



What we heard - Amendments to the Designated Materials Regulation for single-use bags

Executive Summary

- Government of Yukon proposed a surcharge on single-use bags. Public engagement was held from late February to April of 2019. This report summarizes the results of an online survey as well as meetings and discussions with business owners.
- Most respondents felt that plastic bags should have a surcharge applied. Fewer people felt that paper bags should have a surcharge applied. Most respondents thought restaurant and dry cleaning bags should have a surcharge and that prescription drug bags and produce bags should not have a surcharge.
- Some respondents suggested that a surcharge was not going to be effective in reducing single-use bags and suggesting banning bags. Others had concerns about a ban and how it could impact tourists and those who need new bags.
- Most people thought a \$0.25 surcharge was adequate to reduce use of single-use bags, though some thought it was too low and some thought it was too high.
- Most respondents wanted to see prompt action on this issue, although noting that the public needs to be educated about any changes with adequate notice for retailers.

Background

The Government of Yukon has been working to expand the territory's recycling program and make it more sustainable. The government proposed a surcharge on single-use bags during a public engagement period from late February to April 2019.

Yukon residents have consistently expressed interest in actions to reduce single-use products in previous public engagements for other recyclable items.

Waste management and the costs of recycling are growing issues in Yukon, as well as across Canada and around the world. The cost of diversion credits paid by the Government of Yukon to recycle all materials have grown exponentially in the past five years, to the point where the recycling system is in deficit of approximately \$1.5 million per year. Waste that is not recycled ends up in landfills or the environment.

Plastic has been found in waterways, forests and even the stomachs of birds and wildlife. Once in the environment, plastics require thousands of years to break down. During the decomposition process, miniscule plastic pieces can accumulate in aquatic life. Many Yukon



residents harvest and eat local fish and meat. As a result, plastic accumulation in the environment can directly affect humans.

Despite being compostable, paper bags also have significant negative environmental impacts. Paper bag production is a high-energy process that creates large amounts of water pollution, air pollution and chemical byproducts. Biodegradable bags share similar production issues as paper bags. They often require specific conditions to degrade and may contain plastic and metal additives.

In 2010, the Northwest Territories implemented a \$0.25 surcharge to both paper and plastic single-use bags. This surcharge was applied to all retailers and grocery stores, with the exception of restaurants. They saw a significant decrease in the consumption of single-use bags, with 43 million fewer purchased since implementation. This prevented further disposal of these bags in landfills, and reduced littering.

Engagement Process

Purpose

The purpose of this engagement was to hear about the concerns and ideas that stakeholders and the public have regarding a proposed surcharge on single-use bags.

Engagement methods and participation

The public engagement period was held between February 26 and April 26, 2019. The engagement was advertised through newspapers, radio, posters and social media. Information and invitations to engage were sent directly to 118 known stakeholders (stores and restaurants around Yukon) advising of the engagement period and inviting comment.

A number of engagement opportunities were available to stakeholders and the public to participate:

Events/meetings: Events were held:

March- individual meetings with all grocery and major chain store representatives

April 10- meeting for retailers organized by the Whitehorse Chamber of Commerce

April 18- public open house in Whitehorse

April 25- public open house in Dawson

Late April- individual meetings with quick-service restaurant representatives



Government of Yukon staff visited more than 20 retail stores in person to meet with store managers/owners.

Online Survey: A survey was available online at engageyukon.ca from February 26 to April 26, 2019. Background information attached to the survey described the purpose of the engagement and provided an overview of the proposed changes. There were a total of 972 responses to the survey.

Social Media: The Government of Yukon promoted the engagement period and online survey via its corporate Facebook and Twitter accounts.

Traditional Media: A media release was issued at the beginning of the engagement period. Articles were posted in a number of media outlets. Further outreach and signage offered a reminder of the engagement as it was coming to an end.

Results of Engagement

The scope of the engagement included three main topics: the types of bags to be included or excluded; the surcharge amount and the timing for implementing for these regulatory changes. We also received feedback on other topics, such as different policy approaches to overall waste management and recycling systems.

Types of bags to be included or excluded

The engagement asked for feedback on what kinds of bags should be included in the definition of single-use bags. Feedback was generally in favour of implementing surcharges on single-use plastic bags. There were mixed responses as to what the surcharge amount should be, as well as other implementation considerations.

