



Environment, Water
and Climate Change

Plastic Bag Reduction Act

What YOUR BUSINESS Needs to Know

Bill No. 114, the ***Plastic Bag Reduction Act*** received Royal Assent on June 12, 2018 and **will come into force on July 1, 2019**. The intent of the Act is to reduce waste and environmental damage resulting from single-use checkout bags, by incenting the shift to reusable bags.

Here are some of the key points businesses “need to know”:

- **The *Plastic Bag Reduction Act* comes into force on July 1, 2019.**
- The Act prohibits a business from providing plastic checkout bags to customers.
- The Act applies to all businesses that provide checkout bags (not just grocery).
- The Act prohibits biodegradable or compostable checkout bags.
- A business may provide a customer with a paper bag or a reusable checkout bag.
- A business is required to charge a minimum of \$0.15 for a paper checkout bag.
- A business is required to charge a minimum of \$1.00 for a reusable checkout bag.
- A business will retain the fee collected for both the paper and reusable checkout bags.
- The fee is subject to HST and should appear on the customer receipt.
- A business is prohibited from providing free paper or reusable checkout bags, except for a “small paper bag” that may be provided at no charge (<= 600 sq. cm – note variance from Act).
- Paper bags must be recyclable.
- Some limited exemptions are provided for loose items, food safety, medications, dry cleaning or some bulk items (*please refer to sub-section 5 of the Act for list of exemptions*).
- A bag used to protect prepared foods is exempt. A bag used to transport protected prepared foods is included.
- During the transition period (July 1-December 31, 2019), a business may use up existing bag supplies purchased prior to the coming into force of the Act.

Reusable bags are encouraged, as they are generally of higher quality, hold more and provide a durable marketing and branding opportunity for Island businesses.

We encourage all businesses to review their obligations under the *Plastic Bag Reduction Act* to ensure they have the appropriate inventory of checkout bags on July 1, 2019.

We welcome your questions and comments to jshughes@gov.pe.ca

In the event of a discrepancy between the information provided above and the Plastic Bag Reduction Act, the Act shall prevail.