Australian Government
Department of Agriculture, Water and the Environment

Ref: EC21-001003

Right to Repair
Productivity Commission
repair@pc.gov.au

Dear Commissioners

The Department of Agriculture, Water and the Environment (the department) welcomes the opportunity to comment on the draft report of the Right-to-Repair Inquiry.

The department is the lead Commonwealth agency for Australia's National Waste Policy, and commitments under the National Waste Policy Action Plan 2019. The Action Plan, agreed at the Meeting of Environment Ministers in November 2019, includes national targets directly relevant to your inquiry, such as reaching an 80 per cent average resource recovery rate from all waste streams following the waste hierarchy by 2030 and reducing total waste generated in Australia by 10 per cent per person by 2030.

The department is also responsible for delivering a $1 billion transformation of our waste and recycling industry. This includes the $190 million Recycling Modernisation Fund that is leveraging over $600 million of recycling infrastructure to sort, process and remanufacture waste materials. The $26 million for the National Product Stewardship Investment Fund is establishing new and expanding existing product stewardship schemes.

Your inquiry is a major contribution to action item 2.6 of the National Waste Policy Action Plan, reviewing and reporting on recommendations to introduce laws to improve consumers' 'right to repair' options. We have provided detailed comments on the draft recommendations, findings and information requests directly relevant to our work at **Attachment A**.

We would particularly note that the department will be undertaking nationwide consultation on e-stewardship and e-waste in the second half of 2021. We welcome further engagement with the Commission as we progress this work.

The department is available to further discuss our submission at your convenience and looks forward to the delivery of your final report.

Yours sincerely

Kate Lynch
A/g Deputy Secretary
Major Environment Reforms Group

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T +61 2 6272 3933
F +61 2 6272 5161
John Gorton Building
Parkes ACT 2600
GPO Box 858
Canberra ACT 2601
awe.gov.au
ABN 34 190 894 983

ATTACHMENT A

RESPONSES TO DRAFT RECOMMENDATIONS, FINDINGS AND INFORMATION REQUESTS

Chapter 6

Information Request 6.1 'Product Labelling Schemes'

The department supports improved information for consumers which inform purchasing decisions about the expected lifespan and repairability of products. There are some market segments in Australia already experiencing shifts in consumer sentiment toward higher quality, re-usable or zero-waste products, and we expect to see this grow.

The department has been involved in product labelling schemes through the work of the Australian Packaging Covenant Organisation (APCO) and the Australasian Recycling Label (ARL). In response to Australia's National 2025 Packaging Target for 100 per cent of packaging designed to be reusable, recyclable or compostable by 2025, APCO is currently working on the development of best practice approaches for reusable packaging, including consumer testing of reuse labels. The department recommends the Commission seek the views of APCO, including lessons learned and potential application to reuse and repair labelling.

For any product labelling, consideration must be given to the regulatory cost and costs to industry in designing new schemes. Further consultation with industry might indicate that expanding existing, verified labelling schemes already established on the Australian market may provide an optimal approach.

For example, consideration could be given to leveraging the ARL, which is the only evidence-based, national recycling labelling program on the Australian market. APCO administers the ARL Program and has the exclusive licence for the ARL in Australia and New Zealand.

Under the National Plastics Plan the Government is working with industry to ensure all APCO Tier 1 members with annual revenue greater than $500 million use the ARL by end of 2023, resulting in 80 per cent of supermarket products displaying the ARL. The FY2021-22 Budget invested $5 million to support 20,000 small-to-medium enterprise businesses adopt the ARL on their packaging.

The ARL has easy to understand recycling information about how to correctly dispose of every part of a product's packaging. The label tells consumers which packaging parts belong in the recycling bin, the rubbish bin, or which items can be recycled in-store (such as returning soft plastics to the soft plastic collection bins in your local supermarket).

In 2022, APCO will expand the ARL to include a reuse label to enable consumers to make informed choices when purchasing products and provide guidance to customers on how to reuse the product or packaging.

The label will be supported by a verification standard that has been developed in accordance with International Standard Organisation 18603:2013 Packaging and the environment — Reuse to ensure it is consistent with global standards of reuse.