Single-use bags: A large percentage (87%) of survey respondents agreed that a surcharge should be applied to single-use plastic bags. Most respondents were in support of surcharges on bags used for dry cleaning (68%) and restaurant take out bags (63%). It was pointed out that prescription bags were important to protecting privacy, and therefore should be excluded in the surcharge. Only 34% of respondents thought that there should be a surcharge on prescription bags; while 47% felt these bags should be excluded.

“There should be a surcharge on all single-use items. We need something to discourage their use, and it has to be imposed by government to ensure a level field for businesses.”



Only 40% of respondents thought that paper bags should be included. In comments, some respondents commented that they felt that single-use paper bags are a less harmful alternative to plastic due to their biodegradability. In meetings with retailers, some retailers who had already switched to providing paper bags instead of plastic bags were concerned about the potential surcharge on paper bags.

Some respondents felt that there should not be a charge for single-use bags, citing unfair impacts on those with lower incomes, administrative costs for businesses and hygiene issues.

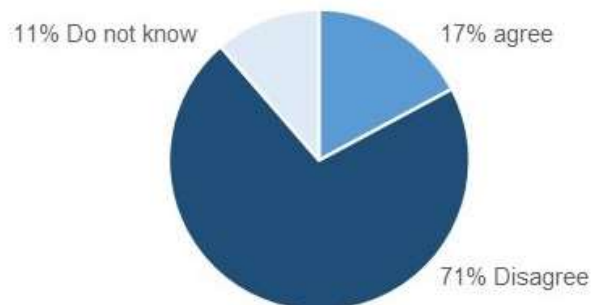
Respondents were concerned about having separate bags for meat and cleaning products, as well as bacteria accumulation in reusable bags if not washed regularly. Some responses disagreed with the surcharges due to skepticism about how the collected surcharges would be used.

“This is a feel-good exercise that will disproportionately affect the poor. Plastic “single-use” bags are popular because they are cheap to manufacture (i.e. use limited resources), cheap to transport (lightweight), relatively durable, protect their contents, and are hygienic. [...]”

There were multiple comments made in regards to a potential surcharge for bulk and produce bags. Respondents believed that until an option to tare scales for reusable containers was available, there should be no surcharge on those bags. Other types of bags that were suggested in comments to which a surcharge could be applied were garbage bags, biodegradable bags and pet waste bags. Someone suggested that surcharges on large plastic bags used for tires should be considered.

When posed the question of whether charities and non-profit organizations should be exempt from the proposed surcharges, the majority disagreed. Many felt that these organizations should be subject to the same surcharge, arguing that charities and non-profits create wastes equally to commercial businesses. Respondents felt that it would be unfair and overly complicated to exempt certain organizations over others.

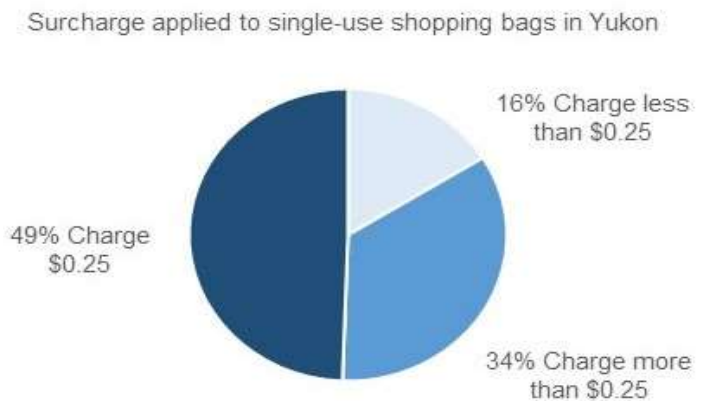
Exemption of registered charities and non-profit societies from the surcharge on single-use bags





Surcharges

Surcharge amount: The surcharge for single-use bags in the Northwest Territories is currently \$0.25. When surveyed about implementing the same surcharge in Yukon, the majority of respondents (83%) supported the same charge, or greater. A small percentage of the respondents thought that the \$0.25 charge was too much. It could also be assumed that these respondents may not have been in support of any surcharge.



From survey feedback, multiple participants were in favour of increasing the surcharges to anywhere from \$0.50 to \$2.00. Since the \$0.25 fee in Northwest Territories was implemented 10 years ago, some thought that Yukon’s surcharge should be increased to account for inflation. These suggestions were generally accompanied by concern that \$0.25 would not be enough to prohibit people from using single-use bags.

