



WESTERN AUSTRALIAN
LOCAL GOVERNMENT ASSOCIATION

WALGA Submission on the Draft Building Products Strategy

Status of this submission

This submission has been prepared through the Municipal Waste Advisory Council (MWAC) for the Western Australian Local Government Association (the Association). The Municipal Waste Advisory Council is a standing committee of the WA Local Government Association with delegated authority to represent the Association in all matters relating to solid waste management.

In addition to general consultation, MWAC held a workshop open to all Local Government representatives to elicit direct feedback on the Draft Strategy. The workshop was attended by 29 Local Government representatives (20 metropolitan and 9 non-metropolitan) and 7 Regional Government representatives. Discussion from the workshop is the primary driver for this submission.

Summary

The intent of the Draft Building Products Strategy to improve the management of building product waste is supported by Local Government. It is acknowledged that increasing the diversion of building waste from landfill through increased reuse and recycling is an important step in achieving the goals of the State Sustainability Strategy.

However, the Local Government workshop identified a number of concerns with regard to the Draft Strategy. This submission outlines these concerns and makes a series of recommendations as to how Local Government considers these issues could be effectively addressed.

The submission is divided into two parts. The first part highlights the five areas of key Local Government concern with the Strategy. The second part of the submission provides comment on the specific actions as they are outlined in the Strategy. For ease of discussion, the actions have been numbered below in the order they appear in the Strategy. Some issues raised in Part 1 of the submission may be revisited in the specific discussion of a particular action in Part 2.

Submission Recommendations:

WALGA Recommendation 1: That clear and measurable outcomes be developed and incorporated into the Strategy.

WALGA Recommendation 2: That an action be incorporated to investigate the triple bottom line impacts of a tax or similar pricing measure on virgin materials to ensure their cost incorporates environmental externalities.

WALGA Recommendation 3: That the Strategy commit to actively lobbying the Federal Government to introduce a virgin materials tax or similar pricing measure where this is found to be appropriate.

WALGA Recommendation 4: That an action be included to identify or develop regulations for the introduction of a 'BASIX'-like system to Western Australia.

WALGA Recommendation 5: A priority action be incorporated into the Strategy to develop mandatory standards for recycled building products. These standards should be developed in consultation with stakeholders and have inherent flexibility with relation to meeting end-market needs.

WALGA Recommendation 6: The Strategy consider land rehabilitation as an acceptable reuse of building waste and amend the Strategy actions as appropriate.

WALGA Recommendation 7: The strategy action to investigate the separation of waste at source be identified as a State Government action.

WALGA Recommendation 8: The strategy action be amended so that the investigation incorporates an analysis of a suite of potential methods for increasing the reuse and recycling of building waste.

WALGA Recommendation 9: That 'including a ban on mixed waste to landfill' be removed from the action to avoid confusion over the intent of this phrase. This recommendation is made with the understanding that this may still be one of the methods investigated for increasing the reuse and recycling of building waste.

WALGA Recommendation 10: That the action to evaluate on-site recycling be amended to incorporate a complete evaluation of building waste disposal, recycling and reuse across the industry.

WALGA Recommendation 11: That the action to work towards the inclusion of mandatory recycling or reused material content in all State Government construction contracts be made a priority action.

WALGA Recommendation 12: That the action to work towards the inclusion of mandatory recycling be amended to work towards the inclusion of weighted criteria in all Government contracts to encourage the use of recycled products.

WALGA Recommendation 13: That the action to investigate the benefits of regional transfer stations for building products waste be removed from the Strategy but be considered as part of regionalisation projects generally.

WALGA Recommendation 14: That the action to encourage the adoption of EMS be removed from the Strategy but be considered as part of a whole-of-Government policy direction.

WALGA Recommendation 15: That the peak bodies in the construction and demolition industries take the primary responsibility for actions relating to the production, maintenance and dissemination of education and communication materials to encourage the use of recycled materials.

