



25 September 2020

ACT NoWaste
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RE: Consultation: Plastic Reduction Bill 2020 – Exposure Draft

Woolworths Group welcomes the opportunity to submit feedback on the ACT's *Plastic Reduction Bill 2020 – Exposure Draft*.

INTRODUCTION

The Woolworths Group has operated for over 96 years in Australia and employs 196,000 team members across our brands nationwide, with over 29 million customer interactions every week. In 1941, Woolworths opened our first ACT store in Kingston. Today, the Woolworths Group employs more than 2,800 team members in the ACT across 50 retail sites, paying nearly \$100 million in wages annually.

We value the role we play in the local community. Our latest ACT store is supporting the growth and renewal of the Belconnen town centre and our pipeline of store renewal investments for FY21 will further contribute to the local economy.

Our signature community programs contribute further to the ACT. In 2019, Woolworths' Junior Landcare Grants were awarded to 11 ACT primary schools for environmental initiatives. Our Feed for Farmers program supports local, small-scale farmers with fresh produce for animal feed. And each of our supermarkets supports a Hunger Relief service, supplying high quality, excess food to local food charities to help people in need.

Woolworths is committed to playing our part in reducing the environmental impact of single-use plastics (SUP) and developing alternatives that support a circular economy. As part of our sustainability strategy, we are considerably reducing packaging and food waste, and our team is proud of our achievements to date.

These include:

- In 2018, we were the first major supermarket chain to end the use of SUP carrier bags and the sale of SUP straws, removing over 6 billion SUP bags from the environment.
- We introduced alternative bag materials for purchase, including: reusable and recyclable plastic carrier bags that provide a reuse option for locally recycled plastics; a paper carrier bag comprising 70 per cent recycled material for customers seeking a non-plastic option; and paper bags for some fruit and vegetables.



- Woolworths was an early adopter of the Australian Recycling Label (ARL) on our own-brand products in 2018 to support proper disposal behaviour and maximise recycling activity. In FY20, we added the ARL to another 850 own-brand products.
- We also recognise our responsibility to help our customers recycle. All Woolworths supermarkets have a prominent RedCycle bin for customers to recycle their soft plastics. In FY20, we helped recover 1,400 tonnes of soft plastics through RedCycle, nationwide, which is transformed into furniture than we purchase and use in-store.
- Since 2018, we have removed over 1,000 tonnes of plastic packaging for fruit, vegetables and bakery goods, including 237 tonnes in the last 12 months. However, plastic packaging still plays an important role in maintaining the quality and safety of products through the supply chain, providing a physical barrier for health, safety and durability. These outcomes are critical to other environmental objectives, particularly the reduction of food waste and its greenhouse gas emissions from rotting.
- Donating excess food to food rescue charities to provide for over 20 million meals to Australians in need.
- Providing over 30,000 tonnes in food to small-scale farms, zoos and animal shelters.
- Reducing our carbon emissions by 24 per cent over our 2015 baseline.

But we know there is more to be done and that we have a role to play in leading this change. Whilst we are committed to playing our part in reducing SUPs, we also believe that a multi-sectoral approach is required. Importantly, more needs to be done across the waste management system beyond banning a narrow range of consumer products.

We support efforts to reduce the consumption of SUPs where there are/is:

- ready alternatives (including avoidance);
- genuine environmental benefits (accounting for alternatives);
- collection and reprocessing infrastructure that support the SUP-replacement material;
- no negative impacts on public health and safety;
- costs on businesses that are proportionate and the cost to consumers is minimised;
- a reasonable timeframe to enable business to deplete existing stock, source alternatives and comply with new legislation;
- a level playing field so local business is not unfairly disadvantaged over imported products; and
- harmonisation of environmental measures - alignment between jurisdictions is important if we are to achieve efficient, effective and timely environmental outcomes.



CONSULTATION RESPONSE

Woolworths Group welcomes the ACT's efforts to improve the Territory's environment and create a framework for the management of SUP products and materials.

