

NSW Plastics: The Way Forward Discussion Paper

Ai Group submission to the NSW Environment Protection
Authority

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Plastics: the Way Forward

Executive Summary

Ai Group welcomes the opportunity to respond to the NSW Environment Protection Authority's consultation on future actions within the state on single-use plastics and related issues.

We commend the NSW EPA for attempting to harmonise several of the categories covered in the consultation paper with other jurisdictions. However, in other instances there is a clear divergence with other jurisdictions already acting on these items.

Key messages from our submission include:

- Proliferation of different state and territory requirements on so many fronts risks creating a regulatory environment that cross-border companies struggle to comply with. This is readily apparent in the divergence on the issue of recyclable versus compostable packaging for food and some beverages.
- Transition times should be used to avoid sending waste to landfill unnecessarily.
- Regarding the proposal of an antilittering label applied to packaging, this should be addressed through:
 - Application of the Australasian Recycling Label (ARL) as a first step, along with the current national-level packaging reform process and the proposed obligations for recycling labelling
 - consumer education and behaviour change initiatives.
- Any action on chemicals in plastics should be addressed at a national level, including through the current packaging regulatory reform or other national-level mechanisms and bodies.

Comments on transition times

Transition times for any item identified in the consultation paper should allow sufficient notice for businesses to wind existing stockpiles down, to avoid unnecessary landfilling of product deemed non-compliant.

Comments on labelling proposed throughout the consultation paper

Ai Group is broadly supportive of the proposal to include the ARL on various items identified throughout the consultation paper.

Regarding the proposal of an antilittering label applied to packaging, while not opposed to the sentiment, we do question if this is a valuable inclusion given the ARL clearly states which bin the entirety or components of packaging should be disposed into. To us this is a clear indication that no part of the packaging should be littered.

Instead, the issue should be addressed through:

- national-level packaging reform and the proposed obligations for recycling labelling – and prior to this reform the ARL
- consumer education and behaviour change initiatives.

Reducing plastic litter

Single-use plastic beverage bottle lids

Requiring tethered lids, as proposed by NSW, may reduce littering. However, there are significant complexities in the Australian system that should be considered.

As noted in the paper, while the container deposit scheme (CDS) in NSW accepts lids left on bottles in their system, other state's schemes require they be separated when deposited. While working with other schemes is a step in the right direction, any movement on this issue should be a part of the national reform taking place.

Many beverage manufacturers and bottlers operate national businesses and would incur a significant cost burden if they had to change lid systems for only one jurisdiction.

If NSW nonetheless decides to proceed unilaterally, Ai Group would support the proposed phase-in period for this item.

Comments on single-use cups and food containers

Members have notionally supported the idea of requiring single-use cups and food containers be recyclable.

However, this poses an issue for nationally operating businesses, because NSW is not the first mover and other jurisdictions have already mandated compostable alternatives.

Ai Group recommends NSW open dialog on how any such design standards would interact with other states and territories, the federal government's packaging reform and curbside harmonisation work.

Regarding lids for food containers, one of our members has suggested all lids should be required to be PET, which is a material readily accepted in curbside collections and has existing markets for recycle.

Food containers for take-away do not routinely have labelling, so any labelling mandate would require additional packaging for this specific purpose or embossing of pertinent information on the container at manufacture.

A CDS for food containers and plastic beverage cups would face major hurdles, including:

- hygiene and pest control issues due to food scraps/residue
- lack of a single-material plastic stream, unlike the beverage CDS and PET
- lack of clear branding, with carry-on impacts for compliance and free-riders
- Need for new reverse-vending infrastructure or heavy modification of existing machinery, given the very diverse sizing of food containers.

Single-serve condiment packaging

The small size of packaging and the current food labelling requirements leave little room for additional informative labelling on the packaging in a legible font size.

Like food containers mentioned above, this stream is also made up of many materials, and any attempt to mandate a design standard should be imposed from a federal process.

Regarding signage obligations for shops, we support this in principle, though one member has suggested a shared approach to compliance could be a better management strategy where several food stores are co-located such as food courts.

Plastic lollipop sticks

Ai Group would prefer this be addressed through national-level packaging reform. Few Ai Group members have raised concerns with the proposed phase-out of plastic lollipop sticks. There would need to be appropriate lead-in time before enforcement, to allow businesses to shift to alternatives or to sell existing stock, given the long shelf-life.

Using our litter data

Individual brand owners should not be required to set litter reduction targets.

This should instead be part of a centralised initiative for education to drive consumer behaviour change.

We are concerned that inundating consumers with a plethora of branded messages about the correct handling of individual brands' packaging would crowd the communications space and produce consumer fatigue and confusion.