WALGA Recommendation 16: That the action to work with industry associations to facilitate improved recycling processes and infrastructure should be identified as a priority action and relate to all building industry bodies.

WALGA Recommendation 17: That State Government take on a driving role in establishing what should be contained within an industry waste management plan.

WALGA Recommendation 18: That the action to develop guidelines be replaced within an action to develop an Industry Code of Practice.

WALGA Recommendation 19: Liaison with all industry bodies, including architectural peak bodies, to encourage the use of more recyclable materials, should be identified as a priority action .

WALGA Recommendation 20: That the action to investigate ways to improve government recognition of companies that perform well in the area of building products recycling be removed or identified as a long-term, industry responsibility rather than a State responsibility.

Part 1: Key Areas of Concern

Strategy Outcomes

It is unclear what some of the actions in the Strategy are intended to achieve. Each action is discussed in more detail in the second part of this submission. However, it is suggested that the Strategy would be greatly strengthened overall if it contained clear and measurable outcomes against which the success of the actions can be measured. It is not necessary that every single action have specific outcomes. However, it should be clear what each action is intended to achieve and how it will contribute to the final outcomes.

WALGA Recommendation 1: That clear and measurable outcomes be developed and incorporated into the Strategy.

Costing Virgin Material

The Department of Environment and Conservation (DEC) has released a number of papers recently, this paper included, that have as their central goal the diversion of waste from landfill through encouraging recycling and reuse of materials. The Association believes that a key action that has been omitted from all these papers is consideration of the cost of virgin materials against the cost of recycled products. Namely, it is questioned whether the cost of virgin materials truly reflects the environmental externalities of increased resource usage. In direct response to this issue, the UK has introduced a tax on the use of all virgin aggregates. The purpose of this tax is to ensure the cost of virgin aggregates incorporates the environmental externalities of their use. In this, the tax ensures recycled aggregates are more cost competitive in the market place. The applicability of introducing such a measure in Western Australia to improve the market for re-processed building materials and other recycled materials is obvious.

It is understood that it is beyond the power of the States to introduce a tax unilaterally. However, it is considered that market development for recycled materials will always be hindered whilst virgin materials remain cheaper. Therefore, it is considered that the balance of the Strategy would be improved and strengthened if it incorporated as long-term actions a commitment to investigate the impacts and benefits of such a measure; and to lobby the Federal Government for the introduction of such a measure if it is found to be appropriate.

WALGA Recommendation 2: That an action be incorporated to investigate the triple bottom line impacts of a tax or similar pricing measure on virgin materials to ensure their cost incorporates environmental externalities.

WALGA Recommendation 3: That the Strategy commit to actively lobbying the Federal Government to introduce a virgin materials tax or similar pricing measure where this is found to be appropriate.

Building Industry Actions

Local Government considers that, in general, the management of building waste is an industry rather than a Government issue. As such, whilst it is acknowledged that State and Local Government do have roles to play, it is considered that the Strategy should be re- focused towards industry. This is discussed in more detail below in regard to specific Strategy actions.

In general, it is considered that the Strategy should strengthen requirements for industry to minimise and deal with the building waste it generates. The actions identified in the strategy to assist and encourage industry groups to adopt and carry-out better waste management practices, for instance the demonstration waste management plan, are supported. However, it is considered the lack of regulatory underpinning for industry actions weakens the Strategy overall. It is considered that the Strategy requires the inclusion of an action to implement a plan similar to the 'BASIX' system that is currently used in New South Wales. Without such a scheme, some operators will continue to follow bad practices. The use of a 'BASIX'-like scheme is also identified as an effective education and communication tool between government, peak bodies, general practitioners and the general public as to what is considered good practice.

WALGA Recommendation 4: That an action be included to identify or develop regulations for the introduction of a 'BASIX'-like system to Western Australia.

