



**Committee of the Whole Report
For the Meeting of October 26, 2017**

To: Committee of the Whole **Date:** October 23, 2017
From: Fraser Work, Director, Engineering and Public Works
Subject: Single-Use Checkout Bag Reduction Program – Bag Regulation Strategy

RECOMMENDATIONS

That Council direct staff to:

1. Engage with stakeholders on the draft Checkout Bag Regulation Bylaw and report back to Committee of the Whole on December 14, 2017 with the following information:
 - a) A summary of bylaw key points/issues from business and community stakeholders,
 - b) Any recommended changes to the bylaw; and
 - c) Communication, engagement and enforcement considerations and plan, including resource implications and recommendations.
2. Measure and report on the performance of the bag regulation program after one year in effect, using waste audits and retailer bag sales data, wherever possible, and analyze and review the complete program with improvement recommendations;
3. Include the development of a Single-Use Materials Management Plan in the ongoing development of the City's Sustainable Waste Management Strategy.
4. Work with the Province, RecycleBC and other institutions to develop a performance specification for the preferred sustainable reusable bag in order to help business and industry choose amongst options, and also influence bag design sustainability standards.

That Council:

5. Request the Mayor to write letters to each of the following key stakeholders to support regional consistency and a wide, renewed focus on waste avoidance programs:
 - a) To the CRD, and Provincial governments before December 2017 requesting support for the City's approach to single-use checkout bag regulations and the overall increased investment in innovative strategies with a focus on waste-prevention, and the required stewardship programs to drastically reduce single-use materials, including plastic bags;
 - b) To major food producers before January 2018, requesting increased efforts in the development and implementation of improved use/application of recyclable, sustainable and eco-benign packaging for food and household items; and
 - c) To the CRD and neighbouring municipalities by the 7th of November 2017 requesting feedback and/or support for the City's single-use checkout bylaw principles and rules.

EXECUTIVE SUMMARY

It is estimated approximately 17 million single-use plastic checkout bags each year, are provided to Victoria residents by local businesses (200 per capita¹), much of which are ending up in the landfill or escaping collection programs². In reality, the overall number of bags provided is likely much larger, since the capital City businesses also serve the region's workers, visitors and tourists. The magnitude of single-use plastic bag waste remains a concern for many municipalities and the City, due to the risks they pose to waste operations and landfill, litter, debris and their example of a frequent throw-away material and unsustainable use of scarce resources. The City is assessing a phased-approach for regulatory action to reduce plastic retail bag waste, and promote the adoption of more sustainable, reusable retail bags.

Staff have completed a series of meetings with several community stakeholders, including students, advocacy groups, business and industry leaders, and local, regional, and provincial government representatives. These discussions highlight that all stakeholders support increased efforts to reduce bag use and the shift to a more sustainable and habitual use of reusable checkout bags. Several advocacy groups argue strongly for an immediate ban on plastic retail bags to promote a rapid behaviour shift, while retailers and other representatives believe that a longer-term education and awareness campaign is the most sensible strategy to reach a new norm of reusable bag choices.

The draft bylaw (attached as Annex A) has been developed using the feedback and input from these stakeholders, in alignment with Council's direction for a ban on plastic bags. Staff recommend that should Council wish to move forward with a bylaw, that it take effect no earlier than July 1, 2018, to allow businesses and stakeholders reasonable time to adjust and plan for this change to their business administration, operations and logistics. This bylaw addresses the unintended consequences that are coupled to bag reduction rules, the implementation timeline and other important aspects. The draft bylaw establishes controls necessary to reduce the risk of any corresponding and significant increase in single-use paper bag use, or an excessive use of reusable bags – both of which could have more damaging environmental and local waste management impacts when compared to the corresponding reduction of plastic bags. Although paper bags perform better if littered (i.e. they break down more easily), they require more energy and create more waste and pollution, as compared to a common single use plastic bag. Reusable bags require more resources to make and manage, and are often not recyclable at the end of life – so more sustainable reusable bag options are required, with careful control to avoid any excessive accumulation of reusable bags. Plastic bags marketed as “biodegradable” or “compostable” do not degrade readily without industrial compost facilities (heat/pressure), and damage recycling and processing equipment when easily mistaken for and mixed with conventional plastic bags.

It remains clear that the established provincial and regional recycling programs alone are not capable of diverting plastic bags from landfill. Of significant concern, is the social norms that continue to rapidly consume materials that quickly become waste after only one or a few uses. The free provision of single-use materials represents a systemic business/consumer transaction that privileges short-term convenience over long term sustainability. The current overuse of plastic checkout bags in our community is unsustainable over the long term and has been identified by many in the public to be inconsistent with the values of Victorians. The single-use plastic bag is a powerful, ubiquitous example in our community of “throw-away consumerism” and is not merely unsustainable due to the upstream and downstream environmental impacts of

¹ The Battle of the Bag. 7 June 2012. The Globe and Mail. Available online at: <https://beta.theglobeandmail.com/news/toronto/the-battle-of-the-bag/article4241011/?ref=http://www.theglobeandmail.com&page=all>

² The RecycleBC program's “plastic packaging” category includes numerous types of plastic packaging, such as plastic containers, packaging, utensils, film and plastic bags.

plastic waste, but due to the wasteful and prevalent cultural norms that are consuming scarce resources in a manner that is not economically or socially sustainable.

It remains clear that regulatory intervention is needed now to curb this common business practice that creates avoidable waste and its associated municipal costs. The proposed bylaw regulating checkout bags represents a legislative intervention that intends to not only limit the use of disposable checkout bags, but will also signal to businesses that they must respond to community needs and values to support the sustainability and well-being in our community. Only a wholesale shift to sustainable, reusable bags will reduce landfill, pollution and litter risks from checkout bags in our community.

Staff recommend that this bylaw be reviewed and discussed with stakeholders over the coming five weeks, with a report back to Council on December 14, 2017. During this consultation period, staff will develop a proposed approach for an education and awareness campaign, including resource implications on how to best inform, educate and promote a transition to habitual reusable bag use with businesses and across the community. Education and awareness has been shown to be the best-practice approach to achieving compliance for this types of regulation in other jurisdictions. The City does not currently have the resources to accommodate additional enforcement without significant impacts to other enforcement priorities.

