

## Submission to the House of Representatives Standing Committee on Industry, Innovation and Science

### Inquiry into the Australian Tyre Industry and its Role in the Circular Economy

Submitted by: TyreNutz – Australia's First Tyre Fitting Social Enterprise

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#### 1. Introduction

TyreNutz welcomes the opportunity to contribute to this important inquiry into the Australian tyre industry and its role in the circular economy. As *Australia's first tyre-fitting social enterprise*, TyreNutz combines core automotive services with a strong social mission: creating meaningful employment for people with disability, young people with complex barriers, and individuals seeking pathways into the automotive trades.

TyreNutz operates at the intersection of environmental responsibility, industry integrity, and social impact. We witness firsthand the challenges created by Australia's fragmented end-of-life (EOL) tyre management systems, the lack of national regulation, and the economic pressure placed on ethical operators. Our experiences strongly align with concerns raised by MTA Queensland, including:

- more than 67 million tyres reaching end-of-life annually
- approximately 34% unaccounted for or illegally dumped
- Australia being the only OECD nation without a comprehensive EOL policy
- severe industrial waste collection delays and doubled disposal costs since 2021

These issues demonstrate that voluntary stewardship is no longer adequate. TyreNutz strongly supports the introduction of a **mandatory product stewardship scheme** for tyres and EOL vehicles.

#### 2. The Case for Mandatory Stewardship

##### 2.1 Levelling the Playing Field

Ethical tyre retailers, fitters and recyclers are disadvantaged by the absence of a national, enforceable policy. Operators who cut costs through poor storage practices, illegal dumping, or untracked disposal undermine safety, environmental outcomes, and legitimate businesses.

A mandatory, co-regulated framework is essential to ensuring that *every participant in the supply chain, manufacturers, importers, retailers, fleet managers, transporters and recyclers*,



*meets their environmental responsibilities*. This position aligns with industry-wide calls for shared accountability.

## **2.2 Economic Pressures on Responsible Operators**

Since 2021, disposal costs have more than doubled and waste collection delays have worsened due to labour shortages, shipping disruptions, export bans, and insufficient domestic processing capacity.

For a social enterprise like TyreNutz, which reinvests profits into community programs, these rising operational costs directly reduce our capacity to employ and train people experiencing disadvantage.

Mandatory stewardship would provide predictable, equitable cost structures across the sector and reduce the financial burden on organisations doing the right thing.

## **3. Social Enterprises in a Circular Economy**

Social enterprises have a unique and valuable role to play in the tyre industry's transition to a circular economy. TyreNutz demonstrates how community-based automotive services can:

- create paid employment for people with disability and those with multiple barriers
- provide pathways into mainstream automotive trades
- support local economies
- model environmentally responsible tyre handling and disposal
- educate customers and communities about circular practices

A national stewardship scheme must recognise and support social enterprises as key industry partners in delivering inclusive, place-based solutions.

## **4. Policy Principles Recommended by TyreNutz**

TyreNutz recommends the Federal Government adopt a mandatory scheme based on the following principles:

### **4.1 Shared Responsibility Across the Supply Chain**

Distribution of stewardship costs must be fair and transparent. No operator should profit from externalising environmental harm.

### **4.2 Strong Compliance and Enforcement**

We support tougher penalties for illegal dumping and stockpiling, stronger auditing, and digital tracking systems that prevent leakage of tyres into unregulated pathways. These reforms are essential to ensuring integrity.



### **4.3 Investment in Regional Recycling and Processing Infrastructure**

Rural and outer-metropolitan areas face the greatest collection delays and highest disposal costs. Expanding regional processing capability will reduce transport costs, create skilled jobs, and ensure consistent stewardship outcomes across all states and territories.

### **4.4 Integration of Social Impact Outcomes**

A portion of stewardship revenue should be directed toward:

- social procurement initiatives
- training programs, particularly for disadvantaged groups
- support for social enterprises that contribute to circular economy goals
- community-based tyre recovery solutions

### **4.5 Industry-Government Collaboration**

We echo the call for evidence-based, collaborative reform involving industry associations, social enterprises, recyclers, and government.

## **5. TyreNutz's Commitment to Circularity and Compliance**

TyreNutz already exceeds current voluntary expectations by:

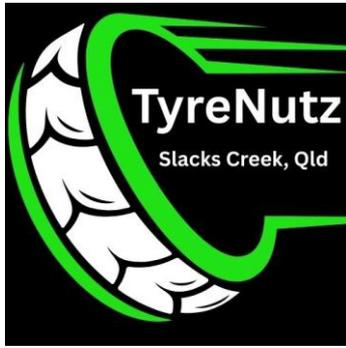
- partnering exclusively with accredited collectors
- maintaining meticulous disposal records
- ensuring safe and compliant tyre storage
- embedding sustainability education into our customer engagement
- reinvesting all surplus into social impact outcomes

Our operational model demonstrates what accountable, community-focused tyre services look like in practice. A mandatory national scheme would accelerate the spread of these practices across the entire industry.

## **6. Conclusion**

Australia cannot continue to rely on voluntary waste tyre arrangements that leave one-third of tyres unaccounted for and allow rogue operators to undermine the industry. The introduction of a **mandatory product stewardship scheme** is an essential reform that will:

- protect the environment
- support responsible operators



- expand regional recycling capacity
- create jobs and training opportunities
- reduce illegal dumping
- strengthen Australia's circular economy

TyreNutz stands ready to support the Government, industry partners and community stakeholders in achieving a fair, sustainable, and inclusive tyre stewardship framework.

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