

ARA SUBMISSION

NSW PLASTICS: NEXT STEPS CONSULTATION PAPER

FEBRUARY 2024

EXECUTIVE SUMMARY

The Australian Retailers Association (ARA) welcomes the opportunity to provide feedback to the New South Wales (NSW) Environment Protection Authority (EPA) regarding the NSW Plastics: Next Steps Consultation Paper.

The ARA is the oldest, largest, and most diverse national retail body, representing a \$420 billion sector that employs 1.4 million Australians – making retail the largest private sector employer in the country. As Australia's peak retail body, representing more than 120,000 retail shop fronts and online stores, the ARA informs, advocates, educates, protects, and unifies our independent, national, and international retail community.

We represent the full spectrum of Australian retail, from our largest national and international retailers to our small and medium sized members, who make up 95% of our membership. Our members operate across the country and in all categories - from food to fashion, hairdressing to hardware, and everything in between.

In NSW, we represent the interests of small retail businesses as well as our large, national members who operate extensive store networks across the state in supermarkets, speciality retail, pharmacy, hospitality and quick service restaurants.

The ARA has been active in our engagement with the NSW EPA regarding single-use plastics and we look forward to continued collaboration to ensure a smooth transition away from problematic plastics with the least impact to the retail industry.

The ARA is broadly supportive of the NSW Plastics: Next Steps Consultation Paper and NSW's ambition to phase out problematic single-use plastics. However, the lack of national harmonisation on plastics remains the most pressing concern for retailers in Australia; as a result we retain the position that the lack of a national approach to these bans has meant that this change has taken longer, and cost more, than necessary.

Similarly, whilst there is a need to reduce packaging and associated waste, the primary role of packaging is to protect the integrity of the product to ensure safety for the consumer. Until effective alternatives for specific packaging concepts are available and commercially viable, the NSW EPA must consider longer timelines that reflect these challenges.

COMMENTS AND RECOMMENDATIONS

We make the following comments and recommendations in response to the discussion paper.

1. REDUCE LITTERED ITEMS

Definition of takeaway beverage and food packaging

The definition of 'takeaway' must be further refined to ensure it captures single-use plastic containers for single serve takeaway food intended for consumption shortly after purchase, such as those that require no

additional preparation (for example, sushi and hot food) where a non-plastic alternative is not available or commercially viable for the relevant product. This would bring the definition largely in line with other states such as Western Australia (WA).

Regarding food that is packed and displayed for self-selection by consumers, any changes must align with Food Standards Australia New Zealand (FSANZ) which outline the critical standards that must be met to prevent contamination and ensure a safe product for the consumer. This includes providing customers the ability to see the product to identify potential allergens and to ensure product integrity.

As the ARA and our members have been engaged in implementing several single-use plastics bans across Australia, we are well placed to comment on those which have been more successful than others. Based on learnings in WA, the ARA suggests that the definition of 'takeaway' should not relate to the following single-use plastic items:

- Items that need additional ingredients before they can be consumed;
- Platters and containers that are supplied with multiple serves of food for purposes such as catering;
- Ready to eat products that are designed to be eaten at any time, usually in the home environment; and
- Single serve condiment packages.

For the optimum reduction of waste to landfill and to minimise the contamination of waste streams, further consideration should be given to what alternatives are currently available or need to be developed, and the environmental impact of these alternatives.

As an example, if compostable alternatives are used, government would need to make additional investment into infrastructure and innovation to ensure there is sufficient capacity to process products. There is no benefit in mandating compostable packaging - at a higher cost to business - if this packaging cannot be reprocessed and ends up in landfill.

Ban on plastic lollipop sticks, ice cream sticks and other food service sticks

Whilst the ARA commends the government on its proactive approach to problematic items, we do not support the proposal to ban lollipop sticks, ice cream sticks and other food service items ahead of other states and territories.

The banning of these items would be a first in Australia, which will result in significant challenges in compliance for retail, wholesale and manufacturing businesses that operate across state borders. Not only does this create supply chain challenges for businesses operating across multiple jurisdictions, but it increases complexity and compliance risk for retailers with stores in NSW.

We need well considered, carefully planned policy to guide the phase out of single-use plastic items, particularly on those products that are universally available across the Australian marketplace, to deliver strong compliance and positive environmental results, at the lowest cost to business.

