



*Proposed Mandatory Phase Out of Single-Use Plastic Shopping Bags – Consultation*

*Document – August 2018*

Ministry for the Environment

PO Box 10362

WELLINGTON 6143

**TO** Ministry for the Environment (MfE).

**SUBMISSION ON:** Proposed Mandatory Phase Out of Single-Use Plastic Shopping Bags – August 2018

**FROM:** Watercare Services Limited (“**Watercare**”)

**ADDRESS FOR SERVICE:** The address for service specified below

**DATE:** 14 September 2018

**Watercare could not gain an advantage in trade competition through this submission.**

## **INTRODUCTION**

### **1.1 Watercare’s purpose and mission**

Watercare Services Limited (“**Watercare**”) is New Zealand’s largest provider of water and wastewater services. Watercare is a council-controlled organisation under the Local Government Act 2002 and is wholly owned by the Auckland Council.

Watercare is a company registered under the Companies Act 1993.

Watercare provides integrated water and wastewater services to approximately 1.4 million people in Auckland. A total of 360 million litres of water is treated each day at 15 water treatment plants and distributed via 89 reservoirs and 90 pump stations to 450,000 households, hospitals, schools, commercial and industrial properties. Watercare’s water distribution network includes more than 9,000 km of pipes. The wastewater network collects,

treats and disposes of wastewater at 18 treatment plants and also includes 7,900 km of sewers.

As a council-controlled organisation ("**CCO**") under the Local Government Act 2002, and a substantive council-controlled organisation under the Local Government (Auckland Council) Amendment Act 2009 ("**Auckland Act**"), Watercare has certain obligations. For example, Watercare must achieve its shareholder's objectives as specified in the statement of intent, be a good employer and exhibit a sense of social and environmental responsibility.<sup>1</sup>

As the CCO that provides water and/or wastewater services in Auckland,<sup>2</sup> Watercare is also required to manage its operations efficiently with a view to keeping overall costs of water supply and wastewater services to its customers (collectively) at minimum levels, consistent with effective conduct of the undertakings and maintenance of long-term integrity of the assets. Watercare must also not pay a dividend.<sup>3</sup> Watercare must also give effect to relevant aspects of the Council's Long Term Plan, and act consistently with other plans of the Council.<sup>4</sup>

As a substantive CCO, Watercare has a number of statutory accountability mechanisms, including the requirement to prepare and maintain a statement of intent,<sup>5</sup> undergo performance monitoring, provide an annual report, give effect to the Long Term Plan, and act consistently with other specified plans and strategies of the Council.

## SUBMISSION

### 2.1 General

Watercare is pleased to have this opportunity to make a submission to MfE's "*Proposed Mandatory Phase Out of Single-Use Plastic Shopping Bags – Consultation Document*" – August 2018 (the "**consultation document**"). Watercare understands that following the receipt of the submissions, and if the decision is to mandatorily phase out single-use plastic shopping bags, section 23(1)(b) of the Waste Minimisation Act (2008) will be utilised, resulting in the sale or distribution of specified single-use plastic shopping bags being prohibited. These regulations are intended to be in force by July 2019.

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<sup>1</sup> Local Government Act 2002, s 59.

<sup>2</sup> As defined in section 4 of the Local Government (Auckland Council) Act 2009.

<sup>3</sup> Local Government (Auckland Council) Act 2009, s 57.

<sup>4</sup> Local Government (Auckland Council) Act 2009, s 58.

<sup>5</sup> This statement of intent covers a three year period, and requires Watercare to publicly declare its activities and intentions for the year, and how this will achieve its objectives: it provides an opportunity for shareholders to influence the organisational direction; and a basis for accountability for directors and shareholders. It also carefully considers section 58 of the Local Government Act 2009, which requires Watercare to give effect to relevant aspects of the Council's Long Term Plan, and each year, prior to the statement of intent review, Watercare receives a letter of expectation from the Mayor which significantly influences Watercare's direction and allows for alignment with the Council.

Watercare is broadly supportive of the initiative for the mandatory phase out of single-use plastic shopping bags, but we believe that this was a missed opportunity to have consulted on the issue of the reduction of plastic waste more widely.

## 2.2 Watercare’s Strategic Priority to be Fully Sustainable

One of Watercare’s “Strategic Priorities” is to be fully sustainable. Watercare’s business is intrinsically linked to the natural environment and significantly impacts the communities in which we operate. Therefore, integrating sustainability into everything we do is key to our role as a trusted community and Iwi partner. One of our outcomes for the strategic priority is that “we protect and enhance our natural environment”.

As an example of this, and in relation to the marine environment, since 2002 Watercare has been sponsoring the Watercare Harbour Clean-Up Trust. This Trust works to remove litter from Auckland’s harbours and inner Gulf Islands, and promotes the concept of clean, clear, rubbish-free waterways.

Since the inception of this Trust, over 4,700,000 litres of rubbish has been collected – that is an estimated 38,300,000 individual pieces. The majority of this rubbish is of a plastic origin. Most of this material enters the harbours via the stormwater system, and is suspended in the water column until much of it is deposited on various shorelines around the Auckland region.

It is estimated that approximately 10 percent (by number) of this collected rubbish is “soft plastics” – plastic bags and plastic wrapping material etc.



Photographs taken during a Watercare Harbour Clean-up operation in 2017 at Hendersons Creek/Lawsons Creek (Te Atatu - Auckland)

In addition to Watercare’s Strategic Priorities, Watercare has also officially committed to the United Nations Strategic Development Goals (“**UN SDGs**”) through a commitment of 21 water and wastewater utilities of Australia and New Zealand. This commitment is through Watercare’s its membership the Water Services Association of Australia (“**WSAA**”).

Watercare has made a commitment to:

1. Support and promote the 17 Sustainable Development Goals;
2. Support and work with Government and other agencies to increase the capability and capacity of our region to achieve Sustainable Development Goal 6 (“SDG6”): (Ensure availability and sustainable management of water and sanitation for all); and,
3. Achieve SDG6 within the scope of our operations.

## **2.3 Substantive Submission Point**

### **2.3.1 Opportunity Missed for Consultation on a Wider Range of Plastics**

While Watercare is broadly supportive of the initiative for the mandatory phase out of single-use plastic shopping bags we recommend that future consultation should go further. Any future consultation should present a full range of options for the reduction of at least single-use plastic in general, and further to other plastic-based materials.

As outlined above in Section 2.2 of this submission, Watercare has evidence of the large volumes of plastic that enter Auckland’s harbours every year, and are deposited on various shorelines. As a single-use plastic reduction initiative, Watercare through its membership the Water Services Association of Australia is a partner to the “Choose Tap” programme. The Choose Tap programme is to increase the awareness of the health and environmental benefits (through the reduction in the use of single-use plastic bottles) of tap water as part of a healthy lifestyle and as an economical alternative to bottled water.

We believe that future consultation needs to include options for the reduction of a wider range of plastic types. At least “single-use plastics” (plastic wrap, single-use drink bottles, etc.) need to be included, so that community and stakeholder interests could be gauged as to their potential phase-out.

Watercare recommends that consultation should begin on the reduction of single-use plastic in general, and other plastic-based materials, as soon as possible.

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