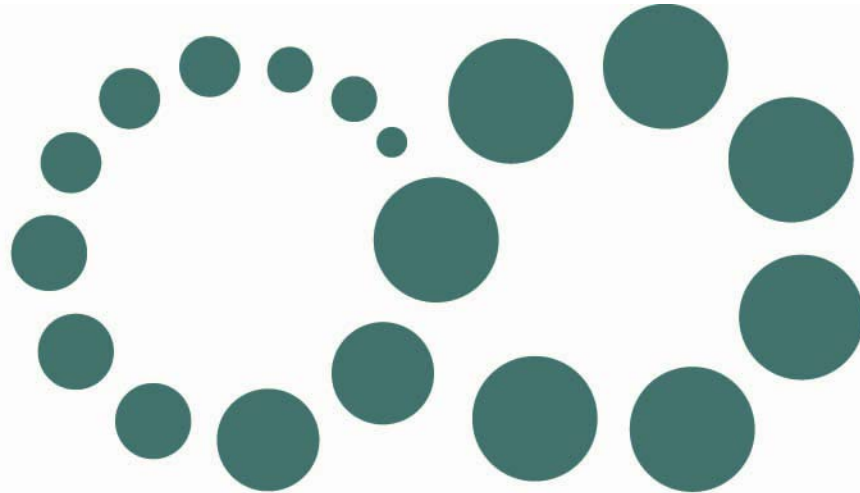


Southern Waste Strategy Authority



**SOUTHERN WASTE
STRATEGY AUTHORITY**

Non-municipal Program

**Version 2.0
November 2005**

1. Introduction

The Southern Waste Strategy Authority's original strategy identified Commercial and Industrial (C&I) and Construction and Demolition (C&D) wastes as representing 50% of the total waste going to landfill in Southern Tasmania.

2. SWSA Responsibility

SWSA strongly emphasises the concept of the individual responsibility of waste generators for waste management and hence has aimed to stimulate and encourage improved resource recovery in the non-municipal sector as its programs have developed.

Our programs aim to establish cooperative partnerships between the manufacturing and packaging industries, waste generators and all levels of government. The development of our non-municipal program has involved extensive consultation with these and waste industry stakeholders.

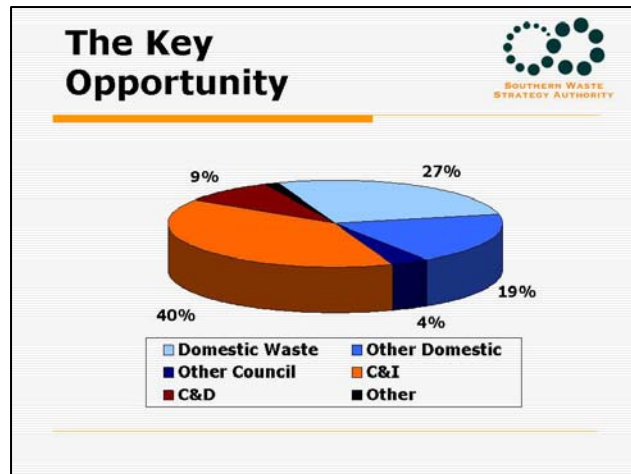
3. Priorities

Encouraging participation in C&I programs, particularly by small businesses, is notoriously difficult.

SWSA commissioned a C&I and C&D Waste Study by Nolan-ITU in July 2002, to determine how to prioritise its waste minimisation efforts.

3.1 C&I Waste

The statistics suggest that the tourism and hospitality industries are more strongly represented, and manufacturing less so, than Victoria and South Australia.



Key C&I Sources

ANZSIC Industry		tpa	% Total
H Accommodation, cafes, restaurants	<10 Empl.	5,318	33.8
	>10 Empl.	12,776	
G Food Retailing	<50 Empl.	778	19.7
	>50 Empl.	7,870	
	Other	1,865	
C Manufacturing		10,133	19.0
O Health & Community Services		5,028	9.4
N Education		4,306	8.1
TOTAL		53,465	90.0

The study, together with consultations with the local recycling industry confirmed that the key recoverable components in Southern Tasmania's C&I waste stream are Paper/ Cardboard (high volume) and beverage containers (high value).

