

# Meeting Summary --Waste Round Table Held 18 July 2018

## 1. Background

The National Sword decision made by China in early 2018 to restrict the importation of 24 categories of solid waste has intensified the need in Australia and Tasmania to better manage waste and recyclables.

The challenges presented by the National Sword are recognised by governments at the local, state and national level. At the Meeting of Environment Ministers (MEM) on 27 April 2018, Ministers agreed on a number of actions to manage the impacts. These included reducing packaging waste by endorsing a target that 100 per cent of Australian packaging is recyclable, compostable or reusable by 2025 or earlier; boosting consumer awareness and education in conjunction with industry leadership in waste reduction strategies; increasing recycling capacity; boosting demand for recycled products through market development and government purchase of recycled goods; exploring opportunities for waste-to-energy and waste-to-biofuel projects as part of a broader suite of industry growth initiatives; and updating the 2009 National Waste Strategy.

In response to the pressure presented by the National Sword, and existing gaps in waste management in Tasmania, the Tasmanian Minister for Environment, Hon. Elise Archer, MP, convened a Round Table discussion between State and Local government, and industry players on Wednesday 18 July 2018.

The purpose of the Round Table discussion was to begin a dialogue between key stakeholders and the government about waste management in Tasmania; how Tasmania could be moved toward a sustainable reuse and recycling industry; and the development of a new waste management strategy (Waste Action Plan). It was structured around identifying the barriers, challenges and opportunities experienced by those who work within the industry.

The meeting was chaired by Minister Archer. The Minister spoke about the purpose of the meeting and the importance of hearing industry views and ideas. The Minister outlined the challenges presented by the National Sword for Tasmania and advised that the State Government is taking leadership around the development of a Tasmanian Waste Action Plan. She also released a report into a Container Refund Scheme (CRS) at the meeting, noting that at this stage the State Government has not determined whether Tasmania will have a CRS. This will be considered in the broader waste-management context.

Department of Primary Industries, Parks, Water and Environment Deputy Secretary, Wes Ford, set the scene outlining the international, national and state issues. He noted the objectives of the day, and invited full and frank discussion from participants.

The President of the Local Government Association of Tasmania (LGAT), Mayor Doug Chipman, outlined the role of councils as waste collectors, and reiterated a commitment to move to a statewide strategy. He noted that discussions were already occurring at the local government level across the three regions and acknowledged the difficulties a small state had in developing the industry. Industry and business representatives also outlined their current challenges and opportunities for the sector.

This summary document captures the main themes of the meeting.

## 2. Meeting summary – challenges, barriers and opportunities

A number of key themes emerged from the Round Table discussion. These are highlighted below:

**National Sword.** The National Sword has caused significant disruption to the recycling industry. For instance the collapse in global recycling commodities prices leads to the question: at what point does the cost to recycle, compared to landfill costs, become untenable. There has been a lack of clarity and quantifiable information about the scope and impact of the National Sword. Some attendees noted that there has been a variance in council kerbside recycling contracts in Tasmania and nationally arising out of the National Sword. In response, some states have developed industry support packages to assist industry and local government to adapt to the new market conditions.

**Tasmanian Statewide Management Plan for Waste.** In general discussion, many stressed the need for a framework that provides: clarity of direction; gives certainty to the industry; provides security for investment; is a single voice; and should encourage long term investment and entrepreneurial activity. There is a need for State Government leadership through sustainable waste-management policy and strategy in order to create industry confidence and investment.

**Lack of a waste levy.** The low cost of sending waste to landfill in Tasmania was discussed, with some attendees noting it provides a disincentive to recycle. It also impacts on decision-making around infrastructure investment (and employment) in recycling as the commercial basis to support such decisions can be unviable as result of the low landfill costs. Monies raised should go back into waste management and recycling, possibly as a hypothecated innovation and education fund.

**Community awareness/education.** The need for greater community awareness and education for children was acknowledged as an important issue. Recent media focus on waste and recycling has been a positive for raising community interest in the issue. However, what has been shown as recyclable in the media is not always accurate for all locations, and has resulted in more contaminants coming through the recycling system. Further, the amount of material dropped off to be recycled has increased, while the capacity to recycle has not. It was also noted that, the public, to some extent, has lost faith in the recycling industry arising out of recent publicity. In addition, that they tend not to see the value of waste, or be prepared to pay a price for it.

**Tyranny of distance and freight equalisation.** Some attendees noted that Bass Strait and the geographic location of Tasmania is a barrier for the industry. The cost of getting materials to the Mainland is such that it often becomes unviable to process it; but, if the material can be shipped there, a market exists. Some recyclers are eligible for, and use, the Freight Equalisation Scheme. It was noted that there is a tyranny of distance throughout Australia, not just Tasmania. Looking at the European Union models is useful, but there is a need for caution as we are the opposite of Europe in terms of land mass to population (specifically, Europe has a small land mass with a large population, and Australia has a large land mass with a small population).

**Markets, business sustainability and government assistance.** It was generally noted, that developing markets in Tasmania is difficult. There is a need to get the product right to achieve an economy-of-scale. For example, recyclers can make park bollards but even if all councils bought the bollards there is a limitation to how many bollards are actually needed in Tasmania. Further, in order to get government funding, businesses need to demonstrate sustainable business models showing strong demand and robust financial models in order to receive financial assistance. Certainty in the industry around government regulation and strategy is required for businesses and markets to grow. There is also a need also to ensure the volumes of recyclables are there, so investment can occur. Need to ensure product stewardship is developed as industry has to take responsibility.

