

MEDIA RELEASE

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Australian households pay the price but cannot fix regulatory failures, new report warns

Landmark report says families, councils and businesses are paying the price for a fragmented national system on products and packaging that is 15 years behind many countries

Australia's economy and recycling system is stuck in a costly policy and regulatory vacuum with households, councils and businesses left carrying the responsibility for products and packaging that most producers are still not required to manage beyond the point of sale.

A major new report by One Planet Consulting, *The Future of Producer Responsibility in Australia: International Solutions That Will Fix a Broken System*, warns Australia has fallen behind many nations on Extended Producer Responsibility (EPR). This results in mounting costs, rising waste and repeated failures in national recycling systems. The report finds that generations of Australians will be impacted until the Australian Government regulates for EPR.

Since the 1980s, more than 80 nations have developed national mandatory, well-governed EPR frameworks that require producers to help fund and coordinate the collection and recycling of the products and packaging they place on the market. From Belgium to Brazil, from Canada to California, regulated mandatory national EPR is common around the world, but not in Australia.

The report, led by sustainability and circular economy expert, Helen Millicer, benchmarks Australia's performance alongside 20 countries on every-day products from TVs and washing machines, to tyres, mattresses and packaging.

It finds, unlike many nations, Australia has not regulated a new national producer responsibility scheme since 2011, has costly, bureaucratic and fragmented regulations, free-riding producers and too many regulators.

The Future of Producer Responsibility in Australia: International Solutions That Will Fix a Broken System also highlights modelling by the Australian Retail Council that Australia's current regulatory fragmentation could wipe \$26 billion from national GDP over the next decade and add more than \$9 billion to household costs.

This independent report has been reviewed and supported by Professor John Thwaites of Monash Business School and previously Chair of the Circular Economy Advisory Group to the Australian Government. In the report's Foreword, Professor Thwaites writes that "This report is important and reform is urgent. It fills a policy gap in Australia. Better producer responsibility means fewer confusing schemes, more convenient collection, less dumping and more onus on producers to ensure their products and packaging are designed for longer life and recycling."

Professor Thwaites notes that the practical report breaks new ground framing EPR as a necessary economic and productivity reform, not only an environmental measure or stimulus for recycling.

"Helen's report finds only regulated schemes, not voluntary schemes, will deliver the necessary investment in jobs, local manufacturing and infrastructure Australia needs, and cut waste, emissions and the reliance on taxpayers. She points out the Australian Government has programs waiting, some for 13 years, and capacity to regulate now."

The hidden cost landing on households

According to Helen, the report shows Australia's regulatory problems have been wrongly placed at the feet of households for too long. "Australian households, despite their best efforts, cannot fix a broken system."

“The real problem is that too many products are being sold to Australians without producers being required to help fund and solve the problems. It’s very different in other nations and its time our federal government follows suit. It’s time to stop pushing the cost onto Australian families, councils, taxpayers, businesses and the environment.”

Australia already spends approximately \$17 billion a year managing product waste, while generating around 75 million tonnes of waste annually.

Each year, approximately \$520 million worth of recyclable packaging ends up in landfill. Australia’s packaging recovery rate has hovered around 59 per cent for a decade, with more than 40 per cent still going to landfill. The report also points to an estimated \$680 million of electronic goods being disposed of each year, around 1.8 million mattresses discarded annually, and more than 300,000 tonnes of clothing sent to landfill.

Helen said these numbers reveal a system that is structurally broken, financially unfair and wasteful. She explains “when a product is hard to repair, difficult to recycle or expensive to collect, the cost does not disappear. The costs turn up in household and business budgets, council waste charges, government grants, bail-outs, clean-up costs, landfills, insurance risk and lost value. That is not a circular economy, it is a cost-shifting economy.”

Free riders are weakening the system

The report also finds a core problem is Australia’s voluntary approach which means current producer responsibility organisations for products like mattresses, tyres, batteries and packaging are chronically underfunded, understaffed and unable to deliver the standards, collections, recycling, education and industry coordination employed overseas.

In some Australian schemes, only 3 to 45 per cent of liable companies pay levies compared with 85 to 100 per cent in regulated schemes overseas. It shows how vulnerable and tiny are Australian schemes and contrasts with what they could become providing great public service and industry benefit with resilient supply chains and boosts to national productivity.

A REDcycle warning, not a one-off failure

The report points to recent analysis for the Australian Council of Recyclers that found plastics recycling facilities are currently operating at around 53 per cent capacity utilisation, which could drop to unviable 32 per cent by 2030 resulting in recycling supply chain collapse in coming years.

These voluntary schemes have jumped the governance hurdles, got the supply chains coordinated and gained the necessary ACCC authorisations, but they are at breaking point. “Voluntary schemes have helped build awareness, get us moving and shown what is possible, however they cannot carry a national system on goodwill alone,” Helen said.

It makes no sense to wait for another scheme to collapse when the Australian Government has the authority to regulate now.

Ten regulators and no clear national engine

Additionally, Australia has 10 state, territory and federal regulators involved across different stewardship schemes including eight state-by-state container deposit schemes. This results in unnecessary costs, bureaucracy, duplication, confusion and uneven compliance.

According to Helen, Australia needs one clear national framework. “Australia does not have a shortage of effort. It currently has a shortage of focus with national regulation and one regulator,” Helen said. If we keep going down the state-by-state route we could end up with 48 separate regulations for essential schemes tying business in knots.

The report recommends appointing the national EPA as the single regulator for all EPR schemes, producer responsibility organisations and obliged parties. This will create one central point for compliance, data, enforcement and national accountability. “This will lower costs, streamline reporting and improve compliance,” said Helen.