In terms of the efficiency of resource recovery, there is obvious merit in placing priority on the recovery of these materials.


3.2 C&D Waste

Whilst C&D waste varies markedly in composition from C&I waste, the same principles apply with respect to improvements in waste management practices.

The overall composition of C&D waste in Victoria and South Australia is probably representative of Tasmania. Notably, it contains more building materials than are present in Council C&D waste.


Segregated inert material is normally used for cover, and therefore not included in residual waste figures.

Modern waste management centres generally feature segregated recycling facilities, so that further resource recovery is possible at that stage. Guidelines have been established in Southern Tasmania with respect to the design of these facilities, to encourage resource recovery.


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C&I Priorities


Industry	Paper/ Cardboard	Food/ Kitchen	Bottles/ Cans	Wood	Organics
Tourism					
Retail					
Manufacturing					
Health & Comm Serv					
Education					


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C&I Composition

	Victoria	S.A.	Tas Survey
Paper/C'Board	22.6	25.7	8.1
Food/Kitchen	16.7	23.2	2.9
Plastic	11.8	6.0	6.0
Textiles	10.2	1.8	3.2
Wood	10.9	6.8	43.1
Steel	4.7	1.5	11.2
Clean Fill	4.0	6.1	17.2
Other Organic	5.3	11.5	
Garden	2.0	4.3	0.8
Glass	0.9	0.6	0.3
Other	10.9	11.3	7.1

Highlights sampling difficulties due to inhomogeneous waste


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C&D Est. Compn. (Average Vic/ SA)

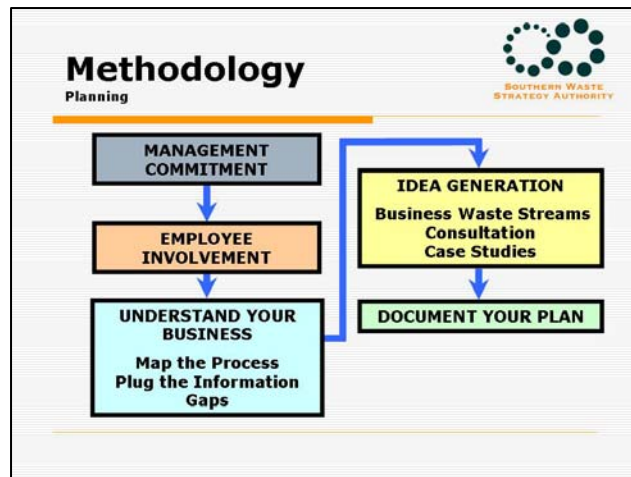
Material	%
Soil/ rubble, boulders, clean soil	60.0
Concrete & bricks	27.9
Wood/ timber	5.7
Metals	2.7
Garden/ vegetation	1.8
TOTAL	98.1

The Authority's non-municipal waste strategy, developed as a result of these studies, focuses primarily on C&I waste and includes industry education and awareness, service development, public recognition, demonstration projects, and policy, regulation and pricing issues.

4. Education & Awareness

The SWSA website features dedicated sections for different target markets, with the business section specifically aimed at providing simple guidelines for the development of Cleaner production programs.

The information is aimed at small businesses and includes assistance in conducting audits and preparing a simple plan. Case studies and specific hints are provided for the improved management of a range of waste streams.



The SWSA website also contains guides to the services available to businesses with respect to the reuse and recycling of an extensive range of materials.

5. Service Development

Some municipalities provide limited recycling collection services, and almost all provide recycling drop-off facilities that are accessible to business. However few services are currently provided that can be compared to domestic kerbside waste and recycling collection. This remains an option for future consideration.

In consultation with industry, SWSA has investigated the commingling of beverage containers at regional drop-off centres, and this recommendation has been incorporated into its regional Preferred Service Guidelines.

Specific infrastructure improvements have also been provided by SWSA, as part of integrated demonstration projects (see Section 7 below).

Future initiatives related to services may include encouraging groups of businesses to engage in collectivisation schemes, to improve the efficiency of resource recovery processes.

6. Public Recognition

6.1 Clean Business Challenge

Launched in October 2003, the Clean Business Challenge publicly recognises businesses that have an established improvement process, in order to provide case studies and encouragement to other businesses. By June 2005, a targeted mail-out campaign had reached more than 3,000 businesses, with 53 businesses being certified as meeting the requirements of the Challenge.



