurisdiction.

Mr. Mike Bossio: The last question—

Sorry, go ahead.

Mr. Philippe Cantin: I was just going to add that this could actually help retailers as well in their discussions with their suppliers. They're the importers in many cases. When there's an EPR framework, they're the producers that are responsible under the framework.

Having stricter regulations that are specific in terms of what is supplied to them might be helpful to them, because in many cases they don't have access to the information about what's in the packaging except for the specs that they have given to their suppliers if they have private brands. That's the only thing. That could actually facilitate their relationship with their suppliers.

Mr. Mike Bossio: I have a final question. A lot of the testimony we've heard discussed the molecular level, the chemical type of recycling that has come to the fore and that Dow has talked about. A number of different chemical associations talked about it, and a number of different witnesses have come forward to say it is the direction we need to go, breaking everything down to the molecular level so that all plastics can be recycled and converted into new products.

Should it be legislated at some point that we go with a chemical process versus a mechanical process from now on to deal with any plastics?

● (1715)

Mr. Dan Lantz: No, because you have a very, very robust infrastructure in Canada for mechanical recycling right now that you would just completely undermine, so it wouldn't be a good idea.

Mr. Mike Bossio: We could do it over an extended period of time, say by 2030, if we wanted to achieve a level where we're only using chemical processes to break it down to that molecular level so that all plastics can then be recycled.

Mr. Dan Lantz: They work very well together. It's a very symbiotic relationship. You don't need to get rid of one to support the other.

Mr. Keith Brooks: I think there are interesting innovations, and we don't want to block innovation, but also, none of this is being done at scale right now, so we have no idea how expensive it's going to be, how much of it can be done and all of that kind of stuff. We should explore it.

In the meantime, Canada has endorsed the precautionary principle, which says that we don't know the outcomes and that we're going to take the safest approach. That's why we're advocating that we enforce that plastics are toxic under CEPA, and only when they're proven to be safe and we know we can recycle them do we allow them in Canada and in the markets, etc.

The Chair: Mr. Shields, welcome back to the committee. We haven't seen you for a while. It's always a pleasure to see you.

Mr. Martin Shields (Bow River, CPC): Thank you. I'm glad to be back.

The Chair: If you and Mr. Lobb want, I will give you five minutes for whatever questions you have for the panel.

Mr. Martin Shields: This may have been asked earlier, but I'll start.

When you talk about beer, for example, I think that the microbreweries do the best job of recycling bottles out there. I have family who own microbreweries, and everybody who's loyal to the micro-brand brings back their growler and refills it, so there is a beer world out there that's working on recycling.

On municipalities—and you may have discussed the municipal world—most of what I hear, because of our former roles in municipalities, is that they're the ones that do this. When you establish regulations, I see all of this coming down to the municipalities to deal with it, and there are unintended consequences. Every time standards set, every time you're doing this kind of thing, the municipalities are the front line of this business that we're talking about.

Who is going to pay for this? The property owner is the basis of the taxpayer.

Mr. James D. Downham: With EPR regulation coming down—it's been around in Canada for some time—in British Columbia, you have 100% paid for by the producers now. Ontario is at 50%, and they're reviewing that. Quebec is 100%.

Mr. Martin Shields: My municipality was paying for it where I was the mayor—not the producers.

Mr. James D. Downham: I'm sorry. Where was that?

Mr. Martin Shields: We collect it, we sort it, and we do all this stuff.

Mr. Dan Lantz: Alberta doesn't have EPR yet.

Mr. James D. Downham: I think it's the only province in the country that doesn't have it. Sorry.

Mr. Dan Lantz: Alberta and the east coast do not have EPR at the present time. They're talking about introducing it right now very strongly and having the stewards and the producers of the packaging be responsible for the cost of managing that material.

Mr. James D. Downham: The producers have stepped up in the provinces where they're taking it. They're saying they're prepared for this.

Mr. Martin Shields: That is the challenge in Canada. When you say it's easy to do national regulations, we do have provinces and municipalities in there. As long as it doesn't come down to the municipalities being responsible for paying the freight on this.... That's a concern.

Mr. Dan Lantz: British Columbia is a very good example of a program where the municipalities are not paying for the program, and it's 100% funded by stewards.

Mr. Martin Shields: Yes, it's 100%. Well, that cost goes back to the consumer. Somebody is paying for it, but the property taxpayer isn't paying it.

Mr. Dan Lantz: Then it becomes a consumption tax. If they don't buy it, they don't pay for it.

Mr. Martin Shields: Yes, you've got it.

Mr. Keith Brooks: The Association of Municipalities of Ontario supports an extended producer responsibility. I don't know if they have been before this committee or not, but Ontario is in the process of making that transition from a system half paid by producers and half paid by the municipalities to one that is fully paid by producers, and we hope that transition continues. AMO and the municipalities here in Ontario are very supportive of an approach to EPR.

Mr. Martin Shields: That's good.

Mr. Ben Lobb: I have a statement to make. I live in a rural area. Some of the people who live in the area I represent I've known for a long time, and they would be referred to as Amish or Mennonite people. If they were at this committee today, they'd be blown away. They'd ask what this big problem is. Basically, we live in a throwaway society today, where everything is bought and sold and thrown away, and these people don't know what that's about. I know that you guys are making the best of what you can do with it, but the only people we can look at in the mirror is ourselves in terms of what's going on.

I grew up in the auction business. We did a lot of business with people who grew up through the Depression. They didn't throw anything out. They didn't waste anything. Everything they bought was solid wood, or it was a real shovel, a real axe or a real axe-handle.