- The exposure draft is similar to legislation developed in other jurisdictions. Given Australia's integrated and complex nationwide logistics system, harmonisation across states and territories helps retailers to understand, plan for and comply with new SUP legislation. This includes smaller retailers, who rely on these supply chains.
- The definition of 'single-use plastic' is clear - *a plastic product that is designed or intended to be used once only*. However, the examples provided of unacceptable alternative reuses may raise issues as we investigate reusable options. We would welcome an opportunity to engage on potential ambiguities that may impact our pursuit of sustainable product and packaging options, such as reusable bags and containers.
- Woolworths supports the banning of standalone, EPS food and beverage containers. Woolworths has already phased out the sale of SUP straws and stirrers nationwide, whereas other major retailers have not.
- While Woolworths has ended the sale of SUP straws in all of our stores, we are aware of a need for people with dexterity issues to use flexible straws. We support an exemption to address this and suggest the Queensland model is the most appropriate.
- Another exemption made in Queensland and South Australian legislation is for packaged goods, where the banned item is an essential component of the product and presented as "shelf-ready", such as juice box straws and salad bowl cutlery. We recommend this exemption be made in the ACT as well.
- The exposure draft also signals the addition of produce (barrier) bags to the banned items list within 12-months. We do not support this measure at this time.
 - Plastic barrier bags are an important food safety measure for loose produce, including raw and cooked meats, seafood, deli, bakery and fruit and vegetables.
 - Woolworths is currently investigating more sustainable barrier bag options for fruit, vegetables, meats, seafood, deli and bakery products, including compostables. To date, we have introduced paper barrier bags for some fresh produce where it is tested and proven safe for our customers, such as mushrooms.
 - The timing for additional products to be banned should be aligned with the rollout of food-organics/garden-organics (FOGO) bins, to maximise the capture of compostable materials and prevent contamination of plastics recycling streams
- Compostable replacement products require suitable collection infrastructure in the form of kerbside and public place FOGO bins. Discussion with the government confirms this is not planned for widespread rollout in the ACT until 2023, with a smaller trial beginning in 2021.



- The sequencing for this is essential to ensure the onset of SUP bans is supported across the waste management system, so that consumers can correctly dispose of compostable and other replacement materials, without contaminating other (e.g. plastics) recycling bins and ensuring the organic material is separated for recycling.
- This also necessitates extensive public education to inform the public on the new materials and promote the correct disposal behaviour.
- The replacement of SUP products with compostable and other materials will incur a cost to consumers. While this appears minor on a per unit basis, items such as cutlery are typically purchased in large quantities, creating a cumulative cost impact. This may lead to consumers seeking alternative sources, such as online, international suppliers.
- The timing of the commencement of the legislation is critical.
 - In normal circumstances, it takes retailers approximately 12-18 months to deplete existing product stocks, given the nature of advance purchasing, and source and secure suitable alternatives, either locally or offshore.
 - The COVID public health emergency has significantly impacted the retail sector, with widespread store closures and slumps in demand for products such as SUP cutlery, as people curtailed gatherings. Meanwhile, global supply chains are significantly disrupted, creating considerable challenges to identify and secure alternative products and materials that are themselves environmentally sound.
 - Woolworths suggests the SUP legislation commence 12-18 months from passing.
- We support the proposed review process to consider the efficacy of the legislation, as well as the consultation requirement for the addition of new products to the legislation's scope.
- To support the legislation, we recommend the government undertake a public awareness and education campaign, focusing especially on litter reduction (where waste plastics enter the environment) and the correct disposal behaviour for compostable and biodegradable replacement materials (FOGO bins).

CONCLUSION

Single-use plastics are a considerable challenge for government, industry and the community. Woolworths is keen to play its role, as part of a system-wide approach, to support the ACT to deliver the best outcome for our environment and communities.

Woolworths broadly supports this legislation. We believe that a 12-month lead-in for commencement, harmonisation with other SUP legislation, clarification of exemptions, better sequencing with new collection infrastructure, and flexibility on barrier bags would deliver a better outcome that enables business and the community to adapt.

Woolworths welcomes ongoing engagement with the ACT government to support you in the development and implementation of the SUP policy.