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Plastics Regulatory Affairs Division  
Environment and Climate Change Canada  
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### **Publication of a Notice of intent for the Federal Plastics Registry**

The Canadian Chamber of Commerce welcomes the opportunity to participate in Environment and Climate Change Canada's consultation on the creation of the Federal Plastics Registry.

The Canadian Chamber of Commerce represents 200,000 Canadian businesses through approximately 400 local, provincial, and territorial chambers, and boards of trade, and over 120 trade associations. We represent members in every sector of the economy, all sizes of business, across all regions of the country. As Canada's largest business organization, representing companies of all sizes in all sectors and regions of the country, we believe that there exists a significant opportunity to link Canada's economic and environmental ambitions through the creation of a circular economy for plastics.

Plastics provide value through the use of thousands of products that add comfort, convenience, and safety to our everyday lives. The potential lies in replacing linear behaviours with a more sustainable, circular economy where plastics are recovered and re-purposed to capture the value-add potential for new, innovative products derived from a plastics "commodity."

While we acknowledge and support the government's commitment to reducing plastic pollution and waste, we believe that the Federal Plastics Registry as currently designed will not meet this public policy objective, instead the Registry places an undue regulatory burden on businesses, exacerbates Canada's innovation and productivity challenges, hampers competitiveness, poses risks to product availability, and lacks coordination with existing provincial initiatives.

### **Increased Regulatory Burden on Businesses:**

The introduction of the Federal Plastics Registry, in conjunction with existing provincial and territorial regulations and ongoing consultations, imposes a significant administrative burden on businesses. The need to comply with multiple reporting requirements requires considerable resources, both in terms of time, manpower and finances. Smaller businesses may find it challenging to navigate the complexities of various regulatory frameworks, diverting attention away from core business operations and growth initiatives. In this instance, the sheer amount of data requested will overwhelm most businesses without simplified methods of reporting.

Additionally, the administrative overhead associated with compliance can hinder the ability of businesses to adapt swiftly to changing market conditions. A more streamlined regulatory environment would better enable companies to focus on innovation, sustainability, and strategic planning.

### **Innovation and Productivity Concerns:**

The emphasis on compliance often comes at the expense of research and development (R&D) efforts. The proposed Federal Plastics Registry, coupled with existing regulations, may constrain businesses from investing in innovative solutions to address plastic waste and pollution. Canada is already grappling with an innovation gap compared to other nations, and diverting resources toward compliance may hinder the development and adoption of innovative technologies and practices.

Encouraging a more innovation-friendly regulatory approach would foster an environment where businesses can allocate resources to R&D, driving technological advancements that contribute to both environmental sustainability and economic growth.

### **Competitiveness and Capital Flight:**

The cumulative impact of regulatory requirements, including the proposed Federal Plastics Registry, raises concerns about the competitiveness of Canadian businesses in the global market. International investors and businesses evaluating potential markets may perceive the regulatory landscape as cumbersome, leading to capital flight and a reduced willingness to invest in Canada.

To maintain and enhance competitiveness, it is crucial to strike a balance between the economy and the environment. A regulatory framework that encourages sustainable practices without imposing overly burdensome obligations will contribute to attracting and retaining private capital, supporting economic growth.

### **Risk to Product Availability:**

The stringent reporting requirements associated with the Federal Plastics Registry can disrupt supply chains and increase business costs. Businesses may face challenges in meeting the demands of the Canadian market, potentially resulting in shortages or delays in product availability. This, coupled with the increased financial burden of compliance, particularly for smaller businesses, may lead some enterprises to consider pulling products off the shelves in the smaller Canadian market.

The potential withdrawal of products from the market could limit consumer choices and negatively impact businesses that rely on a diverse range of products. The cost of compliance must be carefully assessed to prevent unintended consequences that may prompt businesses, especially smaller ones, to make decisions that adversely affect both their viability and the accessibility of products for Canadian consumers. Balancing the environmental objectives with the economic realities of businesses is essential to maintain a healthy and sustainable market.

### **Duplication and Lack of Coordination:**

The proposed Federal Plastics Registry, overlapping with existing provincial and territorial reporting requirements, introduces redundancy and a lack of coordination. This duplication not only increases the complexity for businesses but also poses challenges in achieving a cohesive and harmonized approach to plastic waste reduction.

Streamlining reporting processes and ensuring better coordination between federal and provincial initiatives would enhance efficiency. A unified and well-coordinated regulatory framework would

provide businesses with clarity and consistency, facilitating compliance and contributing to more effective environmental outcomes.

In summary, the Canadian Chamber of Commerce advocates for a balanced and collaborative approach that considers the economic implications of regulatory measures while addressing environmental concerns. A well-calibrated regulatory framework will promote both environmental sustainability and the long-term prosperity of Canadian businesses and the economy.

We strongly encourage the Government of Canada to reassess, by delaying implementation, to this initiative before committing to what could potentially become a costly and inefficient program, yielding minimal environmental benefits. The expedited implementation timeline overlooks the significant apprehensions expressed by numerous stakeholders, undermining the opportunity for a comprehensive and well-informed decision-making process.

Instead, we urge the government to consider the following:

- 1- Reconvene the plastics registry technical working groups to fully study the options and implications of the proposed federal plastics registry.
- 2- Establish a task force that includes government, industry, and research institutions to identify global best practices for plastics management and to advise on policies and programs to encourage a circular economy.
- 3- Implement policies and programs that support the investment in infrastructure and services that would further encourage value-add manufacturing investments thereby creating new employment and economic potential across Canada.
- 4- Support and promote industries and attract investments that support a circular economy, adding value to our natural resources and continuing economic diversification.
- 5- Consider implementing a “green investment credit” for advanced recycling products to offset the significant costs of building out recycled content feedstock.
- 6- Support multiple pathways to achieve a circular economy, including studying the inclusion of biodegradable plastics.
- 7- Ensure that all new regulations, policies, and programs, account for the cost burden to business, and include appropriate credits and incentives to enable adoption and participation in the circular economy.

Thank you for your time and consideration.

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