



Commercial Single Use Plastic Ban Bill 2019 (NSW)

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Commercial Single Use Plastic Ban Bill 2019

A Bill for

An Act to reduce the environmental impacts of plastic pollution coming from food and retail industries by banning single-use plastic products in commercial spheres.

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Explanatory Notes:

The increased use of single use plastics in commercial spheres in recent decades has resulted in devastating effects on the wellbeing of our oceans, flora, fauna and the overall biodiversity of NSW and our planet. The current plastic crisis, while predominantly a global issue, continues to be increasingly relevant to NSW with the state being the second highest per capita waste producer in the world, with each person generating two tonnes of waste each year.¹ Despite these figures revealing alarming rates of waste being generated, NSW continues to remain the only state or territory without existing legislation that bans any commercial single use plastics. South Australia, the Northern Territory, Tasmania and the ACT have already banned single use plastic bags, with positive results already becoming apparent. This bill aims to further build upon the existing plastic bag bans implemented by other states and territories, and intends to ban all commercial single use plastics. Examples of the plastic waste this bill intends to ban includes not only plastic bags, but plastic bottles, straws, and single-use plastic packaging. The severity of the plastic crisis has increased dramatically in recent years alongside the need for legislative action.

It is evident that a holistic approach must be utilised to combat a waste crisis of this magnitude. As a result, there are three distinct aspects of this bill that aim to support and educate both individuals and businesses in the transition from plastic to renewable and biodegradable alternatives. The Community Environmental Literacy Program (CELP) will educate the general public on the state of the current plastic crisis, how they can adapt to other alternatives in their everyday lives, and how to take further steps to reduce waste. A 2019 Intergovernmental Panel on Climate Change (IPCC) report titled “Global Warming of 1.5 °C” articulated that there are only 12 years left to significantly reduce our plastic waste.² Thus, this further demonstrates the need for all individuals to make conscious decisions to use biodegradable alternatives to commercial single-use plastics. The CELP aims to educate all levels of society in NSW, and the program will be delivered in appropriate locations such as community centres or spaces.

Additionally, large businesses will be mandated to annually release an Environmental Sustainability Report to the public at the end of the financial year. This report will require large businesses in commercial spheres to state the levels of plastic used throughout the year in production and packaging, as well as the amount of plastic waste produced. The reports will work in conjunction with the CELP, and will increase transparency in commercial industries, using

¹ <https://www.smh.com.au/national/nsw/single-use-plastic-bags-to-be-banned-within-100-days-under-a-nsw-labor-government-20190309-p512y9.html>

² <https://www.ipcc.ch/sr15/>

public disapproval to encourage businesses to move to sustainable alternatives. In 2014-15, Australia produced 849 kg of commercial and industrial waste per capita³, highlighting the

substantial opportunity for large businesses to make a significant contribution to the reduction of plastic in NSW.

In NSW, many small businesses feel that to cease using plastics and to move to more sustainable alternatives would place too great of a financial strain on the business. The bill endeavours to address this concern by providing grants to small businesses that will allow them to easily transition from single-use plastics to more sustainable alternatives. As small businesses generate a lesser income than larger corporations, the grants will be provided to minimise the financial strain of the transition. It is imperative that businesses in NSW - at all socioeconomic levels - are capable of supporting themselves throughout this transition, and are enthusiastic about integrating organic and sustainable alternatives into their production. The grants ensure that the permanent transition from single-use plastics to sustainable and organic alternatives is financially achievable and feasible.

What the Bill Aims to Accomplish:

One of the major struggles of the modern world is to live and progress as a society whilst co-existing with the natural environment, and ensuring that the advances of human society and infrastructure do not push the environment to a point of irreparable damage. The bill aims to eliminate all single-use plastics in the economic and commercial spheres, such as packaging and wrapping used in supermarkets and in small businesses. This will reduce the negative impact that the commercial and economic spheres have on the natural environment, and serve as a step to ensure the environment's survival in an ever-evolving modernised future.