Acceptability of Recycled Building Products

Local Government officers raised a number of issues at the workshop with regard to the use of recycled building products. It is presumed that other potential markets are likely to share these concerns. Therefore, it is considered essential that the Strategy contain actions that address the following key concerns –

1. Whether assurance could be given that recycled product would always meet safety and building standards, particularly with regard to asbestos contamination. This was considered an absolutely key issue;
2. Whether recycled product would be of a comparative cost to virgin materials, incorporating potential transport costs; and
3. Whether the product would be available when and where it is required.

The Association has identified that greater acceptance of recycled building products would be assisted by the inclusion of a priority Strategy action for the development of a set of standards (linked to identified final market) to which recycled building products must comply. Discussion with Adrian Lester of C&D Recycling indicated that many building material processors in Western Australia already comply with voluntarily internal standards, using standards set by Ecorecycle Victoria as a guide; and would be willing to support the development of compulsory standards in Western Australia. The introduction of compulsory standards for recycled building products would create an important communication tool for promoting the use of these materials to Local Government and other potential markets.

In relation to concerns regarding the comparative costs and availability of product, it is considered important that any recommendation relating to procurement policy should use weighted criteria as a means of encouraging the use of recycled materials in tender

specifications. This system is preferred to the inclusion of mandatory recycled content in Local Government procurement specifications. It enables greater flexibility in an instance where sufficient recycled materials are not available to fulfil a specification; or the price of those materials is prohibitive.

WALGA Recommendation 5: A priority action be incorporated into the Strategy to develop mandatory standards for recycled building products. These standards should be developed in consultation with stakeholders and have inherent flexibility with relation to meeting end-market needs.

Landfill for engineering

A recognised reuse for inert building waste is as clean fill for engineering works in site rehabilitation projects. Cliff Resources is an example of a company that specialises in this type of project. The Association considers that site remediation is a necessary activity and a suitable end-use for building products in many instances. However, it seems that this market may have been largely ignored as a stakeholder in the development of the Strategy.

WALGA Recommendation 6: The Strategy consider land rehabilitation as an acceptable reuse of building waste and amend the Strategy actions as appropriate.

Part 2: Specific Comments on Strategy Actions

Strategy Action 1: Investigate ways to encourage the separation of waste at source, including a ban on mixed waste going to landfill.

(Timeframe -Short term. Responsibility - C&CC, RC, DI)

This action is questioned by Local Government on a number of levels. Notwithstanding any other issue, it is considered that responsibility for this action should fall under the sphere of State Government, in consultation with other stakeholders, to avoid bias.

It is considered that the focus of the proposed investigation is misplaced. Source separation is not the only method for improving building waste recovery and nor is it necessarily the best method. Experience in Queensland and Victoria has demonstrated separation at source is possible through careful contract conditions; but requires a high level of supervision at site. Given the labour scarcity in Western Australia currently, increased supervision requirements may be difficult to carry out effectively. Further, concerns were raised that many building sites simply don't have room for the number of bins required to separate waste at source; and that, where separate bins are used, they are prone to being quickly filled with illegally dumped rubbish. There is also concern that if source separation were made mandatory, enforcement of the regulation could be very expensive.

- A number of facilities that currently process building waste have already put in place systems to sort mixed loads and are willing to take them. They simply

charge more for this service. It is considered that, due to economies of scale, this may be a more effective option than separation at source in some instances.

It is questioned what is envisaged would happen to a mixed load brought to landfill in the event of a ban. Would the load simply be taken away to be sorted and then brought back; would it be sorted at the landfill; would it be taken to a re-processor willing to sort mixed-loads at cost; or would it just be illegally dumped? It is also unclear whether this Action is intended to allow building waste to continue to go to landfill providing it has been first sorted (as the ban is only on mixed waste to landfill); and what the intended effect of this action is on the use of inert building waste for site engineering projects.

WALGA Recommendation 7: The strategy action to investigate the separation of waste at source be identified as a State Government action.

