



The Australian Industry Group
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September 14, 2020

Senate Standing Committees on Environment and Communications
PO Box 6100
Parliament House
Canberra ACT 2600

By Email: ec.sen@aph.gov.au

Dear Sir/Madam

**Recycling and Waste Reduction Bill 2020
(Inquiry into the Recycling and Waste Reduction Bills 2020)**

The Australian Industry Group (Ai Group) welcomes the opportunity to make a submission on the Recycling and Waste Bill 2020 and commends the government for acting on this very important issue. We note that we made a stakeholder submission to the Department of Agriculture, Water and Environment on the Draft Bill in July 2020. This submission reiterates the comments made at that time.

Our submission focusses on the Recycling and Waste Reduction Bill 2020. We currently have no further comments to make on the following bills:

- Recycling and Waste Reduction (Consequential and Transitional Provisions) Bill 2020;
- Recycling and Waste Reduction Charges (General) Bill 2020;
- Recycling and Waste Reduction Charges (Customs) Bill 2020; and
- Recycling and Waste Reduction Charges (Excise) Bill 2020.

Ai Group is committed to the pursuit of solutions to the waste crisis that are both financially and environmentally sustainable. We look forward to further involvement in the various processes provided for by these bills.

The Australian Industry Group (Ai Group) is a peak national employer association representing and connecting thousands of businesses in a variety of industries and sectors across Australia. Our membership and affiliates include private sector employers large and small from more than 60,000 businesses employing over 1 million staff. Ai Group promotes industry development, jobs growth and stronger Australian communities. Our members have a common interest in creating more competitive businesses and a stronger economic environment.

Waste Export Ban

Licensing and declaration scheme

- The licensing scheme must be as simple as possible for users to interface with. This will help assist business and the government in cutting down administrative burden. The intention to provide a streamlined application for export license renewal referenced in the part 5 overview is a welcome step in this direction.



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- Allowing the one waste export licence to be granted to export more than one kind of regulated waste material is a positive inclusion. This will be particularly helpful for waste businesses handling diverse materials.
- A maximum three-year licence period appears to make sense; however, the waste industry would be best placed to advise on how this licence timeframe may impact waste contracts, which often have significantly longer terms.

Record-keeping requirements

- Record-keeping requirements should be simple, and expectations should be made clear in plain English for participating businesses, particularly given the threat of criminal and/or civil penalty for breach of a rule.
- The Declaration platform should be a smooth transmission of information that does not create undue administrative burden for those lawfully exporting.
- Government must be careful not to create an opportunity for third-party auditors to exploit the scheme and unfairly increase the costs of participation for exporters.

Offences and civil penalty provisions

- Penalties for failure of a liable party to be a member of an approved co-regulatory product stewardship arrangement may help avoid on free-riding and will likely be welcomed by those participants doing the right thing.
- The offences and civil penalty provisions need to be consistently and reliably enforced by government(s) to be meaningful.
- Ai Group have no further comment regarding offences and penalties currently.

Fees and Charges

- Those impacted by the first bans in the timeline should not bear disproportionate costs to those later in the schedule for program set up. The Government has indicated it will only seek to recover the efficient costs of the scheme, rather than the higher per-transaction costs it may have while scaling up. We welcome this commitment.
- License fees should be treated only as a mechanism for recouping scheme costs and never as an opportunity for profit. Government have indicated this is the intention, and it is important it remains so for as long as this scheme may operate.

Other

- The subordinate detail will be particularly crucial to a successful nuanced prohibition of specified exports. As with glass, detailed and meaningful consultation will be required for all material streams to reduce the risk of unintended consequences.
- Where the use of standards may be required, use of Australian Standards, or adopted international standards (where appropriate) is strongly preferred.
- This work should complement further development of domestic recycling capability and sustainable markets for recycled and recovered materials; and the firming up of efficient and adequate waste-to-energy and landfill options for waste types that cannot be given a meaningful second life on- or off-shore at this time.



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Product stewardship

The Minister's Priority List

- It would be valuable to consult impacted industries before products appear on the Minister's priority list each year. Early knowledge of plans to include will lead to constructive suggestions, including possible alternative approaches, as well as a smoother commencement of work.
- The expected timeframes supplied by the Minister must be realistic. Product stewardship schemes, whether voluntary or co-regulatory, are time consuming to establish and comprised of many moving parts. Government expectations must be reasonable, and factor in stakeholder/industry diversity as well as competing priorities and pressures.
- Recommending a mandatory or co-regulatory solution should be a last resort taken only after significant consultation with industry and encouragement from government has failed.

National Television and Computer Recycling Scheme (NTCRS)

- The potential broadening the NTCRS to include all electrical and electronic products (E-Waste), so that all consumer products with a plug or battery can be recycled, will be a complicated matter that requires significant further consultation with industry. E-Waste is diverse and there are different challenges and opportunities across a vast range of products.
- Any expansion of the NTCRS will need to be considered in the context of the government's encouragement for businesses/industries to establish their own product stewardship schemes and pursue accreditation. Ideally expansion would provide efficient coverage, but without coordination it could create duplication.

Accreditation

- Reducing the costs and improving the benefits of scheme accreditation is a welcome development for industry and will complement the grant opportunities provided by the Product Stewardship Investment Fund.
- A streamlined and cost-effective accreditation process is likely to stimulate innovation, with industry able to use creative and tailored solutions in the first instance.
- Businesses will need assurance that should they invest in an accredited scheme, it will not be made redundant or undermined by any new mandatory or co-regulatory schemes introduced by government.

General Comment

- 'Naming and Shaming' can be a powerful deterrent to contravention while dealing with problematic free riders and levelling the playing field for industry. It is important that any business 'named and shamed' by government is confirmed to have committed an offence/breach (upheld by any available appeals process) or are genuinely freeriding. It is imperative to confirm that the impacted party has had an opportunity to state their case and is not simply struggling with genuine barriers to participation. This is particularly relevant to accusations of freeriding.



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- Government should ensure all businesses are assessed and treated equally in relation to 'name and shame' pressure. Businesses producing goods locally should not be under greater pressure simply because they are more visible than those producing goods elsewhere and importing them.

Should you wish to discuss the matters raised in this submission, please contact our adviser Rachael Wilkinson on _____ or _____

Sincerely yours,

Peter Burn, Head of Influence and Policy