

Standing Council on Environment and Water

Secretariat

SCEW.Secretariat@environment.gov.au

Our File:

ESP-385.03.007

Our Ref:

Z12/57318

Date:

30 March 2012

Dear Sir/Madam

PACKAGING IMPACTS CONSULTATION REGULATION IMPACT STATEMENT

Please find attached a submission from Wollongong City Council on the Packaging Impacts Consultation Regulation Impact Statement. Our submission indicates support for a National Container Deposit Scheme.

Please contact me on the number below if you require any further information

This letter is authorised by

Renee Campbell
Manager Environmental Strategy & Planning
Wollongong City Council
Telephone (02) 4227 7331

Attach



Packaging Impacts Consultation Regulation Impact Statement

Submission from Wollongong City Council

March 2012

BACKGROUND

Wollongong City Council has recently prepared a draft Waste and Resource Recovery Strategy 2012 – 2022 which is a framework for Council and the community to make the transition to sustainable waste management. Managing waste is the single biggest budget item for Council on an annual basis. It involves capital and recurrent expenditure on services that touch the lives of every member of the community.

The waste management environment is rapidly changing as it is impacted by many influences including Federal and State legislation, community attitudes and expectations, limited landfill space, climate change, increasing costs and rapidly advancing technology. With the advancement of technology, Wollongong City Council will be researching and implementing the new opportunities within the areas of: green electricity through capturing landfill gas; recycling facilities; alternative waste technology; education programs and collection services.

This Waste Strategy is a framework for Council and the community to make the transition to sustainable waste management. To achieve this Council will work on several focus areas including enhanced services and facilities. Other supporting measures will include policy, pricing, community and stakeholder engagement and education programs as well as establishing strategic partnerships with relevant organisations.

Wollongong City Council is responding to the *Packaging Impacts Consultation Regulation Impact Statement* as the issues, objectives and options outlined in the Statement impact on Wollongong City Council's ability to deliver on our Waste and Resource Recovery Strategy.

The Australian Government established its *National Waste Policy: Less Waste, More Resources (NWP)*, which sets Australia's waste management and resource recovery direction to 2020.

The NWP has as its aims to:

- § avoid the generation of waste, reduce the amount of waste (including hazardous waste) for disposal;
- § manage waste as a resource;
- § ensure that waste treatment, disposal, recovery and re-use is undertaken in a safe, scientific and environmentally sound manner; and
- § contribute to the reduction in greenhouse gas emissions, energy conservation and production, water efficiency and the productivity of the land.

On 12 March 2012, Wollongong City Council endorsed the following resolution:

- 1 *Acknowledges the significant environmental and economic benefits to ratepayers of adopting a Container Deposit Scheme in NSW.*
- 2 *Write to the NSW Premier and other NSW Ministers urging them to implement such a scheme in NSW.*

- 3 *Write to the Prime Minister, Senators and other Federal Ministers encouraging them to adopt a National Container Deposit Scheme.*
- 4 *Write to the Standing Council of Environment and Water which is seeking feedback on the Packaging Impacts Consultation Regulation Impact Statement by 30 March 2012.*

Wollongong City Council is supportive of a National Container Deposit Scheme, and Council officers provide the following information in response to the Packaging Impacts Consultation Regulation Impact Statement.

DATA

2.3 END-OF-LIFE PACKAGING RECOVERY (AT HOME)

Wollongong City Council's residential kerbside recycling service recovers approximately 3400 tonnes of bottles and containers each year. Results from Council's recent waste audit estimated that 15.79% of recyclable items, including plastics and paper, are still being placed in residents' garbage bins, 7.32% being beverage containers. Wollongong City Council acknowledges the significant environmental and economic benefits to ratepayers of a Container Deposit Scheme (CDS). It would place a value on beverage containers and result in a reduction in these types of items going to landfill when they have potential to be issued a refund.

2.3 END-OF-LIFE PACKAGING RECOVERY (AWAY FROM HOME)

The data findings by Keep Australia Beautiful National Litter Index (pg 10 – Pt2.4) show the proportion of packaging in the litter stream has gradually decreased since 2006-2007. This is not consistent with the Wollongong City Council information received from the range of areas dedicated to cleaning up our parks, foreshores and CBD areas as well as our Clean Up Australia Day and other clean-up initiatives.

The dumping of waste and littering is a problem in the Wollongong Local Government Area. Anecdotal evidence suggests that the litter collected during clean-up activities is made up of approximately 40% of beverage containers which usually end up in storm water drains and flow down to the beach and park areas.

Wollongong City Council has three work crews who (amongst other things) clean up litter. Collectively, these crews collect approximately 1.2 tonnes of rubbish per week.

