



Right to Repair
Productivity Commission
4 National Circuit
Barton ACT 2600
Australia

Dear Commissioners Abramson and Lindwall,

RE: NSW Circular Submission on Right to Repair

NSW Circular welcomes the opportunity to respond to the *Right to Repair Productivity Commission Issues Paper*. We commend the aspiration and leadership demonstrated in the detailed investigation of the productivity implications of consumers' inability to easily and cost-effectively repair the products they own. NSW Circular urges the Productivity Commission to ensure Australia does not miss out on the [billion-dollar economic opportunities](#)¹ of the new circular economy by enabling a right to repair for all key product categories commencing with white goods.

The transition to a circular economy is both critical and inevitable as we seek to grow our economies in a resource-constrained world. The pace at which Australia makes this transition will determine our ability to access the new [trillion-dollar economic opportunities](#)² which exist in sharing and reuse businesses, jobs and services. Australia's transition cannot happen until governments send the right signals by putting in place adequate frameworks including Right to Repair, and until they collaborate with businesses and banks to encourage and enable and embrace new circular business and finance models. On this list is also opening up Australia's largely siloed and linear utility and infrastructure markets to more circular businesses and working with regulators to value externalities such as reusing and recycling resources, avoiding environmental contamination and degradation.

Right to repair is positively transforming industries around the world, driving new jobs and skills, providing more benefits to customers and more value to them for their initial investment. Repairing products instead of landfilling them is a no-brainer. Keeping them in the market longer to extract maximum value from the materials is creating new jobs and new industries and delivering important productivity gains. But it is also avoiding the impact on the environment of the landfilling and illegally disposing of what are valuable resources. The [European Union eco-design legislation](#)³ is restoring to citizens the right to repair products they have bought. These requirements - such as instruction manuals made accessible to service companies, and the supplying of spare parts by producers within 15 days - are transforming sectors.

¹ *Towards the Circular Economy: Accelerating the scale-up across global supply chains* World Economic Forum 2014

² *Ibid.*

³ *Ecodesign Requirements and Harmonised Standards*, European Union



As it assesses the costs and benefits, NSW Circular encourages the Productivity Commission to examine the true value of externalities in keeping products in the market longer, including avoided costs for waste management, the reduced need to manufacture and purchase replacement products, transportation and pollution, and environmental improvements.

While change will bring uncertainty for linear businesses. There are significant benefits for businesses that embrace circularity. Circular economy and circular business models are overcoming the dual challenges of rising and fluctuating commodity prices and resource depletion and they are able to make profits in a different way.⁴ Circular business models are driving new productivity and profits and financial benefits to customers. For example, circular businesses often extract multiple revenues - receiving revenue to take away a waste, and another by reselling the same or new products.

NSW Circular believes that the future circular economy does require strong design and manufacturing guidelines that extend the life of products enabling them to be designed for life and repaired, and that grow and catalyse new and existing skills and repair markets. The end of life of products, including the recovery of materials embedded in consumer products, is also aided by these same consumer rights. We simply cannot make the transition to the new circular economy without strong guidelines that design out waste and protect customers' investment in products that can last.

Adopting circular economy principles in product design, procurement policy, product stewardship, consumer behaviour, and in end of life practises involves the engagement of consumers, suppliers and manufacturers. In the new geopolitical climate and COVID-constrained economy with broken supply chains and the need to generate more jobs and locally - the circular economy has a unique and exciting role to play. New sharing and reuse business models, skills and services have the opportunity to drive new productivities - not seen in decades in Australia.

Moving rapidly towards a circular economy through policy design and regulation will assist in building these new jobs, skills and services, while giving certainty to transitioning businesses.

As laid out in our report [The Circular Economy Opportunity in NSW](#)⁵, Australia as a nation has one of the highest material footprints in the world, and we discard 20 million tonnes of waste every year. This figure is growing. The material inefficiency in our policies and behaviours is costing us billions of dollars in potential productivity and resource efficiency gains. The impacts of waste on our environment and our community are well documented and understood. Our current modes of production and consumption, and the waste associated with them, are intricately connected with the great crises we are facing on the planet of climate change and biodiversity loss.

However, waste also has an economic cost, and opportunity cost. For an aggregated source of the latest data on the exciting economic opportunity that is in our waste, we invite you to read the above report prepared by our team including our Chief Circular Economist, Dr Kar Mei Tang - Australia's first circular economist.

⁴ <https://www.sitra.fi/en/articles/new-business-models-play-key-role-enterprises-strategies/>

⁵ *The Circular Economy Opportunity in NSW*, NSW Circular, 2020



As your paper indicates, the sophisticated nature of consumer products and the principles currently governing their design (including planned obsolescence) means the valuable materials used in their manufacture become wasted or stranded resources, which would otherwise remain part of our productive economy. NSW Circular believes a key lever for reducing waste to landfill, and capturing the value in materials already in use, is to ensure manufacturing embraces principles of 'Right to Repair'.

NSW Circular supports the formation of a shared definition of Right to Repair, and for this to become a part of the landscape of consumer rights and protections in Australia. We welcome the opportunity to speak with the Commission in more detail, and would be happy to provide more information and support should it be required.

Yours sincerely,

Lisa McLean
CEO
NSW Circular