

SINGLE-USE RETAIL ENVIRONMENTAL FEE

Results from the Report on Public Consultation – Waste Reduction and Recovery Program Expansion showed that Northwest Territories (NWT) residents are concerned about the environmental and aesthetic effects of plastic bags littering their communities and landscape. Many residents suggested that the Department of Environment and Natural Resources (ENR) work toward the elimination of these bags from the NWT.

Many stores and individuals are already taking their own steps to promote reusable bags, and ENR applauds those efforts. In March 2009, ENR launched a public awareness campaign to encourage the voluntary use of reusable retail bags. The campaign included the distribution of two free reusable bags to every household in the NWT.

Various methods of reducing single-use retail bag consumption have been tried in cities, towns and countries around the world. A fee on single use bags has consistently worked to reduce consumption, with higher fees generally being linked to fewer bags purchased.

ENR is developing regulations under the NWT *Waste Reduction and Recovery Act* to implement a 25¢ environmental fee for single-use plastic and paper retail bags in fall 2009. The regulations will initially be applied to single use plastic and paper bags provided at grocery store check-out counters and will include only bags that are designed for carrying purchases out of the store. The regulations will not include bags used inside grocery stores for unpackaged bulk items such as produce, bakery items or candy. It does not include bags such as dry cleaning bags, prescription bags or bags used as primary packaging for prepared foods.

Revenue generated by the environmental fee will be directed to ENR's Environment Fund. It will be used for program administration and to fund expansion of waste reduction and recovery programs in the NWT. The Environment Fund was established under the *Waste Reduction and Recovery Act* to handle all income and expenses related to legislated waste reduction and recycling programs. No new tax-based funding will be required to administer this program. If the environmental fee

Single-Use Retail Bag:

A bag that is designed for a single use, not intended to be primary packaging for a product, and is supplied at the point of sale to carry purchases out of a store.

It's not just plastic...

Paper

Studies show evidence that paper bags are not necessarily a better environmental choice overall because they require more natural resources and energy to manufacture and ship than plastic bags. We do not want to solve one problem by creating another.

Biodegradable

Biodegradable plastic bags are considered more environmentally friendly than conventional plastic, but they are normally designed to break down under specific environmental conditions - such as in a controlled commercial composter. If the proper conditions do not exist, they can take a long time to decompose, which will not solve a litter problem.

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is successful in reducing bag consumption, revenue will be minimal.

The first phase of the program will include the retail grocery sector, which is thought to account for the consumption of approximately half of all single-use retail bags in the NWT. Within two years, ENR will take steps to implement phase two. Actions in phase two will depend on results from current consultations and the program review of the environmental fee on grocery bags. Phase two will be an expansion of the levy to include all other retail sectors, or a total ban on all single-use retail bags in the NWT.

While the fee will initially include only grocery stores, all retailers will be targeted in future single-use bag reduction efforts. Therefore, input from all retailers is important at an early stage in program development.

The general process for the environmental fee will require customers to pay 25¢ to the retailer for each single-use retail bag provided at the check-out. The revenue would be passed on to ENR. At this time, ENR would like information from retailers about how and where they purchase their bags, and input on preferred methods of remitting the fee. This information will help ENR determine who will be responsible for remitting the fee, and at what point in the bag distribution chain.

To roll out this program smoothly and to keep the administration as simple as possible for everyone involved, we would like to hear from you – the retailers who will be affected by this fee and potentially by a bag ban in phase two of the program. If you are interested in providing input, please take a few moments to fill out the attached questionnaire. Completed questionnaires may be returned to:

Single-Use Retail Bag Fee Program
Environment Division
Environment and Natural Resources
Government of the Northwest Territories
Box 1320 Yellowknife NT X1A 2L9

Fax: 867-873-0221

Email: nwtrecycle@gov.nt.ca

June 1, 2009

Program Summary...

Bags: All paper and plastic single-use retail bags of any size

Does not include: Small plastic or paper bags used in-store for produce, bulk items, prescriptions, etc

Phase one (immediate): Grocery stores will be required to collect a bag fee

Phase two (within 2 years): All retailers will be affected by either a levy or a total ban on single use retail bags

Process: To Be Determined with your input

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QUESTIONNAIRE (please write your answers on a separate sheet if you require more room)

Name:

Store:

Community:

1. Approximately how many of each plastic and/or paper bags do you hand out at checkouts annually?
2. Approximately how much do you spend on plastic and paper retail bags annually?
3. Approximately how many retail bags do you purchase wholesale at a time?
4. Do you purchase your bags from an NWT distributor, or from outside the NWT? If possible, please provide the name of your distributor.
5. The environmental fee will require customers to pay 25¢ for each single-use bag provided at the checkout, which means the retailer will be responsible for passing the levy along. Would you prefer to:
 - a. Pay the upfront when you purchase bags wholesale, and recoup the cost later from customers; or,
 - b. Collect from the customers first and then remit them to ENR?
6. During the second phase of this program, would you rather see a total ban on single-use retail bags in the NWT or expansion of the environmental fee to include all retailers? Why?
7. Do you think that any single-use retail bags (as defined in the sidebar on page 1) should be exempt from the levy?
8. Do you have any other comments or suggestions about the environmental levy?

Results of the consultation will be posted on the ENR website upon completion