





July 22, 2025

The Honourable Mike Pemberton Premier of Yukon Government of Yukon Box 2703 Whitehorse, YT Y1A 2C6

## **RE:** Request for Delay and Economic Impact Review – Extended Producer Responsibility Regulations

Dear Premier Pemberton,

On behalf of the Whitehorse Chamber of Commerce, Yukon Chamber of Mines and Yukon Contractors Association and our member businesses, I am writing to express the Yukon business community's urgent concerns regarding the upcoming implementation of the Extended Producer Responsibility (EPR) regulations. These concerns were most recently voiced during a stakeholder roundtable the Chamber facilitated on July 9, 2025, where businesses of all sizes from across the territory shared their experiences and frustrations with the current EPR rollout. We respectfully urge your government to address these issues before the program proceeds further, and we recommend two key actions to ensure the EPR initiative is implemented in a workable, transparent, and economically sustainable manner.

The Whitehorse Chamber has been engaged on EPR since its early stages. In our joint letter with the Yukon Chamber of Commerce in April 2022, we acknowledged the environmental rationale for EPR but cautioned that any program must be tailored to Yukon's unique realities. We emphasized then that Yukon's small population, vast distances, limited waste-management infrastructure in our rural communities, and the fragile state of our local recycling industry all necessitate a *careful*, *made-in-Yukon approach*. We also stressed that the new regulations should **not increase the cost of doing business in Yukon**, especially as many businesses were still recovering from the economic impacts of COVID-19. In February 2023, we echoed these points in a letter to Environment Minister Nils Clarke, forwarding numerous unanswered questions from Yukon businesses about the proposed EPR system's scope, costs, and implementation. Again in March 2024, at the Yukon Government's "EPR Day" information forum, local businesses (including many of our members) were assured that their concerns were heard and that ongoing engagement would address issues as they arose. Despite these communications and assurances, the experience of Yukon businesses over the past year – and in particular the feedback we heard on July 9, 2025 – indicates that the EPR program's implementation is falling short in several critical ways.







Widespread confusion and inadequate communication. The rollout of EPR has been marked by confusion among businesses about their obligations and a lack of clear, consistent communication from authorities. Even now, with parts of the program already taking effect, many Yukon businesses are unsure whether or how the EPR regulations apply to them, what steps they need to take, and where to turn for guidance. The Chamber's own 2023 membership survey revealed that a majority of local businesses had little understanding of the EPR requirements and felt unprepared for implementation. Unfortunately, much of the promised outreach by Producer Responsibility Organizations (PROs) to Yukon stakeholders has been **uneven and insufficient**. The Whitehorse Chamber had to proactively reach out to each PRO in spring 2024 to ensure Yukon businesses could even participate in the development of the stewardship plans. While some PROs eventually held consultation sessions (for example, a June 2024 session on the Packaging and Paper Products plan), many businesses either missed the opportunity or were never effectively informed. To this day, there is no designated Yukon-based EPR liaison or single point of contact readily available to answer businesses' questions. This gap has left businesses feeling stranded – often bounced between Yukon Government offices and outside PRO organizations - without clear answers. In short, the communication and engagement to date have been inconsistent, leaving businesses of all sizes in the dark about what EPR means for them.

Disproportionate costs and competitive pressures. The financial burden that EPR is introducing has become a serious concern for Yukon's business community. Early indications suggest that Yukon businesses will be paying some of the highest EPR-related fees in Canada, due to our small market and geographic challenges. For example, one local retailer has reported that the new recycling eco-fee for a common AA battery in Yukon is around 10 cents per battery – a rate notably higher than in southern jurisdictions. Another business owner (at our July 9 roundtable) shared that the EPR fees they've been asked to pay on certain products will make their costs 500-800% higher in Yukon compared to what the same business would pay in British Columbia. These are staggering increases that no business here can absorb on its own. The fundamental issue is one of scale: because Yukon has so few producers and importers relative to larger provinces, the costs of the EPR program are being spread across a very narrow base. We understand that due to the exemption criteria in the regulations, only on the order of forty Yukon companies are officially obligated as "producers" under EPR. This means those few dozen companies are effectively responsible for funding the entire territorial program on behalf of everyone. Estimates put the total cost of the EPR program for Yukon at roughly \$10 million per year. Spread among roughly 40 obligated businesses, that averages out to an enormous \$250,000 per company annually. Such costs will inevitably be passed on to Yukon consumers in the form of higher prices, at a time when our territory is already grappling with affordability issues and inflation.