Today, it's a throwaway society and, really, we can ask you guys to split the atom 10 times but until we take care of our own behaviour, we're our own problem. I'll take you around and show you all the Mennonite people. They don't have a recycling problem. They don't have a plastics problem. They don't have even a problem with changing the oil on their car, because they don't have one. They have steel and wood, and they get along in their lives just fine—and I don't think they're on the Internet either.

● (1720)

Mr. James D. Downham: I think that's a wonderful story—

Mr. Ben Lobb: Yes, it's a story.

Mr. James D. Downham: —and I totally agree with it. I absolutely agree with it. We are a consumption society, and we have nobody to blame but ourselves for that. We absolutely don't.

We talk about what the federal government can do. There is a solution out there and it's a big, big idea. It's a big, big picture and it's going to take a long time, but we need to get behind the circular economy concept. If you can understand that and learn about that, then you can potentially regulate against that somehow, but do some research on it. It's powerful, it's meaningful and organizations are adopting it.

In terms of those big organizations—you talked about Unilever and Procter and Gamble—there are a lot of them that are adopting those principles. There's Ikea. The Circular Economy Leadership Coalition has been formed in Canada, and that's where they're trying to take it. We need to support them and we need to get behind this. I really think that's something that the federal government can support and help with to change us culturally from a consumption society to a circular society.

The Chair: Thank you.

Wayne, we'll go to you for your last five minutes.

Mr. Wayne Stetski: Yes, I absolutely agree that education and changing our behaviour are the key in the long run.

I just want to get back quickly to importing plastics. I think I heard you say that currently we don't know what percentage of the plastics we deal with in Canada is imported, versus what percentage is local and made in Canada. Are you aware of any Canadian regulations for any aspect of the plastics coming into the country? Is this an area we should be looking at if we're actually going to try to get a handle on plastics?

Mr. James D. Downham: Probably at Health Canada, maybe something to do with food safety...?

Ms. Geneviève Dionne: Yes, there's the one with BPA.

Mr. James D. Downham: Yes.

Mr. Wayne Stetski: What kinds of things should we be looking at in terms of our trade agreements around plastics?

Mr. Dan Lantz: Minimum recycled content limits: if you want to bring a plastic into Canada, it has to be 25% recycled content.

It's the same as what the EU just passed on March 29, right? I think that's 35%. You have to hit a target, and if you want to put plastic in our marketplace, it has to be 35% recycled content by 2030. It's post-consumer recycled....

Mr. James D. Downham: Yes. That's called PCR, post-consumer resins.

Again, in terms of one of the speakers we're going to have on May 30, they're taking polypropylene.

There's a great story in Quebec. It's a Canadian story that this government should be behind. They're going to scale with a full-blown industrial operation and they're putting it into South Carolina because we don't have the scale here. This was created in Canada. It's all about PET recovery and how to separate that and get it back into good flake.

Mr. Keith Brooks: I think you could make imported products subject to the same standards that Canadian products are subject to. Again, going back to the example of microbeads, we didn't just ban the manufacture and sale of products with microbeads. We also banned the import of those products. That has to be part of the strategy.

Mr. Wayne Stetski: I can't remember whether it was the renewable fuels industry or a witness we had, but in Quebec there was a ban on recyclables going into landfills. I'm not sure whether that was a municipal ban or a provincial ban in general, but—

Ms. Geneviève Dionne: Was it fibres? Packaging fibres? Paper?

Mr. Wayne Stetski: I'm trying to remember. It seemed to have led to a plant right next door to the landfill where they were creating fuels out of material that otherwise would have gone into the landfill. I'm just wondering whether Quebec has a law around plastics recycling.

Mr. Philippe Cantin: I don't think it was related to legislation. I think it was the business model of that recycler to be next to the landfill, right?

Mr. Dan Lantz: It's in Chester, Nova Scotia, where they put in the new Renewlogy facility for plastic to keep the plastic out of the landfill site in Nova Scotia.

Mr. Wayne Stetski: But there are some jurisdictions that already have.... I know that at least one or two of you said that we need to ban recyclables' going into landfills. Is that already in place in some locations?

Mr. Philippe Cantin: That is correct. Metro Vancouver and the City of Calgary have extensive landfill bans on recyclables.

Mr. Wayne Stetski: Fibres.

Mr. Philippe Cantin: Yes, for fibres: paper and cardboard.

● (1725)

Mr. Wayne Stetski: So, it's led by the municipality.

The Chair: Wayne, the comment from the analyst is that it may have been referring to organics in Quebec through regulation and diverting those into other streams for composting and other energy uses. It might have been that.

Anyway, you still have a minute and a half.

Mr. Wayne Stetski: It's currently led by municipalities, but do you think that there's potentially a role for the federal government in terms of banning recyclables' going into landfills?

Mr. Philippe Cantin: As we mentioned, it's a tool in the tool box. We would welcome harmonization through federal actions, for sure, but it's one item in the tool box. It needs to be put together with other actions as well.

Mr. James D. Downham: It's harmonization at the municipal level.

Mr. Dan Lantz: If you equate waste and carbon, which it really is in the grand scheme of things and you can do a carbon plan for Canada.... If you did a waste plan for Canada, you would have authority and jurisdiction to do what you wanted, including putting in place bans on materials going to disposal.

The Chair: This has been an excellent panel with many good questions and discussions.

Thank you to each of the witnesses for being here today. I think you've given us a lot of additional material that we'll be working to incorporate in our report.

Members, we had advertised that we would go in camera for committee business today, but the official opposition asked us to defer that until Wednesday. We'll set aside half an hour at the end of the Wednesday meeting for in camera business, including drafting instructions and some other business we need to do.

With that, I think we are finished for today. I'm going to end the meeting, but I do have a quick announcement to make after we end the official part of the meeting.

The meeting is adjourned.