

22 April 2025

Mr Mick Keogh
Chair, Competition Exemptions Committee
Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2601
Submission by [online portal](#)

Dear Mr Keogh

Soft Plastic Stewardship Australia ACCC Authorisation

The Western Australian Local Government Association (WALGA) appreciates the opportunity to comment on Soft Plastic Stewardship Australia Limited (SPSA) application to the ACCC for [authorisation AA1000695](#).

WALGA is an independent, member-based, not for profit organisation representing and supporting the WA Local Government sector. Our membership includes all 139 Local Governments in the State. WALGA uses its influence, support and expertise to deliver better outcomes for WA Local Governments and their communities. We advocate to all levels of Government on behalf of our Members, and provide expert advice, services and support to Local Governments.

WALGA supports in principle the development of a product stewardship scheme for post-consumer soft plastic packaging and acknowledges the community's desire for an ongoing recycling option. However, WALGA has significant concerns over the voluntary nature of Soft Plastic Stewardship Australia's proposed scheme, the status of processing infrastructure, end markets and the proposed inclusion of kerbside recycling as a collection method.

WALGA's [Policy Statement – Product Stewardship Schemes](#) calls for industry to take responsibility for the waste that it generates through the entire life cycle of products by the implementation of effective product stewardship.

A key principle of an effective product stewardship scheme is that the scheme covers the total cost of collection, processing and recycling. Where this does not occur, Local Government and the community are left to cover the costs. Voluntary product stewardship schemes have historically seen lower levels of industry support and recovered material volumes than mandatory schemes. WALGA will continue to advocate for a fully effective, mandatory scheme for packaging supported by national legislation.

A key factor in the collapse of the previous in-store soft plastics collection program, RedCycle, was a lack of both processing and end market options for the collected material. This remains the case and SPSA's application is unclear on how it will ensure sufficient processing and market capacity for the expected volumes to be collected through the proposed scheme. A detailed strategy on market development and processing inputs is required to increase confidence in infrastructure investment and long-term scheme viability.

WALGA, along with WA material recycling facility operators, does not support kerbside recycling options for soft plastic. There has been agreement between State Government, Local Government and waste industry operators to exclude soft plastics from kerbside recycling in WA since 2018, as part of the consistent approach to simplify messaging and reduce contamination risk. Soft plastic is difficult to recover through the kerbside system in sufficient quantities to be cost effective and acts as a significant contaminant to the paper and cardboard recycling streams.

The approach currently trialled by requesting flexible plastic be placed in a bag is not supported because:

- A key message for kerbside recycling is to place material loose in the bin, not in bags. Bagged material is the most common contaminant in the kerbside recycling system and the direction to only place flexible plastics in the bin inside a bag is inconsistent.
- Material that arrives at a material recovery facility (MRF) inside bags cannot be opened by staff as it poses a health and safety risk to workers. The trial's recommendation to shred the bags also poses risks if the bag hasn't been used as intended, for example if it contained hazardous material such as batteries.
- The additional responsibility of communicating to residents, managing operational changes and the associated risks will be shifted to Local Governments and the community, rather than costs of the program being borne by producers.

WALGA supports the proposed non-kerbside solutions for the collection and recycling of soft plastic once viable processing and end market options have been established.

One such alternative option would be utilising established networks such as the Container Deposit Scheme to provide drop off locations. This ensures community access and offers the opportunity to collect clean, source separated material to be collected and transported as part of existing arrangements. This collection method would build on the community's desire to continue recycling soft plastics and ensures the material retains the highest possible value.

For enquiries, please contact Rebecca Brown, Policy Manager Environment and Waste, on telephone 08 9213 2063.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Nick Sloan', written in a cursive style.

Nick Sloan
Chief Executive Officer