



17 December 2025

Shire of Wagin submission to the Inquiry into the current state of the Australian tyre industry, and any challenges and opportunities for the industry within the context of a circular economy

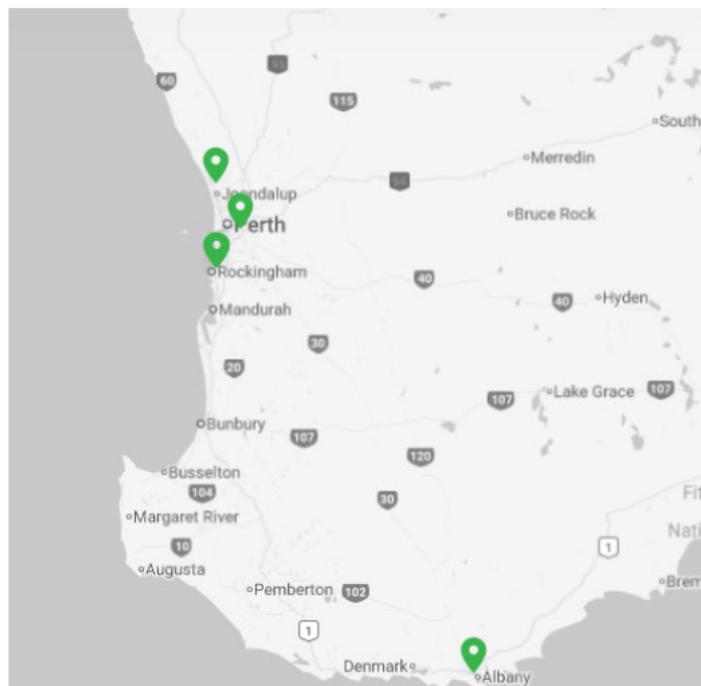
The Shire of Wagin is located in Western Australia's wheatbelt. The Shire is located two and half hours from Perth and Albany and is principally an agricultural community.

A regional and rural community, the Shire has a specific interest in the disposal tyres and especially in Off-The-Road (OTR) tyres and tyres used in the transport industry.

The Shire welcomes the opportunity to provide a submission to the Committee and makes the following observations into the barriers associated with tyre recycling in the district and areas like Wagin.

In Australia the primary Government-intervention to improve recycling is the Tyre Product Stewardship Scheme (TPSS).

The scheme operates under ACCC authorisation to allow coordinated levy collection and governance while maintaining competition safeguards. One of the functions of TSA is to accredit recyclers and collectors. As shown in the map below, the accredited recyclers are based almost exclusively with Perth. The Albany-based operator is listed as a collector only.





The storage and transport of tyres in Western Australia is strictly regulated.

Used tyres are classified as controlled waste under the *Environmental Protection Regs 1987* and the *Controlled Waste Regs 2004*. Under legislation storing more than 500 tyres at a tyre-fitting business—or more than 100 tyres at any other location constitutes an offense and is treated as a “prescribed alteration to the environment,” triggering regulatory control.

Businesses exceeding these thresholds must obtain a licence under the *Environmental Protection Act 1986* or the *Waste Avoidance and Resource Recovery Act 2007*, and will generally need a Category 57 or 61A licence, encompassing development approval, fire-safety systems, containment measures, and emergency planning.

For transport, any vehicle carrying 200 kg or more of tyres is considered a “packaged controlled waste” carrier and must hold a Controlled Waste Carrier Licence. The load must be accompanied by a Controlled Waste Tracking Form, and all carriers, their vehicles, and drivers must be registered in the Controlled Waste Tracking System. Transporting tyres outside WA also requires additional approvals.

Recyclers employ a dual-revenue business model where they charge to collect the tyres for disposal and then sell the recycled products. This business model does not encourage recycling where there are options to dispose without payment, especially in regional areas where disposal on private property is potentially easier and where recyclers either don’t operate or have high transport costs.

The current TPSS does not encourage recycling in regional locations and does not provide pathways for more recyclers to enter the market to serve regional communities. In fact, the listed policy objective for the Western Australian State Government is market ‘sustainability and equity’ rather than development. This may be because current recycling operators have an inherent vested interest in limiting market development which would provide them with competition.

The impact on this in Wagin is there are few options for the Wagin community, including the Shire of Wagin to recycle tyres. The Shire of Wagin waste facility does not accept tyres because of the restrictions on storage and the lack of affordable recycling options.

The Shire’s local tyre supplier contracts a Perth recycling company at cost to recycle their customer’s used tyres. This inevitably involves transportation costs.



The TSA's own data shows that the tyres least likely to be recycled are OTR tyres which form a considerable percentage of the tyres located in communities like Wagin. The main barrier to recycling is lack of recyclers in rural, regional and remote communities. Market development rather than punitive Government intervention is required to address the barrier in our community.

The Shire acknowledges that recyclers require economies of scale to be effective. Metropolitan operators like Tyrecycle process 40,000 tonnes or 4 million tyres every year.

However, our wheatbelt communities have suitable industrial land and transport networks that can accommodate niche operators. Transport via rail is unlikely to have been contemplated but presents an opportunity as our region's rail network runs through the industrial areas of our communities.

Our regional communities do not face the legislative inhibitors that metropolitan local governments do in respect to Schedule 5 of the *Environmental Protection Regulations 1987*. There is ample opportunity for investment by Government in market development which would achieve better environmental outcomes, target OTR tyres which are least likely to be recycled currently and deliver economic opportunities in a regional and rural communities.

Dr Kenneth Parker
Chief Executive Officer