June 4, 2024

The Honourable Claude Carignan, P.C.
Chair, Standing Senate Committee on National Finance (NFFN)
The Senate
Ottawa, Ontario
K1A 0A4

Via e-mail: claude.carignan@sen.parl.gc.ca

Dear Senator:

The Canadian Consumer Specialty Products Association (CCSPA) is writing to you today with our concerns and recommendation regarding section 236(1) of Bill C-59 and the corresponding addition of paragraph 74.01(1)(b.2) to the *Competition Act*.

CCSPA is a national trade association that represents 42 member companies across Canada that manufacture, process, package and distribute consumer, industrial and institutional specialty products, such as soaps and detergents, pest control products, aerosols, hard surface disinfectants, deodorizers and automotive chemicals. We are a \$5.5 billion industry directly employing over 8,000 people, with annual exports of \$2 billion.

CCSPA supports the role of the Competition Bureau in regulating environmental claims and its mission to provide a level-playing field for Canadian businesses and ensuring truth in advertising. Furthermore, CCSPA supports the original text of section 236(1) of Bill C-59, which would amend the *Competition Act* to provide necessary clarity on its scope and provide a new tool to the Competition Bureau to regulate environmental claims. However, CCSPA does not support reducing the central role of the Competition Bureau in enforcing the *Competition Act*, as would be the case with the civil procedure described in Division 6 of Part 5 of Bill C-59, or the proposed addition of paragraph 74.01(1)(b.2), which would cause significant regulatory burden and uncertainty for Canadian businesses.

The proposed addition of paragraph 74.01(1)(b.2) to the *Competition Act*, as amended according to the report of the House Standing Committee on Finance (FINA), would substantially change the landscape for industry by legislating environmental claims of a "business" rather than those of a "product". Since 2008, the Competition Bureau has focused on a "product" based approach and achieved compliance via its guidance document, *Environmental claims: A quide for industry and advertisers*. The immediate shift of the legislative landscape to a "business" based approach would come without corresponding guidance and contrary to the recommendation for further

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study of the Commissioner of Competition.<sup>1</sup> The impacts of the "business" based approach are exacerbated by the reduced enforcement oversight of the Competition Bureau with the expanded role of civil courts and cases raised by private persons.

CCSPA requests that the Committee remove the addition of paragraph 74.01(1)(b.2) to the *Competition Act* in Clause 236(1) of Bill C-59. CCSPA recommends that the Competition Bureau retain full enforcement oversight for section 74.01 of the *Competition Act* and that corresponding changes are made to Division 6 of Part 5 of Bill C-59. CCSPA encourages the Committee to consider opportunities for further study of a "business" based approach to environmental claims, consistent with the recommendations of the Commissioner of Competition and following due process for stakeholders.

I look forward to working with you and the Committee on Bill C-59. Please contact me at 613-791-2480 if you have any questions.

Sincerely,

Shannon Coombs

Sharron/Combs)

President

cc:

Hon. Chrystia Freeland, Deputy Prime Minister and Minister of Finance Hon. François-Philippe Champagne, Minister of Innovation, Science and Industry Hon. Steven Guilbeault, Minister of Environment and Climate Change Senator Marc Gold, Leader of the Government in the Senate

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<sup>&</sup>lt;sup>1</sup> Competition Bureau Submission to FINA and NFFN - March 1, 2024