It must also be emphasized that **businesses of all sizes are feeling the strain**, not just the relatively larger firms caught by the official thresholds. Smaller businesses, while perhaps technically exempt from direct reporting or fees in some categories, are not insulated from EPR's impacts. They are **indirectly paying EPR fees** on the products they bring in (via higher supplier prices), dealing with the confusion of determining whether they need to register or not, and worrying about future liabilities.







Every business – from a one-person home-based venture to the largest retail chain – is now encountering new costs or administrative headaches related to EPR. The way the program is currently structured concentrates costs on a handful of companies, but ultimately **all Yukon businesses and consumers will bear those costs** one way or another. This situation creates a competitive disadvantage for Yukon-based companies (who must now factor these high EPR fees into their pricing) and threatens the viability of some local operations if nothing is done to mitigate the burden.

Rushed timeline and lack of meaningful local input. Another major concern is that the implementation timeline for EPR has been extremely aggressive, arguably at the expense of adequate preparation and local input. The development of the stewardship plans – the core blueprints for how the EPR programs operate – was conducted under a very tight schedule in 2024. Yukon stakeholders were given only a brief window (in some cases as little as 45 days over the summer of 2024) to review and comment on complex draft plans for multiple product categories. Many businesses simply did not have the capacity to engage on such short notice, especially if they were not aware of what was being proposed. As a result, key decisions about fees, collection systems, and reporting obligations were made without full Yukon business participation or understanding. Now, in 2025, the rollout is proceeding rapidly: EPR fees on some products (like batteries) have already come into effect, the used oil/antifreeze program is scheduled to start August 1, and the packaging and paper recycling program is slated for November 1. This compressed timeline – implementing three new waste stewardship programs within the span of a few months – is essentially a "big bang" launch in a small economy that has never had EPR before. Our members are telling us that the process feels rushed and untested. There is a strong sense that we are "learning as we go" – discovering major cost implications and operational challenges only after the fact, rather than having worked through them in advance. This reactive, lastminute approach heightens the risk of serious implementation problems and economic fallout.

Furthermore, the EPR rollout is happening amidst other uncertainties. The business community is navigating a post-pandemic recovery, ongoing supply chain difficulties, and labour shortages. We are also in a period of political transition: your new government has just taken office, and there is an upcoming territorial election on the horizon. These factors make it all the more prudent to **pause and reconsider the EPR implementation strategy now**, rather than charging ahead with a program that the community is not confident in. We believe there is an opportunity for your government, early in its mandate, to take a fresh look at EPR and ensure it achieves its environmental goals *without* inflicting unintended damage on Yukon's economy or small businesses.

In light of the above concerns, the Whitehorse Chamber of Commerce urges the Government of Yukon to take **two immediate actions** with respect to the EPR program:

1. Delay the implementation of EPR pending a full independent economic impact study. We respectfully request that the territorial government pause the further rollout of EPR regulations (and the enforcement of related requirements or fees) until a comprehensive post-plan economic impact







assessment can be conducted. This study should be carried out by an independent third party and should examine the real costs and economic implications of the EPR program as currently designed. It would evaluate impacts on Yukon businesses of all sizes (including administrative burdens and compliance costs), the potential pass-through costs to Yukon consumers, and effects on existing local recyclers and waste management operators. Crucially, this analysis should also consider whether the cost distribution and fee levels in Yukon are appropriate and competitive – or if they far exceed what businesses and consumers face in other jurisdictions for similar programs. The goal is to obtain an evidence-based understanding of how EPR will affect Yukon's economy *before* the program is irreversibly in motion. Armed with the findings of an independent study, the Government and stakeholders can then work together to adjust the EPR program as needed (whether that means revising fee structures, phasing timelines, providing subsidies or supports for small businesses, etc.). A temporary delay in implementation, tied directly to the completion of this study, is a wise and responsible step. It will ensure that we "get EPR right" rather than rushing into a system that could inadvertently undermine businesses or fall short of its waste reduction objectives. We cannot stress enough that a short-term pause now is far preferable to dealing with lasting economic fallout later.

