

Commissioners

Australian Productivity Commission

Right to Repair Inquiry

23 July 2021

Dear Commissioners,

I write briefly to meet your timeframe and thank you for your excellent draft report into this important issue for Australia. This work by the Commission is very welcome and timely.

I am fortunate to work at the forefront of Australia's shift to a more circular economy, consulting on plastics, products, policies and trends. I advise governments state and federal and contribute via boards and media. Given my work in industry and government I was granted a Churchill Scholarship in 2018 to research Circular Economy, with a focus on Plastics and witnessed extraordinary changes in policy in EU, UK, SE Asia, investments, joint ventures and collaborations.¹ Most recently I contributed to the Victorian Government's Circular Economy Policy and Action Plan and the Australian Packaging Covenant's strategies, targets and guides to 2025.

With respect to the timeliness of the work of the Commission, I am currently part of a collaborative team working for the Federal Government investigating ways to influence better product design for product made in Australia and consumed in Australia. This is a first for Australia and ties well into the work of the Commission. It will involve a global scan of international movements and instruments for change. Right to Repair is one part of this strategic approach.

Australia is a fortunate country well endowed with resources, one language, a dynamic and healthy democracy and community, and one set of laws, and should not squander our potential with lax policies and programs that are outpaced by other nations. There is an urgency for change that is not apparent in the draft report, and insufficient view to external forces and trends, and I encourage the Productivity Commission to add to its current draft accordingly.

There are a few points to highlight and I summarise them in two categories. I have quickly included some links and there is plenty more research available to support a number of these points below.

1. Risks and areas not sufficiently covered by the first report

1.1 The future is NOT business as usual

The first report seems to see the future as business as usual. This is a risky view and mistake. It would be appropriate for the revised report to identify and present facts on the declining resources in the world which are impacting supply, competition and will ultimately impact price (which however is so often controlled and inelastic).

¹ <https://www.helenmillicer.com/resources/trust-report-by-helen-millicer-2017-churchill-fellow/>

International World Overshoot Day is progressively getting closer to January indicating we are increasing use of world's non-renewable resources each year.²

For example:

Rare earths and precious metals are in declining supply as evidenced by even Victorian goldmines reopening to reprocess old seams and ores. Hardwood timber is increasingly scarce and causing shifts in production and substitution. The world is predicted to run out of some precious metals in the next 20-30 years and better systems need to be in place to support the society and system changes we require.

It is not appropriate to consider costs in many instances as price for many materials are controlled and manipulated and are not reflective of scarcity. Examples include control of the price of oil and gas by nations eg OPEC, which impacts the price of plastics which impacts the price of fibres, textiles, packaging, building materials etc. Not to mention the price of greenhouse gas emissions and carbon-fuel transport.

The price for new product, repair and reuse systems are not supported or reflective of our resource constraints and scarcity, and therefore the draft report needs to have a more nuanced approach to supporting the case for Repair and a more circular economy.

1.2 Seismic shift to a more circular economy in Australia and globally

There is serious global competition for improved productivity of existing materials, and lower GHG emissions. Significant investments, and changes to businesses and other government programs are underway overseas and Australia risks being left behind. One of the best ways for Australia to reduce its greenhouse gas emissions is with improved productivity and circularity of products and materials in circulation in the economy. There have been a number of reports on this subject in Australia and it is very well developed and integrated into policies, strategies of governments and industries overseas.

Here are just a few diverse examples of the vision, determination and sophistication of the measures being developed and implemented overseas:

<https://materialeconomics.com/latest-updates/preserving-value-in-eu-industrial-materials>

<https://materialeconomics.com/publications/sustainable-packaging>

<https://www.sitra.fi/en/projects/leading-the-cycle-finnish-road-map-to-a-circular-economy-2016-2025/>

<https://www.government.nl/topics/circular-economy>

1.3 Multiple benefits from Repair

There is good information, albeit not particularly well measured in Australia, on the increase in jobs and social benefits from improved productivity vs waste to landfill. The Australian Council of Recycling and other similar entities have estimated the jobs in recycling vs landfill. Better reports have been prepared in such countries as UK and Germany.

There is great value to Australia maintaining a diversified economy, which includes:

- Stronger manufacturing and more integrated supply chains

² <https://www.overshootday.org/>

- competency and sophisticated understanding of materials, chemistry, engineering
- training, apprenticeships, not only higher education through universities
- capacity for people of diverse backgrounds, languages and skill capacity to be employed or self-employed.

2. Greater emphasis upon select elements in the draft report

There are some other points that warrant more attention within your draft report, ideally with data and figures that will support the case for Right to Repair amendments in Australia. They include:

- more SME businesses Australian owned and managed
- more SMEs in regions across Australia
- improved design, creativity and fabrication skills
- goods of quality available for second-hand market, particularly for people on lower incomes, eg students enabling independent living.

Many thanks to you and your teams for excellent work on this important topic to date and I look forward to seeing further progress and adoption of key improvements going forward.

Kind regards,

Helen Millicer

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Director, One Planet Consulting

Board Advisor, Repeat Plastics Pty Ltd (trading as Replas)

Chair Churchill Trust Australia, Selection Panel Victoria (Agriculture, Commerce and Logistics)

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If you want to go fast, go alone. If you want to go far, go together.