22 December 2022

Committee Secretary Standing Committee on Climate Change, Energy, Environment and Water PO Box 6021 Canberra ACT 2600

via email: CCEEW@aph.gov.au

Dear Committee Secretary,

## RE: INQUIRY INTO PLASTIC POLLUTION IN AUSTRALIA'S OCEANS AND WATERWAYS

The Australian Retailers Association (ARA) welcomes the opportunity to comment on the Committee's inquiry into the impact of plastic pollution on Australia's oceans and waterways, including microplastics.

The ARA is the oldest, largest and most diverse national retail body, representing a \$400 billion sector that employs 1.3 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 in all states and across all categories - from food to fashion, hairdressing to hardware, and everything in between.

Climate change will be the biggest disruptor to the retail sector in coming years and the ARA is committed to working with the sector to take urgent and decisive action to avoid the worst impacts, as evidenced by our <u>climate action plan</u> and <u>net-zero roadmap</u>.

We note that the ARA is also making a submission to the current inquiry on food security convened by the House of Representatives Standing Committee on Agriculture. In that submission, we call out the need for collaboration between government, industry and stakeholders to ensure Australia's food supply chains are resilient to the impacts of climate change.

The ARA is also supporting the retail sector to shift towards more sustainable production and consumption in the transition to the circular economy.

One of our immediate focus areas is the phase out of single-use <u>plastics</u>. ARA members are supportive of these bans, but we believe greater government guidance, investment and support would enhance engagement with the sector and optimise implementation of the National Plan for Plastics.

A recent survey of our membership confirmed that ARA members are generally supportive of bans on problematic plastics, with over 70% agreeing that plastic pollution is a critical issue for the retail sector. However, a lack of national consistency is limiting the capacity of retailers to implement change in a cost-effective manner.

In addition, a lack of investment by governments at a state and federal level is impacting the ability of retailers to make tangible change in the space. From the same survey, 72% of members highlighted the lack of recycling and composting infrastructure as a critical issue, with a further 68% saying they had shifted to alternatives at a higher cost without any guaranteed environmental benefit.



In this context, we make the following comments in response to some of the inquiry's terms of reference below.

1. The effectiveness of Australia's plastics management framework under the National Plastics Plan and related policies to reduce plastic pollution particularly in oceans and waterways.

The ARA appreciates that the Federal Government is now committed to building a National Plastics Plan. The retail sector has a positive role to play in the phase out of single-use plastics but a national co-ordinated approach is critical to ensure that these bans are managed effectively and efficiently.

It is also critical that the Plan is forward-looking, considers what alternatives can be used and builds in realistic timeframes that enable supply chains to adjust to changes in a timely manner, to avoid surplus stock ending up in landfill or our oceans and waterways.

Retailers and suppliers also need adequate time to design, test and source safe and sustainable alternatives to single-use plastics. Likewise, consumers need time to adjust habits and ensure awareness is raised around recycling and safe disposal of alternative products.

For example, recent experience in the ACT has demonstrated that consumers are not ready for the phase out of produce bags in the grocery environment. We strongly anticipate that the phase out of these bags and some other single-use plastics (like takeaway coffee cups) will continue to prove challenging from the consumer perspective.

2. The effectiveness of the Australian Government's engagement with states, territories, industry and non-government organisations to reduce plastic pollution particularly in oceans and waterways.

The lack of national consistency has made these changes harder and more costly to deliver. The ARA welcomes the proactive approach that state and territory governments have taken in lieu of a national framework but this approach has resulted in an inefficient and complex implementation, as illustrated below.





We need well considered, carefully planned approaches to phasing out single-use plastics to deliver strong compliance and positive environmental results, at the lowest cost to business. Our comments above reflect the need for a nationally co-ordinated approach to ensure an effective reduction of plastic pollution.

The ARA recommends the establishment of partnerships with industry as well as non-government organisations to support a co-ordinated and effective national policy approach.

3. The effectiveness of community campaigns to reduce plastic pollution particularly in oceans and waterways and encourage the use of alternative materials

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. We also have an in-house marketing team to assist with strategy and implementation of education programs.

Thank you for the opportunity to comment. Any questions about this submission can be directed to our policy team at <a href="mailto:submission">submission</a> can be directed to our policy team at <a href="mailto:submission">submission</a> can be directed to our policy team at <a href="mailto:submission">submission</a> can be directed to our policy team at <a href="mailto:submission">submission</a> can be directed to our policy team at <a href="mailto:submission">submission</a> can be directed to our policy team at <a href="mailto:submission">submission</a> can be directed to our policy team at <a href="mailto:submission">submission</a> can be directed to our policy team at <a href="mailto:submission">submission</a> can be directed to our policy team at <a href="mailto:submission">submission</a> can be directed to our policy team at <a href="mailto:submission">submission</a> can be directed to submission can be directed to

Yours sincerely,

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Paul Zahra

Chief Executive Officer