



AUSTRALIAN
LOCAL GOVERNMENT
ASSOCIATION

14 September 2020

Stephen Palethorpe
Secretary, Standing Committee on Environment &
Communications – Legislation Committee
PO Box 6100, Parliament House
Canberra ACT 2600

Dear Mr Palethorpe,

Inquiry into the Recycling & Waste Reduction Bills 2020

The Australian Local Government Association (ALGA) is pleased to provide the Standing Committee on Environment and Communications' Legislation Committee with this submission to the Inquiry into the *Recycling and Waste Reduction Bills 2020*.

The Australian Local Government Association (ALGA) is the national voice of Local Government in Australia, representing 537 councils across the country. In structure, ALGA is a federation of state and territory local government associations. ALGA was established in 1947 and throughout its history has been closely involved in issues of national significance affecting Local Government and local communities.

This submission should be considered in conjunction with any submission made by State/Territory Local Government Associations and individual local councils.

Local government plays a critical role in Australia's waste and resource recovery system and as such should be considered a key stakeholder in this consultation process. ALGA was a co-author of the *National Waste Strategy 2018* (with states and territories and the Australian Government), which aims to address an Australian 'waste crisis'. ALGA was also party to the drafting of the *National Waste Action Plan 2019* and therefore supports the National Waste Export Ban.

In regard to the *Recycling and Waste Reduction Bills 2020*, ALGA would like to raise three concerns.

Product Stewardship Arrangements

Firstly, ALGA commends the Minister's address to Parliament made on the 27 August 2020 in relation to the Bills, in which she stated:

This Bill provides the incentive for industries to act and to demonstrate leadership, but it also sends a clear signal that the time to show that leadership is now.

Those industries that do not step up and do not take part can assume that the government will step in for them and enforce its own regulatory scheme.

ALGA is concerned, however, that the Bills as they stand do not make adequate provisions for partial industry participation in accredited voluntary schemes. The Bills have no clauses outlining the implications for instances in which a voluntary arrangement is accredited and undertaken by a proportion of industry brands but where another significant proportion chooses not to participate, i.e., where large numbers of industry brands opt out of a voluntary scheme and effectively choose to be 'free riders'.

Only at sub section 72(1)(c) of the *Recycling and Waste reduction Bill 2020* is such an outcome obliquely alluded to. Here it is required that the administrator of a voluntary scheme notify the Minister, in writing as soon as practicable, of an event that hinders the ability of the voluntary arrangement to achieve its outcomes. There is a prescribed consequence for failure to notify the Minister (the incurring of penalty points) but none for the scheme's failure to achieve its outcomes.

ALGA believes there should be a clearly defined trigger for changing voluntary arrangements into mandatory ones where a significant proportion of industry brands choose to 'free ride'.

Export Customs & Excise Charges

Our second concern relates to the cost-recovery provisions of the Bills and the question of who will ultimately incur the excise/customs charges associated with the export of value-added materials.

The charges will be initially born by exporters. However, they are likely to be passed back up the waste chain only as far as local government councils and rate payers. ALGA believes that there is a need to ensure that such charges are born equitably by the producers, consumers and managers of waste products, and that the quantum of charges should not act as a disincentive to the export of value-added materials.

Review of the *Recycling & Waste Reduction Bill 2020*

Finally, ALGA notes section 185 of the *Recycling and Waste reduction Bill 2020* requires that a review of the operation of the Act be undertaken no later than 10 years after the commencement of the Act. ALGA notes, however, that the Bill does not require the review to be undertaken by an independent entity, alluding only to 'the persons who undertake the review'. ALGA believes that any review of the Act should be undertaken by an independent entity.

Yours sincerely

Adrian Beresford-Wylie
Chief Executive