PURPOSE

The purpose of this report is to provide Council with a proposed regulatory framework and implementation plan for single-use checkout bags, which includes a ban on the City's single-use plastic checkout bags.

BACKGROUND

On November 5, 2015 GPC, Council directed staff to investigate and report on the issues and considerations pertaining to a ban on single use plastic bags, and since passed a motion to include 'phase-in' a ban on single-use plastic bags, as part of the Strategic Plan amendment.

On the May 26, 2016, Council directed staff to:

1. "Convene initial discussions/meetings with key business and waste management stakeholders before the end of June 2016, to better understand perspectives and issues related to a voluntary bag levy, at a cost of no less than 10 cents per bag, to incentivise the adoption of sustainable reusable bags, with the recommendation to re-invest those funds to improve business packaging and sustainability programs and future packaging reduction initiatives;
2. Develop and report on a preliminary work-plan and resource assessment, by July 2016, for the future analysis, engagement, and communications of any related initiatives to reduce single-use packaging;
3. Based on those findings, continue development of a more detailed, longer term, work-plan and the associated resource implications, needed to:
 - a. Work with local businesses and retailers in order to promote a voluntary fee for both plastic and paper bags;
 - b. To convene or promote a working group with local and regional stakeholders (CRD, MMBC, Province, neighbouring municipalities, waste managers, local retailers and other key stakeholders) to collaboratively develop strategies and initiatives to improve the sustainable management of single-use retail bags, single-use beverage containers, food packaging, and plastic film products, towards an overall goal of zero-waste, and sustainable, circular-economy model."

On March 23, 2017, Council passed a series of motions, to support an increased level of engagement and dialogue across the community on the issues and considerations related to any program to regulate and reduce single-use plastic bags. Council motions were as follows:

1. Empower stakeholder groups and volunteers to engage the community on the detriments of plastic bag waste and the benefits of reusable bags;
2. Support the civic engagement process with stakeholder workshops for business, industry, advocate and resident groups to share their unique perspectives related to future bag reduction regulations;
3. Work with business stakeholders to promote a set of voluntary commitments / pledges to reduce retail bag use, such as detailed reporting of bag usage, improved signage and education, retail bag take-back programs, reusable bag donation centres, and voluntary bag fee/ban actions etc.
4. Develop and implement a design competition for a City of Victoria's sustainable reusable retail bag, with a financial reward of \$2,000 to be funded through the solid waste management budget.
5. Report back to Council in October 2017 prior to the final opportunity for public comment on the issue of single-use plastic retail bag reduction regulations.

Since March 2017, staff have met with numerous business and community stakeholders to better understand their perspectives and issues related to plastic bag reduction programs, and what considerations should influence and/or shape any phased, City regulatory options. This report outlines the key findings from those engagement sessions, and the subsequent recommendations to meet Council's direction to implement a phased-in ban on single-use plastic retail bags (Objective 11, from the City's 2017 Strategic Plan).

ISSUES AND ANALYSIS

Problem Definition

A large volume of single use plastic retail bags is entering the waste stream and escaping collection systems, and can be addressed by improved waste avoidance schemes and more sustainable business practice and consumer habits. To minimize the accumulation of single-use material waste, an ideal outcome is considered the wholesale adoption of re-usable checkout bags. Further, this shift could only be considered successful if we avoid any unintended shift to excessive and damaging consumption of paper or reusable bags, and instead, help businesses and residents to habitually adopt reusable bags that are fabricated, used and recycled in the manner that minimizes undesirable financial, environmental and social impacts.

Introducing regulations to promote the reduction of single-use materials is aligned with universal waste management hierarchical principles to first reduce waste at the source, thereby eliminating the frequent and common instances where consumers are accumulating material that becomes waste after only a few uses. A wholesale and rapid shift away from prominent, single-use materials will reduce the waste-management burden across the chain of collection, transport, and product end-of-life. Increased efforts are necessary to ensure that the overall life cycle impacts of any bag alternatives are minimized and that the most sustainable bag alternatives are privileged by any new bag reduction policies.

Local Waste Patterns and the Need for Improvement

The CRD waste composition audit was completed in December 2016, and shows clearly that a large portion of plastic packaging and plastic film (including bags) is escaping any collection schemes, and ending up in municipal waste and landfill. Their recent study shows that overall, 14% (by mass) of the region's waste is plastic. In single family dwellings, plastic film made up 3.5% of

the waste, while film plastics were 2% of multi-family waste³.

Their study also reveals that the largest amount of material in the landfill is printed paper and plastic (PPP) materials that have escaped the established, provincial RecycleBC program (12%-17% of the total waste stream)⁴. The lack of recovery and landfilling of this waste represent a key gap in the effectiveness of our existing programs; a shortcoming that illuminates the need for increased efforts and a renewed focus on waste avoidance/reduction to correct where existing models fall short of zero-waste targets.

City Waste Management

The City's waste management costs continue to climb, due to increases in tipping fees, population growth, tourism and visitor volume, and recent jumps in construction and consumption trends - all of which represent a growing concern for the City and pressures current and future operating budgets. Any program to reduce the amount of waste before it enters our management systems will help staff reduce operating costs and/or increase levels of service to enhance the quality of life and experience for all Victoria residents and visitors.

It is difficult to estimate the financial savings possible from the avoidance of plastic checkout bags alone, as they are mixed and may often remain undetected in our current waste collection and disposal schemes. More accurate and comprehensive detail across our operational and logistics chains would be required in order to quantify such savings or impacts. That being said, any reduction in waste materials can help promote reduced garbage volume and pickup frequency, reduced contamination, litter reduction, GHG savings, human resource implications, etc. Reducing the transport of low density materials is a benefit. Drastically reducing any mobile plastic film also helps reduce the risk of fouling underground storm water systems, which will be increasingly impacted in seasons with heavy rainfall, that are becoming more frequent / severe in our changing climate.

