

Facing Waste – Green Capital

15 May 2008

Key-note Speech by Jane Castle

It's been over 3 decades since we've been talking about EPR, and over 3 decades where there's been little action. And last month's EPHC meeting was no exception.

SLIDE: SLOW ROAD TO EPR

Since the 70s when the beverage industry destroyed national container deposits and replaced them with the short-lived 'Do the Right Thing' ad campaign, SA's been left to keep the light burning and to lead the country in container recycling rates.

It was another 20 years before the ineffective, voluntary Industry Waste Reduction Plans were dragged out in NSW. One of them eventually morphed into the National Packaging Covenant, which hasn't done much better.

There have been a few other blips on the radar – the similarly hapless Mobile Muster - another example of the voluntary approach.

SLIDE: SLOW ROAD TO EPR 2

The colour scheme here differentiates the voluntary schemes from the more strongly regulated ones.

Up the top in sickly off-yellow are the poorly performing voluntary programs.

In the middle in moldy green, and all alone with its identity crisis, sits EPR in NSW - that enables strong regulation, but is being

dressed up to be like its mates up the top.

Down the bottom we have SA's container deposits and a couple surprise Federal programs, the existence of which owe more to freak political accidents – like Meg Lees and the GST – than to coherent policy making.

SLIDE: WHILE WE'VE BEEN TALKING

While we've been talking the States' Waste Reduction Targets have been slipping further and further out of reach. Generation continues to rise and recycling can't keep up. This graph is just for the Sydney Metro Area.

It shows that to address this increase in waste generation, we need to recover an extra two million tonnes pa - there would still be four million tonnes of waste disposed of to landfill – the same amount of disposal as we have now. So much for waste reduction targets.

We have a huge recovery task ahead of us, and we're going to need more than just the waste levy.

SLIDE: WHILE WE'VE BEEN TALKING

Also while we've been talking, we've also been building up a huge stockpile of toxic E-waste. It's all either in landfill or on the way to landfill. 123 million items. It doesn't include:

white goods like fridges
other brown goods like stereos
small household appliances like hairdryers, toasters, drills etc

SLIDE: AUSTRALIA'S APPETITE FOR DIGITAL DEVICES

And our appetite continues to grow. This graph shows the growth rates in 06 – 07 alone. Games consoles and LCD TVs up 66% on last year. Plasmas up 33%.

And TVs are going to spiral even further with the phase-out of analogue in the next few years.

SLIDE: WHAT WE SPEND

Last year, Australians spent \$5billion on digital devices alone, up 10% on 2006. This year's sales are predicted to top \$6 billion. Which explains why electronic waste is growing at three times the rate of other MSW.

SLIDE: DIGITAL SALES 2007

Here's what was sold just last year.

25 million new hi-tech products with variable life-spans from:

- 18 months for mobile phones
- 2 – 3 years for iPods
- an average of 4 years for computers

Whatever the lifespan, the vast majority of these products, with no effective system for recycling, will make their way to landfill. Or worse, to resource recovery operations to potentially contaminate what would otherwise be clean output, like compost.

SLIDE: GROWTH OF AUSTRALIA'S E-WASTE STOCKPILE

It's all adding up:

- a legacy of 28 million computers + 4.2 million sold last year
- around 38 million mobile phones + 9 million sold last year

...as time ticks on this stuff just keeps building up.

There are some, like the Mobile Muster Mob, who would like us to think that this stuff is just being safely stored away in peoples' drawers - but this is just fantasy.

The point is that without an effective scheme, eventually all this stuff will get chucked – after all clutter reduction is in! If it fits, it'll go in the bin, if it doesn't it's the street corner.

We've all seen scenes like this:

SLIDE: E-WASTE PICS

E-waste is a stand-out category because of its toxic content, its highly complex nature and its massive amounts of embodied resources – energy, water, materials, greenhouse emissions.

That's why other countries are acting.

SLIDE: AUSTRALIA LEFT BEHIND

All of these countries have laws on e-waste, from full EPR schemes to landfill bans.

But E-waste is just part of the EPR picture.

SLIDE: PIE CHART – EPR PRODUCTS

Here are some of the other products slated for EPR. They all need urgent attention.

SLIDE: PIE CHART – EPR % OF ALL WASTE

And here's how much the DECC listed EPR products make up of the total waste stream. A whopping 23%. If EPR schemes recovered just half of this waste, we'd be much better placed to

meet our targets.

Which brings me to the NSW Department of Environment, which has overseen the degeneration of EPR in NSW into a farce of inaction and finger-pointing.

EPR in NSW has become a carcass from which other states are coming to pick the best bits out of. While NSW has been fiddling, other states have been beavering away:

- Western Australia with its Container Deposits
- South Australia which banned the Plastic Bag
- And even Victoria - which is pushing ahead, alongside industry, with ByteBack for computers.

So I disagree with the Minister that states can't lead. It's one of the up-sides of our Federal system. States can break away from the pack and create the momentum for a new national approach. We saw it with Renewable Energy Targets. We're seeing it with CDL.