How this will be done:

- a) Banning the use of single-use plastics
- b) Granting funds to small businesses to accommodate
- c) Providing education to the community on the effects of single-use plastics on the environment
- d) Demanding companies provide an Environmental Sustainability Report (ESR) to the government and public

³ <https://www.environment.gov.au/system/files/resources/d075c9bc-45b3-4ac0-a8f2-6494c7d1fa0d/files/national-waste-report-2016.pdf>

Relevance In Today's World:

Environmental sustainability is a growing issue in today's society. Climate change threatens the liveability of our earth, and plastics are a contributor. Currently in NSW there is no ban on plastic bags but many large businesses such as Woolworths and Coles have removed single-use plastic for a more “environmentally friendly” bag. However, these “environmentally friendly” bags are veritably worse than single-use plastics, and still contribute to plastic pollution.

On a national scale, Australia produces approximately 3 million tonnes of plastic per year. Less than 12% of this plastic is being recycled. This is devastating, as Australia has some of the most biodiverse marine ecosystems in the world. Our Great Barrier Reef, a World Heritage Listed site, is suffering as a result of our ignorance. Australia’s beaches, globally renowned for their beauty, are now being polluted by plastic. This devastation and destruction of our land has caused many people to speak out about plastic pollution and has sparked a nation-wide protest of the use of plastic.

At the moment, all Australian states besides NSW have a plastic bag ban or are developing one (as of May 2019), whereas NSW has no plans to implement a ban in the near future.

Part 1:

Long title:

A Bill for an Act to reduce the environmental impacts of plastic pollution coming from food and retail industries by banning single-use plastic products in commercial spheres.

Short Title:

This Act may be cited as the Commercial Single-Use Plastic Ban Bill 2019.

Commencement:

This Act shall commence 6 months after Royal Assent from the NSW Youth Governor.

Objectives

- 1) To increase transparency within commercial industries by mandating that businesses produce an environmental sustainability report (ESR) at the end of the financial year. Due to the implementation of our educational program, the public will be more aware of environmental issues, and therefore, the ESR would allow the public to hold businesses accountable for their actions, and pressure companies to “go green”
- 2) To provide financial support for small businesses’ transition away from single-use plastic products by giving grants to small businesses. The allocation of funds from the State Government will be decided by an advisory panel. This is to counteract the effects of the plastic use ban on small businesses as they are disproportionately affected by the costs of using environmentally friendly materials, in comparison to larger companies that have the resources to switch materials without passing on the cost to customers and impacting the affordability of their products.
- 3) To increase general public awareness of the environmental impacts and the magnitude of plastic pollution through the implementation of the Community Environmental Literacy Program (CELP) in order to educate members of the public of all demographics, who may still be uninformed. For example, communities with people of a lower socioeconomic status may not have as much access to information, as well as a trend in elderly members of the community being generally less informed about the consequences of plastic pollution

Definitions:

- A)** NSW - The state of New South Wales
- B)** Environment - The natural world, affected by human activity, seen by the surroundings in which a person, animal or plant lives or operates.
- C)** Single-use Plastics - Plastics, commonly used in packaging for food, which only has one use and is thrown out when its function is completed
- D)** Commercial - Used for or created for the purpose of making a profit
- E)** Business - A company or organisation which engages in commercial activity.
- F)** Small Business - An independently owned company that employees less than 20 people and is limited in revenue.
- G)** Large Business - entities that are part of an economic group with combined turnover greater than \$250 million.
- H)** Funds - Money provided for a particular purpose.
- I)** ESR - Report submitted by business that gives information about economic, environmental, social and governance performance.

Part 2:

Program Implementation

Community Environmental Literacy Program (CELP):

The Community Environmental Literacy Program is one of the three proposed initiatives. It is an educational program that seeks to ensure that the people of NSW comprehensively understand the environmental impacts of plastic pollution. The implementation of the CELP is instrumental to the other initiatives' success as, ultimately, meaningful reform cannot hinge on legislation alone.