Community and Business Engagement Summary and Key Outcomes

The engagement activities completed over the past six months included citizen-led engagement, and a series of staff-led / involved activities, as outlined below, and explored in more detail in Annex B:

- Initial kick-off meeting with stakeholder leadership group (retailers, advocates, government, industry and business) – May 15, 2017
- “Bag it” – Film Screening, July 5, 2017
- Greater Victoria Chamber of Commerce – Retailers Round Table: July 12, 2017
- Advocate Group Stakeholder Meeting – September 11, 2017
- Retailer Group Stakeholder Meeting – September 20, 2017
- Industry / Government Stakeholder Meeting – October 4, 2017
- City and Region wide Surfrider beach cleanup – October 15, 2017
- City Public Meeting: October 18, 2017
- Numerous CRD, Provincial and Recycle BC meetings, and discussions with neighbouring municipalities; and
- Individual meetings with business owners and other stakeholders.

Overall, all stakeholders agree on several key points, as follows:

- The current volume of single use plastic checkout bags reaching landfill or being littered is

³ 2016 Solid Waste Stream Composition Study. Capital Regional District, BC. File No. 704-SWM. SWOP03315-01. December 2016.

⁴ Ibid.

- a concern;
- Reusable bags used many times are the best bag alternative;
- A shift to excessive paper or reusable bag consumption could be worse for the environment, unless properly managed;
- A regional regulatory standard for single-use plastic bags is the preferred outcome to avoid confusion and help support the change to reusable bags.
- Communications and awareness building is critical to ensure a successful and smooth transition to a reusable bag standard.

The following key points summarize the feedback from businesses and industry, much of which is opposed to an outright ban on single-use plastic bags:

- Any single-use bag regulation should be phased-in sensibly (or piloted), and preferably over a year or more from announcement of the bylaw;
- A mandatory bag fee is considered preferable to an outright ban;
- Confusion exists as to the 'green credentials' of bio-based / biodegradable, compostable bags;
- Concerns exist regarding the cost of paper and other bag alternatives, and the impact of charging clients additional fees, which could cause confusion or loss of revenue;
- A regional solution is best, to avoid confusion across neighbouring municipalities;
- The logistics required to transition to another bag type takes time, is disruptive and can be costly;
- Any surplus bags from orders prior to this policy represent a cost and burden to the retailer;
- A mandatory ban disrespects the ongoing, voluntary and meaningful efforts by many retailers' continuing investment in sustainability programs (e.g. London Drugs has achieved a 60% reduction in bag use over recent years through their own programs⁵).

Plastics industry and government program representatives agree with many of the points above, and have the following additional views:

- A ban is not preferred as it erodes the collaboration and partnering required to make broad sustainability improvements;
- Municipalities should give industry and business more time to develop alternative solutions to a ban;
- RecycleBC and industry collaboration continue to deliver exemplary programs, and can help make improvements, if a ban is not adopted, to address the public confusion that exists on how to best recycle and manage these materials;
- There are higher priority waste materials that require attention and investment, which are more damaging than plastic bags;
- All plastic bags can be diverted if customers chose to recycle at available depot/stations.

Several local retailers are strongly in favour of a City bag ban, and a select few (one who reportedly distributes over 20,000 bags per week) suggested that they were confident that any transition to a bag ban / fee would be considered supportable and manageable, if that was their customer's desire.

Retailers who support a bag ban stated these key views:

- Many customers were inspired by the shop's sustainable bag practices, which aligned with the stewardship values of the community;
- Few customers expressed negative views when surprised to find no plastic bag options at the checkout counter;

⁵ "Global Newswire [online]. October 16, 2017. "London Drugs takes next step to phase out plastic bags and reduce waste". Online at: <https://globenewswire.com/news-release/2017/10/16/1148118/0/en/London-Drugs-Takes-Next-Step-to-Phase-Out-Plastic-Bags-and-Reduce-Waste.html>

- They noted their experience that a voluntary bag ban created a tendency for customer's to rally in favour of this more sustainable business practice.

Advocates from the community and the region offer the following key views:

- A ban on single-use plastic bags is required now to help shift community and business quickly to a more sustainable future;
- Education and awareness are key requirements to ensure a smooth transition, and they are willing to support City engagement efforts;
- Unintended consequences can be avoided if business and community work hard to adopt this new habit of using reusable bags and by placing an adequate fee on paper bags.

Unsustainable Materials Management and Business Practice

The free provision of single-use materials represents a systemic business/consumer transaction that privileges short-term convenience over long term sustainability. The current overuse of plastic checkout bags in our community is unsustainable over the long term and has been identified by many in the public to be inconsistent with the values of Victorians. The public engagement and community correspondence to date has suggested that the continued overuse of single use plastic bags is inconsistent with the values of many Victorians. The single-use plastic bag is a powerful, ubiquitous example in our community of "throw away consumerism", causing materials to quickly become waste after only one or few uses. This continued practice is not merely unsustainable due the upstream and downstream environmental impacts of plastic waste, but due to the wasteful and prevalent cultural norms that are consuming scarce resources in a manner that is not economically or socially sustainable.

While some businesses have already taken action to reduce impacts, the current volume and frequency of disposable checkout bags transactions in our community continues unsustainably. It is clear that regulatory intervention is needed now to curb this undesirable business practice. The proposed bylaw regulating checkout bags represents a legislative intervention that intends to not only limit the use of disposable checkout bags, but also signal to businesses that they must respond to the sustainability impacts from the high volume of plastic checkout bags that are entering our landfill each and every day.

The efforts from local advocacy groups, motivated by local and global environmental concerns, align with the City's municipal concerns due to the actual and potential problems that single-use plastic bags pose locally. Therefore, regulations which result in reduction in use of single-use plastic bags to address municipal concerns will also address the concerns motivating Surfrider, Glen Lyon Norfolk School students and others with global environmental concerns.

Single-Use Checkout Bag Regulation - Strategic Plan

In order to address the risks and benefits identified in this report, and the directions from Council, staff have devised a strategy below and a draft bylaw to take effect July 1, 2018, that together are meant to deliver improved and less-wasteful sustainable business practice, through the following key components:

Build Awareness and Education First: An education and marketing campaign is required to first gain valuable feedback from business on the proposed draft bylaw, and then critically, to educate the public, business, residents and tourist representatives regarding the important aspects of the regulation and a transition to a new norm in reusable bags. The City will be able to draw on the experiences from other jurisdictions and partnerships with key business and public leaders to shape and execute an education and awareness campaign. This will also include working with Tourism Victoria and other key stakeholders to develop and implement actions to ensure City bag

regulations are understood and welcomed by visitors. Education is also a key tool to build compliance, and will directly influence any enforcement requirements once the bylaw is in the public, and then in place. Staff will report in more detail about education and awareness planning at the December COTW report on bag regulation.