What we need now in policy is similar to what we need now for technology – smart, cutting edge innovation, not more of the same. And EPR is an umbrella for a range of smart tools.

SLIDE: BENEFITS OF EPR

I don't want to bore you with the long list of benefits of EPR, but I do want to focus on just a few of them today. EPR has the capacity to:

- Signinificantly reduce tonnes and toxicity to landfill

- Reduce greenhouse emissions by diverting organic material from landfill (eg: office paper, packaging)
- There are huge resources savings to be had
- And importantly, it can detoxify feedstock for resource recovery

Let's take lead-acid batteries – but it could be any of the other toxic product – e-waste, arsenic treated timber, exploding gas bottles...

SLIDES: BATTERIES

One lead acid battery entering a waste treatment plant such as UR3R out at Eastern Creek or SITA's proposed facility in Penrith has the potential to contaminate 6.5 tonnes of compost.

The contaminated compost landfilled as a result, would release 7.4 tonnes of greenhouse gases – in the form of methane.

In Australia, it's estimated that around 840,000 car batteries are not recycled every year.

This creates a potential contamination liability of 5.5 million tonnes of compost and a greenhouse liability of 6.2 million tonnes.

We're now in the process of moving from an era of landfills to an era of advanced resource recovery operations. The last thing we need to be doing is creating more financial and technical barriers for these facilities simply because of bureaucratic inertia.

SLIDE: GREENHOUSE LIABILITY

Greenhouse makes resource recovery operations a major player in climate change.

Every tonne of degradable waste landfilled is a massive liability for the future – from 21% to 85% of Australia’s total carbon budget by 2050 – depending on what caps we finally adopt.

This means that we simply can’t afford to dither on taking the toxics out of organic waste. And EPR is the perfect tool to do this.

For lead-acid batteries, a refundable deposit paid to consumers when they bring back their old one - it works in other jurisdictions.

SLIDE: CONTAINER DEPOSITS

The other waste I want to focus on is containers of course, which will no doubt be the cause of some sparks later this morning.

Packaging accounts for a massive 2.4 million tonnes pa. to landfill. 740,000 tonnes of this is waste containers which need container deposits to incentivise their collection.

SLIDE: BENEFITS

Modelling by the Boomerang Alliance has shown that a national container deposit scheme will deliver the following benefits:

- An increase in recovery rates from 41% to nearly 82%
- A 6% reduction in municipal waste to landfill – 631,008 tonnes per annum
- A 12-15%¹ reduction in litter
- 1.4 million tonnes reduction of greenhouse emissions pa
- 5.6 gigalitres drinking water saved pa
- 250,000 Australian homes provided with recycling services for the first time
- \$3 - \$84 million savings (dep on whether Govt returns

surplus via rates or taxes)

So what's the alternative? The beverage industry's answer is 'public place recycling' – an approach which hasn't even been costed and previous experience shows doesn't work without people standing beside bins telling people where to put their containers avoid contamination.

SLIDE: WHAT THE PEOPLE WANT

There's massive public support for container deposits. Newspoll surveys in WA in 06 and 07 showed a level of support consistently over 94% – a similar level of support found in SA where they've had CD for 30 years.

So where to from here?

The EPHC meeting last month told us a lot. And I'd venture that the Minister's description of the meeting as 'interesting' is a euphemism.

For the past 11 years the States had been blaming the Feds, but in the first post-howard test, it was a debacle.

Despite his best efforts, Peter Garrett couldn't re-spin the mess. It was embarrassing watching the news that night.

Despite being flagged for priority action over the last few years, e-waste wasn't even on the agenda. TVs weren't even mentioned, despite the TV industry about to walk away from the table with its product stewardship scheme under its arm.

South Australia was the only state to keep to the plastic bag promise, reiterated over many years - a phase out by the end of 2008. Victoria went half-way with a trial and NSW did nothing.

So industry has now got what it fears most – different policies in different states.

Now that the Howard Government is gone and we have wall to wall Labor, there's no easy scapegoat for inaction, and the real blocks have been revealed: lack of political will, poor advice and bureaucratic inertia.

One good result from the EPHC meeting was the commitment to undertake a rapid cost/benefit analysis of a national CD scheme. This is a major step forward. There will now be a vigorous debate about what the NPC is actually good for.

So, the key challenges?

For the bureaucrats that are getting in the way, they need to either get on board or think about early redundancy.

Ministers need to muster the political will to lead and overcome the paralysis in their departments.

Leading industries need to continue to put Governments to shame, and industries that are blockers need to put their ideologies in the recycling bin.

And a special note for the economic theorists at the Office of Best Practice Regulation and the Productivity Commission – these are the people who are totting up the dollar-time it takes us to put our recycling and they're turning it into a massive cost; these are the people who are ignoring the very rapid depletion of rare materials like Gallium, Terbium, Hafnium and silver, all due to run out within 10 years – these people just need to know that they are in our sights.

Thank you.