

Chair: Janelle Osenton

Circular Textile Working Group - WA

Secretary: Lisa Piller

Supported by



Date: 29 October 2024

Dear Productivity Commission

We write to you on behalf of members of the Circular Textile Working Group (CTWG) WA, a subgroup of the Circular Economy Western Australia (CEWA) group. CTWG WA was established to raise awareness, build networks and advance local action to significantly reduce clothing textile waste and its damaging impacts. CTWG consists of 25 members from WA local and regional government, academia, clothing design and manufacture, social enterprise and business owners.

CTWG represents a broader WA membership of over 80 stakeholder subscribers from across the WA textile industry including textile supply, manufacturers, designers, educators, local government, charitable organisations, recyclers and researchers. These stakeholders met at the WA Closing the Loop on Clothing (CTL) Forum 5 December 2023 for a workshop based event where a significant amount of feedback was collated by discussion topic, including some recommended actions to assist with textile circular economy initiatives for WA. There was a great deal of quality input from the participants and a CTL Forum Summary is attached to this submission.

We value the opportunity to contribute to the Call for Submissions Paper by the Productivity Commission on Opportunities in the Circular Economy. The views of CTWG contained in this letter represent much of the feedback from the CTL Forum and subsequent research and advocacy by the CTWG.

Response to Information request 3: Hurdles and barriers to a circular economy

Australians are now the highest consumer of textiles per capita, with an average Australian buying 56 new items of new clothing per year, more than the United States (53), the UK (33) and China (30 items)¹. Australians pay on average \$13 for an item of clothing, in comparison to \$40 in the UK¹. Polyesters and synthetics dominate the fibre market, occupying 70% of market share², and the environmental impact associated with this fibre is significant. 35% of ocean microplastics are caused by the production and laundering of synthetic petrochemical-based textiles³. Ultra-fast fashion brands such as Shein have a turn around time from design development to dispatch of 2-3 days, and drop 6000 new styles a day⁴. Meanwhile, a t-shirt can be bought at a local Australian discount retailer for \$2.50⁵.

Charities are overwhelmed with the responsibility of low-quality clothing that cannot be repurposed⁶. Less than 1% of textiles are fibre-to-fibre recycled, Australia's main waste management strategy for textiles is either landfill or exporting offshore⁷. While other exported waste products such as plastics and tyres are trending down, clothing exports are trending up⁸.

The issues behind this situation provide enormous hurdles to overcome to shift to a circular economy in textiles.

These can be summarised below:

- Consumers do not value clothing and textiles and treat them as disposable. They are largely disconnected with origins of clothing products and the impacts of their disposal.
- The volumes of cheap imports or brands manufacturing cheaply overseas makes up the majority market share of Australian clothing⁹.
- There are limited incentives, systems and infrastructure for collecting clothing and textile waste.
- SMEs grounded in principles of circularity and product stewardship pay more for materials and manufacturing, as well as struggling to meet minimum order quantities. This creates pricepoint and profit margin challenges.
- 'Greenwashing' is a significant issue with brands using claims of sustainability as a marketing tool with little regulation, confusing the consumer.
- Brands grounded in principles of circularity and product stewardship struggle to differentiate their messaging from the 'greenwashing' of larger brands.

Response to Information request 4: Governments' role in the circular economy

The government can support systems for change to a circular textile economy through 3 key areas; Designing out waste & waste reduction, Market development and Repair. Specific government interventions are suggested under each of these topic below.

Designing out waste & waste reduction

- Investment in circular textile economy education throughout schooling, tertiary, community and industry.
- Fee free TAFE courses and micro-credentials that focus on designing for circularity
- Taxes or tariffs related to problematic textile types such as petroleum-based imported fibres
- Ensure consistency of Australia with EU in relation to banned products (eg PFAS)¹⁰
- Bans on plastic packaging for garments

Market development

- Introduction of eco-label regulations and environmental labelling requirements for all fashion brands in Australia, clearly indicating where and how their products were made.
- Nationally consistent directives to encourage investment in market solutions
- Tax incentives for organisations that are achieving measurable and substantial circular economy actions.
- Sustainable procurement frameworks to drive local markets
- Incentivise local production and invest in local manufacturing capacity
- Maintaining mandatory carbon reporting – including scope 3 emissions that results in organisations reviewing their supply chain to understand environmental impacts.
- Mandate Seamless product stewardship levy
- Product stewardship requirements for brands, ESG reporting
- ACCC accountability standards for sustainability claims to counter greenwashing

End-of-life and Repair

- Implementation of a mandated repair bonus system for textiles and footwear, along with a network of "authorised" repairers (see Netherlands and French models¹¹). Preferably with repair incentives via the tax system.
- The development of a Waste Framework Directive (WFD) would aim to introduce Extended Producer Responsibility (EPR) to regulate textiles. This initiative could focus on creating a system for collecting, sorting, reusing, and recycling textiles, while ensuring products are designed for circularity.
- Support and invest in technologies to support sorting, textile innovation, recycling
- Mandating and investment around textile collection infrastructure
- A Repair Coordinator based in each state government environment programs team (ie DWER - Waste Sorted) to facilitate and support a range of repair initiatives including Repair Cafes, local government activities, charitable reuse sector
- Establishment of slow fashion hubs across various councils to promote grassroots initiatives like clothing repair, alterations, second-hand garments, and the use of recycled materials. These hubs will enable collaboration between fashion professionals such as designers, stylists as well as educators/facilitators and local residents.
- Fee free TAFE courses that focus on repair and advanced construction skills

Kind regards,

Janelle Osenton

Lisa Piller

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1. <https://australiainstitute.org.au/wp-content/uploads/2024/05/The-Australia-Institute-Textiles-Waste-In-Australia-Web.pdf>
 2. https://textileexchange.org/app/uploads/2022/10/Textile-Exchange_PFMR_2022.pdf
 3. <https://portals.iucn.org/library/sites/library/files/documents/2017-002-En.pdf>
 4. <https://www.businessinsider.com/what-is-shein-billion-dollar-fast-fashion-company-explained-2023-7>
 5. <https://www.kmart.com.au/product/basic-t-shirt-s145738/>
 6. <https://acehub.org.au/documents/state-of-circularity-in-australia-perspectives-from-the-field>
 7. <https://www.dcceew.gov.au/sites/default/files/documents/national-waste-report-2022.pdf>
 8. <https://www.dcceew.gov.au/sites/default/files/documents/abs-waste-exports-annual-summary-2021-22.pdf>
 9. <https://ausfashioncouncil.com/wp-content/uploads/2023/05/AFC-NCPSS-Data-Report.pdf>
 10. <https://echa.europa.eu/hot-topics/perfluoroalkyl-chemicals-pfas>
 11. <https://www.bbc.com/news/world-europe-66174349>