Enforcement Considerations: The enforcement requirements will be directly shaped by both the education campaign and willingness of businesses to adopt the new standards. Staff has completed an initial scan of communities that have successfully transitioned to this type of legislation. Many of these communities do not actively enforce, but instead focus on partnering and communications to raise awareness that delivers the required compliance. It should be noted that there are clear risks that this program could impose significant resource requirements on the City, if compliance is not quickly achieved through the early education and awareness program. Staff consider that commencing any enforcement should only occur after a transition period, no earlier than six months following the bylaw taking effect (January 1, 2019), and staff should report on the frequency and severity of bylaw issues to Council one year after implementation, or sooner, where required. Staff will report in more detail about enforcement planning at the December COTW report on bag regulation. Currently there is no enforcement resource capacity to take on the potential demand in calls for service to enforce the regulations proposed in the bylaw without significant impact to the existing enforcement priorities. The Enforcement Approach suggested to be developed, will address these issues in greater detail.

Avoid Unintended Consequences: The following bylaw components are required to ensure that excessive resources, waste and litter are avoided through the intelligent controls in any regulation of single-use plastic bags (see Annex C for more details):

- **Define “reusable”** bag performance specification to withstand 125 uses;
- **Avoid policy rebound to paper bags** through an escalating price on paper bags, commencing with an initial price of no-less than 12 cents⁶ in the first year, followed by 25 cents after 1 year (2019), and further review/adjustments when required;
- **Avoid policy rebound to excessive reusable bags** by setting an appropriate minimum price for reusable bags (\$2 dollars⁷) and defining ideal sustainable reusable bag design specifications to support retailer procurement decisions;
- **Avoid excessive cotton bag adoption** through awareness / education information;
- **Avoid Biodegradable** or BioBased Bags through inclusion in the bylaw restrictions;
- **Avoid heavy-weight plastic bags:** by including heavier gauge LDPE bags in the bylaw restrictions;
- **Avoid retailer bag surplus waste** / sunk costs through proper planning, recycling and awareness;

Improve Waste Management of Single-Use Materials Overall: Develop improved education, and awareness of single-use plastic, packaging and film waste, and work with major retailers to develop effective ‘take-back’ programs, resource recovery plans and other actions to be defined in the City’s Sustainable Waste Management Strategy;

- **Advocate Up:** Petition regional, provincial and national/international support for common and increased efforts to prevent and reduce the accumulation of single-use materials in our landfills and litter;
- **Honour business stewardship programs** and work harder to partner with retailers/industry on important corporate social responsibility programs, including material ‘take-back’ programs and consider supporting their voluntary efforts more meaningfully via formal collaboration and recognition programs;
- **Resource the City’s waste management plans** appropriately via both an engineering

⁶ To reflect a minimum price to cover actual costs.

⁷ To reflect a minimum price to cover approximate average costs.

- sustainable waste management FTE and the required engagement staff and financial support for this program's education and awareness activities and communications material,
- Measure and Report Performance through annual waste audits and baseline data and ongoing trends communicated from major retailers;
 - **Review and Improve:** report on overall program performance after one year from adoption.
 - **Plastics are Precious!** Foster the perspective that honours the importance, value and the versatility of all plastic and support those behaviours that minimize plastic waste and retain materials within enduring and circular usage cycles (noting that globally, 95% of plastic packaging is lost to the economy, representing a lost opportunity of \$80-120 billion worldwide, annually⁸).

OPTIONS AND IMPACTS

Option 1: That staff proceed with draft bylaw review and amendments (**recommended**), including the following detailed planning elements:

Council direct staff to:

1. Engage with stakeholders on the draft Checkout Bag Regulation Bylaw and report back to Committee of the Whole on December 14, 2017 with the following information:
 - a) A summary of bylaw key points/issues from business and community stakeholders,
 - b) Any recommended changes to the bylaw; and
 - c) Communication, engagement and enforcement considerations and plan, including resource implications and recommendations.
2. Measure and report on the performance of the bag regulation program after one year in effect, using waste audits and retailer bag sales data, wherever possible, and analyze and review the complete program with improvement recommendations;
3. Include the development of a Single-Use Materials Management Plan in the ongoing development of the City's Sustainable Waste Management Strategy.
4. Work with the Province, RecycleBC and other institutions to develop a performance specification for the preferred sustainable reusable bag in order to help business and industry choose amongst options, and also influence bag design sustainability standards.

That Council:

5. Request the Mayor to write letters to each of the following key stakeholders to support regional consistency and a wide, renewed focus on waste avoidance programs:
 - a) To the CRD, and Provincial governments before December 2017 requesting support for the City's approach to single-use checkout bag regulations and the overall increased investment in innovative strategies with a focus on waste-prevention, and the required stewardship programs to drastically reduce single-use materials, including plastic bags;
 - b) To major food producers before January 2018, requesting increased efforts in the development and implementation of improved use/application of recyclable, sustainable and eco-benign packaging for food and household items; and
 - c) To the CRD and neighbouring municipalities by the 7th of November 2017 requesting feedback and/or support for the City's single-use checkout bylaw principles and rules.

Option 2: Abandon this particular draft bylaw and develop an alternative strategy using bag fees/levies only.

⁸ The New Plastics Economy: Rethinking the future of plastics (2016). The Ellen MacArthur Foundation. Available at: <https://www.ellenmacarthurfoundation.org/publications/the-new-plastics-economy-rethinking-the-future-of-plastics>

This option does not align / comply with existing Council direction to proceed towards a bag ban for single-use plastic checkout bags, but could be explored as an alternative to achieve meaningful bag reductions⁹. This strategy is a milder regulation that is more favourable to many stakeholders, who believe that a levy will achieve significant reductions in plastic bag use, without removing customer choice, and posing less risk of unintended consequences.

Option 3: Abandon this particular draft bylaw and develop an alternative strategy for bag reduction education and awareness program, only.

