

SSROC submission on the Product Stewardship **Amendment (Packaging and Plastics) Bill 2019**

Submitted to the Senate Standing Committees on Environment and Communications by email:

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Introduction

The Southern Sydney Regional Organisation of Councils (SSROC) is an association of 11 councils spanning Sydney's southern suburbs, eastern suburbs, CBD, and inner west and covering a third of the Greater Sydney's population, or 1.7m people. Our Councils manage around 655,000 tonnes of household waste each year; which is about 20% of all NSW household waste.

SSROC provides a forum through which our member councils can interact, exchange ideas and work collaboratively to solve regional issues and contribute to the future sustainability of the region.

We advocate on behalf of our region to ensure that the major issues are addressed by all levels of government. Our current focus includes the environment, transport, procurement, waste, and planning.

This submission

SSROC supports in principle the <u>Product Stewardship Amendment (Packaging and Plastics) Bill 2019</u> which will establish a mandatory product stewardship (PS) scheme for consumer packaging and certain single-use plastics (referred to in the Bill as the *packaging and plastics scheme*). However, for this scheme to be successful, it needs to be introduced with a significant funding commitment from the federal government to invest in the capacity and capability of the recycling and remanufacturing industry in Australia so that they can adequately respond to this new scheme. Investment is urgently needed to develop domestic reprocessing manufacturing facilities and end markets for recyclable materials such as plastic, glass, and compostable packaging, as well as the regulatory environment, to meet the targets identified in this Bill.

Targets identified in the Product Stewardship Amendment (Packaging and Plastics) Bill

SSROC supports the aspirational targets identified on page 6 of this Bill but has a number of concerns about how these targets will be achieved. The targets include:

- 1. All packaging used in Australia will be reusable, recyclable or compostable by 2025.
- 2. 70% of all packaging used in Australia will be recycled or composted by 2025.
- 3. 70% of all plastic packaging used in Australia will be recycled or composted by 2025.
- 4. All packaging used in Australia will include, on average, 30% recycled content by 2025.
- 5. Problematic and unnecessary plastic packaging will be phased out through design, innovation or the introduction of alternatives.
- 6. In relation to single-use food containers, and beverage cups, made of plastic—by 2025, the consumption of such containers or cups will have been reduced by 25% from the level of consumption that existed in 2019.
- 7. In relation to beverage containers (other than containers that are cups):
 - a) Beginning on 1 January 2025, 80% of such containers used in a calendar year will be recycled in that year; and
 - b) Beginning on 1 January 2023, any plastic caps or lids for such containers must remain attached to the container during its use as a beverage container; and
 - c) The creation of a national deposit scheme for such containers by 1 January 2021 that refunds at least 20 cents for each deposited container.

SSROC is concerned that currently there is not adequate infrastructure in all Australian states and territories to collect, transport and process a huge increase in compostable packaging. To meet this target in five years, investment and development of this infrastructure would need to start immediately and still may not be built in time. This target has also been undermined in NSW by the regulatory uncertainty following the Revocation of the Mixed Waste Organics Outputs (MWOO) exemption. A lack of clear policy with respect to end markets for processed organic materials has



stifled progress in compostable packaging recovery mechanisms and the development of end markets.

Investment and land acquisition are also needed for the development of onshore reprocessing manufacturing facilities to collect, transport and process plastic packaging and to make recycled plastic packaging. Domestic end markets need to be identified and resourced appropriately to repurpose plastic packaging into useful new products.

This Bill needs to be accompanied by a detailed implementation and evaluation plan for the scheme that identifies how problematic plastic and single-use food containers and cups will be phased out within five years. This should include incentives for food retailers to make this substantial change and funding for a nationally coordinated behaviour change program to create these changes and ensure participation in the new scheme by all stakeholders.

SSROC encourages the development and adoption of reuse schemes, one international example is CHEP's reusable pallets and reverse logistics environment, which uses existing supply chains and robust data monitoring to eliminate unnecessary business-to-business waste. SSROC also supports the potential role of reverse logistics to provide a solution to recover recyclable and problematic materials through existing distribution networks.

SSROC has concerns that the timetable for the creation of a national deposit scheme for beverage containers by 1 January 2021 is not achievable given that extensive consultation would be required to address issues such as:

- Transitioning from individual state schemes into a national scheme.
- Reasonable grounds for beverage exclusions (e.g. unflavoured milk).
- Funding for the re-negotiation of refund sharing schemes.