The ARA will continue to call for national alignment on the phase out of single-use plastics.

Design standard for plastic beverage container bottle lids

While the ARA is not opposed to proposals in relation to beverage container bottle lids in principle, there would be significant challenges in implementation if NSW is to pursue new design standards for tethered lids ahead of other states and territories, for the reasons outlined in relation to section above.

The introduction of design standards for plastic beverage bottles and lids would be an Australian first and so we believe strongly that any move toward a new design standard must be implemented nationally, again for reasons outlined previously.

These changes would also have wide-reaching effects beyond NSW, due to the nature of standardised bottle lid design across Australia and New Zealand.

As these lids are placed on the product at the design and manufacturing stage, members have advised that this would result in significant cost to smaller manufacturers, who may have to implement new processes or machinery to comply with the change.

Any changes to packaging and design must also ensure additional time to run down stock, modify packaging design and roll out new stock. Failure to acknowledge the lengthy timeline of this process could result in unintentional environmental consequences, such as the disposal of products in landfill.

The EPA must ensure a sensible approach to ensure retailers have adequate time to source safe, compliant and appropriate alternatives and to mitigate the potential for any unintended environmental consequences.

Design standard for cigarette butts

No issues for retailers.

2. HARMFUL CHEMICALS IN PLASTICS AND MICROPLASTICS

Phase out Per- and Polyfluoroalkyl Substances (PFAS)

Whilst the ARA supports efforts to phase out harmful chemicals such as PFAS, we firmly believe that a coordinated, national approach would be more effective than NSW seeking to phase out these chemicals ahead of other jurisdictions.

The Australian Packaging Covenant Organisation (APCO) has already launched an [action plan to phase out PFAS](#) in fibre based food contact packaging, and has significant resources and subject-matter expertise within their organisation that would be well placed to manage this process.

Additionally, the ARA suggests the NSW EPA seek guidance from the Industrial Chemicals Environmental Management Standard (ICHeMS), who have relevant chemical expertise to support or manage the national phase out of PFAS.

The ARA will continue to advocate for national alignment in relation to all aspects of problematic plastics, and will continue to work with government and industry to pursue national alignment – particularly on those products and materials that are universally available across the Australian marketplace.

Ban microbeads in all rinse-off cleaning products

No issues for retailers.

Ban oxo degradable, photo-degradable and landfill-degradable plastics

The ARA supports the phase out of degradable plastics and additives that promote the fragmentation of plastic items. However, as terms such as 'compostable' are now widely used and understood by many consumers, the ARA suggests the NSW EPA consider allowing the use of the term for products that are identified as certified compostable to AS 5810:2010 or AS 4736:2006.

There is an opportunity for the NSW EPA to be a leader in consumer education and provide definitive terms for businesses and consumers to use when referring to sustainable alternatives, to promote correct disposal and empower consumers to make reasonable choices, without the risk of greenwashing.

Design standard for microfibre filter for all new washing machines

Whilst the ARA commends the government on its proactive approach, we suggest this design standard would be better managed and implemented by a national approach.

The ARA suggests the NSW EPA work with federal government and other relevant bodies such as the Water Efficiency Labelling and Standards (WELS) scheme to manage this change.

3. ALIGN WITH OTHER STATES AND TERRITORIES

Ban heavyweight bags

The ARA is not opposed to the phase out of plastic shopping bags with handles and a thickness great than 35 microns. However, this ban should align with those bans in other jurisdictions.

We also make the point that alternatives to heavyweight plastic bags typically have higher environmental than a plastic alternative and so we also encourage the NSW EPA to consider a reusability standard for bags such as that being completed in Queensland.

Ban single-serve plastic condiment packages

The ARA does not support the banning of single-serve plastic condiment packages at this stage in the plastics transition. Whilst manufactures are actively working to develop recycle ready formats and to increase the amount of recycled and recyclable content used in this type of single-serve plastic packaging, a safe and commercially-viable solution is not yet available.

As such, a ban in NSW alone will bring significant increases in cost and complexity for foodservice businesses to absorb, many of which are small businesses already under pressure.

