

# Submission to the Senate Inquiry Product Stewardship Amendment (Packaging and Plastics) Bill 2019

November 2019



## Status of this Submission

This Submission has been prepared through the Municipal Waste Advisory Council (MWAC) for the Western Australian Local Government Association (WALGA). MWAC is a standing committee of WALGA, with delegated authority to represent the Association in all matters relating to solid waste management. MWAC's membership includes the major Regional Councils (waste management) as well as a number of Local Government representatives. This makes MWAC a unique forum through which all the major Local Government waste management organisations cooperate.

This Submission therefore represents the consolidated view of Western Australian Local Government. However, individual Local Governments and Regional Councils may have views that differ from the positions taken here.

*This Submission was endorsed by the Municipal Waste Advisory Council on 11 December 2019.*

## Introduction

The Western Australian Local Government Association (Association) welcomes the opportunity to comment on the *Product Stewardship Amendment (Packaging and Plastics) Bill 2019* (the Bill) which aims to establish a mandatory product stewardship scheme for manufacturers, importers and distributors of consumer packaging and certain single-use plastics. The Association would also like to note that there is a considerable amount of activity at a National level currently. The National Waste Policy Action Plan was recently released, there are two Senate Inquiries and a Discussion Paper on Export Bans, currently out for comment. Local Government considers it imperative that any changes need to be progressed in a cohesive way to avoid fragmentation and duplication of effort. Clear leadership from the Federal Government, working with States and Territories and Local Government will be essential.

Local Government has consistently supported product stewardship and extended producer responsibility as ways of ensuring that producers are financially or physically responsible for their products at end of life. In its Submission on the Review of the *Product Stewardship Act 2011*, including the National Television and Computer Recycling Scheme, the Association highlighted the need to strengthen and expand the existing schemes to meet the objects of the Act. That is that product stewardship schemes covered all costs associated with end of life product management, not just the projected costs.

Waste Management is a significant activity for Local Government. Local Government provides for waste, recycling, Garden Organic (GO) and Food Organic Garden Organic (FOGO) kerbside collection, vergeside collections, operates landfills, processing facilities and transfer stations, provides community education and behaviour change programmes and recycling drop off facilities, undertakes litter and illegal dumping collections and administers enforcement. Local Government also provides some services to the commercial sector.

In developing or supporting policy, Local Government has three roles, as a representative of the community, service provider and regulator. Local Government must represent community values since these are the fundamental basis for undertaking new challenges and continuing past work. Local Government must also apply its service provider expertise when considering means by which to achieve community benefits. Local Government also undertakes regulation in a large range of areas.

In this Submission comments have been provided regarding the current legislative context and in relation to the specific actions required of manufacturers, importers and distributors as detailed in the Bill.

### Current Legislation

In commenting on the Bill, the Association notes that mandatory product stewardship is allowed for under the current *Product Stewardship Act 2011* (the Act). However, to date there have not been any mandatory Schemes established under the Act and Government has shown a strong preference for voluntary approaches. In previous Submissions, the Association has identified that there are substantial problems with taking a voluntary approach to Product Stewardship when there is not a minimum standard voluntary Schemes must meet.

To establish a co-regulatory or mandatory Product Stewardship Scheme under the Act, a Regulatory Impact Statement (RIS) has to be prepared. The RIS process frequently inhibits the use of mandatory or co-regulatory approaches under the Act, due to the emphasis placed on the cost/benefit analysis and a preference that any financial burden on industry (or Government) be minimised. Although there are methodologies which can take into account public opinion and willingness to pay, these are not widely used. The focus on avoiding any additional cost to industry ignores the substantial costs that are already paid by society as a whole (frequently through Local Government rates), as opposed to those who actually produce and use certain products. The use of different tools, such as a lifecycle analysis, offers an alternative method to assess the impact that different regulatory interventions could have, from a whole of life perspective.

The Act was due for review five years after commencement, in 2016, however the public review process only commenced in 2018. The Department of Environment and Energy website indicates the review will be completed in the last quarter of 2019.

### Targets for Product Packaging

The Bill has a number of mandatory Targets for packaging which have the potential to drive change in industry and provide a legislative underpinning to ensure these outcomes are achieved.

Target	Comment
<p>100% of all packaging will be reusable, recyclable or compostable by 2025</p>	<p><b>Strongly supported.</b> Local Government has long advocated that all packaging must be designed for recovery and welcomed the Target set by Ministers that all packaging should be reusable, recyclable or compostable by 2025, or earlier. Currently, there is no regulation requiring manufacturers or the packaging industry to achieve these targets or penalties if they do not. Also, as the Association has identified in other Submissions, the current legislative framework underpinning the Australian Packaging Covenant Organisation (APCO) is unlikely to facilitate the achievement of these Targets.</p> <p>For the Targets to be achieved, there may be a need to establish new collection systems. This consideration is particularly relevant for compostable packaging, with the current percentage of households with access to kerbside systems that are able to accommodate compostable packaging unknown.</p>