2. Reset and strengthen engagement with Yukon businesses to improve transparency and program viability. The Chamber also calls on the Government of Yukon to renew its approach to stakeholder engagement for EPR, with a focus on direct, meaningful consultation with the Yukon business community. This would entail establishing clear lines of communication and accountability specifically for Yukon EPR implementation. For example, we recommend appointing or empowering a dedicated Yukon EPR liaison or working group (with representation from local businesses and chambers) that can facilitate two-way communication between government/PROs and the business community. Yukon businesses need a reliable channel to ask questions, get timely information, and provide input as the program evolves. In addition, we urge the government to hold a series of transparent engagement sessions and workshops in the coming months that actively involve affected businesses of all sizes – from major distributors to small retailers and entrepreneurs – in discussing implementation challenges and potential solutions. The commitments made at the March 2024 EPR Day (such as sharing interjurisdictional cost data and involving local stakeholders in plan development) should be honored and expanded upon. Going forward, updates on EPR should be regularly communicated in plain language, and any changes or decisions (for instance, how fee rates are set, how exemptions are handled, how compliance will be enforced in Yukon) should be made in consultation with those who will feel the impacts. This "engagement reset" is vital to restore trust and transparency. Yukon's business community must feel that it has a voice in shaping an EPR program that it ultimately has to implement on the ground. Only through genuine collaboration can we address the confusion and mistrust that have built up. From a practical standpoint, better engagement will directly improve the program's viability: if businesses are well-informed and feel heard, they are far more likely to comply with EPR requirements and support the outcomes. Conversely, if engagement remains poor, compliance will lag and the program's goals (environmental and otherwise) may not be achieved. In short, we need to bring







Yukon's businesses back to the table in a spirit of partnership – it is the only way to ensure the EPR initiative can succeed here in the long run.

The Whitehorse Chamber of Commerce stands ready to assist in both of these recommended efforts. We strongly believe that Yukoners share the same ultimate goal – reducing waste and protecting our environment – but we must pursue that goal in a manner that also protects our local economy and treats Yukon businesses as valued partners rather than targets. Our intent is not to oppose the concept of EPR, but to ensure its implementation is fair, transparent, and sustainable in the Yukon context. We are committed to working constructively with your government, the Department of Environment, and the PROs to **find solutions that balance environmental responsibility with economic practicality**. By taking a step back now to thoroughly assess impacts and by engaging directly with those who are affected, the Government of Yukon can correct the course of EPR implementation and avoid outcomes that help no one – not business, not consumers, and ultimately not the environment either.

Premier Pemberton, we urge you to give serious consideration to these requests. A brief pause and a reset now will pay dividends in the form of a more robust, widely supported EPR program that Yukon can be proud of. We appreciate that your administration is inheriting this initiative at a critical juncture, and we are optimistic that under your leadership the government will be open to recalibrating the approach in light of stakeholder feedback. Yukon's business community is eager to collaborate in making improvements that will ensure the success of EPR. We trust that our recommendations will be received in that spirit of constructive partnership.

Thank you for your time and attention to these pressing concerns. We would welcome the opportunity to discuss them with you or your team in more detail. The Whitehorse Chamber is prepared to help facilitate the proposed economic impact study and to convene further business input sessions, should the government proceed with the above actions. Our goal is to work with you toward an EPR program that achieves its environmental objectives while also maintaining a vibrant, healthy Yukon economy.

Sincerely,

**Andrei Samson** 

**Executive Director** 

Whitehorse Chamber of Commerce

**Jonas Smith** 

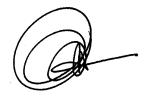
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