**Growing the Tasmanian recycling industries.** Participants noted the need for market driven policies to grow the sector. There was discussion about the benefits of recycling in Tasmania to remove the cost of transport, but economies of scale can be an issue. Multi market approach likely to be more successful, relying on one

sector can be precarious. Developing a local market is required to make this work (for example glass into roads across the state). Locally sourced and recycled content which is locally-manufactured would get the sector away from the Bass Strait issue for recycling. It was suggested that governments should have to purchase locally manufactured products containing local recycled content. Further, improving connections within domestic markets to process material would be beneficial.

**Contaminants.** Contaminants in waste material is a significant issue for recyclers. Cross-contamination of different products has an impact on processing. For example, glass in machinery recycling plastics will stop the process. Further, biodegradable plastic bags are not recyclable, as they are designed to break down. If they are mixed with normal plastic bags in recycling system, the whole batch is generally no-longer fit for purpose. Similar issues with cross-contamination were noted by other recyclers.

**Procurement.** Participants noted that there was a lack of an integrated statewide approach to procurement contracts. The lack of consistency in procurement is a barrier. Different councils have different requirements. Some recyclers are on short term contracts which impede planning. The volume is there to increase recycling.

**Data.** Many noted that data on waste is lacking. It is incomplete and inaccurate, but essential for informed decision-making. For example, what is classified as recycling? how much is there? and where it is going? There is a need for better understanding of the quantity of each type of waste to inform options for managing it.

**Jobs.** Studies have shown there are more jobs in resource recovery than in landfill. If Tasmania lifted its resource recovery to the national average of 50% then over 100 jobs would be created: 250 jobs would be created if the level of recovery was 80%. Growing the recycling industry, creates jobs.

**Consistency and certainty.** Need regulatory consistency, certainty and a level playing field to ensure that all players play by the same rules, and enable industry players to grow sustainable businesses.

**Collaboration.** Need more collaboration between government and commercial operators to share technology and not act as silos.

### 3. Removing barriers, creating opportunities and growing a sustainable sector

Attendees made a range of suggestions:

**Innovation and education fund/land fill levy.** Apply a statewide levy in Tasmania on waste disposal to landfill to increase the value of recycling and act as a disincentive to taking recyclable materials to the tip. Monies raised should go back into waste management and recycling, possibly as a hypothecated innovation and education fund.

**Container deposit legislation.** Implement a scheme to create a value for recyclables. The Minister released a consultant's report into a Model Framework for a Container Refund Scheme in Tasmania at the meeting. See section 4 below.

**Waste strategy.** Develop a single statewide Tasmanian Waste Strategy that provides certainty, a single voice, consistency, enables sustainable business development and creates industry confidence in the future.

**Improve community awareness/education.** There is a need to improve people's understanding of waste. For instance, waste is a product with a value – it should come with a price to the consumer to stop it going to landfill. There is also a need to encourage efficient and well-informed recycling practices (good product in/good product out); reduce contamination and create efficiencies; and educate about how industry actually works.

**Education in schools.** Create generational change by introducing concepts in school – in particular, waste reduction, recycling and waste as a resource; good waste into the recycling stream means a good product out.

**Data.** Collect data on the volume of waste for recycling including: auditing material at collection points; determining the type of waste being generated; and identifying its value. There is a need to consider specific issues such as the importance of getting high-grade rubber for recycling.

**Contaminants.** Develop systems to improve processing of glass, plastics, packaging and tyres to improve sorting and decrease contamination and ensure a better grade of recyclables. Too much is currently going to landfill that shouldn't be.

**Keep it local.** Keep waste here. The volume and opportunity exists. Waste is a resource, with a value. Collect and recycle it within Tasmania to grow the industry.

**Export.** If it is not possible to keep waste here, look at costs for getting it to the Mainland, and develop strategies to address this.

**Bass Strait/Freight equalisation scheme.** Look at existing scheme to see if existing policy settings can be broadened to address concerns relating to the cost of freighting material across Bass Strait.

**Procurement.** Improve procurement processes to remove barriers. There is a need for a statewide co-ordinated approach to procurement standards. The Victorian and Queensland governments have done work which might provide a useful starting point.

**Governments working together.** State and local government need to work together to generate demand and grow markets. For example, glass into roads across Tasmania starts to look like viable a viable business opportunity if all road managers were engaged.

**Market development strategy.** A market development strategy is needed to grow the sector. Features should include: placing a value on waste; creating demand by developing the domestic market and a circular economy for recycling products (for example, glass, rubber, and plastic); and creating incentives to develop new products that reach into new, commercially-viable, preferably local, end-markets. Assistance, incentives and funding from Government would play a big role in facilitating these opportunities. There is also a need to improve linkages within the domestic market.

**Food waste project.** Push for a pilot project in Tasmania as part of the national CRC re food waste project. Currently there's potential in Tasmania for a pilot with the CRC (in food waste) to find a balance between food waste and packaging. Need good products in to get good products out. Need good signage to show recycling options.

## 4. Immediate actions and next steps:

The following actions and next steps were announced at the meeting.

1. **Container Refund Scheme.** At the meeting the Minister released the consultant's report for a Model Framework for a Container Refund Scheme in Tasmania. This can be found at <https://epa.tas.gov.au/epa/news/a-new-report-on-a-model-container-recovery-scheme-released> . The Government is currently considering the report's findings.
2. **Round Table Media Release.** The Minister released a media release about the conference. This can be found at [http://www.premier.tas.gov.au/releases/waste\\_and\\_recycling\\_round\\_table](http://www.premier.tas.gov.au/releases/waste_and_recycling_round_table)
3. **Waste Action Plan/Strategy.** The discussion held at the Round Table will be fed into a draft Waste Action Plan for Tasmania which will be released for consultation, in due course.

4. **Feasibility study to establish statewide waste management arrangements.** The Local Government Association of Tasmania took a motion to their general meeting on 25 July to engage a consultant to undertake a feasibility study to establish statewide local government management arrangement.