

The Hon Senator Ian Campbell  
Federal Minister for Environment &  
Heritage

Mr Jon Stanhope MLA  
ACT Chief Minister

The Hon. Desley Boyle  
Qld Minister for Environment

The Hon. Robert Debus  
NSW Environment Minister

The Hon. John Hill  
SA Minister for Environment & Conservation

The Hon John William Thwaites  
Vic Minister for Environment

Ms Marion Rose Scrymgeour  
NT Minister for Environment & Heritage

The Hon. Judy Jackson  
Tas Minister for Environment & Planning

The Hon. Judy Edwards  
WA Minister for the Environment

31 March 2005

## **Re: Discussions on targets for the National Packaging Covenant Mark 2**

The Boomerang Alliance has been participating in discussions with state jurisdictions, industry and local government on the National Packaging Covenant targets required by Federal, State and Territory Environment Ministers. While some progress has been made on baseline data issues and industry has responded to our targets proposal with their position, it has become clear that in order to resolve the worsening problem of packaging waste, Ministers need to address some core issues.

### **The NPC is just one of the tools by which to address the packaging problem**

In reality, the NPC sits alongside kerbside collections, paper recycling, plastic bag phase-outs and South Australia's CDL scheme. It does not cover the whole policy territory and governments have always considered the use of other approaches when the need arises. In our view this need has now arisen, particularly given the zero waste and other waste minimisation strategies adopted by various state governments.

### **A weak or effective target?**

Ministers are faced with a major public policy decision that can either involve small targets that do not meet public demand for substantial action, or set the stage for a growing level of resource recovery that can reach the best overseas performance. We submit that a weak set of targets will simply lay the ground for ongoing public concern. Nor should the new targets 'double-dip', with the NPC taking credit for the plastic bag phase out and inclusion of (pre-consumer) factory floor waste. Targets also need to be disaggregated so that focus can be placed on the badly performing sectors. The NPC needs to tackle the hard issues, and work next to other approaches.

### **Away from home packaging – the new priority**

Away from home packaging consumption (clubs, sporting events, public spaces, food halls, restaurants) is now reaching high levels – some 50% for glass and aluminium. Given that kerbside recycling is reaching its limited capacity under current financial and physical constraints, the challenge in the next few years is to devise effective away from home collection systems, as none exist at present.

### **Preventing entry of non-recyclable packaging**

There has been significant growth of non-recyclable packaging under the current NPC – a major failure which must not be allowed to re-occur in the next 5-year period. The key material has been different forms of plastics, adding to the severe environmental impacts of plastic in the waste stream. Thus there should be no new non-recyclable packaging (including with composite items) brought onto the market. Existing problem plastics must be a key priority. We suggest that phase-outs of certain materials should be implemented if recycling collection and resource recovery are not quickly brought on stream.

### **How will a new system be funded?**

It has become clear in the discussions that the NPC's "shared cost model" has not delivered any measurable environmental benefits and is therefore demonstrably not viable for the next stage of packaging waste policy. This model will impose large financial burdens (tens of millions of dollars per year) on state and local governments. A funding regime that reduces the cost of existing and future programs, rather than eating into existing government budgets, is needed. Further, the funding should allow for natural growth beyond the targets so that better performance in the future is easily accommodated.

We expect the Regulatory Impact Statement will highlight that achieving targets the community expects will impose a substantial additional cost unless a (self) funding program is established.

Ministers need to seriously consider the financial model at the earliest opportunity. The Boomerang Alliance is investigating options such as differential landfill levies, advance disposal fees, container deposits or materials levies. Packaging waste policy must come to grips with this challenge, otherwise new targets will be crippled at the start.

We urge you to begin development of a funding system at the 15 April EPHC meeting. Such a system should be planned to commence within 12 to 18 months.

Please find attached our detailed progress report on the development of targets, which explains a range of issues further. We will be contacting your office to discuss the above matters in the near future and look forward to major policy developments.

Yours Sincerely,



Jeff Angel

Director, Total Environment Centre

On behalf of the Boomerang Alliance:

