A blueprint for the future

The coming general election marks a watershed for the industry as environmental and economic concerns continue to grow. Across the next four pages, Packaging News lays out its manifesto for how the next government can help our sector.

Election Manifesto 2010

For the attention of the new government

We, the undersigned, call on the government to act on the following points on behalf of the packaging industry:

1. Support UK manufacturing in all its forms
2. Base decisions affecting the packaging industry on science, not politics
3. Fully involve the packaging industry in the policy that affects it
4. Improve the quality and quantity of waste packaging collected
5. Invest in the UK’s recycling and energy-from-waste infrastructure
6. Act to ensure the future supply and cost of energy
7. Support international efforts to standardise environmental metrics
8. Publicise the Packaging Waste Regulations widely and fully

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Shane Monkman, buying manager – packaging and environment, Asda
The Packaging News Election Manifesto 2010

With backing from a host of the most influential names in the packaging industry, Packaging News presents its manifesto for the coming year and calls on the next government to act on the following eight issues.

1. Support UK manufacturing in all its forms

British industry, including packaging manufacturing, has suffered in recent times and not only due to the recession – a range of factors, such as the difficulty in obtaining credit and costs associated with unsustainable rises in national insurance and business rates, charges for business rates on empty properties, the Climate Change Levy and more, have hit the sector. The result is the continuing shift of manufacturing out of the UK to lower-cost economies. The incoming government must do everything in its power to revive and strengthen the UK's manufacturing base. Specific measures we would like to see are more favourable capital allowances for capital expenditure, better support for strategically important manufacturing industries and better promotion of manufacturing as a career choice in the education system. This will benefit not only the packaging industry but the UK economy as a whole.

2. Base decisions affecting the packaging industry on science, not politics

Packaging protects and preserves, above all. It is essential to modern life as it ensures that food and other products arrive

WHY WE ARE BACKING THE MANIFESTO

Packaging News has a reputation for getting to the heart of the industry, and this manifesto strongly and clearly lays out a roadmap for government on future packaging policy in the UK. RPO is delighted to add its name to the growing list of signatories, in the hope that the next government will take heed of these important issues.

Ron Marsh, chief executive, RPC

There are some very clever brains in the industry doing excellent work to improve packaging and reduce its impact on the environment. If only the public at large were given the opportunity to understand what a great job we do. I get very tired of certain newspapers spreading misinformation about the packaging industry, and certain politicians and government departments are not much better. Well done Packaging News for taking this initiative to raise the profile of sanity and focus on the key issues.

Rodney Steel, chief executive, SCMPA

There is a risk that in 2015-17 UK energy capacity after the closure of old nuclear and coal power stations will not be adequate to meet demand. Power cuts will cause havoc in food packaging and supply and make the UK less attractive to investment. The incoming government will need to fast-track new energy provision from nuclear, clean coal, renewables and energy from waste and treat gas storage capacity.

Peter Davis, director general, British Plastics Federation

Decline in manufacturing is not inevitable. Not if policymakers choose to create more advantageous conditions for manufacturing investment. The skills and knowledge of today's workforce, combined with new technologies, enable UK manufacturing to compete internationally on quality, service and price.

Confederation of Paper Industries is pleased to support this manifesto from Packaging News, in what is certain to be an important year for UK politics.

Andrew Burnetson, Confederation of Paper Industries
undamaged and fresh with the consumer after journeys of often many thousands of miles. Despite this, a majority of commentators continue to talk of packaging as an environmental problem. The science shows, however, that packaging is an environmental solution; the clearest example is its role in cutting food waste. The packaging industry and many brands recognise this while still continuing to work to reduce packaging’s environmental impact. The new government should also recognise this rather than trying to make political wins with incorrect information on the supposed damage that packaging causes.

3 Fully involve the packaging industry in the policy that affects it

No one is better placed to express the needs and concerns of the packaging supply chain than packaging manufacturers and buyers. Yet the make-up of the Government’s Advisory Committee on Packaging includes only one packaging converter and only one buyer, and has a large focus on packaging waste. We believe that policy on packaging would be better informed – and simply better – were it to seek greater input from the people who specify and manufacture packaging.

4 Improve the quality and quantity of waste packaging collected from households

Waste collection standards and methods differ between boroughs, meaning effectively there is a postcode lottery for what is collected from one borough to the next. This can be confusing for consumers and, more importantly, undermines efforts by suppliers and manufacturers to create packaging that will maximise recycling rates. While we are aware that there is minimal political will to force boroughs to standardise collection regimes, we call on the incoming government to work towards basic minimum standards of collection. We also call on the government to take evidence on the relative merits of co-mingled collections and those where materials are separated at source. These steps must be taken to improve the quality of recyclate coming from materials recovery facilities and push up overall recycling rates to desired levels.

5 Invest in the UK’s recycling and energy-from-waste infrastructure

Waste materials should be recycled if they can be. So alongside improvements to waste-matter collection, more must be invested in expanding the recycling infrastructure. It will be even more important for the UK to reach both EU and domestic targets on waste recycling. We recognise the progress that has been made in recent years but believe far more needs to be done. The government must support investment in energy-from-waste facilities in order to minimise waste going to landfill.

