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Sent by email: <a href="mailto:plastiques-plastics@ec.gc.ca">plastiques-plastics@ec.gc.ca</a>

Dear Dr. Spack,

I am writing on behalf of the members of the Canadian Institute of Plumbing and Heating (CIPH), with our response to the federal government's Notice of Intent to issue a section 46 notice for the Federal Plastics Registry.

CIPH represents the interests of more than 280 member companies and their over 20,000 employees across Canada. Our members manufacture, sell, and distribute, Plumbing, Heating, Hydronics, Industrial PVF and Waterworks products and services. They are the primary importers, distributors and manufacturers of piping and pipe fittings used in construction in Canada. These products are used in both institutional, commercial, and industrial settings, as well as in residential construction.

Our industry has a robust market transformation agenda on the path to net-zero. Our top priority is to help our members navigate this transition in a way that empowers consumers and provides the built environment with products that reduce emissions, without disincentivizing the very businesses that are needed to ensure net-zero timelines are achieved.

Our concerns with the proposed Federal Plastics Registry are four-fold.

- 1. Short timelines for implementation will harm businesses and add risks of enforcement.
- 2. The regulations presume a complete degree of product knowledge that is unreasonable in modern supply chains.
- 3. The overall regulatory burden will be increased over the long-term.
- 4. The proposed registry ignores the realities of products in the construction sector.

Energy efficiency and sustainability are the key foundations of our members' product lines, which should be encouraged and promoted as an important part of Canada's energy transition. Our sector is vital to Canada's net-zero transition. Sustainability of business operations is key to ensure the products we produce and make available to consumers are delivered over the coming decades.

It is important to reiterate that genuine consultations need to take place between regulators and professional experts from our sector. Opportunities to provide submissions to public consultations



provide an opportunity to raise important considerations, but the government should establish a government-industry consultation body to work collaboratively on a long-term vision for manufacturing and plastics used in this important sector and others.

## **Short Timelines for Implementation and Enforcement**

We believe that the aggressive timeline for implementation in 2025 and 2026 is not attainable for an industry that is on the front line of supporting the emerging public priorities for the built environment, while working with three-levels of government to transition to a net-zero future.

Not only will there be little time for the government to communicate the new requirements and practices, but the aggressive timeline will not allow for the implementation of new operational processes required to identify and track products effectively. In the same vein, we are concerned that the data, on its own, could lead to false conclusions by policy makers, without proper context.

The government's desired outcome of a comprehensive registry of plastic products in Canada would benefit from a longer implementation process, allowing for an approach that includes industry participants to participate in meaning dialogue on key considerations. Taking this approach will also give affected businesses more time to effectively understand, categorize, and report on the plastics that are contained in these products.

Further, we are worried that this short timeline will also result in enforcement challenges that will harm businesses. We are very concerned that this will not only create a reporting issue, but also a compliance issue and businesses that are trying their best to adapt to new reporting requirements will be unduly burdened and possibly punished. On aggregate, these risks will likely also result in added costs that will be passed on to consumers.

## Reliance on assumed knowledge

Our members operate across nearly the entire breadth of the piping and pipe fitting supply chain. At each stage of that supply chain, industry participants will have different obligations to report the plastic content and resin-based products that are entering the market. Some manufacturers may need to acquire products, materials, or components from abroad that contain plastics. These could be as simple as a one-piece plastic switch, or as complicated as a module with many pieces that is attached to other components for distribution and sale in Canada.

Distributors and wholesalers may acquire manufactured products for sale in Canada that do not provide detailed product specs to the level of individual plastic products or certain types of plastics used in the product's manufacturing. This will make Canada a less desirable trading partner for companies overseas if the regulatory compliance burden is increased for their customers within our borders.

Educating industry stakeholders throughout the value chain of their obligations will be extremely challenging on the timelines described in the notice of intent.



We take issue with the wording that persons (businesses) will be held to account based on what information they could be "reasonably expected to have access to." That categorization needs to be thoroughly defined and should be determined in consultation with industry. Businesses of all sizes and stages of production and distribution have highly varied degrees of both capacity and institutional knowledge to be able to consistently have access to the information outlined in the notice of intent. Businesses cannot be held accountable for information that they simply do not or cannot possess.

We are also concerned that the department is conducting this consultation with the expectation that stakeholders will provide comments on incomplete information. In Schedule 1, Part 1, it is stated that "other resins that do not fall into the above classification" could be included in reporting requirements. We ask for more information and that an exhaustive list of potential products to be covered be provided to stakeholders for comment. On the other hand, Schedule 7, Part 1.7.e asks for information that many businesses in our sector do not have. Compliance will be impossible for businesses at multiple points of the supply chain in our industry.

## Additional Long-term Regulatory Burden of Packaging

Piping and pipe fittings are of paramount concern to the plumbing and heating sector. We have described the anticipated costs associated with these products being included in the notice of intent, but we are also concerned about the more rapid inclusion of plastic packaging in the notice.

Our member businesses use plastic packaging to protect and arrange sensitive products during the course of transportation through a complex supply chain that runs from manufacturers directly to consumers. Some products will see multiple forms of packaging used in their journey through the supply chain from their creation or importation into Canada all the way to installation. Added regulatory burden for packaging manufacturers, product manufacturers and distributors will increase costs for wholesalers, contractors, and consumers. These challenges will arise immediately for our member businesses and almost none are prepared to make this transition within the calendar year.

Businesses of all sizes may purchase plastic packaging that is unrelated to their product supply chains. For example, when purchasing a plastic bag to provide to a consumer containing products or replacement parts (not a 'shopping bag'), they do not have knowledge about the source of the product, but only access to another distributor. They do not have knowledge of the origin of the feedstock to create those products.

## **Realities of the Construction Sector**

The federal government's ultimate goal of reducing plastic waste in the environment is admirable. We look forward to working together on ways to increase recycling and to invest collaboratively in the circular economy. At the same time, we believe that including piping and pipe fittings as one of the first categories of products in the Federal Plastics Registry is misguided based on the facts of most plastic materials used in construction.



Piping and pipe fittings are installed by trained professionals in businesses, homes, institutional and industrial settings by trained professionals. Once installed, these products have a service life that lasts decades, often buried inside walls or buried as service lines. They are not products that Canadians would typically think of as sources of plastic pollution.

When equipment or structures are decommissioned, the professionals doing that work are also subject to rules and regulations in each jurisdiction of how to handle different types of products. In the case of piping and pipe fittings, that stage is an ideal time to incentivize or mandate recycling. A large majority of the plastics used in the construction sector could be accounted for in that way without the need for being included in a national registry.

We also believe that the default for reporting should be business confidential. The government may need this information to deliver on its policy goals, but competitors could glean significant information about business practices from this information if it is made public.

To conclude, we hope that you will consider extending the deadline for the plumbing and HVACR sector as a construction category of the registry. While also allowing for the establishment of a government-industry consultation body to work collaboratively on a long-term vision for plastics used in this important sector, especially given their essential role in the built environment to net-zero transition.

Sincerely,

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Chief Executive Officer

CC: Plumbing Manufacturers International

Canadian Water Quality Association