Reducing harmful chemicals in plastics and microplastics

Harmful chemicals in packaging

Any action on this item should happen at a federal level and through nationally applied mechanisms and bodies (i.e. IChEMS, TGA, FSANZ).

The sheer number of chemical additives that exist would make this a major undertaking and impractical to apply to only one jurisdiction in Australia. The binary nature of the proposed lists would raise a number of issues, including:

- How a chemical not present on either list may be applied
- Potential to suppress innovation of new – potentially less problematic – additives.

Plastics containing pro degradant additives

Overall, we support the phase-out of degradation-accelerating chemicals. We propose any ban exclude FOGO-accepted chemicals that comply with AS4736-2006 and 5810-2010 for the ban, or those that are certified to OECD requirements for ready biodegradability, such as Polyvinyl alcohol – which is used in products such as dishwashing and laundry detergent capsules.

Plastic microfibres released by washing synthetic textiles

No Ai Group members have raised in-principle objections to the proposed rating system.

Given the international nature of white good supply chains, we would recommend the EPA follow international standards and testing methods if they do move ahead with this proposal. Brands would also need lead time to implement and ensure there is sufficient testing and validation in their processes.

Plastic microbeads in all cleaning products

Ai Group supports the phase-out of deliberately added plastic microbeads in rinse-off cleaning products in line with existing bans in other jurisdictions.

Keeping pace on plastics action

Heavyweight plastic film shopping bags

Ai Group supports NSW aligning with other states and territories on this requirement, bar the comments on anti-littering labelling mentioned above.

Plastic barrier bags

We support the NSW effort to eliminate unnecessary barrier bags, provided the definition of 'unnecessary' is clearly designed and well consulted upon.

Regarding the proposed design standard, we would support such action at a federal level. As per previous comments, we would support the application of the ARL.

Expanded plastic (EP) packaging

We would urge NSW to consider the issues that arose in the Western Australian process. There are many legitimate reasons moulded EP is used, including for products below the threshold of 45kg set forth by the APCO roadmap.

Our members typically use these materials for protecting fragile products or electronic/electrical goods. This is due to their:

- superior impact protection
- surface protection qualities
- rigidity in humid conditions
- lightweight mass compared to alternatives in relation to transport emissions.

This is particularly important for high-cost goods, where damage during transit and storage is a costly and waste-generating problem.

While many of our members are making efforts to change product packaging where possible, it will take time for members to change packaging lines where alternatives are not currently viable, or where products are from international supply chains with longer lead time and other jurisdictional requirements to consider. One member has said products between 20-45kg is where they are experiencing the most difficulty in finding suitable alternatives to EP.

We support the approach WA ultimately implemented, which includes exemptions for certain goods and a phase-in of enforcement determined by the date of manufacture, rather than a blunt start date.

Ai Group supports the phase-out of loose-fill EP and EP food trays in line with other jurisdictions.

Fruit stickers

Provided there is a reasonable transition time for scaling alternatives and for producers to implement systems changes, we do not object to a change-over to compostable fruit stickers. One member has suggested paper stickers should be allowed, and that compostable adhesives are still under development and not readily available in the market.

While we appreciate NSW's attempts to align with SA on this issue, it is unclear if these items would then be allowed in kerbside food and garden organics collection, given NSW does not allow compostable plastics (beyond caddy liners) certified to AS4736-2006 and 5810-2010 in their collections.

Plastic food-bag tags

Members support the proposed ban, provided the temporary exemption for Kwik Lok tags used on produce packaging is kept, and a reasonable transition period is included for bread, bakery and dry pantry items.

About Australian Industry Group

The Australian Industry Group (Ai Group®) is a peak national employer organisation representing traditional, innovative and emerging industry sectors. We have been acting on behalf of businesses across Australia for 150 years.

Ai Group and partner organisations represent the interests of more than 60,000 businesses employing more than 1 million staff. Our membership includes businesses of all sizes, from large international companies operating in Australia and iconic Australian brands to family-run SMEs. Our members operate across a wide cross-section of the Australian economy and are linked to the broader economy through national and international supply chains.

Our purpose is to create a better Australia by empowering industry success. We offer our membership strong advocacy and an effective voice at all levels of government underpinned by our respected position of policy leadership and political non-partisanship.

With more than 250 staff and networks of relationships that extend beyond borders (domestic and international) we have the resources and the expertise to meet the changing needs of our membership. We provide the practical information, advice and assistance you need to run your business. Our deep experience of industrial relations and workplace law positions Ai Group as Australia's leading industrial advocate.

We *listen* and we *support* our members in facing their challenges by remaining at the cutting edge of policy debate and legislative change. We *provide solution-driven* advice to address business opportunities and risks.

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