



31 July 2019

Director, Waste Policy  
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## **'Phasing out single-use plastics' Discussion Paper**

Dear Sir/Madam

Woolworths Group is pleased to provide a written submission in response to the 'Phasing out single-use plastics' Discussion Paper.

Woolworths employs over 2800 people in the ACT, operating 18 supermarkets, 5 Big W stores and 26 BWS and Dan Murphy's liquor outlets throughout the territory.

Woolworths is committed to playing our part in reducing our use of plastic and helping our customers and teams to recycle.

We were the first major supermarket chain to eliminate single-use plastic bags and the sale of plastic straws from our stores nationwide, and we continue to work with our suppliers on reducing plastic across our product range while at the same time maintaining convenience and value for our customers.

Below we respond to the specific questions posed in the discussion paper.

***1. Do you agree with the consumer single-use plastic items listed on page 21 being considered as part of this paper? If so, which items do you think are the most important to address (e.g. plastic bags, straws, cutlery, disposable coffee cups, takeaway containers).***

We strongly support efforts by the ACT government to reduce the volume of single-use plastics in the environment. Ideally government action should take place on a nationally consistent basis.

At the same time, it is important that any changes to current laws and regulations avoid any unintended consequences for ACT residents or the environment. Reusable and/or recyclable plastic products can continue to play a role in supporting recycling, food waste reduction and broader sustainability initiatives.

We broadly agree with the list of items that the Government intends to consider. As demonstrated by our removal of separate plastic straws in supermarkets, some of these items can be readily acted upon. We are also in the process of phasing out polystyrene cups from all of our stores nationally, which will see a reduction of 18 million cups.

However, some items require further work before they can be eliminated. For example, technological developments are required to find alternatives to plastic straws attached to cartons. As a responsible retailer, we also mindful of social and medical reasons for the continued use of single-use plastics by some members of the community.

### Produce barrier bags

We note the Government intends to consider the continued use of lightweight, single-use, produce barrier bags. While transitioning to plant-based barrier bags or reusable ones is a reasonable long-term goal that we share, we do not believe this is something that the Government should move on in the short term for reasons including the following:

- While barrier bags are highly visible to a customer walking through a supermarket, they have a relatively low environmental impact. Given that consumers use barrier bags to transport fruit and vegetables to their home and then place them in the household bin (or return to store for recycling), barrier bags are unlikely to be littered. We suggest there are more pressing priorities when it comes to single use plastic reduction.
- It is unrealistic to expect that all customers will simply do without a barrier bag. As with the ban on lightweight shopping bags, an alternative needs to be offered. However, in the case of barrier bags, it is unclear what that environmentally friendly, cost effective, alternative actually is. We are looking at reusable alternatives, but this raises complex issues around introducing multiple tare weights in scales at checkout. We note that the National Measurement Institute currently has zero-tolerance for any variations that lead to the customer paying for the bag weight.
- Removal of all barrier bags without an alternative may well lead to more pre-packed produce at some retailers. This would have the perverse outcome of increasing the use of single use plastic.
- To our knowledge, other state and territory governments are not intending to target barrier bags. Efficient use of resources demands national consistency wherever possible.

Notwithstanding the above, should the Government be minded to bring in a ban on barrier bags, we suggest that before it does so, it consults closely with other arms of government including the National Measurement Institute and the Food Safety Authority (there may be a greater risk of contamination where reusable bags are placed on scales that food is also placed on). If the intention is to adopt more sustainable alternatives, then plant based and compostable plastics must remain an option.

## ***2. What regulatory or other approaches do you support to address consumer single-use plastic in the ACT? When do you think action is needed, and why?***

Our aim is to offer our customers the choice of plastic free alternatives, when available. Given the increased cost of some alternatives, we believe providing choice to customers ensures that value-conscious consumers are not left behind.