Informing and educating the public is vital for changing behaviours harmful to the environment that have been encouraged by commercial practices, and to encourage sustainable practices through wider society. Tangible widespread change relies on the awareness and actions of an environmentally literate population.

The content of the educational programs can be simplified into these points:

1. Understanding what plastic is, and how its production process harms the environment.
2. How and why plastic has become so ubiquitous in everyday life, especially within the commercial sphere, and the impact of this on the environment.
3. The consequences of irresponsible disposal on human wellbeing and the health of local and global ecosystems.
4. How to move towards a "plastic-free lifestyle", including but not limited to: introducing sustainable alternatives, ways to reduce plastic, and how to dispose or recycle of plastics properly.

The nature and content of the educational programs are to be developed by the NSW Government in conjunction with various professionals in the fields of environmental science or education, or industry experts heavily involved in promoting sustainability. This is to guarantee the scientific accuracy of the information provided, and that these programs are effectively educational.

While the nature of the educational content must be consistent, the programs' structure - or the methods used to deliver them - can be flexible, so as to suit different communities and social groups. Certain programs or strategies can be designed and endorsed by the NSW Government, such as long-term or short-term courses, or singular workshops, but educators are encouraged to develop their own appropriate strategies for engaging their respective audiences.

Accessibility must be considered throughout the development process, as designing the program with a single demographic in mind will effectively undermine the purpose of the CELP, which was to improve the environmental literacy of the NSW population as a *whole*. Diversity cannot be ignored and must be accounted for.

People from various demographics in society, such as cultural or linguistic groups, disabilities, educational levels, or age groups, may experience barriers to the information or methods presented in the educational program. For example, age may present a barrier in terms of how complex the information can be presented, especially for some children or the elderly when it comes to presenting certain or recent scientific concepts. Those for whom English is an additional language or dialect may struggle if the program was designed for those fluent. The need for accessibility again emphasises the need for collaboration with community figures and educators experienced with various demographics to ensure that the educational programs are flexible and can be tailored for different groups but retain its effectiveness.

The educational programs will be promoted to the public through funding from the NSW Government. Development of CELP is to commence as soon as the Bill is passed, and to be implemented early in 2020. Upon the CELP's release, it will be reviewed every year to guarantee that any information taught is scientifically accurate. Educational resources and training are to be provided for facilitators. Collaboration with local councils is encouraged with the implementation of educational programs, held in appropriate locations such as community centres or spaces.

Environmental Sustainability Report (ESR)

The Environmental Sustainability Report (ESR) is a report mandatory for all firms within the food and/or retail industry operating within the commercial sphere. This includes firms such as supermarkets or clothing retailers. This report must be produced, published, and audited at the end of the financial year. The ESR measures the ecological footprint of firms within NSW.

The ESR must entail:

1. Company's carbon emissions
2. The amount of greenhouse gases emitted during the entire production process
3. Amount of water used
4. Amount of plastic used and produced
5. Energy usage and sources
6. Source and use of natural resources
7. Amount of leftover waste that is not recycled or reused
8. Company's ecological goals, and current strategies and approaches to recycling and ecological progress

Prior to the implementation of this strategy, the format and structure of the ESR is to be reviewed with an external audit.

Grants

As mentioned in the objectives, grants will be provided to small businesses in order for them to be able to purchase organic and recyclable products. These grants can only be used to purchase organic or recyclable products. If a business breaks this law consequences will be put in place - namely, fines. Upon the commencement of this bill, small businesses can apply for said grants. The amount of money granted to the small business will be determined by a number of factors such as:

- The type of industry the business is in
- The net profit of the small business
- The stage of the life cycle that the business is in

Enforceability Provisions

Companies will be fined according to how overdue their report is and will be calculated according to net income. These fines may be implemented into administration costs, and records will be kept of companies and organisations that fail to submit their Environmental Sustainability Report at the end of each financial year.

