

Submission

Phasing out single-use plastics in the Northern Territory: discussion paper

The Local Government Association of the Northern Territory (LGANT) welcomes the opportunity to provide a submission to the Draft Determination in respect of conduct in connection with the Soft Plastics Taskforce.

About LGANT

LGANT is the voice of local government in the Northern Territory, representing 16 municipal and regional councils, 63 local authorities, 66 remote communities with a physical council presence and 614 homelands with over 100 Aboriginal languages and dialects.

We provide leadership, support, representation, and advocacy on behalf of our member councils for the benefit of their communities.

Local government makes a significant contribution to the Northern Territory economy as they collectively employ around 3,000 Territorians. Councils are the largest employer of Indigenous people in remote and regional areas, manage and control assets and infrastructure valued at \$2.57 billion, are responsible for over 13,000 kilometres of roads and receive and expend over \$505 million in the Northern Territory annually.

Local government councils look after matters close to our homes including local roads, street signage, lighting, footpaths, parking, cycle ways, parks and playgrounds, sporting fields and swimming pools, pet control, land and coast care programs, libraries, waste management, and community programs such as child and aged care – and in some places, act as Centrelink and Australia Post.

SUBMISSION

LGANT is committed to the transition to a Circular Economy and recognises that resuming the collection and recycling of soft plastics is vital to this process. Soft plastics are a problem in the environment across Australia including in NT remote communities that attract additional soft plastics required for transport to these locations. The Soft Plastics Taskforce should consider how remote communities in the NT and whole of northern Australia can be supported to enable their participation in a national scheme.

It is noted that the Taskforce members are seeking funding from stakeholders to cover the costs of collection and processing of soft plastics from their retail outlets. It is therefore disappointing that there is no acknowledgement of costs being covered for local government that choose to collect soft plastics in their kerbside recycling bins. Each of the three taskforce members received profits in excess of \$1 billion dollars in the last financial year. In comparison, the 537 local government councils across Australia received \$20 billion from rates (generally their main source of revenue) and expended approximately \$43.1 billion for 2020/2021. <https://alga.com.au/facts-and-figures/> Despite the disparity in

earning potential, the taskforce is encouraging Federal and State/Territory governments to mandate the collection of soft plastics via local government kerbside recycling collection.

LGANT strongly believes that product stewardship should be the responsibility of the producers of the subject material and this includes soft plastics. The concerns with council's bearing the responsibility for soft plastic collection include:

- Consistent messaging from local government has been for plastic bags not to be placed in recycling
- Soft plastics getting tangled in MRF (Material Recovery Facility) equipment and halting sorting
- Costs being shifted to a sector that does not make any profit from the use of soft plastics (manufacturers, retailers and transporters all derive a profit from the material in some form)
- End markets for recycled soft plastic will not be realised unless industry has an incentive to create them
- Industry will not be incentivised to minimise their use of soft plastics and/or seek alternative materials
- Only two local government councils in the NT currently provide a kerbside recycling service

LGANT supports the Soft Plastics Taskforce seeking approval to export soft plastics for processing given the current lack of capacity in Australia. The taskforce must ensure that the export of soft plastics for processing does not cause damage to the environment or human health and evidence of responsible practices must be made publicly available.

In general, LGANT endorses the ACCC's draft determination in respect of the Soft Plastics Taskforce as this material causes environmental damage when disposed incorrectly. The recycling of soft plastics fits a circular economy model and the return of retailer collection points is welcomed.

Summary of Key Points

- LGANT supports the return of soft plastics retail collection points
- LGANT would like the Soft Plastics Taskforce to consider how to include remote communities in the NT and whole of Northern Australia in a national scheme
- LGANT supports the processing of soft plastics and ultimate recycling of into other products
- LGANT supports the export of soft plastics for processing as long as no detriment to the environment or human health arises
- LGANT does not support local government becoming responsible for the collection, transport and processing of soft plastics

LGANT is available to discuss this submission further.

Yours sincerely



Lord Mayor the Hon Kon Vatskalis
President
17 April 2023