The program has revealed remarkable examples of dedication on the part of some businesses, and has encouraged a number of participants to re-visit their improvement processes.

The Challenge recognises that in many cases, there are not substantial cost incentives involved in the adoption of improved waste management practices. There are nevertheless, important advantages to be gained by industry being seen to 'Do the Right Thing'. The challenge provides a certificate for businesses that satisfy a simple evaluation process, aimed at verifying their commitment to an ongoing waste management improvement program. The certificate is linked to a promotional program, which publicizes the achievements of participants.

6.2 Clean Business Award

The Challenge is supported by the Authority's 'Clean Business Award', part of the Tasmanian Awards for Environmental Excellence, which are in turn aligned with the national Banksia Awards. Three inaugural members of the Clean Business Challenge have won the Clean Business Award, with the 2005 winner (Cadbury Schweppes) also winning the Minister's overall prize.

7. Demonstration Projects

SWSA's first integrated demonstration project was initiated in 2004 with the cooperation of BIEC, Northgate Shopping Centre and Collex Recycling. The first stage of this project involved public place recycling within the shopping mall area and has extended progressively to a whole-of-centre project encompassing further resource recovery improvements. The project has involved a series of audits guiding improved signage and the education of shop owners and clean teams.



SWSA aims to provide funding to kick-start these improvement programs, and liaises with business managers and waste contractors to ensure that sustainable solutions evolve. Projects are publicized in order to provide a working example to other businesses. The demonstration projects target key industry sectors and waste streams, with planning for a joint BIEC/ SWSA 'Hotels & Restaurants' project complete.

8. Policy, Regulation & Pricing

8.1 Extended Producer Responsibility

SWSA broadly supports initiatives such as Extended Producer Responsibility (EPR), but will monitor their development closely. A proliferation of EPR schemes, each imposing additional and different collection/ recycling obligations on local government, would not be favoured.

The key concern of local government is that of cost shifting; hence full cost compensation by industry is also a necessary pre-condition.

We believe that a consistent model is required for EPR schemes, and favour up-front fees, rather than fees on disposal, to mitigate the risk of illegal dumping.

8.2 Full Cost Recovery

The Authority commissioned consultants SKF in April 2004, to investigate contemporary landfill development, operating and rehabilitation costs across the region. The study was commissioned after industry consultations alleged that low disposal charges and differences in waste disposal pricing policies were a key

problem in discouraging resource recovery within the region. The encouragement of full cost pricing is also consistent with the original SWSA strategy.

The study benefited from input across the region, including a range of quite recently established and recently closed facilities, and with the aid of discounted cash flow techniques, was able to present a snapshot of current costs. The key conclusions were:

At the recommended 8% real discount rate, full cost pricing is equivalent to:

Large Urban Landfill	\$31 to 54 per tonne
Small Rural Landfill	\$16 to 49 per tonne

Costs are split between the various lifecycle stages as follows:

	Large Urban	Small Rural
Establishment	34 – 58%	25 – 71%
Operating	41 – 65%	28 – 68%
Closure	1%	1 – 7%

The report contains a detailed breakdown of the items that should be considered, in accounting for the full costs of waste disposal.

Recommendations were made to member councils regarding how these costs might be considered in moving towards full cost recovery with respect to the setting of waste disposal charges. Specific pricing decisions remain the responsibility of individual councils, and involve a complex mix of economic, environmental and social considerations -e.g. the likelihood of illegal dumping.

A survey of actual council charges for mixed waste in December 2004, confirmed that most charges in Southern Tasmania lie within the range of \$40 – 55/ tonne – i.e. equivalent to full cost recovery

8.3 Regulation

At this stage, the SWSA's non-municipal strategy concentrates on cooperative measures to encourage the participation of business in improved waste management practices.

The Resource NSW guidelines for the management of C&D waste have been recommended to member councils as useful advice to business, rather than to incorporate them in the planning permit process, although that option remains open in the future.

In the future, member councils may consider the introduction of selective bans on the acceptance of recyclable materials, or penalty pricing for the acceptance of such materials, if consensus measures are not effective.