“Perhaps there could be a scaled surcharge, in recognition of the fact that paper is preferable (e.g., \$0.25 for plastic, \$0.15 for paper). That way, when purchasing a bag is a forgone conclusion, there is still an incentive to choose the less environmentally detrimental option.”

Some wanted lower or no surcharges, expressing concern about how \$0.25 would disproportionately affect those with lower incomes, while not incentivizing higher income individuals to reduce their use. In meetings with retailers, many expressed concern about the administrative burden on businesses to collect surcharges.

Other suggestions included invoking a tiered surcharge system, with smaller surcharges on bulk food bags and paper bags. There was some confusion about where the collected surcharges would be allocated or used. Multiple respondents wanted more clarity on this topic. This will be addressed in implementation.



Reporting sales: In the Northwest Territories it is required that the distributor of bags, rather than the retailer, be responsible for reporting bag sales to the government. This was put in place to discourage the retail staff from giving the bags away for free and to reduce administration work for these businesses.

“On behalf of businesses operating in the Yukon, I have concern about how the surcharge will be collected and the administrative burden and costs this will impose on already over-burdened small businesses.”

The majority of survey respondents (65%) agreed with Yukon following a similar model. 22% did not know and 13% disagreed with making the distributor of bags responsible for reporting sales.

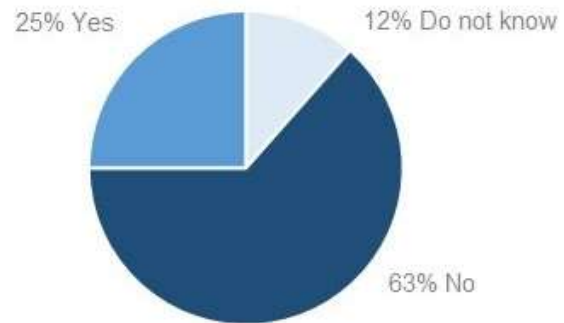
In survey comments, participants expressed their concerns about implementation costs for retailers. Harmonization with the program in the Northwest Territories was proposed by one respondent which was suggested could alleviate implementation costs for some retailers.

Timing of implementation

The engagement survey asked if the implementation should be phased in for larger stores before smaller store, like what was done in Northwest Territories. Survey participants were also polled on which type of stores should be first and when the changes should be implemented.

- **Phased implementation:** The majority of the survey respondents did not support of phasing in the surcharges; they preferred that these charges come into effect all at once. Of the 25% of respondents who were in favour of phased implementation, 81 % thought grocery stores should be first and 73% wanted big box/chain stores to be first. Fewer participants supported small/independent stores (7%) or restaurants (16%) having the surcharges implemented first.

Should implementation be a phased in approach



- **Implementation timing:** A small majority of respondents had no preference (58%) as to when the surcharges were implemented. Of the other options 18% preferred the summer, 11% favoured the fall and the least popular options where spring (9%) and winter (4%). The majority of respondents (76%) wanted these changes to be implemented as soon as possible, while 24% had no preference. It is important to note that the time of year may



have been influenced by the time of the survey, so rather than a preference of time, that it may have been a preference of proximity to the present.

Retailers and survey respondents consistently stated that there should be an education and warning period before implementation. In meetings with retailers and in survey comments, many people thought that educating both the staff and customers would reduce angry interactions, as well as provide adequate warning allowing customers to purchase and bring reusable bags. It was also noted that time should be allowed for retailers to reduce their stock of plastic and paper bags. If they had a preference on time of year that surcharges could be implemented, respondents thought that the tourist season should be taken into account. There was no consensus whether the surcharges should be implemented before or after the tourist season.

Use of reusable and single-use bags

Survey participants were asked to answer a question in regards to what they do with single-use bags after they bring them home. Most respondents (82%) said that they reuse them, while 45% recycled them. 23% of respondents burned paper bags in their woodstove or fire pit and 11% said that they disposed of single-use bags in the garbage. Of the 9% who responded none of the above, multiple comments mentioned composting paper bags.