- 1 month past submission date = 2% of net income
- 2 months past submission date = 5% of net income
- 3+ months past submission date = 10% of net income

If the company has not utilised the grants provided by the NSW government in the correct manner, they will be required to pay back the amount given in the grant to the NSW Government, in addition to a 10% surcharge. This will ensure that companies utilise the grants given properly in contributing to ensuring environmental stability within companies/ both large and small.

Amendments to the Commercial Single Use Plastic Ban Bill 2019.

Phasing out plastic

Rather than the immediate removal of plastics, it is proposed that single-use commercial plastics be phased out gradually over a period of two years. The benefits of this would be:

1. *Less backlash within communities and companies*
 - Immediate change, though it may be necessary, can be impractical. Providing ample time for producers and consumers is crucial for a stable transition from plastics to sustainable materials, as sudden changes can severely disrupt production processes. Phasing out plastics allow would allow society a period of time to adapt to the change and practice not having plastic in their lives. It would also allow for the companies being affected by the change time to process the switch.
2. *More time for other alternatives to be developed and introduced into the market*
 - Current plastic alternatives are not completely accurate in their claims to be environmentally friendly (as explored in “Funding Research for Organic Materials”). Plunging these eco-unfriendly alternatives into the market could prove to be just as detrimental as plastic itself. There must be a significant amount of time allowed for the development of other alternatives that are not harmful.

The phasing out of plastic would happen over a time period of two years. These two years can be broken down into 3 stages.

Stage 1: Banning of unnecessary plastic packaging

This stage would begin six months after the bill is passed. All unnecessary plastic packaging on products such as fruit and vegetables will be banned.

Stage 2: Banning of all plastic bags

This stage would begin one year after the bill is passed. This time is believed to be enough to allow for the suitable alternatives discussed below to be implemented.

Stage 3: Banning of all other plastic packaging's

This stage would begin two years after the bill is passed. All other plastic packaging includes plastic bottles, plastic straws, and any other single-use plastics that are still present in all commercial spheres.

Amid concerns that phasing out plastic would not contribute significantly to the overall goal of reducing plastic in the environment, it must be said that businesses cannot be expected to immediately remove plastics from their systems without adequate time to find suitable alternatives. The change being proposed would not be so long it would have no overall effect, rather enough time for society to adapt but not so long that no change will occur. The time period suggested (2 years) would be sufficient for the latter to occur.

Funding research for organic materials

Funding research for organic materials would be far more beneficial for both businesses and the environment than simply funding for businesses to buy unsustainable materials. This is for the following reasons.

1. Current plastic alternatives are not as environmentally friendly as advertised

- Currently, the plastic alternatives prevalent in the commercial sectors are incredibly expensive to produce, and, like current plastics, still pose detriments to the environment. The mainstream alternative currently is polylactic acid (PLA), a cornstarch-based alternative. There are benefits to PLA, but it has a major disadvantage: it is only biodegradable under certain circumstances. To properly decompose, PLA requires specially built composting facilities, which will only increase costs. There are also other notable alternatives such as seaweed bioplastics that are currently being developed. The benefits of seaweed bioplastic are as follows:
 - Does not require large expanses of land to grow, rather grows offshore, leaving valuable land for agriculture free
 - Can grow without fertilizers, which could stabilize or possibly reduce the effects of eutrophication, land degradation, and groundwater pollution.
 - Completely biodegradable, does NOT require additional costs

2. Development and creation of a whole new economic sector

- Upon the creation of new materials, there will be an inevitable demand from companies both state-wide and nationally. This has the potential to develop further and become a whole new sector of the economy.
- There is also the possibility of plastic alternatives becoming a major export internationally. It is estimated that the world will soon be entering a post-plastic phase, where alternatives will become far more prominent on the world market. If NSW begins a plastic alternative industry within the next few years, it would be reasonable to expect a large influx of money into the economy

3. Long term investment

- Funding research and development into superior organic materials (e.g. bioplastics or alternatives) can reduce production and sales costs as more
- efficient methods of production and more effective solutions are discovered, consequently lifting the financial strains on firms seeking environmentally-friendly solutions.

