

Dianne Hale, representative of *Local Government New Zealand*

Speech notes for Product Stewardship Public Meeting, 26 February 2009

Views on the Packaging Accord from a Local Government perspective

Good morning to you all today. I am speaking today on behalf of the National Council of Local Government New Zealand. With my role on the North Shore City Council, I also bring a local perspective on waste management and the packaging accord.

It is no longer the case that local government is the only sector with an interest in waste management. The number of you here today and your range of interests clearly demonstrates that.

The Packaging Accord has some history, and Tony has touched on that in his speech. There certainly have been mixed views amongst councils about the Accord, the role of local government in the Accord, and its achievements. *Local Government New Zealand* did endorse the current Accord but there remain mixed views which will contribute to the debate about what a future scheme may look like.

Times have certainly changed in the five years since the current Accord was signed. Industry leadership in waste minimisation is more important now than it has ever been, and it will only continue to grow in its relevance and importance.

Local government's role in the packaging life cycle includes the provision of waste and recycling services, waste minimisation programmes, and also as a major purchaser.

Product stewardship and a product life cycle approach are about much more than one sector's role. The collaboration and commitment of all groups involved in a product lifecycle recognises that we all have a role to play and are willing to work together to achieve results that are bigger than any one sector. The objective of local government in product stewardship is for greater sharing of responsibility by those involved in the life cycle of a

product. This includes some shift in costs in recognition of that sharing of responsibility.

Councils are in the very difficult position of providing waste services and funding those services, while meeting the competing interests and demands of their communities.

At the coal face, councils have continued to introduce positive new recycling and waste minimisation initiatives into their communities. These are designed to suit the characteristics of the community and consider population size, logistics and local demands on the waste stream. A "one size fits all" approach cannot work.

Inevitably council decisions on waste management services and contracts can be difficult, high profile and sometimes controversial.

It can be difficult for a council to weigh up significant costs of providing a service in a particular way, community expectation, and funding sources. I don't need to explain to this audience the pressure on councils to keep rates down. But sitting at the council table making decisions on which service levels to reduce, which projects to drop or which projects to delay just to keep rates at the level of inflation, is not easy.

There is a feel good factor for residents in putting out their recycling bin or crate at the gate. But do they really understand the cost/benefit equation for councils in providing this service? I doubt it. We all have a role in improving the understanding of ratepayers, consumers and those who make decisions about all aspects of the product lifecycle.

Councils are increasingly moving to targeted rates and user fees to increase transparency about costs of services. But that doesn't stop the debate. Landfills have moved to a user pays system over time but not without objection. Some communities around the country have had, or are having the debate about paying user fees for water. That one is contentious. How to pay for recycling services will no doubt be next was very recently aired in Wellington.

Councils are accountable to their communities and all these issues are debated locally each year but more fully every three years when the council reviews their 10 year plan. 2009 is one of those 3 year reviews and councils are about to release their draft plans for consultation. Right now, in the current economic climate, these draft plans will be stretching the expectations and perceptions of our communities.

Some councils have already committed significant funding or effort to new waste minimisation programmes or facilities such as the new MuRF for Auckland and Manukau, the new 3 bin system in Christchurch, or cleaner production programmes such as that running in Tauranga.

But many councils are yet to fully review their waste services. The requirement for Councils to review their waste management plans by 2012 means that there will be some critical consultation and decisions about waste services over the next 3 years. In the current economic and legislative environment, it is not business as usual for councils.

I can't emphasise enough the importance of the industry contributing to these local debates. The commitment of the industry to lead in developing a product stewardship scheme for packaging will provide a new direction in collaboration and possible outcomes in these local debates.

A true product stewardship scheme must consider what it is trying to achieve at the end of the product life, how to achieve that end and who contributes to funding that achievement. It must be able to transparently demonstrate progress. This means having stretching targets and robust data to measure success across the product life cycle.

Over the life of the Accord, packaging waste to landfill has reduced - despite increasing consumption. This is an achievement.

There are real challenges to us all in the current environment and a new direction is called for.

I commend industry to take leadership in developing new approaches of collaborating with councils and for you all to contribute today in helping to set the new direction in packaging product stewardship.

Thank you.