This option does not align / comply with existing Council direction to proceed towards a bag ban for single-use plastic checkout bags, but could be explored as an alternative to achieve a milder regulation that is more favourable to many stakeholders who believe that a slower, education format is the best strategy to realize behavior change, without the disruption of a ban. It is unclear if this strategy could deliver the desired outcome, in reasonable timescales, along with the required corporate sustainability behavior improvements;

Option 4: Take No Further Action.

This option does not comply with expressed Council direction, nor does it address the unsustainable business and customer practice related to accumulating materials that quickly become waste after only a few uses.

Option 5: Combination of the above.

Any combination of the above strategies could be explored further, that aim to address a mix of the following key components:

- a) Regulation on single use plastic checkout bags,
- b) Corresponding regulations to minimize any excessive paper or reusable bag use;
- c) Timeline for implementation, and
- d) Education, partnerships, petitioning, and continued waste management strategies.

CONSISTENCY WITH CITY STRATEGIES

Accessibility Standards

No known issues/concerns that would be caused by this policy shift. Initial considerations raised by AWG member would suggest that this policy does not create additional risks/issues when compared to the current bag systems in place. Any additional issues or considerations can be brought forward to staff during the review of this program, before final recommendations are made to Council.

Official Community Plan

Reduction of waste, litter and marine debris are consistent with the OCP and the development of vibrant, healthy communities.

2015-2018 Strategic Plan

This initiative is a pathway to achieve Objective 11 of the Strategic Plan.

This program supports the avoidance of practices that result in materials quickly becoming waste after only a few uses, and includes actions to incentivise improved sustainable business behaviours, to support the City's economic, social and environmental well-being, vitality and community values.

Financial Plan

⁹ An assumption that bag fees will result in meaningful reduction of overall bags in circulation, as experienced in many other parts of the world, including the Hong Kong, Wales, Scotland, England, the Republic of Ireland, and many cities worldwide.

The resources required to implement the bag reduction bylaw program are being assessed based on experiences in other municipalities and the unique challenges, partnerships and factors local to the City. Allocation of existing internal resources to this program would not be able to achieve success without significant impact to planned and priority 2018 projects. Staff are completing an assessment to best define the recommended resources needed to build a sound education/awareness, roll-out, and enforcement plan. The defined resource requirements and implications will be presented for Council's consideration on December 14, 2018, for consideration via the 2018 financial planning process.

Staff have already included a proposal for the addition of a sustainable waste-management engineering position (there is currently none) via the upcoming 2018 budget supplemental requests, as part of the financial planning process – to progress this and other important circular economy and City-specific waste prevention, reduction, reuse, recycling and repurposing priorities.

A proposed \$2,000 financial reward is still part of the upcoming education campaign, which includes a contest to award the most promising idea for raising awareness and education in support of a transition to sustainable, reusable bag alternatives. The reusable bag education competition would be funded through the solid waste management budget, and augmented by any external contributions by any partnering agency.

NEXT STEPS

With Council's endorsement, staff will execute the recommended engagement activity related to the draft bylaw, and report back feedback and any recommended changes no later than December 14, 2017. All other program related activities will continue following Council's adoption of the revised bylaw, or other subsequent direction.

Respectfully submitted,

Fraser Work, Director
Engineering and Public Works

Report accepted and recommended by the City Manager: _____

Date: _____

Attachments:

- Annex A: Draft Bylaw – Checkout Bag Regulation
- Annex B: Additional Stakeholder Considerations / Information
- Annex C: Detailed Bag Performance and Regulation Considerations

Appendix A: Redacted Emails

ANNEX A: DRAFT BYLAW

NO. 17-XXX

CHECKOUT BAG REGULATION BYLAW A BYLAW OF THE CITY OF VICTORIA

The purpose of this Bylaw is to regulate the business use of single use checkout bags to reduce the creation of waste and associated municipal costs, to better steward municipal property, including sewers, streets and parks, and to promote responsible and sustainable business practices that are consistent with the values of the community.

Contents

- 1 Title
- 2 Definitions
- 3 Checkout Bag Regulations
- 4 Exemptions
- 5 Offences
- 6 Penalties
- 7 Severability
- 8 Consequential Amendment to the Ticket Bylaw
- 9 Effective Date

Under its statutory powers, including sections 8(6) of the *Community Charter*, the Council of the Corporation of the City of Victoria, in an open meeting assembled, enacts the following provisions:

Title

- 1 This Bylaw may be cited as the "Checkout Bag Regulation Bylaw".

Definitions

- 2 In this Bylaw

"Checkout Bag" means:

- (a) any bag intended to be used by a customer for the purpose of transporting items purchased or received by the customer from the business providing the bag; or
- (b) bags used to package take-out or delivery of food
- (c) and includes Paper Bags, Plastic Bags, or Reusable Bags;

"Business" means any person, organization, or group engaged in a trade, business, profession, occupation, calling, employment or purpose that is regulated under the Business Licence Bylaw or the Cannabis Related Business Regulation Bylaw and, for the purposes of section 3, includes a person employed by, or operating on behalf of, a Business;

"Paper Bag" means a bag made out of paper and containing at least 40% of post consumer recycled paper content;

“Plastic Bag” means any bag made with plastic, including biodegradable plastic or compostable plastic, but does not include a Reusable Bag;

“Reusable Bag” means a bag with handles that is specifically designed and manufactured for use multiple times by a customer for the purpose of transporting items purchased by the customer from a Business and meets the following specifications:

- (a) it is made of cloth or other machine washable fabric; and
- (b) has a minimum lifetime capacity of 125 or more uses carrying 10 kilograms over a distance of at least 50 metres.

Checkout Bag Regulation

- 3 (1) Except as provided in this Bylaw, no Business shall provide a Checkout Bag to a customer.
- (2) A Business may provide a Checkout Bag to a customer only if:
 - (a) the customer is first asked whether he or she needs a bag;
 - (b) the bag provided is a Paper Bag or a Reusable Bag; and
 - (c) the customer is charged a fee not less than
 - (i) 12 cents per Paper Bag; and
 - (ii) \$2 per Reusable Bag.
- (3) For certainty, no Business may
 - (a) sell or provide to a customer a Plastic Bag; or
 - (b) provide a Checkout Bag to a customer free of charge.
- (4) No Business shall deny or discourage the use by a customer of his or her own Reusable Bag for the purpose of transporting items purchased or received by the customer from the Business.

