



Australian Government
**Department of Agriculture,
Water and the Environment**

Mr Gavin Jones
Director, Competition Exemptions
Australian Competition & Consumer Commission
23 Marcus Clarke Street Canberra ACT 2601
GPO Box 3131 Canberra ACT 2601

Via email: exemptions@accc.gov.au

Dear Mr Jones,

Thank you for your letter of 5 January 2021 inviting comment on the Australian Competition and Consumer Commission (ACCC) reauthorisation of the existing Paintback scheme (AA1000536 –interested party consultation).

Product stewardship is a high priority for Government. The Department of Agriculture, Water and the Environment (the Department) administers the Australian Government's product stewardship commitments under the *Recycling and Waste Reduction Act 2020*. This includes voluntary accreditation of industry led schemes that demonstrate effective management of negative environmental impacts of products throughout their life cycle and ongoing engagement with industry partners involved in the delivery of product stewardship schemes. Paintback have expressed an interest in applying for voluntary accreditation of their scheme under the *Recycling and Waste Reduction Act 2020* in 2021, which the Department would welcome.

Paintback state that additional to public awareness and research and development outcomes, at the end of the 2020 financial year, they had collected and processed a total of over 20,000 tonnes of waste on behalf of the paint manufacturing industry. This has resulted in diversion of the materials from landfill, repurposing them to higher value uses. The Department understands that Paintback have also worked closely with state and local governments to ensure a coordinated national approach to minimising the environmental, health and safety impacts of unwanted paint and packaging materials across Australia.

The Department supports Paintback's application for reaccreditation for participating paint suppliers to impose a \$0.15 per litre levy to the cost of certain architectural and design (A&D) paints, and woodcare products to fund the Paintback scheme and its collection and disposal activities. Industry representatives have not raised and competition concerns with the Department.

Likely public benefits of reaccreditation of Paintback scheme

The Paintback authorisation application to the ACCC outlines public benefits of reaccrediting the existing scheme. The following proposed benefits of the scheme are well aligned with the Australian Government's product stewardship policies and programs:

- Diversion of waste A&D paints and materials from inappropriate disposal pathways into appropriate collection centres and treatment and recovery routes, minimising the environmental, health and safety impacts of A&D paint products generated in Australia.

- Commitment to market-based solutions for environmentally sound A&D paint product management, including support for research and development programs, while supporting improved education and awareness-raising programs;
- Commitment to achieving the highest end-use possible for A&D paint products in accordance with industry waste management hierarchies;
- Commitment to ongoing collaboration with relevant state and local governments to ensure access to A&D paint product disposal and recycling centres, while reducing government costs associated with disposal;

Discontinuation of the ACCC levy authorisation for Paintback would raise uncertainty about the collection and disposal of unwanted A&D paint material, resulting in the potential for significant adverse environmental and economic impacts.

The Department supports ACCC reauthorisation of the Scheme, which would enable Paintback to continue delivering an effective program that is well aligned with government policies, priorities and regulation.

Thank you for the opportunity to make a submission as part of the ACCC's consideration of Paintback's application. If you would like to discuss this matter further with the Department please contact Rob Quinn, Product Stewardship Policy and Reform on [REDACTED] or [REDACTED]

Yours sincerely

Matthew Ryan
Assistant Secretary
Waste Policy and Planning Branch