Other countries are already proving success

The many case studies in the report illustrate how Australia can grow its existing schemes and reap real benefits.

For further information and interviews, Diane Falzon 0430 596 699, pr@dianefalzon.com

In Belgium, household packaging stewardship has helped deliver the highest packaging recycling rates in the world supported by strong producer participation, national coordination and transparent reporting. The scheme injected €1 Billion into infrastructure over six years to reach 79 per cent recycling and 60 per cent plastics recycling putting a record amount of quality material back into the local economy for local manufacturers. These are better results and lower cost than in Australia, and our recyclers and manufacturers are weaker as well.

In British Columbia, Canada the tyre stewardship scheme has 100 per cent of producers funding the system, achieving 100 per cent collection and 86 per cent local mechanical recycling. They invest around \$32 million annually in jobs, recycling, training and manufacturing, while Australia's tyre stewardship budget is ~\$7.4 million, domestic mechanical recycling rate hovers around 17 per cent, 80% tyres are exported and councils cop the dumping costs.

In France, schemes for packaging, electronics and clothing are so well established they have innovated. They charge producers eco-modulated levies that reward products featuring great design, such as easy disassembly, repairability and repair, spare parts availability and even recycled content. This is great for French consumers and businesses, but Australians miss out.

According to Helen, these examples show what Australia could gain from national regulation. "Many countries have stopped asking households to carry the system by regulating EPR for circular product design and coordination of new efficient supply chains."

"Their schemes have been able to expand collections, strengthen local recycling markets and give industries confidence to invest. Its high time the Australian Government moved us from fragmented and voluntary to coordinated, mandatory and nationally successful schemes," Helen said.

The report also finds 87 per cent schemes overseas are run for public benefit as not-for-profit organisations, with strong governance, government oversight and alignment to national targets. Four countries (including UK, Slovenia and Poland) overhauled their laws in 2023-25 to stop for-profit schemes with cases of fraud, dumping, concealment and cartel behaviour. "Australia can use this is a vital fact on good governance to ensure success here," said Helen.

What reform would mean for Australians

The report says the Australian Government, not states, should regulate for equitable and effective EPR to improve the products households and businesses will buy and use for decades to come. That means announcing now in 2026 the regulation of existing national voluntary schemes by 2028 so that producers of these complex priority products, including importers, contribute equally and fairly.

For households, businesses and retailers, the benefits would be practical and real: products designed to last longer and be repaired, easier recycling, more drop-off points, less waste going to landfill, no confusion between state systems, national coordination and education campaigns and better value through one national approach.

For industry, it will mean fair contracts, stronger supply chains and markets, consistent and equitable targets, regulations and reporting, more investment in recycling, supply chain coordination, recycled content, stronger national manufacturing and processing and stable, skilled workforce.

Eight reforms Australia needs now

The report makes eight recommendations for national reform (and also includes a timeframe for action):

1. **Regulate nationally, not at state level, for mandatory EPR** frameworks for priority products to stop free-riding producers by 2028.
2. **Stop fragmentation. Appoint the national EPA as regulator** for EPR schemes, producer responsibility organisations and liable parties.
3. **Empower the national EPA** to penalise free riders, missed targets, identify malpractice and ensure good governance.

4. **Establish national producer registries** to reduce free-riding, improve system security, consistency and scheme accountability.
5. **Immediately establish a bridging loan finance program**, like used for the Oil Stewardship program in 2000 so schemes can scale up nationally ready for when regulations to come into effect in 2027 and 2028.
6. **Ensure public benefit by regulating for not-for-profit** schemes to minimise fraud and incentivise fair and broad industry investment and market growth.
7. **Require use of eco-modulated fees** across regulated schemes to incentivise good circular eco-design.
8. **Streamline national reporting frameworks** across schemes and producer responsibility organisations.

Helen said the reforms are practical, proven and urgent. Australia has every reason to act with confidence.

“We have the international evidence, clear needs for better products in Australia, existing laws, existing awaiting schemes, and a new national regulator. We are ready to evolve into a far better system,” Helen said.

“This is practical economic productivity reform. Done well, producer responsibility can reduce waste, ease pressure on households and governments, strengthen local jobs, manufacturing and industry, deliver environmental benefits and give Australians world-class sustainable products that they can use for decades to come” Helen concluded.

About Helen Millicer

Helen Millicer is CEO of One Planet Consulting and a leading Australian sustainability and circular economy expert.

Helen has held influential roles including Project Co-Lead Consultant with the Australian Government on the award-winning investigative report Enabling Product Design for Environmental Good. Helen is also Australia Region Lead with Climate Action for Associations, Expert Advisor to Soft Plastics Stewardship Australia and Inaugural Non-Executive Director of the Commonwealth Research Centre for Solving Plastic Waste.

Helen is a Churchill Fellow and has qualifications in business management, governance, carbon accounting and sustainable investment from Monash University, Australian Institute of Company Directors, Swinburne University and Harvard Business School.

<https://www.helenmillicer.com/>

To read the full report, [www.helenmillicer.com/Media/EPR Report](http://www.helenmillicer.com/Media/EPR_Report)

Ends

State-by-state comparison table

	South Australia	NSW	Queensland	Victoria	ACT	WA	TAS	NT
Waste generated (Mt, 2022-23)	5.2	28	15	16	1.2	8.8	1.1	1.1
Waste recycled and reused (Mt, % of total)	4.1	19	6.8	9.9	0.81	5.8	0.57	0.57
Resource recovery rates (2022-23) % ¹	82%	73%	47%	66%	73%	69%	56%	56%

¹ All three rows above are from national waste report 2024