Exemptions

- 4 (1) Section 3 does not apply to bags used to:
 - (a) package loose bulk items such as fruit, vegetables, nuts, grains, or candy;
 - (b) package loose small hardware items such as nails and bolts;
 - (c) contain or wrap frozen foods, meat, poultry, or fish, whether pre-packaged or not;
 - (d) wrap flowers or potted plants;

- (e) protect prepared foods or bakery goods that are not pre-packaged;
 - (f) contain prescription drugs received from a pharmacy;
 - (g) protect newspapers or other printed material intended to be left at the customer's residence or place of business; or
 - (h) protect clothes after professional laundering or dry cleaning.
- (2) Section 3 does not limit or restrict the sale of bags, including Plastic Bags, intended for use at the customer's home or business, provided that they are sold in packages of multiple bags.
- (3) Notwithstanding section 3(2)(c) and 3(3)(b), a Business may provide a Checkout Bag free of charge if:
- (a) the Business meets the other requirements of section 3(2);
 - (b) the bag has already been used by a customer; and
 - (c) the bag has been returned to the Business for the purpose of being re-used by other customers.

Offence

- 5 (1) A person commits an offence and is subject to the penalties imposed by this Bylaw, the Ticket Bylaw and the *Offence Act* if that person
- (a) contravenes a provision of this Bylaw;
 - (b) consents to, allows, or permits an act or thing to be done contrary to this Bylaw; or
 - (c) neglects or refrains from doing anything required by a provision of this Bylaw.
- (2) Each instance that a contravention of a provision of this Bylaw occurs and each day that a contravention continues shall constitute a separate offence.

Penalties

- 6 A person found guilty of an offence under this Bylaw is subject to a fine of not less than \$100.00 and not more than \$10,000.00 for every instance that an offence occurs or each day that it continues.

Severability

- 7 If any provision or part of this Bylaw is declared by any court or tribunal of competent jurisdiction to be illegal or inoperative, in whole or in part, or inoperative in particular circumstances, it shall be severed from the Bylaw and the balance of the Bylaw, or its application in any circumstances, shall not be affected and shall continue to be in full force and effect.

Schedule 1

Schedule Z
Single Use Checkout Bag Regulation Bylaw
Offences and Fines

Column 1 – Offence	Column 2 – Section	Column 3 – Set Fine	Column 4 – Fine if paid within 30 days
Providing a Checkout Bag to a Customer except as provided in the bylaw	3(1)	\$100.00	\$75.00
Providing a Checkout Bag without asking whether a customer wants one	3(2)(a)	\$100.00	\$75.00
Providing a Checkout Bag that is not a Paper Bag or Reusable Bag	3(2)(b)	\$100.00	\$75.00
Charging less than a prescribed amount for a Checkout Bag	3(2)(c)	\$100.00	\$75.00
Selling or providing a Plastic Bag	3(3)(a)	\$100.00	\$75.00
Providing Checkout Bag free of charge	3(3)(b)	\$100.00	\$75.00
Denying or discourage use of customer's own Reusable Bag	3(4)	\$100.00	\$75.00

ANNEX B: DETAILED BAG PERFORMANCE AND REGULATION CONSIDERATIONS

COMMON BAG TYPES AND CHARACTERISTICS

Summary of Checkout Bag Performance Considerations

Scientific analysis of bag alternatives highlights that the key to reducing the environmental impacts of ANY bag type is to reuse it as many times as possible, thereby revealing that the reusable bags made and managed sustainably, used many times, pose the least overall negative impact.

The following important points¹⁰ summarize the life cycle impacts and comparisons of the various bag alternatives:

- **All bag types pose negative impacts (ie. there is no ideal bag type).** All bag types have advantages and disadvantages, but some bag types impose more sustainability impacts than others.
- **Recycled content** in any bag-type greatly improves its environmental performance;
- **Plastic bags pose more of a litter problem**, due to their mobility (ie. subjected to wind and water forces, more so than other bags).
- Free, lightweight high density polyethylene (HDPE) bags are more likely to be littered than any reusable bag.
- **Even paper bags**, made from 100% recycled materials, **may pose higher environmental impacts than plastic bags, in all categories except litter**¹¹, due to pulp production energy use, its generation of solid waste, and acid-slurry, water pollution impacts
 - A 2011 UK Government study finds paper bags pose three times the GHG, and 3 times the waste generation, 14 times the water contamination, when compared to a conventional HDPE bag¹²).
- **Biodegradable/compostable/degradable bags** do NOT readily break down in our landfill, require industrial heat/temp to degrade, and would only be considered a viable future bag option if labelling, collection and recycling processes delivered transformative change to recovery, separation and processing
- What's the most environmentally friendly, reusable bag alternative?
 - A sustainably designed and managed bag used many times!
 - Each bag type performs differently across the various environmental factors, which include water quality impacts, atmospheric contamination, solid waste production etc.
 - For example: the greenhouse gas (GHG) performance of reusable bag types is only better than that of conventional plastic checkout bag, when reused a sufficient number of time, as follows¹³:
 - Paper: 3 times
 - Heavy Weight Plastic (LDPE): 4 times
 - Non-Woven Polypropylene (NWPP): 11 times
 - Cotton Bag: 131 times
 - Other factors and assumptions from each study are important to consider when assessing the comparable sustainability performance results of bag alternatives.

¹⁰ European Commission. (2011). Assessment of impact of options to reduce the use of single use plastic carrier bags. 12 Sep 2011. Bio Intelligence Service.

¹¹ This particular Life Cycle Assessment (LCA) study assumed a 50% recycling rate of the paper bags.

¹² PwC/Ecobilan (2004) Impact assessment of Carrefour plastic carrier bags, Carrefour, France, as cited in www.scotland.gov.uk/Publications/2005/08/1993259/33039.

¹³ European Commission. (2011). Assessment of impact of options to reduce the use of single use plastic carrier bags. 12 Sep 2011. Bio Intelligence Service. Assumes the HDPE bag was used as a bin-liner 40% of cases.

