

April 9, 2021

The Honorable Jonathan Wilkinson, P.C., M.P.
Minister of Environment and Climate Change Canada
200 Boulevard Sacré-Coeur
Gatineau, QC J8X 4C6

Dear Minister,

The Household & Commercial Products Association¹ (HCPA) offers this letter on the proposed *Volatile Organic Compounds Concentration Limits for Certain Products Regulations* as we stand in support of the Canadian Consumer Specialty Products Association (CCSPA).

Many HCPA members formulate, manufacture, supply and market cleaning and disinfecting products that are essential for keeping homes and workplaces safe and healthy environments from the COVID-19 pandemic. Companies have invested significant resources to ensure that consumers and workers have available these products and others which are needed to improve their daily lives.

HCPA and its members have worked with the U.S. Environmental Protection Agency, California and the numerous state environmental agencies over the past thirty years that have developed regulations to limit the volatile organic compound (VOC) content in consumer products. In our letter dated September 18, 2020 concerning the proposed *VOC Concentration Limits for Certain Products Regulations*, we outlined numerous points of concern with the proposed amendments, including a flawed Regulatory Impact Assessment Statement (RIAS), an inaccurate cost-benefit analysis, and unworkable regulatory text, which potentially sets up both our industry and ECCC for possible failure in achieving our mutual goals of improving air quality.

HCPA supports the Department's intention to align with the California Air Resources Board (CARB) Consumer Product Regulations, but the current proposal is not aligned to CARB's regulation, particularly with respect to the product definitions. During the past 30 years, CARB has carefully crafted the definition for each product category to define precisely how the VOC limits for each product category will apply to a particular consumer (or institutional) product.

¹ The Household & Commercial Products Association (HCPA) is the premier trade association representing companies that manufacture and sell \$180 billion annually of trusted and familiar products used for cleaning, protecting, maintaining, and disinfecting homes and commercial environments. HCPA member companies employ more than 200,000 people in the U.S. whose work helps consumers and workers to create cleaner, healthier and more productive lives.

Moreover, the CARB definitions are carefully constructed to be unambiguous and mutually exclusive to ensure that no product is inadvertently subject to more than one VOC limit. To fully realize the benefits from this regulation, HCPA recommends that the Department defines product category definitions closer to CARB's definitions so that product manufacturers and distributors have the clarity and certainty needed to comply with the VOC limits and the Department is able to fairly enforce the requirements that will be established by the new regulations. Failure to do so will result in a regulation that cannot be considered to be "aligned" with CARB and the disharmony between regulations will impede a "level playing field" and lead to confusion by both industry and enforcement, leading to costly business operations by having country specific requirements even though the intention was to be aligned.

Beyond the issues with the definitions, HCPA continues to have concerns with the Regulatory Impact Assessment Statements (RIAS), VOC benchmark data and Cost-Benefit Analysis, which includes misleading information and inaccurately assess the cost, benefit and value of the proposed regulations. The RIAS confirms that more than 90% of the products are already compliant with CARB, thus reducing the VOC content of less than 10% of the remaining products will not result in the expected benefits of nearly \$500 million over the first seven years after the regulations come into force. Further, there are substantial costs to product manufacturers and distributors which are not captured. For instance, the record keeping requirements in Section 23 and 24 of the proposed regulations are applicable to all products will result in substantial administrative burdens, which companies will have to expend resources to comply with.

Because a majority of products already comply, HCPA supports CCSPA's suggestion of updating the 2002 Voluntary Guideline to incorporate the CARB 2010 requirements. Given the pandemic and the need to focus on economic recovery, resources that would be spent on government administration costs for this proposed regulation could be instead spent on the economic recovery, and the definitions could be incorporated directly from CARB's regulation, giving all stakeholders the clarity and certainty needed. If the Department decides to continue to proceed with a proposed regulation, then the Department should conduct a new survey, as requested in 2018 by CCSPA, to gather accurate up-to-date information. Only then can a cost-benefit analysis be accurate.

HCPA is committed to continuing to provide our expertise in working with CCSPA and Canadian officials, and with all stakeholders on these proposed regulations. HCPA supports the stated goal of aligning the proposed regulations with the CARB Consumer Products Regulation as it would provide consistency across North American, provide a level playing field to manufacturers and importers of consumer products and avoid varying (*i.e.* conflicting) requirements across jurisdictions. However, given the issues with the proposed *Volatile Organic Compound Concentration Limits for Certain Products Regulations* which were published in the Canada Gazette, Part I, on July 6, 2019 and the amount of time that has passed since that publication, HCPA believes that more work is necessary before the Department can move forward with a new publication in the Canada Gazette, Part I publication.

HCPA members will continue to expend resources to meet the needs of Canadians during this pandemic as we all move into recovery. We all remain focused on the goal to ensure that everyone has the technology and products needed so that Canadians have clean homes and workplaces for the months and years to come.

Respectfully submitted,

A handwritten signature in cursive script that reads "Nicholas Georges".

Nicholas B. Georges

Vice President, Scientific & International Affairs