The department also suggests the Commission explore options beyond labelling for improved information for consumers on premature obsolescence of products. This could include the use of label digitisation such as low-cost electronic tagging, and the development and publication of

public databases or consumer awareness campaigns, which could also be utilised to inform consumers when making purchase decisions.

Chapter 7

Drafting Finding 7.1 'E-Waste is a Small but Growing Waste Stream'

The refreshed Product Stewardship Ministers Priority List for 2021-22 strengthens the actions and timelines recommended for electrical and electronic products. As well as a scheme for modems and routers by June 2022 the entire supply chain is tasked with demonstrating measurable product design improvements to increase durability, repairability, re-usability and recyclability by 2025.

Current e-waste data, outside of the National Television & Computer Recycling Scheme and MobileMuster, is largely based on projections of lifespans of imported electronic products, rather than data collected at the time of recovery or disposal.

Work undertaken for the department by Blue Environment modelled the generation of e-waste by combining consumption data with lifespan distribution parameters established by the United Nations University. The model suggests that in 2018-19 about 539 kt of e-waste was generated in Australia, an increase of about 3.7% on the previous year. It is believed that most collected e-waste in Australia is recycled, mostly through operations processing white goods and similar products.

This approach may be significantly underestimating waste volumes in new material streams and is unlikely to reflect the impact of disruptive events. For example, industry feedback suggests that the rapid improvement in solar panel efficiency combined with reductions in cost is contributing to much earlier than predicted replacement of solar panels and inverters.

The department would like to highlight the waste hierarchy described in the National Waste Policy. The waste hierarchy outlines an order of preference for the management of waste, with avoidance being the most preferred option and disposal being the least.

The National Waste Policy Action Plan also has a commitment from all governments to 'develop a common approach to restrict the disposal of priority products and materials in landfill, starting with lithium-ion batteries, materials collected for the purpose of recycling and e-waste'.

The risks to human and environmental health of landfilling e-waste are not well understood at present – in part due to limited information about the chemical hazards within electronic and electrical products imported into Australia. Combined with rising community expectations about the management of hazardous substances, e-waste landfill bans in many states and territories mean that landfilling is an uncertain fate for e-waste in Australia – at best – over the long term.

We are undertaking further work on e-waste generation projections and impacts on human and environmental health and would be happy to share the findings of this work with the Commission when completed.

Draft Recommendation 7.1 'Improving the Management of E-Waste'

The department notes that the draft report recommends improving the management of e-waste by amending the National Television & Computer Recycling Scheme to allow e-waste products that have been repaired or reused by co-regulatory bodies to be counted towards annual scheme targets. This draft finding reinforces recommendation 24 of the Review of the *Product Stewardship Act 2011*, which called the department to examine opportunities to recognise re-use and other waste avoidance activities under the National Television & Computer Recycling Scheme.

Additional initiatives to promote repair and re-use initiatives may include requiring re-use and recycling to be considered in the design of all new products, or encouraging consumers to re-fit equipment with updated technology when required (similar to how older single pane windows are updated with double glazing without replace the frames).

Draft Recommendation 7.2 'Use of GPS Trackers to Monitor E-Waste Exports'

The department supports measures to better understand the fate of end-of-life e-waste, especially where there is a high risk of illegal and/or harmful disposal. The department works closely with the Department of Home Affairs and Australian Border Force to monitor waste exports as part of compliance with the National Television and Computer Recycling Scheme, hazardous waste and other waste export regulations, and for data collection and reporting.

GPS trackers in e-waste could provide consumer, government and industry confidence in the recovery and recycling markets, through increased traceability. Potential interaction with privacy laws, however, would need further analysis.

Other initiatives

The Australian Government has committed to assess the options, costs and benefits of developing a product stewardship arrangement (including recycling at end of life) for electrical and electronic equipment, in response to recommendation 15 of the Review of the *Product Stewardship Act 2011*. The department will undertake nationwide consultation on the prevalence, management, and stewardship options for e-waste in the second half of 2021.