6 Act to ensure the future supply and cost of energy

Energy is a significant cost for the industry across all sectors. With the planned closure of nuclear and coal power stations over the coming years, there is widespread concern brown-out will become regular occurrences. We call on the government to create an energy policy to protect the future supply of energy and to ensure the cost does not disadvantage the UK against its European competitors. In particular, we believe the expansion of energy-from-waste facilities should play a role in the UK’s future energy supply mix.

7 Support international efforts to standardise sustainability metrics

Greenwash is a serious problem not only in packaging but across industry. The incoming government should support existing efforts to create standard and robust measures of economic, social and environmental sustainability. This will contribute to an end to meaningless greenwash, which we believe undermines true efforts to improve sustainability. Most of all, it will allow all brands, packaging manufacturers and consumers to talk about sustainability in a consistent way.

8 Publicise the Packaging Waste Regulations widely and fully

Both small and large companies across the UK economy regularly receive punitive fines for non-compliance with the Packaging Waste Regulations. Most are simply unaware of the regulations. We would never argue that ignorance of the law is an excuse for breaking it. However, we believe that the incoming government must ensure that promotional work is undertaken to make sure that businesses in every sector of the economy are made aware of their obligations under these little-known regulations.

DID YOU KNOW?

- Some facts the public might not realise about packaging

3% of the total energy used in providing all goods and services used by households is used in the production of packaging.

35% of packaging used in the UK is produced abroad. Much of it is used on products made for the global market and UK industry has little control over its design.

27% A study that compared apples sold loose with those in shrink-wrapped trays of four showed that there was 27% more waste from those sold loose.

10 million tonnes of packaging are used each year to protect goods purchased by businesses and consumers.

28% The amount GDP has risen in the past 10 years. The amount of packaging has only risen by 6%.

3% Packaging is less than 3% of all solid waste and 86% of it is recovered and recycled each year.

£1.5bn has been spent by businesses in the past 10 years to double the amount of waste recovered.
How the parties’ packaging policies stack up
The big three all have proposals that could affect the industry. We take a look at what could be in store

**LABOUR: ENFORCING NUMBER 10’S WASTE COMMANDMENTS**

Prime Minister Gordon Brown did not make many friends in the packaging industry when, back in November 2007, he promised to push for an end to the single-use carrier bag.

The plastic bag remark led to some in the industry seeing Brown as falling into the trap of environmentalism. Yet it does not tell the full story of Labour’s approach to packaging.

The party’s most prominent figure for the packaging sector in recent times has not been the prime minister, but Hilary Benn, the former trade unionist who became environment secretary when Brown moved into Number 10. Under Benn, Defra last year published its Packaging Strategy – which focuses primarily on packaging’s performance in the waste stream – and WRAP completed the first Courtaulds Commitment and has, in recent weeks, launched the second instalment of the agreement.

Labour’s ongoing support for the Waste and Resources Action Programmes (WRAP) has been a key element in its approach to packaging, drawing criticism from some quarters over the quango’s obsession with packaging as opposed to other sources of waste.

Yet whether Labour wins the election or not, the current government’s true legacy for the packaging industry is likely to be felt more keenly in the tough economic climate which many feel its policies towards the banking industry helped create – not to mention its failure to force banks into lending again following the huge bail-outs of 2008 and 2009.

**CONSERVATIVES: BACKING FOR BUSINESS AND CULLS FOR QUANGOS**

The Conservatives are keen to position themselves as a pro-business party and, as such, say they will create a tax system, education and national infrastructure to help British firms “out-compete others in the world, not hold them back”.

Its business policies include cutting corporation tax, removing National Insurance contributions on the first £10,000 paid by new businesses and opening up government procurement to SMEs.

On the environment, the Tories feel that consumers would respond better to a carrot rather than a stick and have proposed rewarding those who recycle with a voucher worth £50 a year. They would put a floor under the landfill tax until 2020 to provide long-term certainty for investment in waste disposal facilities.

In October, Tory leader David Cameron said businesses must take the cost of waste into account and take steps to design it out of products and that a Conservative government would demand supermarkets do more to reduce packaging.

There is also the proposed culling of a number of quangos to provide greater accountability that could potentially affect bodies such as WRAP. The Tories have also said they would overhaul the labeling system for alcoholic drinks and mandate guidelines daily amounts to be displayed on food packaging.

**LIBERAL DEMOCRATS: A SHIFT TO THE BALANCE OF POWER**

Cutting public sector spending was placed top of the Liberal Democrats’ agenda by party leader Nick Clegg at the party’s conference last year. Clegg revealed government departments would be cut from 24 to 14, a move that could save the government £314.2m a year, according to the party. Clegg told his party of plans to rename Defra with the Department for Energy and Climate Change (DECC) and the Department for Transport.

Quangos would also be “cull’d” under the restructuring put forward. “Central government in Whitehall is too big, too powerful and too expensive,” Clegg told delegates. “We could save billions by scrapping entire government departments and cutting quangos.”

The party leader called for the closure of 90 quangos, which along with a senior minister’s wage cap would save £1.2bn a year. Under the Lib Dems’ manifesto, councils would also regain control of business rates, “reconnecting local enterprise with local politics”.

Local Enterprise Funds would help people invest in growing businesses in their area and regional stock exchanges will provide companies with a way to raise public equity without entering into the risks posed by a London listing.