



CANADIAN FERTILIZER INSTITUTE

INSTITUT CANADIEN DES ENGRAIS

**Submission to:
Standing Committee on Environment and Sustainable
Development
Statutory review of the Canadian Environmental Protection Act,
1999**

**Ottawa
Sept. 21, 2006**

- I would like to thank the committee for inviting the Canadian Fertilizer Institute here today to discuss the issue of toxic stigma.
- Canada's fertilizer industry:
 - Contributes \$6 billion annually to the Canadian economy and employs 12,000 Canadians.
 - Has farm gate sales valued at about \$2.5 billion a year.
 - Exports some 75% of its total production, supplying fertilizer materials to over 40 countries.
- Our member companies make and supply food for plants. Fertilizer is essential to Canadian agriculture and the production of wholesome food. Fertilizer products are beneficial, life-giving, occur in nature and are not inherently toxic.
- The Canadian Environmental Protection Act (CEPA), Canada's fundamental environmental legislation, includes a list of substances that are considered toxic under the Act.
- "Ammonia dissolved in water" and "gaseous ammonia", both forms of nitrogen fertilizer, are on this list. Potassium chloride, or potash, has also been subject to the listing process for "road salts". This doesn't make sense.
- There is no reason to impose a toxic stigma on life-giving products such as ammonia or potash fertilizers, which are plant nutrients used in the production of wholesome foods on Canadian farms.
- Like many beneficial substances, fertilizers have to be used properly in the environment. But they are not inherently toxic.
- The Canadian Fertilizer Institute made this case to this committee last year when an amendment to take the term "toxic" out of CEPA was included in the budget bill. While the committee rejected that amendment – largely because it was connected to the former governments plan to regulate greenhouse gases -- Members of Parliament recognized unanimously in the committee report that there is a problem:

"The Committee acknowledges that there are problems with using the word "toxic" for every substance that meet the criteria of section 64 of CEPA. Labelling such substances as ammonia in water (which is listed) and road salt (which met the criteria but has not been listed) as "toxic" is confusing to Canadians who use them in very different circumstances and may give an unfair stigma to products produced by Canadian industry." (*Report of the House of Commons Standing Committee on the Environment, 2005*)

- In March 2005, the President of the Canadian Council of Ministers of the Environment, Honourable Kerry Morash, wrote to federal Environment Minister Stéphane Dion and federal Health Minister Ujjal Dosanjh to outline the position of the provinces on needed reforms to CEPA arising from the Five-Year Review of CEPA. Among the consensus arrived at by the provinces is an explicit request for CEPA to use a new term to replace “CEPA toxic” – one that would avoid the stigma attached to the term “toxic”.
- What the public needs to know is the specific source and location of environmental problems. Pollution is created by human activities that release products or substances. In the case of some substances, there is no safe level that can be released to the environment. In many other cases, pollution is caused when useful substances or products are released to the environment in the wrong place, at the wrong time or in too high a concentration. Generating generic lists of “toxic” substances is a wasteful bureaucratic exercise. Needlessly stigmatizing beneficial substances and products is counterproductive.
- Canada needs legislation to enable an Environmental Management Strategy that focuses on identifying specific challenges and encouraging stakeholders to develop and implement economically and environmentally sustainable management plans. The development of Environmental Farm Planning and Best Management Practices under the federal-provincial Agricultural Policy Framework is a good example of how this should work.
- It was counterproductive for Environment Canada to undertake a long and expensive review of “ammonia” to determine if the substance should be added to the CEPA Schedule 1 list of toxic substances. The real targets were very specific environmental problems such as municipal treatment facilities releasing wastewater with high concentration of aqueous ammonia directly into rivers and killing fish. The Department ended up listing “ammonia dissolved in water.” It would have made more sense to have identified the specific point source and focused on working with cities and towns on the actual problem from the start. While the context for the list was contained in the background material for the official notice, the potential for damage to the public reputation for our products is real.
- Government and industry need a framework to develop cooperative environmental management plans that are effective, realistic, public and accountable. A good example of that kind of outcome was the road salt environmental management plan.
- CEPA creates an adversarial atmosphere focused on negative labels that actually impede effective national environment management systems. For

example, by placing toxic stigma on products in commercial use, scarce resources are wasted in conflict. The focus should be on implementing cooperative environmental management systems that will benefit the environment for all Canadians.

- There is a serious concern about the impact on the ability to sell into the international marketplace if the government needlessly designates substances as toxic. For instance, Canada is the world's number one supplier of potash. This market is highly competitive and many countries closely regulate their agricultural production systems. If potassium chloride is designated toxic, customers would become subjected to the arguments from competitors outside of Canada that Canadian potash should not be purchased because the Canadian government considers it toxic. This is a highly sensitive issue in the food industry, which has frequently been subjected to non-scientific accusations influencing public perception and creating trade barriers.
- In the final analysis, our industry has three simple recommendations:
 1. Remove the label of "toxic" from the list of substances.
 2. Include a clear context to describe the specific circumstances under which a substance needs be managed.
 3. Ensure that the use of CEPA is focused on situations where there is a clear need for action. Contingent regulation makes for poor public policy.
- The fact that a "toxic" designation has been pinned on ammonia, a life-giving substance essential to Canadian agriculture and the production of wholesome food, is clear evidence that CEPA needs to change.