



ALGA

Australian Local
Government Association

Review of the *Recycling and Waste Reduction Act*

ALGA Submission

February 2025

Introduction

The Australian Local Government Association (ALGA) welcomes the opportunity to provide a submission to the Department of Climate Change, Energy, Environment and Water (DCCEEW) for the Review on the *Recycling and Waste Reduction (RaWR) Act* (the Review).

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. This submission should be read in conjunction with any separate submissions received from state and territory associations as well as individual councils.

Local governments are key national partners in resource recovery and management, in enabling their communities' social and economic aspirations and in providing foundational infrastructure and services which enable regional economies to function. Local governments play an important role in protecting local and regional environments and landscapes, such as by providing information to residents about safe and responsible disposal of resources and in responding where regulation and markets fail. For example, [Tyre Stewardship Australia has estimated](#) that the retrieval of illegally dumped tyres is costing local governments over \$6.5 million per year.

As one of local governments' major services, waste management and reducing associated operating and environmental costs are of keen relevance to the local government sector. ALGA is an observer to Environment Ministers Meetings, and is actively engaged in shaping national waste, recycling and circular economy policies. ALGA was party to the drafting of the National Waste Policy Action Plan 2019 and the subsequent update in 2024, and continues to support the National Waste Export Ban put into effect through the RaWR Act.

In [ALGA's submission](#) to the Inquiry into the Recycling & Waste Reduction Bills 2020, the following recommendations were made, which remain pertinent and in-scope of this Review:

1. That 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'.
2. That there is a need to ensure charges associated with export of value-added materials should be borne equitably by producers, consumers and managers of waste products, and not allowed to be inequitably borne by councils.
3. That review of the Act by undertaken by an independent entity.

Product stewardship

ALGA's overarching position is that the onus for waste reduction should be borne by industry, not by local governments.

We have been pleased to see the Commonwealth's recent efforts to reform regulation for packaging. With a federal election due in mid-2025, ALGA urges any future government to continue these important reforms to rebalance the burden of the costs for off councils and ratepayers.

Through DCCEEW's consultation, we supported a full extended producer responsibility scheme which redistributes recuperated fees to local government for managing residual material. Indeed, lessons from reforms to packaging regulation should be captured with the intention of finding efficiencies and enabling rapid scaling for reforms or new schemes for other materials and products.

While packaging is one important waste stream which communities want to see addressed, there are many more which require urgent attention. The following, at minimum, require mandatory product stewardship schemes:

- lithium-ion batteries (including those embedded in consumer electronics)
- e-waste
- solar panels
- tyres
- mattresses
- textiles
- aerosols

We would like to see continued attention to national harmonisation of existing product stewardship schemes (e.g. Container Deposit Schemes) as well as a commitment to finishing product stewardship reforms where industry schemes are not producing adequate economic and environmental outcomes. As will be discussed below in respect to the Minister's Priority List, a range of products and materials have been added, only to be removed again, despite not having enduring solutions that take the inequitable burden of cost and community expectation off councils.

Bans

ALGA believes that the Commonwealth should prohibit product elements that are overly wasteful, such as unnecessary or hard-to-recycle materials. They should be limited to cases where there are no suitable alternatives. In those cases, the end-of-life impacts should be incorporated into the up-stream costs through product stewardship.

Emerging contaminants which have no way of being safely and economically managed should be banned. This includes PFAS, for example, along with other problematic products not covered by the Industrial Chemicals Environmental Management Standard. The Act should stipulate any transitional/sunset export management arrangements and rules for the time between a contaminant being identified and then banned.

A review into the adequacy of institutional arrangements and frameworks for assessment and implementation of bans can provide insights into whether the Commonwealth has adequate settings to take a proactive approach. For example, the Australian Industrial Chemicals Introduction Scheme hosted by the Department of Health may be suitable for addressing chemicals which should not be permitted to enter the waste stream, however, it may be the case that it is not fit for purpose or adequately resourced to accommodate such an expansion. A review would provide the guidance required.

Voluntary schemes

While voluntary schemes can support industry to establish systems to enable better product stewardship, they can also act as a half-way placeholder which prolongs the transition to a mandatory, fully functional scheme.

Voluntary schemes rely on consumers being able to differentiate between products belonging to an accredited scheme or not and making their consumption choices accordingly. This is exacerbated when cost of living concerns are central, as non-contributing competitors will be able to undercut an otherwise identical product on price.

We do not believe that voluntary schemes, with or without accreditation, are generally adequate to meet community expectations of our resource recovery system.

Designing out cost shifting

As we demonstrated [in our submission](#) to the Inquiry on Local Government Financial Sustainability, the decisions that other actors make in respect to resource recovery has a significant impact on the financial sustainability of local government. The intense cost pressures on councils and increased cost-shifting between governments was noted in the [interim report into local government sustainability](#).

Local governments are required to manage waste in their communities, regardless of the policy and budgetary settings made by other levels of government and the degree of stewardship that industry takes for its products. Other factors such as intensifying natural disasters and the resulting disaster waste exacerbate existing pressures on local waste and resource recovery systems.

ALGA believes it to be appropriate that Commonwealth departments and agencies be required to complete a 'Local Government Impact Assessment' which ensures that policy and budgetary decisions are made with proper visibility for how they will affect local government. This RaWR Act is a suitable piece of legislation for embedding this requirement.

The consultation survey seeks information on several stakeholder proposals. Decisions about these could have cost implications for local government which should be taken into consideration.