Ultimately, funding the research and development of future solutions can lead to more progress against plastic pollution than funding business' transition to sub-optimal materials. Funding for research would be sent to NSW based universities that are interested and willing to participate. Each university would apply, give an estimate as to how many funds would be required, and all participating universities will become part of the Plastic Alternative Research Organisation (PARO).

Optional Environmental Sustainability Report (ESR)

An environmental sustainability report would be of great advantage to businesses as it would allow them to gain the support of environmentally conscious consumers, thus improving sales and brand reputation. However, a mandatory business report would put great strain on business owners, especially small business owners, who are likely to already be busy with the many other government and PR related requirements associated with running a business. In addition to this, a negative environmental sustainability report, or one that reveals the business is not adhering to the specifications set out in the bill within the NSW restrictions on plastic usage could have detrimental impacts on their brand reputation and overall sales. This could eventually lead to the company's image being permanently tarnished and due to a severe decline in profits may lead to eventual bankruptcy and closure. While concern for the environment should be a priority of businesses, it is also imperative that they are economically stable and do not become bankrupt to avoid inevitable closure, as the primary function of the bill is to aid companies in achieving a standard of environmental stability, rather than to condemn companies and force them into bankruptcy and instability. Also, forcing companies to independently submit their own reports may lead to companies creating misleading reports that may not be truly accurate.

Benefits of this amendment would include:

1. Encouraging companies to gain the support of environmentally conscious consumers and environmental organizations by being transparent in their environmental policies and how they plan to change this.
2. Ensuring that companies have the opportunity to make public their environmental records of plastic usage without detrimental harm to their reputation and their sales.
3. Would create less backlash from companies. This amendment would ensure that companies are not coerced into revealing currently private records and figures, instead, they would be encouraged to work with the NSW government and environmental organizations.

Advertisements

Rather than funding the Community Environmental Literacy Program, money would be used to create an advertising campaign that involves providing basic information about plastic's effect on the environment, and the upcoming substitution for environmentally friendly products.

Advertisements would take the form of both physical and media adverts, such as newspapers/magazines, billboards, television, and social media advertisements.

CELP is only an optional program, meaning a percentage of the population that chooses not to attend will not be supplied with the education they need. It is highly likely that the majority of the population will simply not be willing to take time out of their lives to educate themselves on an issue they don't care about. Advertisements running at prime news hour, in newspapers and on social media ensure every part of the Australian population has access to the information.

Advertising will force people to realize there is actually an ongoing issue, and the measures the NSW government will be taking to tackle it.

Over the two year period that plastics are phased out, different advertisements would run according to the stages mentioned in "Phasing Out Plastic". They will also include similar content to what CELP would (Part 2: Program Implementation: Community Environmental Literacy Program (CELP)) but would also add information about measures the NSW Government will be taking to ensure the benefit of the environment.

Advertising also provides the population with much-needed details regarding the transition from plastics to environmentally friendly alternatives. Proof of public backlash can be seen in the recent example of some supermarkets banning plastic bags from their shops. It would be physically impossible to prevent the inevitable, however, reaching a larger percentage of the population would undoubtedly minimize the repercussion.

<https://www.wired.co.uk/article/post-plastic-future-seaweed-packaging-wired-world-2018>

<https://www.thebalancesmb.com/corn-starch-packaging-2221071>

<https://www.ukri.org/news/new-plastic-research-projects-announced/>

<https://www.zmescience.com/science/plastic-rubber-alternative-blend-24264732/>