

CHEMISTRY INDUSTRY ASSOCIATION OF CANADA

ASSOCIATION CANADIENNE DE L'INDUSTRIE DE LA CHIMIE

Chemistry Industry Association of Canada National Advisory Panel

Teleconference May 16, 2016 1:00 pm – 2:00 pm

National Advisory Panel:

Michelle Adams Nadine Gudz Richard Janda Gail Krantzberg Brenda Lorenz Errol Mendes Andre Morriseau Ron Ormson Bruce Walker **CIAC:** Gilles Laurin Luc Robitaille

PDA: Francis Gillis John Vincett

<u>Regrets:</u> Jane Lister Pat McLean Ken Ogilvie Keith Purves

Panel members discussed the latest version of CIAC Triennial Plan for 2017 – 2019. They also discussed the date and venue for the next Panel meeting.

Agenda Item 1: The Triennial Plan

John Vincett began the discussion by summarizing what he heard Panel members saying in comments provided in advance of today's call:

1. The Panel is supportive of the letter from the verifiers which seeks to retain the key points of special importance to Canadian Responsible Care, which are local public input, transparency and the ethical basis conversation. These items are seen as instrumental in the "be credible" portfolio.

2. The panel members are generally supportive of the draft for the Triennial – with a couple of caveats: a concern about apparently giving priority to business viability over climate change initiatives, and insufficient emphasis on public accountability. Panel members think that CIAC could argue the point about climate change from a more constructive standpoint, emphasizing the innovation opportunities, rather than seeming to make climate change initiatives a potential deal



breaker for the industry. It was also suggested that there was less of an orientation to the importance of the "public" in the document, than perhaps in previous Triennial documents. Panel members see the transparency to the public as a key element of Responsible Care. So there is potential to add some text to allay this concern.

3. Potentially there is a conflicting viewpoint between the thrust of the verifiers' letter, which the Panel supports, and the initiative to embrace RC14000, the American way. Panel members are mindful of the serious issues facing CIAC in terms of membership retention and growth, and they accept that some compromise will be necessary. The challenge will be to embrace the larger membership opportunity in recognizing American/World standards and also try to retain the credibility of Responsible Care as built up in Canada with various plant community publics and broader stakeholders.

During the conference call, there were no strong differences of opinion among Panel members. Key points of the discussion:

- In the document's discussion of climate change, there should be more emphasis on the opportunities rather than portraying climate change policies as a threat. For example, CIAC could say: "We'd like to sit down with the Government of Ontario to discuss how the chemistry industry could help to achieve climate change goals," rather than seeing the issue simply as a problem for industry.
- Accountability, particularly to the community, should be more in evidence.
- This document is more industry centric than previous Triennial plans. There is more a sense of speaking for industry and less of social concern.
- There should be more passion expressed in the document. This is a challenge, but it is important to note that Responsible Care has always been about passion. That is, it has always been about doing the right thing rather than just meeting the letter of the law or regulations.
- It is important to find creative ways to integrate Canadian strengths into the international practice and verification of Responsible Care.

Luc commented that the Panel comments were very interesting. He remarked that the document doesn't always recognize the impression of certain words, e.g. positioning climate policies as potentially "undermining" the business interests of the chemistry industry.

Regarding Responsible Care verification, he noted that he and Bob Masterson are working closely with the American Chemistry Council on a memorandum of understanding on how to work Canadian elements into RC14000 audits for CIAC members. He said that ACC is amenable to adding these elements, and that developing an MOU by the fall "looks doable."

Luc responded to Council questions and comments:

- Most companies operating in Canada are based in the United States, but do companies based in other countries have their own verification systems? More and more companies are adopting the U.S. auditing model. It is becoming the global model.
- In my opinion, two elements of the summary verification report are non-negotiable: it

should be more than two pages long, and it should be publicly available for all time. That is our intention. I'm not sure we can get our way on length of the summary but definitely public availability is a basic principle for us.

Regarding how CIAC should react to Ontario's climate change discussion, Luc referred Panel members to the Association's draft climate change principles. There are two parallel messages, he noted:

- 1. The need to address global competitive pressures on the Canadian chemistry industry, especially after 2020
- 2. The importance of re-investing revenues from carbon pricing schemes into sustainable and economically efficient, domestic emissions reductions opportunities

Luc continued to respond to Council questions:

- *I'm concerned about the tone of the document regarding climate change issues.* Yes, it is a bit defensive. That is because of CIAC's concern regarding policy directions after 2020.
- Ontario is looking at cap and trade mechanisms to address climate change. What is CIAC's position on cap and trade versus a carbon tax? We do not have a position. We don't have a consensus on this question among member companies or even among staff members.

Luc added that the document's key message to government is the chemistry industry is part of the solution to climate change.

John heard the Panel saying that the challenge is how to more effectively put that message into the document: that industry is innovative rather than just reactive.

Agenda Item 2: Next Panel Meeting

There was a discussion about the date and venue for the next Panel meeting. It was noted that an early September date would make it very difficult for NAP members who are professors, as college and university classes are just starting the fall term at that time.

There was strong interest in the TransCAER event in Prince George, depending on its timing.

Possible August dates in Manitoba were mentioned.

John said that we might have to consider a different meeting without the educational train.

It was agreed that this matter will have to be further considered off-line.