

LGA of SA Submission - Environment and Communications Legislation Committee, Product Stewardship Bill 2011

Introduction

The LGA welcomes the development of Product Stewardship Bill 2011 and acknowledges this as an important step towards achieving Australia's waste minimisation and management objectives and targets.

Thank you for the opportunity to comment on the Product Stewardship Bill 2011. The extensive research and consultation undertaken with all sectors in the development of the Scheme is noted and valued. However, further consultation on how and when the scheme will be implemented is required.

The LGA is recognised as the peak representative body for Local Government in South Australia. Membership of the Association is voluntary and every Council (68) in the State has elected to join as a member.

The mission of the LGA is to:

"Promote local governance, provide leadership and represent the interests of Local Government for the benefit of the South Australian community".

Local Government in South Australia manages approximately one third of the State's waste through recycling collections and municipal waste. All metropolitan Councils provide a three bin system at kerbside and most regional Councils also provide kerbside waste and recycling services.

Local Government makes a significant and increasing investment in the management of waste in South Australia, with the sector's annual expenditure in waste management now exceeding \$104 million per year. This has increased by more than \$22 million (or 30%) over the last five-years as Councils adopt a range of collection systems, targeting different items in the municipal waste stream.

There appears to be an expectation that Local Government, given its current involvement in waste management, will collect all e-waste and that Councils will manage these materials in an environmentally sound manner. South Australian Councils have not been materially involved in e-waste collection with only a small number of Council's having offered e-waste collection services for the past 12 months. This has been offered as a limited budgeted program on interim basis. These services have been rate payer funded and restricted to local drop off (residents) only.

Councils in South Australia in 2010-2011 participated in two externally funded "once off" programs. In September 2010 Apple offered a metropolitan community e-waste collection and in early 2011 Zero Waste SA funded a Regional Television collection. Both these programs have been extremely successful and collected whole of community e-waste (not just residents). The Apple e-waste collection saw 515.35 tonnes of e-waste collected over a two day period. Final figures for the Regional Television collection scheme are being collated however expectations are that 177.86 tonnes will be collected from an estimated population of 397,039.

DSEWPAC representatives at the recent consultation forum in Adelaide suggested that Councils will be expected to continue to fund and operate e-waste recycling services through the first years of the new legislation to help with transition.

Councils do not currently have the capacity to fund the additional programs and services required to meet community expectations in relation to the recycling and recovery of electronic waste, over and above those activities already in place. Costs of the Scheme should not be passed onto Councils.

Clearly any Local Government involvement in the National Television and Computer Product Stewardship Scheme will need further consultation to consider availability of appropriate resources to enable Councils to consider the merits of either opting in or out of any proposed collection scheme. Funding through the Scheme should commence from the beginning of year 1.

It would also be opportune to consider funding opportunities for private enterprise to participate as this could assist in wider dispersion of collection agencies. Consideration should be given to the benefits of a centrally funded scheme which could create the market for the private sector to provide the services.

In addition to the product Stewardship Scheme the South Australian Governments landfill ban on e-waste (as regulated by the EPA's Waste to Resources EPP) will take effect in September 2012. Research evidence indicates that the implementation of such programs will increase the risk of illegal dumping as members of the community seek to evade new or increased disposal costs. Illegal dumping manifests in waste being deposited on Council land such as community parks and reserves, riverbanks and regional road sides. Councils are left with significant costs to clean up the waste and to implement appropriate enforcement measures to minimise this unfavourable practice.

Councils have already reported an exponential increase in general e-waste despite the free collections and without any spikes connected to landfill bans and the digital switchover.

Implementation of a consistent and nation-wide e-waste collection scheme is supported. The LGA along with the State Governments, industry and e-waste recyclers must all be a part of the creation of this scheme which should include performance indicators and implementation and communication campaigns. These campaigns should be conducted by the State and Federal Government.

The disposal of waste will always come at a cost to society and the environment. However, through Product Stewardship the responsibility for these costs can be shared by both consumers and producers. For producers this means there is an imperative to think through the life cycle of their product, considering waste minimisation and intelligent product design and ensuring there are disposal or recycling options available. Consumers equally should contribute based on the level of service accessed rather than the approach where ratepayers pick up the cost because they live in the council area where the depot is.

This Submission does not comment on every aspect of the Consultation Paper, rather the focus is on the key themes which Local Government has identified as significant.

Questions

A number of questions are posed throughout the Consultation Paper. Where relevant, comments on the questions have been included.

Question: Is there a need to change the existing 5000 unit threshold? What alternative threshold(s) would be suitable and why?

With regard to page 12 “*which television and computer products are specifically covered under the Scheme*”. Items such as video and DVD players and set top boxes should also be included as these items are often upgraded at the same time as televisions.

Given that online purchase of television and computer products by Australians from overseas suppliers is expected to increase (page 14), it is critical that mechanisms are in place to capture these products in the threshold calculations.