Woolworths would be supportive of Government efforts to eliminate the below single-use products across the territory over the longer term, bearing in mind there needs to be sufficient

lead time for industry and retailers to locate/develop and then transition to recyclable or multiple-use alternatives:

- Plastic cotton buds
- Plastic straws
- Oxo-degradable plastics
- Disposable plastic cutlery, stirrers, plates and bowls
- Non-recyclable coloured plastics (including carbon black plastic e.g. some ready-meal trays, premium meat trays, some pre-packed fish trays)
- Disposable plastic cups
- Polystyrene
- Multi-pack rings for canned drinks

If the Government intends to take immediate legislative action on particular products, we suggest that it does so in line with the moves currently underway in South Australia, which has indicated it will legislate to ban plastic straws, cutlery and stirrers<sup>1</sup>. It is important that any ban excludes products made from bioplastics or compostable material, which are the basis for the obvious alternatives to the 'single use plastic' products.

### **3. Other plastic items**

We agree with the exclusion of reusable plastic bags above 35 microns in thickness and plastic packaging from this consultation process. Further explanation is provided below.

#### Shopping bags

Woolworths appreciates that single-use plastic shopping bags have historically been a highly visible contributor to plastic pollution.

We are proud to confirm that this type of bag is now no longer available in any of our Woolworths or Big W stores nationwide, even in markets where there has been no government intervention.

In implementing this change, Woolworths was cognisant of the fact that our diverse customer base has varying needs and shopping patterns. Consequently, we offer a number of alternative bag options.

- Our entry-level supermarket bag is the 15c reusable 55 micron low-density polyethylene (LDPE) plastic bag. The bag is priced for expense recovery rather than for profit. This bag contains at least **80% post-consumer recycled content**, is certified by Good Environmental Choice Australia (GECA) or Blue Angel and designed for multiple re-use by customers.
- We also sell a 99c 'Bag for Good', made from non-woven polypropylene. This heavy-duty bag is also designed for multiple re-use. Customers only need to purchase this bag once, as it will be replaced for free should it become damaged or soiled. The returned bag is then recycled.

Any profit from the sale of this bag is used for good causes: it currently funds the Woolworths Junior Landcare grants programme, which encourages young people to play an active role in sustainability.

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<sup>1</sup> <https://www.greenindustries.sa.gov.au/priorities/plastics>

- Other options include a 99c foldable bag and a \$2.49 chiller bag. Both of these are also designed for multiple re-use.

The removal of free single-use plastic bags has had the intended outcome, with a dramatic **93% fall in the quantity of plastic bags** being annually distributed by Woolworths supermarkets across the country. Nationally, Woolworths Group distributed approximately 3.2 billion plastic bags in FY18, the last full year before the single-use bag removal came into effect. The number of reusable plastic bags distributed over FY19 fell by approximately 3 billion to 220 million a year.

By sales our most popular bag option is the 15c, 55-micron reusable bag. This bag plays an important role as an affordable 'emergency' bag for unexpected shopping trips and for those people who walk or take public transport to the supermarket and cannot take bags with them or have forgotten them. With cost of living pressures a real consideration for many Australians, it is important that an affordable bag option remains available for these circumstances.

Evidence suggests that Woolworths customers are using the 15c, reusable 55-micron bag as intended - as a bag to reuse over and over again. Current data indicates that **80% of customers are not purchasing a bag**, the average bag purchase over all transactions is much less than 1 bag per transaction.

#### Impact of alternatives to thicker shopping bags

While our current 'emergency' reusable 15c plastic bag is already made from at least 80% post-consumer recycled plastic, Woolworths is continually evaluating new technologies and products.

However, our own life cycle analysis<sup>2</sup> and external research<sup>3</sup> suggests that the 15c LPDE bag is the **most sustainable option currently available** when all environmental impacts (climate change, water resources and other factors) are taken into account. Similarly, a Danish LCA concluded that a 55-micron bag has the least impact to the environment when all things are considered (i.e. energy, water, transportation, CO<sub>2</sub>)<sup>4</sup>.

Production of alternatives such as paper, plant based or cotton bags all involve resource impacts<sup>5</sup>, and in the case of paper bags may not be suitable for continued re-use. A lifecycle assessment completed across a range of bags indicates that a paper bag would need to be re-used 43 times in order to offset its kg/CO<sub>2</sub> impact. There are, of course, some advantages to using paper in place of plastic. For example, if you are trying to solve for litter reduction and reducing ocean plastic then paper is a better alternative since it can be recycled via kerbside bins.

Higher-priced bags would also have an impact on more vulnerable customer groups.