The role of these packages is not cosmetic. Single-serve plastic condiment packages:

- Provide a barrier to maintain integrity of the product, ensuring product shelf life;
- Provide appropriate conditions to ensure the product complies with food safety requirements; and

- Provide labels to inform consumers of product ingredients, allergen information and nutritional information (for example, salad dressing packets).

It is likely the banning of these packages will result in an increase in food waste, with the removal of a condiment sachet negatively impacting the products' shelf life. Examples include salad bags with dressing or croutons, noodles such as ramen with added oils, ready-made meals with condiment sachets.

As such, we suggest that a ban only be considered in line with the APCO National Packaging Framework and the Commonwealth government's proposed regulations for packaging.

In place of the ban, the ARA proposes the NSW government focus on increasing recycling infrastructure to increase the proportion of separate waste streams for recycling, and encourage investment in new technologies, such as advanced chemical recycling.

Ban helium balloon releases and accessories (balloon sticks, ties)

The ARA supports the phase out of helium balloon releases. However, the ARA seeks clarification on the definition of "balloon ties" and suggests that the scope of this definition should include plastic clips designed to seal balloons but not include ribbon sold for craft or general purposes, which are at times used to tie balloons.

Other items

ITEM	ARA COMMENTS
EPS food trays	Support phase out in line with other jurisdictions and National Packaging Targets.
EPS loose fill	Support phase out in line with other jurisdictions and National Packaging Targets.
Produce bags and barrier bags	<p>As has been seen in the banning of single-use plastics in other states, navigating consumer expectations in terms of produce bags and barrier bags has resulted in operational challenges for retailers.</p> <p>The ARA supports the transition away from single-use plastic bags, in favour of compostable alternatives that offer a multi-purpose solution. Compostable bags not only improve product shelf life, reducing food wastage and supporting good food safety practice, but can also be used as Food Organics and Garden Organics (FOGO) caddie bags - acting as a compostable, cost-free solution to FOGO bin bags.</p> <p>The ARA recommends that the NSW government does not ban these bags until consumers have comprehensive access to FOGO systems across the state.</p>
Fruit stickers	<p>Produce stickers continue to play a valuable role in the retail supply chain, supporting traceability for products, as well as supporting retail workers and the consumer in correctly identifying product types.</p> <p>Our consultation with members has highlighted that it is producers, rather than retailers, who apply these stickers to produce.</p>

	<p>Whilst a paper or compostable alternative is a sensible approach, this is a complex change that needs national alignment to ensure smaller producers are not disadvantaged.</p> <p>Many producers will require new or updated equipment to allow for the adoption of compostable (or other alternative) stickers in compliance with any future ban.</p> <p>Whilst adoption of compostable stickers is possible in Australia, there is currently no certified compostable adhesive available for the stickers in Australia.</p> <p>Therefore, whilst we do not oppose a ban on plastic stickers in principle, this change must be implemented only after a compostable alternative is widely available, effective and commercially-viable.</p> <p>Any ban must also consider the running down of stock required by growers before the transition is made.</p>
<p>Bread tags</p>	<p>The ARA is supportive of a ban of plastic bread tags, provided its application remains solely to bread and/or bakery items.</p>

CONCLUSION

As noted, ARA members are supportive of the phase out of single-use plastics but we believe government investment in assistance and support measures would enhance engagement with the sector and optimise implementation of the proposed bans.

- **Financial support to invest in reuse schemes.** Retailers require government support through investment and development of a reuse scheme that functions in line with a circular economic model.
- **Infrastructure must be well established before the rollout of any future bans.** Taking learnings from previous unsuccessful recycling schemes, it is imperative the NSW government provides appropriate infrastructure to support any transition. This includes recycling and FOGO capability, but also publicly accessible bins to increase likelihood a product is recycled or appropriately composted.
- **Education for retailers.** An education program is required to assist retailers with both the transition from single-use plastics, and the sourcing challenges they will encounter through that transition. The ARA has a demonstrated history of working with government and retailers to implement complex change.
- **Education for suppliers and consumers.** Further resources should be provided to educate suppliers and consumers on the necessity to switch from single-use plastics, as well as information around end-of-life disposal and what goes in which bins, as well as which alternatives that are available.

Thank you for the opportunity to provide a submission to this inquiry. Any queries in relation to this submission can be directed to our policy team at policy@retail.org.au.