70% of all packaging will be recycled or composted by 2025	<b>Supported.</b> This Target not only ensures that material is technically recyclable or compostable but that it is actually being recycled or composted. These Targets align with the WA State Waste Strategy target of 70% material recovery by 2025.
Specifically, 70% of plastic packaging will be recycled or composted by 2025	<b>Supported.</b> This Target not only ensures that material is technically recyclable or compostable but that it is actually being recycled or composted. These Targets align with the WA State Waste Strategy target of 70% material recovery by 2025.
All packaging will include, on average, 30% recycled content by 2025.	<b>Further investigation of Target required.</b> There is concern that 30% recycled content has been or is readily achievable for certain material types. Minimum recycled content should be prioritised and the Association is supportive of a more progressive target that requires a minimum 30% recycled content across all packaging types by 2023 with the potential of increasing the percentage of recycled content for some packaging types by 2025.
The consumption of plastic food containers and cups will be reduced by 25% by 2025.	<b>Further investigation of Target required.</b> For this Target it is difficult to determine if this represent a realist goal, given the limited information that is available on current consumption.
80% of all beverage containers will be recycled by 2025.	<b>Supported.</b> WA has a legislated Target for the State's Container Deposit Scheme to achieve a container recovery rate of at least 85% for the financial year starting on 1 July 2022 which must be maintained for the duration of the Scheme.
The phase-out of problematic and unnecessary plastic packaging.	<b>Supported.</b> Timelines for the phase-out of problematic and unnecessary plastic packaging need to be evidence based and supported with more specific action/implementation.

### Deposit Schemes for Product Packaging

**Support.** The Association strongly supports the implementation of a National Container Deposit Scheme and an increase in the deposit rate. However, is concerned that 2021 would not be a realistic timeframe for implementation of a national Scheme. The WA CDS is due to commence on 2 June 2020. As Victoria and Tasmania have yet to implement a CDS, a process to establish the collection networks in these jurisdictions is likely to take longer than the proposed 2021 start date. The establishment of a national 20c deposit rate is also supported subject to a requisite annual review to adjust the deposit rate in line with the rate of inflation and ensure that the Scheme can achieve the required recovery rate.

### Product bans for certain single-use plastic products and plastic packaging

Where there are alternative options readily available, the Association supports timeframes that will allow a transition period. However, noting that product bans could be implemented by the beginning of the 2021/2022 financial year for many of the materials listed.

<b>Product ban and timeframe</b>	<b>Comment</b>
Lightweight plastic bags by 2021	<b>Support.</b> Alternative options readily available.
Products containing microbeads by 2021	<b>Support.</b> Phase out of these products already well underway.
6-pack plastic rings by 2023	<b>Support.</b> Alternative options readily available.
Non-compostable straws and stirrers by 2023	<b>Support.</b> Noting the need to have collection systems in place for alternatives before bans are put in place.
Non-compostable cutlery and utensils by 2023	<b>Support.</b> Noting the need to have collection systems in place for alternatives before bans are put in place.
Non-compostable plates and bowls by 2023	<b>Support.</b> Noting the need to have collection systems in place for alternatives before bans are put in place.
Cotton buds by 2023	<b>Support.</b> Alternative options readily available.
Sticks for balloons by 2023	<b>Support.</b> Alternative options readily available.
Expanded polystyrene containers and cups by 2023	<b>Support.</b> Alternative options readily available.
Oxo-degradable plastics by 2023	<b>Support.</b> Alternative options readily available.

### **Design requirements for product packaging**

The Association is supportive of exploring the attachment of container caps and lids to beverage containers as a means for reducing instances of litter. However is mindful that this design requirement could potentially lead to perverse outcomes including additional contamination for recycling and a conflict with current messaging of established and planned container deposit schemes in Australia. The messaging of all the container deposit schemes is 'lids off' as is recycling messaging for Western Australia. The rationale for this messaging is that the lid of the containers are a different type of plastic and reduce the value of the commodity when they are in place.

Design requirements for product packaging needs to be addressed more broadly in order to transition Australia to a circular economy. It is imperative for products and packaging to be designed for disassembly, recycling or composting, as well as being clearly labelled to identify for consumers where to dispose of the product. Consistent and clear labelling will assist in reducing consumer confusion and allow for easier material separation. Local Government is not confident that APCO's Packaging Recyclability Evaluation Portal alone will support the targets in the Bill, as further recommendations would be needed to guide the choices of manufacturers to ensure the recyclability of materials preceding production.

### **Labelling requirements for the correct disposal of certain single-use plastic products and plastic packaging**

**Support.** With regard to sanitary products, wet wipes, balloons and cigarette filters, Local Government supports standardised labelling and targeted education campaigns for items that enter the marine environment when incorrectly disposed of through the sewage system, provided that claims to this effect are evidenced based. The scope of materials requiring labels could be expanded using evidence about any other items which generate significant problems in sewage systems.

## **Financial contribution towards the cost of disposing of and cleaning up litter, and public awareness campaigns for certain single-use plastic products and plastic packaging**

**Strongly Support.** Currently the community, through Local Government, has significant costs associated with the collection, recycling or disposal of litter. Funding for clean up and disposal, in conjunction with the efforts to reduce the amount of material littered, would be beneficial for the environment and community.

## **Financial contribution towards public awareness campaigns for sanitary products containing plastics**

**Support.** Education is an essential component to reduce waste as it provides an opportunity to influence consumer behaviour towards better environmental outcomes and promotes options to reduce contamination of recycling and increase recovery.

## **Conclusion**

The Association supports targets that are based on the EU Directive, as this will align Australia with regulations that manufacturers, importers and distributors are already meeting in other jurisdictions. Many of the targets, bans, financial support and bans included in the Bill would greatly benefit Local Government by reducing contamination in existing recycling systems, ensuring that products introduced into the market could be recycled and provide funding for costs currently borne by the community in relation to litter clean up.