In addition, Council has a regular clean-up program for 'black spots' to prevent an accumulation of rubbish. During 2010/11, Wollongong City Council, with the assistance of the Department of Probation and Parole Services, collected 70.4 tonnes of litter from these black spots. This equates to over 120 tonnes per annum of litter. Using the percentages applied above, this suggests approximately 50 tonnes of litter collected via clean-up activities per annum would be applicable for a CDS (note an audit has not been conducted to confirm these figures).

Applying a value to this type of material through a CDS would result in a reduction of litter discarded in our environment. Other benefits include an increased ability to divert human resources away from clean-up based activities to other areas resulting in increased efficiency. Anecdotal evidence suggests that over the past five years, there has been an increase in litter associated with beverage containers and other litter items.

Table 4 (pg 10) estimates the Home/Away from home split by packaging type. Beverage containers being recycled at home is about 60% while those consumed away from home account for 22.3%. It is likely that the away from home beverage containers are those which end up in our local environment and water ways.

RESPONSE TO RELEVANT QUESTIONS

QUESTIONS FOR CONSULTATION – SECTION 2

The key future challenge relating to packaging and packaging waste is the regulation of the industry to ensure that manufacturers are responsible for the *end of life* of packaging produced to ensure they can be recycled.

The need to design packaging with recyclability in mind is imperative, if we are to achieve a reduction in the amount of waste to landfill. The mentality needs to shift towards a zero waste future.

QUESTIONS FOR CONSULTATION – SECTION 3

The trend towards manufacturers using soft plastics and pouches is not a good outcome. This type of material easily ends up as windblown litter and is the cause of injury and/or death of a range of native and aquatic wildlife. In addition, Material Recovery Facilities and Waste Contractors have a large influence regarding what materials they will or will not accept as part of a kerbside recycling scheme, based on market prices for on selling these materials. There is merit in extended producer responsibility for these types of materials in addition to CDS legislation, to ensure the introduction of a CDS does not lead to a shift in producing items (such as soft plastics and pouches) which may not be applicable under a CDS program.

QUESTIONS FOR CONSULTATION – SECTION 5

On 12 March 2012, Wollongong City Council endorsed the following resolution:

- 1 *Acknowledges the significant environmental and economic benefits to ratepayers of adopting a Container Deposit Scheme in NSW.*
- 2 *Write to the NSW Premier and other NSW Ministers urging them to implement such a scheme in NSW.*
- 3 *Write to the Prime Minister, Senators and other Federal Ministers encouraging them to adopt a National Container Deposit Scheme.*

- 4 *Write to the Standing Council of Environment and Water which is seeking feedback on the Packaging Impacts Consultation Regulation Impact Statement by 30 March 2012.*

Council is supportive of the implementation of National CDS Legislation, option 4, although not in a position to identify a preference for Option 4(A) or Option 4 (B). The need for a consistent, national, legislated approach to reducing beverage container packaging waste is identified earlier in this submission. Background information which was provided to support the resolution endorsed by Council is attached to this submission (Attachment 1).

QUESTIONS FOR CONSULTATION – SECTION 6

The projected rates for packaging recycling and litter reduction needs to be benchmarked against current CDS in place in South Australia, NT, Canada, Europe and America. As a number of these schemes have been in place for long periods including 37 years in South Australia, they can be used as case studies for progressing CDS legislation nationally.

CDS does provide opportunities to increase recycling levels of other materials. By adding value to a number of products this changes consumer behaviour and attitudes towards the value of recycling. It is anticipated this will result in a positive shift in attitude and increased participation in Council's Household Cleanup Service which may lead to reduced dumping of e-waste etc; and improved recycling practices at home leading to reduced contamination issues.

It is difficult for Council to determine the likely impact on costs to households as a result of CDS legislation. We anticipate that residents would continue to be provided with a kerbside collection service with the added opportunity to source separate recycling and use the refund/reward system via a collection facility.

The impact on the kerbside collection system is also difficult to determine as Council uses a Contractor to collect this waste stream and it is not provided in-house. The current contract Council has in place for kerbside collection services runs until 2014. Consideration will need to be given to the contractual obligations and product streams put through the Materials Recovery Facility operations that rely on certain product composition to ensure bin weights aren't excessive, protection of items from breakage, and revenue generated from the Facility to ensure viable operations.

There are also other materials still able to be collected via a kerbside recycling service including paper and cardboard products. This waste stream alone accounts for nearly three times as much tonnage compared to bottles and containers across glass, cans and plastics combined. Once again, contractual obligations and cost benefit analysis of kerbside recycling services would need to be considered if CDS legislation is enacted.