In regards to what factors are preventing them from using reusable bags, 30% of respondents forget to bring them, 15% liked having single-use bags for household garbage and other purposes, 6% preferred the convenience of single use and 4% were not concerned about single-use bags. Some of the comments from the 55% who selected none of the above were as follows: concerns about hygiene of reusable bags; desire to have plastic bags to contain meat and cleaning products; costs of purchasing reusable bags; and concerns about textile wastes. Another concern that was brought up was by those who use online grocery ordering services. Online grocery services often pack their products in single-use bags; some noted that this occurred despite selecting the option to not receive bags. Some retailers stated that the branding on single-use bags was important to their businesses.

Other approaches to reduce waste

Although not a focus of the scope of the engagement, some feedback from survey responses spoke to how we should incentivize or disincentivize behaviour related to single-use bags.

- A number of respondents and retailers felt that the appropriate way to address the use of single-use bags (plastic and/or paper) was to implement a ban. However, some retailers raised concerns with bans, suggesting that a ban would not work well in a tourism-region like Yukon where tourists would not know to bring reusable bags and



would be stuck without options if all bags were banned. One participant mentioned that those who are immunocompromised need to use new, clean bags each time they shop.

- Multiple comments suggested that some type of refund should be provided to those who return plastic bags to the recycling center, incentivizing people to both recycle and pick up litter.
- Certain respondents felt that there should be some type of points or rebate system for those who use reusable bags, rather than charging for single-use bags.
- A few comments spoke to the methodology of setting fees. Some comments were inquiring as to how the fees were calculated, and other comments suggested that fees should be set in consideration of the cost to recycle or produce the single-use bag in question.
- Some would prefer that the money collected be redirected to make or subsidize recycled reusable bags for consumers.

“I feel that all single-use plastic bags should be banned. Fees will not help remove plastic bags from our landfills.”

Future products to add to Designated Materials Regulation

Survey respondents were asked to rate the priority of a list of products that may be considered in the future. Single-use plastics and packaging such as straws, cups or other plastic was considered a high priority by 60% of the participants who answered this question. Household hazardous waste (e. g. waste oil, waste antifreeze, waste paint) were considered as high priority by almost half of the respondents (49%). Over 40% of survey participants did not rank multi-use plastic products and large appliances. Of those who responded, no one ranked these items as the highest or the lowest priority. Many in the participant feedback mentioned wanting initiatives to reduce paper cups, plastic lids, straws and utensils, foam take-out containers, and plastic-wrapped produce.



Other comments that were out of scope

- Some fruits and vegetables come wrapped in plastic, not allowing consumers a choice. Multiple respondents were concerned with this, suggesting that steps to reducing single-plastic should be taken by enforcing vendors and manufacturers.

“In addition to bags there should be a charge to retailer, not consumer, for unnecessary plastic wrapping like individually wrapped fruit, boxed greens for a salad, etc. Often this presentation is the only choice for consumers and it is ridiculous”

- In regards to concerns about accessibility, it was suggested a few reusable bags be given out to Yukon residents upon introduction of the surcharges. Other suggestions included a “bag library” at grocery stores, where shoppers could take or leave single/multi-use bags.
- It was felt that cloth bags that were easy to wash, as well as mesh produce bags and bulk containers should be more readily available to alternatives for consumers.
- Some feedback stressed that it would be very important to place obvious signs explaining the surcharge around stores. This would allow for the customers to prepare appropriately and reduce anger towards the retail employees collecting the surcharges.
- Survey participants who reused single-use bags for waste said that the surcharge would force them purchase garbage bags instead. They argued that purchasing garbage bags would lead to more waste because they would only be used once and they were larger.
- Some felt that this initiative was misdirected, stating that it does not target industry and fails to consider the negative results of increased reusable bag production and use. There was concern about textile and plastic waste, as well as the energy and the byproducts involved in production of material and reusable plastic bags.

“Garbage bags are much larger than in store bags given out at counter. Garbage bags are primarily single use and are a much more serious threat to the environment.”



- Other criticism felt that these regulations created more “red-tape” for businesses. Some people responding on behalf of businesses felt that they would be unable to keep overhead costs down with implementation and collection of the surcharge.

“The plastic bag has a bad rap; but, this perception leads to some companies giving customers a reusable bag that is takes more energy to produce, has plastic in it and is not recyclable. Yes you can reuse them, but in reality we get too many of these bags too and they get tossed into the landfill. These should have a higher price tag associated with them to make people think before just accepting another fancy bag.”