- *Distinguishing processed recycled products from unprocessed recovered materials, versus greater restrictions on exports to ensure sufficient recyclable material is available for domestic recyclers:* While ALGA does not have a position on the scope of the rules, it is important that any potential processor or export fees are not passed on to local government.
- *Exports of high-risk materials are reviewed more thoroughly, while exports of low-risk materials go through a simpler process to reduce the complexity and time taken to do assessments:* Should the Commonwealth choose to create different assessment pathways, ALGA would want to see the Commonwealth explicitly stipulate what the rules would be for storage to ensure local governments are not required to hold material by default or without cost recovery. Furthermore, the regulation of waste exports for certain recyclable products must take into consideration the capacity of regional areas to meet processing requirements. The lack of infrastructure and high transport costs are having a negative impact on council operations.

- *Effectiveness of the National Television and Computer Recycling Scheme (NTCRS):* ALGA's understanding of the NTCRS is that it does not cover the full cost of recovery. Councils, in seeking to provide equitable access to their communities, have had to fund a significant shortfall. Our view is that a product stewardship scheme should ensure that the full cost of the scheme should be borne by participants.

A strategic and transparent prioritisation approach

Evidently, the quantum of products and materials which would be best managed through mandatory product stewardship or other regulatory schemes likely outpaces the capacity of governments and industry to establish such schemes.

The Commonwealth should identify where the RaWR Act can equip the Federal Government to take a systematic and strategic approach to waste policy. This would prioritise the areas which will deliver the biggest economic and environmental gains, while delivering operational and financial improvements for local governments.

A consistent, transparent methodology for prioritising product stewardship policy and reform should be created so that there is clarity about the rationale for action. DCCEEW could be charged with undertaking prioritisation and advising the Environment Minister, in the same way that Infrastructure Australia undertakes analysis for the Infrastructure Priority List and makes recommendations for Commonwealth expenditure.

Furthermore, a dedicated body or DCCEEW could be established to identify where and how product stewardship reforms can be scaled efficiently to speed up circular economy of a range of products and materials.

Minister's Priority List

We do not believe that prioritisation based on the discretion of the Minister alone is an effective mechanism for directing waste reforms. The range of materials under consideration, the nature of their impact, and industry context are all complex factors which mean that more robust decision-making frameworks and mechanisms are required.

For much of the lifetime of the priority list, there has been limited precedent for items progressing from the priority list to a regulatory approach. They remained on the list, and at some point, industry might implement a response deemed adequate to see them removed. There doesn't appear to be a consistent and transparent method for assessing when industry-led approaches are deemed adequate for removing items.

The years 2023-24 saw four product categories removed from the list due to inadequate action from industry, with regulatory approaches being considered for problematic single-use plastics, photovoltaic systems, electrical and electronic products, and oil containers. With the exception of single-use plastics (2021-22) these categories had been on the priority list since 2016-17.

Six other product categories have been removed from the list over its existence.

Air conditioners and refrigerators (two categories) were removed in 2015-16 after analysis found that existing recovery rates were high enough to not warrant inclusion on the list to begin with.

Packaging was removed in 2015-16 in favour of continuing with the Australian Packaging Covenant. This removal should be treated with caution, due to the related category of problematic single-use plastics being added to the priority list in 2021-22 and subsequently removed in 2023-24 due to inadequate action from industry.

Paint was removed in 2016-17 following the introduction of the Paintback voluntary product stewardship scheme. Since its introduction our understanding is that while Paintback has increased the degree to which paint is safely disposed of, it has not meaningfully achieved recovery of the material.

Batteries were inaugural inclusions on the list, with the scope of the inclusion broadening initially from handheld batteries less than 2kg, to batteries less than 5kg, to batteries generally. They were removed in 2021-22 with the introduction of the B-cycle voluntary scheme. No Government assessment of the outcomes of B-cycle is available yet.

Plastic microbeads were removed in 2021-22 following a voluntary phase-out of their use in cosmetic products. Given the ease with which they were able to be replaced by alternatives, it raises the question as to why plastics were used to begin with. This example points clearly to the need for a proactive mechanism which requires industry to justify how it has reduced problematic materials in their products before introducing them to the market, rather than relying on a reactive, piecemeal approach.

That some product categories have been moved towards a regulatory approach, and that the priority list now contains more defined and time-bounded outcomes industry must meet, is a step forward. It is difficult to determine whether this will succeed in making industry more responsive to being listed. The approach also presumes that industry-led and voluntary approaches are always preferable to regulation which we do not believe is the case.

Other actions for supporting circular economy

ALGA has provided input to several Commonwealth inquiries and reviews to support circular economy, including to the Productivity Commission's (PC) [Inquiry on Opportunities in the Circular Economy](#) (2024) and to [the Inquiry into the Right to Repair](#) (2021).

In addition to the suggestions provided there, additional recommendations include:

- Support for research and development and innovation to build circular economy options and markets.
- Renewed commitment to public awareness and engagement about their role in responsible disposal of different waste products and materials.
- Investment in reuse and repair facilities, and reuse precincts, in partnership with local governments.
- Toolkits and other resources to enable businesses and individuals to engage in reuse and repair.
- Embedding and rewarding elimination, reuse and repair in existing Australian investment vehicles across industries and systems; including energy, built environment, and transport.

- Clear and consistent design standards to prevent mislabelling of recycled material and support consumer preference for recycled products. We believe that the Commonwealth has begun this work and support its continuation.
- Work on design standards should be expanded to also include standards for compostable packaging to reduce contamination (and subsequent barriers per increased risk and operating cost) for organics diversion and collection schemes by councils.

The effective and thoughtful handling of Australia's waste will help ensure that local government can meet the nation's needs and minimise the cost to their direct communities.

Thank you for your continued engagement with ALGA. Please contact me or Eleanor Robson (Policy Director – Environment) for any further information you may require.

Sincerely,



Amy Crawford
CEO

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Further enquiries

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