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<sup>2</sup> PIQET lifecycle analysis

<sup>3</sup> See for example, a February 2018 study by the Ministry of Environment and Food of Denmark (<https://www2.mst.dk/Udgiv/publications/2018/02/978-87-93614-73-4.pdf>)

<sup>4</sup> <https://www2.mst.dk/udgiv/publications/2018/02/978-87-93614-73-4.pdf>

<sup>5</sup> For instance, the February 2018 Danish study suggests that conventional cotton bags would need to be reused 7100 times to provide the same environmental performance of the average LDPE carrier bag, reused as a waste bin bag.

## Plastic packaging

Our customer research suggests that plastic packaging is the top-of-mind issue relating to plastic (rather than reusable plastic bags). Our customers also tell us that minimising food waste is of greater concern to them than the elimination of plastic packaging.

Woolworths is committed to reducing plastic packaging and **we have removed around 700 tonnes of plastic packaging** since 2018. We are also a member of the Australian Packaging Covenant Organisation (APCO) and have adopted the APCO target for 100 per cent of Australian packaging to be recyclable, compostable or reusable by 2025. A significant barrier faced by industry in this area is the **lack of sufficient Australian recycled content/resin**.

Plastic reduction is a complex task given that packaging protects the quality and extends the shelf life of fruit and vegetables as they are transported from the farm to the store and to our customers. For example, a plastic wrapped continental cucumber lasts 3 times longer than an unwrapped continental cucumber. The plastic also helps to prevent dehydration and physical damage to the cucumber in transit from the supplier to the customer - keeping the cucumber fresher for longer.

Food waste has a significant environmental impact. For instance, UK research found that the environmental impact of food waste is far higher than that of packaging - 50% more food waste is thrown away than packaging, and significantly more packaging is recycled than food waste is composted.

### **Environmental Impact Household Packaging v Household Food Waste**

<ul style="list-style-type: none"><li>● Household Packaging &lt;180 kg per household per year</li><li>● 67% recycled or recovered</li><li>● ~ &lt;2.5T CO<sub>2</sub> / Tonne</li></ul>	<ul style="list-style-type: none"><li>● Food waste 262 kg per household per year</li><li>● &lt;20% composted/treated</li><li>● ~39T CO<sub>2</sub> / Tonne</li></ul>
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Source: Wrap UK June 2018

#### ***4. What cost and other impacts do you think need to be considered as part of this discussion?***

As noted above, and referred to in the discussion paper, it is important that careful consideration of the alternatives to single-use plastic items is undertaken before any legislative action occurs. There is a risk that substitutes may have a greater environmental impact and/or excessive cost for business and ultimately consumers.

As a national retailer, we also strongly encourage State and Territory governments to work together on nationally consistent measures. As noted above, if the Government is minded to take immediate legislative action, we suggest it does so in line with the recently announced moves in South Australia.

## **5. What do you think needs to be considered as part of this discussion?**

### Kerbside organic bins

Our research tells us that customers want us to use more compostable packaging and such products may in some circumstances be a good alternative to the single-use plastic items referred to in the paper. However, widespread adoption of these products is only feasible when consumers have access to facilities such as kerbside organic bins to properly dispose of these items and there are adequate commercial composting facilities to process the items.

We would suggest that efforts into making available **kerbside collection of compostable waste** would have a greater positive impact on the environment than bans on certain household plastic products.

### Boosting recycling

Every Woolworths supermarket in the territory has a prominent RedCycle bin, for customers to recycle their soft plastics, including the 15c reusable 55-micron bag. Nationally over the past year, our **customers have returned approximately 200 tonnes of soft plastics** for recycling.

However, there is a clear role for government in boosting the ACT recycling/composting industry and the **public availability of food and organic waste recycling**. The ACT government can demonstrate leadership by funding and/or providing incentives for the development of local plastic recycling infrastructure.

### Consumer education

We also suggest that government **invest in a community education campaign** to improve trust in the recycling process (the role plastic plays in reduction of food waste, how to recycle particular products, what happens after material is collected).

There is still much to do, but the Woolworths Group is committed to reducing the volume of single-use plastics in the environment and appreciates the opportunity to contribute to the Government's consultation. We would welcome the opportunity to discuss these issues further with you.

Yours sincerely

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