In the Bill, packaging and plastic scheme members may mostly be manufacturers, distributors and retailers of products; whilst local government may not be a scheme member it still needs to be included in the consultation on the design and evaluation of the scheme as a key stakeholder effected by the development of any new product stewardship schemes.

Prohibited Plastics

SSROC supports the "Prohibited plastics" listed on page 14 of the Bill but recommends that before this list is finalised that:

- Consultation is undertaken with recycling and resource recovery facilities in Australia to
 identify the types of plastic that are most difficult to recycle within Australia so that difficult
 (or hazardous) types of plastic can be considered for the list of prohibited plastics. For
 example, polyvinyl chlorine (PVC) food and beverage containers may be difficult to recycle
 and this item could be replaced by food and drink plastic containers that are more easily
 recycled onshore.
- Balloons (not just balloon straws), plastic glitter and confetti are added to the list of
 prohibited plastics on page 14 of the Bill, as these items are very difficult to clean up and
 are harmful to the environment. There are now more sustainable alternatives for events as
 shown recently with Sydney's Mardi Gras event banning plastic glitter and some single use
 plastics.

Prohibiting these plastics is a monumental task that relies on substantial changes to be made by manufacturers, retailers and consumers. These changes need to be supported by incentives, penalties and education campaigns to ensure they are realised within the short timeframes identified; (e.g. lightweight carrier bags and products that consists of microbeads prohibited by January 2021 and straws, plastic cutlery, plates and bowls amongst others listed to be prohibited



by January 2023). Similar initiatives have been undertaken by numerous states, including more comprehensive regulatory initiatives to eliminate single-use plastic and problematic materials, such as in SA and the ACT.

As well as the food and beverage industry, there are many other sectors that use problematic and unnecessary plastic packaging such as the construction industry, retail sector (including hardware stores) and manufacturing sector. The new scheme requires incentives, education and an implementation plan that is appropriate for every sector effected by this new scheme.

Provisions could also be made in this new scheme for waste generators to be held responsible for reducing, eliminating, recovering, and processing waste. One such example is the large volume of shrink wrap used to transport products and construction materials; as well as large volumes of shrink wrap being used to transport luggage at airports. Solar panels for example are often installed in regional areas with large volumes of shrink wrap waste and timber pallets being left behind. At a recent NSW Environment Protection Agency meeting with regional organisations of councils, the Riverina and Murray Joint Organisation provided an example of 56,000 panels being installed but large volumes of shrink wrap and construction waste being left behind in a small community of 800 people without the facilities to deal with that waste. Owners of a product should be responsible for the removal and/or treatment of the packaging that they bring onto major infrastructure sites and this should be reflected in the new scheme.

In summary, our recommendations for this Bill and the establishment of a new scheme include:

- 1. A funding package and implementation plan for the new infrastructure needed to meet the plastic and packaging targets identified in the Bill.
- 2. The establishment of economic incentives and penalties for manufacturers, distributors and retailers for all effected sectors to make these substantial changes.
- 3. The establishment of economic incentives to increase the use of recycled materials to create end markets and stimulate investment in reprocessing capacity.
- 4. The funding for a national behaviour change program to ensure that key stakeholders participate in the scheme and that supports the phasing out of the problematic plastics identified in the Bill.
- 5. Extending the timetable for the target related to the creation of a national deposit scheme for beverage containers.
- 6. Consultation with recycling and resource recovery facilities within Australia on the list of prohibited plastics on page 14 of the Bill, before it is finalised to ensure that any difficult to recycle plastics are considered for this list.
- 7. The inclusion of balloons, plastic glitter and confetti to the list of prohibited plastics to the list of prohibited plastics.
- 8. The inclusion in the new scheme that product manufacturers and/or retailers should be responsible for the collection and/or treatment of packaging that is brought into major infrastructure sites.

Thank you for this opportunity to contribute to the development of Product Stewardship Amendment (Packaging and Plastics) Bill. For any enquiries, please contact me or Helen Sloan, Program Manager SSROC, on 02 8396 3800.

Yours sincerely

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Southern Sydney Regional Organisation of Councils