

Australia to set goal of 100% reusable or recyclable packaging by 2025

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Environment ministers meet in Melbourne today, with the Chinese ban on Australian material for recycling to top the agenda.

SABRA LANE: The nation's environment ministers are meeting in Melbourne today. On top of their agenda, what to do about the Chinese ban on importing waste material from Australia for recycling.

The Federal Energy and Environment Minister, Josh Frydenberg, will also be there.

He joins us now.

Minister, good morning and welcome.

JOSH FRYDENBERG: Nice to be with you, Sabra.

SABRA LANE: The Government was told by China in the middle of last year that this ban was coming. What is the solution?

JOSH FRYDENBERG: Well, the solution is to work cooperatively with the states to create new opportunities for Australia to build its domestic capacity to recycle more material; to get governments to procure more recyclable material; to turn more waste into energy; and to look at ensuring that all packaging is reusable or recyclable by 2025.

They will be the topics we'll be discussing today. This is an important, urgent issue and the Commonwealth looks forward to working with the states constructively to solve it.

SABRA LANE: You have just talked about waste-to-energy plants. How long would it take to commission those sorts of things and get them going?

JOSH FRYDENBERG: We've already got more than 30 projects underway in Australia through the good offices of the Australian Renewable Energy Agency and the Clean Energy Finance Corporation. And we look forward to expanding these over time.

We have invested some \$200 million in various projects, that's just at the federal level.

When you look around the world, in the United States they have a significant number of these projects. There's a plant just outside Paris. There's one in London.

This is a common form of waste-to-energy projects that we could roll out here in Australia.

SABRA LANE: Many people would wonder, though, why is Australia still shipping off this waste? Why isn't all this material being recycled here?

JOSH FRYDENBERG: Well, the reality is, with China's ban, more than 100 countries were affected - many more so, indeed, than Australia.

And you need to understand the context for our waste. We produce in Australia 64 million tonnes a year; thirty-five million tonnes of that is actually recycled.

Now, we export 4 million tonnes, only 1.3 million tonnes went to China. It represented about 30 per cent of our recyclable paper and about 35 per cent of our recyclable plastic.

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So it's not insignificant, but within the scheme of things, Sabra, it's around four per cent of what we recycle.

SABRA LANE: Industry groups and the Greens argue that there is a huge potential for a sustainable market here in recycling, with possibly \$500 million in Commonwealth support to get it underway. Would the Federal Government be seriously prepared to examine that idea?

JOSH FRYDENBERG: Well, we are already investing, as I said, more than \$200 million in waste-to-energy projects.

The states also have stepped up in this space. The New South Wales Government has announced an additional \$48 million; the Victorian Government, an additional \$13 million.

And it has traditionally been an area of responsibility for the states, because it's them who regulate the landfill standards. It's they who regulate the stockpiles. And it's been local government that has entered into the contracts with the various recycling companies to pick up your kerbside rubbish.

Now, the good news is that local government will be at the table with the state and federal ministers today. I am hoping that we can really work constructively and cooperatively.

This is not a partisan issue, this is one where we need to get results for the Australian people.

SABRA LANE: Does that involve an over-arching strategy on creating a sustainable recycling market in Australia?

JOSH FRYDENBERG: Absolutely. And we already have a number of facilities here.

But one of the things we want to do at the federal level is to do a stocktake of those facilities, because we could ether upgrade existing ones or build new ones.

SABRA LANE: So, at the end of today, will there be action on this? Or will it be just more meetings and more talk?

JOSH FRYDENBERG: No. Absolutely there is action. I mean, there has already been good work that has been done behind the scenes.

I think everyone is conscious of this issue. And as I said earlier, this is an opportunity for Australia to expand its domestic recycling capability.

SABRA LANE: You've made progress on getting rid of these so-called microbeads from cosmetic and personal care products. I think 94 per cent of them now are free of these tiny plastic balls. What can you do to ensure 100 per cent are free?

JOSH FRYDENBERG: Well, it is good news because we have done this in a voluntary way with industry. Microbeads are consumed by marine life. They pollute our waterways. And we have now surveyed 4,500 products and found that they have been removed from 94 per cent of them.

The remaining six per cent do relate to what are called 'wipe-off' products, Sabra, so they actually are more often than not to end up in landfill, as opposed to our waterways. But we are working with industry to phase all of those out, and that's what we will be talking about today.

SABRA LANE: AGL has announced plans today for a \$400 million dollar gas-fired power station near Newcastle in NSW, to help fill the void of Liddell's planned closure in 2022. What is your reaction to that?

JOSH FRYDENBERG: I welcome more investment, whether it's by AGL or other players, in domestic gas facilities.

But let's bear in mind, this is an additional 200 megawatts of capacity. It's a peaking plant. When Liddell closes, that's 1,800 megawatts that will be taken out of the system.

We have the Australian Energy Market Operator on the record saying that, were Liddell to close in 2022 and then not sufficient investment is made, that there is a greater chance of blackouts. And we have the ACCC on the record saying that, if Liddell were sold to a third party, competition would go up and prices would go down.

That's why we are watching very closely what Alinta does, because they have said they are going to put in an indicative offer very shortly to AGL.

SABRA LANE: AGL has indicated there is a possibility of more to come, depending on big industrial companies flagging, actually, what kind of demand they would like. That's fair, isn't it? A company shouldn't commit to building something that may not be required later, down the track?

JOSH FRYDENBERG: Well, actually, you have seen those big industrial companies, the CSRs who run the Tomago aluminium smelters; the BlueScopes with their Port Kembla works; the brickworks, the Cement Australia. All those companies came together under the banner of Manufacturing Australia and are working with Alinta to purchase this Liddell plant.

That's why it's really important that the board of AGL, the executives of AGL consider on its merits this offer that comes from Alinta, because we don't want to see any shortfall in the domestic market. That would be unacceptable to the Government, to have a greater chance of blackouts because of a closure of Liddell, before it could be sold to another party.

SABRA LANE: Federal Environment and Energy Minister Josh Frydenberg, thanks for talking to AM this morning.

JOSH FRYDENBERG: Nice to be with you, Sabra.

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