- Reusable bags used a “sufficient” number of times, pose the least environmental impact of any bag alternative.

Table A1. Bag Types and Characteristics.

Type	Approx. Design Uses	Industry Name	Advantages	Disadvantages	Image (sources: various)
Single Use Plastic Checkout Bag	1-2	High Density Polyethylene (HDPE)	Inexpensive, lightweight, durable, waterproof	High landfill/litter rates, persistent for human generations.	
Paper Bag	1-2	KRAFT bag	Inexpensive, highly recyclable	Water soluble, heavier, water soluble / perishable, energy intensive.	
Bio Degradable / Compostable / Degradable Bag	1-2	Various	Inexpensive, lightweight, durable, waterproof	Unlikely to break down without industrial process, often confused with HDPE, fouls recycling / processing equipment	
Heavy Weight Plastic Bag	4-20	Low Density Polyethylene (LDPE)	Inexpensive, very durable, relatively lightweight, waterproof	High landfill rates, persistent for human generations, more resource intensive.	
Synthetic Reusable Bag	>100	Non Woven Polypropylene (NWPP)	Durable, relatively lightweight	Resource intensive, potentially difficult to recycle	

Cotton / Natural Fibre Bag	>100	Cotton / Canvas Bag	Durable, aesthetics	Potentially resource intensive, difficult to recycle	
Reusable – Various	>100	Various	Durable, aesthetics, can be made from recycled materials and/or recyclable, may have low resource intensity	May have resource penalties, and/or be difficult to recycle	

The Risks of Biodegradable Bags

Many types of bio-based plastics are used as a part or all of the resin to make checkout bags. These bags may be marketed as “degradable”, “biodegradable” or similar, suggesting that they offer a more environmentally friendly bag option. Many types of bio-based bags made with compostable polymers, are designed to be processed in industrial composting facilities, using micro-organisms, and / or controlled temperature, oxygen levels and processing times. These bio-based/biodegradable bags look and feel the same as conventional single use plastic checkout bags (ie. HDPE), and do not break down readily in landfills due to an absence of pressure, oxygen and heat. These types of bags are commonly mixed with conventional HDPE bags, and foul and contaminate film plastic recycling equipment and processes due to their different chemical makeup.

For these reasons, it is assessed that the current family of bio-based bag alternatives actually pose greater risks than conventional HDPE bags, and should be avoided until such a time that standardized labelling, sorting and performance standards are achieved. Only then could they would be easily separated and managed at the requisite industrial facilities, without fouling plastic recycling processes.

Reusable Bag - Usage Rates

The success of any single-use plastic bag regulation will depend on the resultant net environmental impacts caused by the shift away from HDPE bags, towards one or more bag alternatives. Any successful shift to reusable bags must promote the uptake of a minimum number of cloth reusable bags used well over a 100 times each, to avoid excessive production, use and waste generation. This success can only be reached if reusable bag alternatives are sustainably designed, reused a “sufficient” number of times, and retired sustainably.

A small 2014 online survey suggested that a sample of USA consumers were reusing their NWPP bags only 15 times, and only slightly more in communities with bag legislation¹⁴. The study also suggested that heavier weight plastic bags (LDPE) held the least potential to be reused (~3 times). These low re-usage rates of any reusable bag must be overcome for a bag regulation to be

¹⁴ Edelman Berland. (2014, May 15). *Reusable Bag Study*. Retrieved May 15, 2014, from [www.slideshare.net: http://www.slideshare.net/EdelmanBerland/reusable-bag-study-results#](http://www.slideshare.net/EdelmanBerland/reusable-bag-study-results#)

successful. This study also highlights the poor recycling rates of LDPE plastic bags. LDPE bags are challenged by low rates of reuse and recycling, and risks once littered, which are all important factors in determining what role the LDPE bag should play in any future bag legislation. That being said, the comparative net environmental impacts of LDPE bags, if used a “sufficient” number of times, should not be ignored.

Research from the City of San Francisco has defined reusable bag design standards must accommodate over 125 uses¹⁵. Retailers and customers will have to adopt the habit of reusing checkout bags well over 100 uses. Many different bag types, each with different reuse targets, could confuse the public, whereas a common target for all reusable bags will likely increase understanding and habit-forming. The low reuse and recycling rates and littering risk of LDPE bags support their restriction via this bylaw. Instead, a checkout design and reuse standard of 125 uses could help build a common understanding and habit towards reusable bag adoption.

THE RISKS AND BENEFITS OF A PLASTIC BAG BAN

All stakeholders agree that a wholesale shift to sustainable reusable checkout bags is an ideal end-state, and that increased education and awareness is required for meaningful consumer behaviour change. Many stakeholders believe that a rapid shift is required to avoid the most negative impacts from this growing waste-problem, and that a regulatory ban is the most appropriate and effective management option. Other stakeholders consider an immediate or near-term ban too severe and disruptive, and one which poses several risks of disproportionate unintended consequences. Alternatively, this group considers that additional education and awareness and even a bag levy should be favoured, instead of any ban.

The long term phasing-out of materials that quickly become waste is the most sustainable and responsible outcome, but views differ on how to best achieve it. Council has clearly expressed their favour for a deliberate, phased-in ban of single-use plastic bags, and that more education and awareness is necessary to equip consumers and business with additional information and tools necessary to shift towards reusable checkout bags.

A ban on single-use plastic bags may result in the following potential advantages or **benefits**:

- Rapid and consistently applied shift away from single use plastic checkout bags across the community,
- A deliberate shift towards more sustainable business and consumer behaviours;
- Improved waste avoidance, and subsequent cost and operational savings, and potential level-of-service enhancements;
- Reduced risk of community litter and debris, reduced risk of cross-contamination of other recycling and compost streams, and reduced risk of underground infrastructure fouling.