ITEM 1

NOTICE OF MOTION - COUNCILLOR MERRIN - SUPPORT FOR CONTAINER DEPOSIT LEGISLATION (CDL)

Councillor Merrin has submitted the following Notice of Motion –

“I formally move that Council:

- 1 Acknowledges the significant environmental and economic benefits to ratepayers of adopting a Container Deposit Scheme in NSW.
- 2 Write to the NSW Premier and other NSW Ministers urging them to implement such a scheme in NSW.
- 3 Write to the Prime Minister, Senators and other Federal Ministers encouraging them to adopt a National Container Deposit Scheme.
- 4 Write to the Standing Council of Environment and Water which is seeking feedback on the Packaging Impacts Consultation Regulation Impact Statement by 30th March 2012.”

Background provided by Councillor Merrin

1 Clean up Australia Day is a chance to reconsider

- In the past 20 years, Australians have devoted more than 24 million hours towards the environment through Clean Up Australia Day and collected over 200,000 tonnes of rubbish,
- However well-meaning this effort is, it has not reduced the amount of litter entering our city and its environment,
- It is only through strengthened legislation which addresses the cause of this major environmental problem that we will be able to reduce the volumes of litter.

2 Some sources of the rubbish

The recent ‘FOODmap - An Analysis of the Australia food supply chain’, by the NSW Department of Agriculture Fisheries and Forestry (<http://www.daff.gov.au/agriculture-food/food/publications/foodmap-a-comparative-analysis>), finds that:

“Food and liquor sales of the two major chain retailers (Woolworths and Coles) totalled \$61.4 billion in 2010-11, which amounts to approximately 68 per cent of the reported ABS total of supermarkets and liquor retail sales. These enterprises retail through about 2300 supermarket outlets and a further 2040 liquor outlets.”

The action plans of Westfamers (Coles) and Woolworths Ltd address their internal efforts to reduce waste in their operations, but not what happens once their products leave their retail outlets. There is a gap in the supply chain which currently finishes at the retailer, with the cost of removal of this waste shifted to Local Government.

3 Benefits of CDL

The Boomerang Alliance paper 'Container deposits: the common sense approach towards a zero waste society' (April 2008) highlights the increases in recycling rates that would occur with the introduction of a National CDS.

NSW has a recycling rate of around the 40% mark for beverage containers. South Australia has maintained a Container Deposit Scheme for the last 37 years. Enacted in 1975 under the Beverage Container Act 1975 and later incorporated into the Environment Protection Act 1993 (SA), CDL has been instrumental in the South Australia Government achieving a recycling rate of 70-80% in relation to beverage containers and providing a new income stream for local government, community organisations, and the State's most disadvantaged groups.

Container Deposit Legislation (CDL) has the potential to:

- Reduce the volume of litter in our parks, beaches and roadsides by 12-15%;
- Significantly reduce the number of turtles, lizards, seals and birds killed by litter across Australia;
- Achieve a 6% diversion of all Municipal Solid Waste away from landfill;
- Reduce Australia's greenhouse gas emissions by over 1.3 million tonnes of CO₂e per year (equivalent to 197,000 homes switching to 100% renewable energy);
- Save enough water to permanently supply over 24,000 Australian homes;
- Deliver the same level of Australian air quality improvements as taking 140,000 cars off the road;
- Provide 250,000+ Australian homes with access to recycling services for the first time;
- Save rate-payers over \$59.8 million per year; and
- Increase Australia's recycling by over 630,000 tonnes per year.

An independent study of container deposits by Prof Stuart White states that,

“Local Government would realise financial benefits from the introduction of CDS through reduced costs of kerbside collection and through the value of unredeemed deposits in the material collected at kerbside.” (White, S. 2001, Independent Review of Container Deposit Legislation in New South Wales, UTS Institute for Sustainable Futures,

http://www.isf.uts.edu.au/whatwedo/cdl_execsummary.html)

4 A timely opportunity

The NSW Government has recently released its ‘NSW:2021’ strategic plan. In Chapter 4: Strengthen Our Local Environment and Communities, Goals 22-24 are particularly relevant to the introduction of a Container Deposit Scheme in NSW.

On 9th July 2010 the Local Government and Shires Associations of NSW and the Boomerang Alliance wrote to the Federal Environment Minister Peter Garrett congratulating him on his commitment to drafting a Regulatory Impact Statement (RIS) for National Container Deposit Legislation. It is nearly two years on and we have a new Environment Minister and yet there is no National CDL in place.

On the 30th Nov 2011 the COAG Standing Council on Environment and Water reinforced its commitment to decreasing packaging waste by releasing the Packaging Impacts Consultation Regulation Impact Statement for public consultation. Ministers are interested in gaining feedback on all aspects of the analysis and options. Due to this current consultation it is an opportune time to write a submission in support of a National CDL, http://www.ephc.gov.au/product_stewardship/packaging_impacts.

The Australian Local Government Association, in conjunction with Clean Up Australia and the Boomerang Alliance, have also written to Council in February asking for our assistance in supporting the national Container Deposit Scheme by writing a submission to this enquiry.

Wollongong City Council can help to support the introduction of National and State Container Deposit legislation, by adding our voice to this call.