Measures will also need to be put in place to ensure appropriate recycling of systems by companies importing under the unit threshold whatever this may be.

Question: Do you think the above measures will be effective for managing potential avoidance by some importers?

Measures to address potential avoidance by some importers may need to be tested for a period of time to determine their effectiveness.

Question: Are there any additional considerations that should be taken into account when setting the target pathways for televisions and for computers/computer peripherals?

While assessment and evaluation is an important facet for any program, targets should hold a purpose and be regularly reported on. With the changes in technology and the digital switch over it is foreseeable that there may be an initial peak in the number of TV and computers being recycled.

It will be important that suitable infrastructure and financial capacity is in place to handle the volumes of any e-waste being recycled.

Part of the target needs to include percentages of e-waste that is actually recycled. For example there is a great disparity between recyclers who recycle up to 95% of the e-waste through dismantling and separating materials to those which shred it to recover only the metal to those which ship the e-waste off-shore for recycling.

It is well known that electronic components that are sent off-shore can be disposed of or processed inappropriately, often to the detriment of the environment and health of residents and workers in third world countries. Targets should include measures to ensure that e-waste will be processed where possible using local industries. Where components are reprocessed overseas (e.g. TV screens are shipped off to Holland for reprocessing), data on resources recovered following processing must be made available for reporting on targets in the same way local processors will need to.

Community education and awareness programs will need to be implemented to ensure that local communities know what options are available in their local area. Consideration must be given to who will be responsible for this activity including the costs associated.

Question: Given the existing recycling rate for televisions and computers of 10 per cent (by weight), do you think that 20 per cent in year one would be a reasonable starting point for the Scheme targets for televisions and computers/computer peripherals? What are the reasons for your view?

There are a number of factors that will determine if the 20% target can be achieved including the number and locations of collection sites, infrastructure capacity and financial capacity.

By way of example the current regional e-waste collection which ended on 31 March 2011 has to date collected 177.86 tonnes from an estimated population of 397,039.

The targets will need to be set with reference to a progressive growth in processing capacity. The starting point should be with our current recycling rates, approximately 10%, and grow strategically with increasing capacity of e-waste recyclers.

Targets will need to be in line with the systems to be implemented, dependant on when and where recycling infrastructure will be placed and who will be responsible for implementing the Scheme at the local level.

A comprehensive communication strategy/awareness program will be critical to the success of the Scheme and achievement of targets established by the Scheme.

Question: Do you agree with the preferred approach to calculating the number of available waste televisions and computers/computer peripherals? What other factors should be considered in designing a cost-effective calculation method?

As most the products are imported, this approach seems reasonable.

The use of Customs import data (and local manufacturing date, if applicable) to calculate waste televisions and computers/computer peripherals seems reasonable as it enables forecasting and therefore some level of certainty for collection and recycling/reprocessing operators. However, establishing an average product life (e.g. seven years for computers) may be difficult given the rapid rate of obsolescence and decreasing purchase prices for new products – this continually changing context will need to be considered in the calculations.

Question: Which approach in Table 1 do you consider is most effective in setting clear and transparent requirements under the Scheme, whilst minimising costs to approved Arrangements and the Regulator? Give your reasons.

Option B is supported as it is consistent with existing reporting methods and available data. This would enable previous and future data collected on waste/e-waste to be comparative.

Question: Do these overarching principles offer a suitable basis for specifying Australia-wide implementation requirements? If not, how can they be improved?

The overarching principles are supported.

Additional considerations include the need for consultation with existing collection facilities and providers of e-waste recycling, to ensure there is neutral cost to Local Government and that there is equitable coverage for both metropolitan and regional areas.

A combination of temporary (i.e. collection days/events) and permanent (i.e. drop-off points, etc) collection methods is supported, and will be necessary to ensure equitable access to the Scheme.

Scheme implementation timeframes will need to consider landfill bans for televisions and computers coming into effect in South Australia along with a need to respond to digital switchover of televisions.

Question: Are there any additional types of information you consider necessary for reporting on by Arrangements? Please give details.

It would be useful for local government if this information could be broken down to the scale of local Councils to enable analysis with other Council data such as volumes and composition of hard rubbish collections, illegal dumping, etc. to determine if the Scheme is effective in increasing the recycling rates of televisions and computers within a specific locality.

Question: Does Table 3 provide an appropriate basis for reporting and evaluating the Scheme?

The areas of focus for key performance indicators listed in Table 3 (page 25) are comprehensive but how will information for reporting on these indicators be captured, and who will be responsible for this activity?

Question: Is the list of information requirements specified in Table 4 appropriate? Please give reasons.

There is still the issue of events vs. permanent collection points as the program moves forward. While events have formed the base for a 'stepping stone' which may be used in the first year or so if needed, should not be relied on in the longer term. Permanent and more convenient collection services will be required for the Scheme to be embraced by the community in much the way CDL depots have been in South Australia.