Unless properly mitigated, a ban on single-use plastic retail bags, could potentially result in the following disadvantages or **risks**:

- Unintended, increased paper bag use, and greater financial, environmental and social impacts,
- Unintended, excessive reusable bag use, and subsequently greater resource intensity and subsequent financial, environmental and social impacts;
- May dissuade businesses from investing in their own proactive waste management programs (extended producer responsibility, take-back or waste-minimizing), due to any imposed bag regulations that penalize with additional costs and hardship,
- May disrupt business and consumers, who have to plan and prepare differently for bag

¹⁵ How to verify if a reusable bag meets the checkout bag ordinance requirements. San Francisco Environment. Reusable bag requirements. Available online at: https://sfenvironment.org/sites/default/files/editor-uploads/zero_waste/pdf/sfe_zw_check_out_bag_verification.pdf

- alternatives;
- May create market forces that result in undesirable financial or social impacts across the supply chain;
 - May confuse or dissatisfy consumers if regulation is unfamiliar or incoherent with regional or provincial programs;
 - Cause concerns of an actual or perceived customer revenue loss due to an unwillingness to pay for more sustainable bag alternatives;
 - Allocation of resources to away from higher priority waste management issues.

ANNEX B: ADDITIONAL STAKEHOLDER CONSIDERATIONS / INFORMATION

Environmental Advocacy Groups

The local Surfrider Foundation chapter and Glenlyon Norfolk School students continue to lead efforts to raise awareness in support of a ban of plastic retail bags. This bid aligns with Surfrider's international corporate program to minimize plastic ocean waste. These teams, supported by other environmental advocacy groups and concerned citizens continue to engage directly with the public, businesses and local governments on this issue, and has partnered with various retailers to successfully shift them away from single use plastic checkout bags.

The groups support an immediate ban on single use plastic bags, the rapid shift to reusable bags, and any action to reduce litter and ocean debris. They support increased education and awareness efforts, strong collaboration and incentivized strategies to help progress change. They also offer creative options for managing outstanding issues like surplus plastic bags after any regulation begins, which include repurposing ideas, art displays, buyback programs, and design programs. These groups continue to give freely of their time to meet one on one with stakeholders to share their ideas, stewardship experiences, and resources. It is assessed that these groups have broad support across community, with over 10,000 signatures on their own petition in support of a ban on single use checkout bags.

Business Representatives

Several meetings have been conducted with business leaders from retailers across the community, with a majority who are opposed to an outright ban on single use plastic bags, and a minority from some select businesses (including one major retailer and grocery store) that are strongly in favour of a ban, and its positive, sustainable impact on businesses and the community.

Retailers at these meetings included representatives from business advocacy groups, local regional, and national retailers, and boutiques as follows: Retail Council of Canada, Greater Victoria Chamber of Commerce, Downtown Victoria Business Association Capital Iron, London Drugs, Shopper Drug Mart, Mountain Equipment Coop, city shopping mall managers, Loblaws, Yates Street Market, local boutiques, gift stores, book stores and others.

Retail Store - Voluntary Actions to Reduce Bags

Save On Foods has recently introduced a bag levy of five cents for all plastic checkout bags, and a 10 cent charge for paper bags. Thrifty Foods offers a three cent rebate for those who bring their own carrier bags. Both Whole Foods (Saanich) and Thrifty Foods currently stock only paper check out bags (note: Thrifty's does not use post-consumer recycled paper). Whole Foods also has a Nickels for Non-Profits program where five cents is donated to charity each time a consumer brings their own bag. At Hillside Mall, customers are invited to return their single use plastic bags through a "Bank a Bag" program. For each bag returned, they donate five cents to World Fisheries Trust, up to \$1,500 per year. In addition to this program, Hillside Mall's Sea Rangers Kids Club completes two to three beach clean ups each year to remove plastic bags and other waste from the ocean. Other retailers ensure that bag-free checkout options are promoted at the till, and reusable bag alternatives are available in store.

RecycleBC - Provincial Programs

Both the CRD and the Province support efforts to reduce single-use packaging waste and any efforts to reduce wasteful behavior, but have not yet identified any intent to increase regulations associated with single use plastic bags. The Province has approved the Recycle BC program (previously – "MMBC"), which focus on Extended Producer Responsibility (EPR) for packaging and

printed paper (PPP), which requires industry to improve take-back of PPP and minimize waste to landfill.

RecycleBC has stated that it is “the first 100% Extended Producer Responsibility (EPR) program in Canada where industry assumes full financial and managerial responsibility for the residential recycling system. The program is funded by over 1,200 businesses that supply packaging and printed paper to BC residents, shifting costs away from homeowners. Recycle BC ensures household materials are collected, sorted and responsibly recycled and each year publishes an annual report that details the amount of material collected and recycled across the province and by regional district. All plastic collected through the Recycle BC program is sold to end markets in British Columbia”¹⁶.

Recycle BC is uniquely situated as the bridge between industry / business and government, and is motivated and an active partner in the development of effective programs to ensure materials are reintroduced as viable nutrients in recycling loops. The focus of the current Recycle BC programs is on recycling activity, using curbside or depot recycling for many types of materials. RecycleBC is active and willing to partner with industry on the development of new materials and schemes that will potentially increase diversion and recycling rates. Their mandate is not currently focused on waste-prevention programs. Their program has received some criticism for not achieving more meaningful reduction of plastic film waste, and some would argue that bolder action is required.

Recycle BC also stated repeatedly that their recovered plastics are NOT shipped to overseas markets within their program, suggesting that if any overseas shipping was to take place, it would be through private buyers and sellers of recycled materials. The City has not been able to confirm or refute this claim, and there may still be a risk that other private plastic recovery schemes do sell to overseas markets that could possibly end up as litter or ocean debris. More analysis would be required to gain further assurance or determine actual risks in this area.

Absent Business Stakeholders

Several city retail stakeholders were not able or chose not to participate in the series of meeting organized by the City or the business groups. Various large grocery chains, retailers, and restaurants have not been present at sessions to date, and could potentially have different or important views to share. This information should be sought via an initial review period of any legislation, and reported to Council for consideration.

Neighbouring Municipalities

Several CRD municipalities are reviewing the issue of single-use checkout bag waste and sustainability, and most recently, Saanich (October 3, 2017) has expressed unanimous support for regulation of single-use plastic checkout bags, and subsequent fee for paper and reusable bags. This issue has been referred to Saanich staff for committee review and consultation before coming back to Council in the coming months.

¹⁶ From RecycleBC correspondence to the City of Victoria, October 17, 2017.