WALGA Recommendation 8: The strategy action be amended so that the investigation incorporates an analysis of a suite of potential methods for increasing the reuse and recycling of building waste.

WALGA Recommendation 9: That 'including a ban on mixed waste to landfill' be removed from the action to avoid confusion over the intent of this phrase. This recommendation is made with the understanding that this may still be one of the methods investigated for increasing the reuse and recycling of building waste.

See WALGA Recommendation 6.

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| <p>Action 2: Evaluate the amount on-site recycling currently occurring (Timeframe -Short term. Responsibility - DI)</p> |
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In the context of the information provided under the Strategy headings 'Current Recycling Activity' and 'Environmental Impacts', it is considered that this action is given with the intention of encouraging the use of recycled products close to their source to minimise impact. This intention is supported. However, it seems unlikely (given the anecdotal nature of the evidence) that the level of on-site recycling alone would be large enough to have any real impact in the context of the overall strategy. It is also considered important, in the context of reducing potential impacts, that wastes reused on-site conform to the same building and environmental specifications as those reprocessed off-site; including asbestos testing.

It is suggested that a far more effective action would be to evaluate the amount of recycling occurring across all sectors of the building industry for each waste type to gather a complete picture of current recycling activity. This should include amounts of waste taken to landfill compared to amounts of waste reprocessed, both on and off-site; if known, the distance travelled to reach the re-processor or landfill; and, if known, the distance recycled products are transported to reach their final markets. This information should be incorporated in a good site management plan in any case and could be made available to the DEC through provisions outlined in the WARR Bill. This information could also be effectively used to drive additional actions outlined in the Strategy; for

example, promoting the benefits of regional transfer stations and ensuring product is available and used close to its source.

WALGA Recommendation 10: That the action to evaluate on-site recycling be amended to incorporate a complete evaluation of building waste disposal, recycling and reuse across the industry.

Action 3: Liaise with Main Roads WA to facilitate the inclusion of building product waste in roadbase.

(Timeframe -Short term. Responsibility - State)

Action 4: Work towards the inclusion of mandatory recycling or reused material content in all State Government construction contracts.

(Timeframe -Long term. Responsibility – State)

Local Government considers that these are both key actions in enabling the Strategy to succeed and both should be listed as priority actions. Market creation for recycled product is essential to drive the Strategy. It is considered that if a profitable market can be established, then improved recycling processes and infrastructure are likely to follow. However, simply increasing the amount of recyclable material available to be reprocessed will not, in and of itself, create markets. It is suggested that the liaison should include re-processors and identify the following –

1. What specifications does Main Roads have and can these specifications be met by the re-processors at a comparable price to virgin product?
2. How much product Main Roads is likely to need and where? This information should be provided on a basis timed to fit with Main Roads planning timeframes.
 - a. Would this amount be enough to create a viable market?
 - b. Would sufficient product be available to meet specifications?
 - c. Would considerable transport of product be necessary or could it be re-processed and stock-piled close to source?

As discussed under Part 1 ‘Acceptability of recycled products’ Local Government, and presumably other potential users of recycled product, retain issues regarding the quality, cost and availability of the final product. The general consensus at the Local Government workshop was that if the State Government were to demonstrate, through taking the lead in procurement, that these issues had been appropriately dealt with; then Local Government would generally be willing to also use recycled product.

With regard to Action 4 specifically, it is considered that the suggested approach of the use of recycled content as a weighted selection criteria in the tender specifications for government works would be preferable to a mandatory recycled content specification. As discussed previously, this would be preferable to avoid issues in an instance were sufficient recycled product was unavailable at the time of tendering to fulfil a mandatory requirement.

See WALGA Recommendation 5.

WALGA Recommendation 11: That the action to work towards the inclusion of mandatory recycling or reused material content in all State Government construction contracts be made a priority action.

WALGA Recommendation 12: That the action to work towards the inclusion of mandatory recycling be amended to work towards the inclusion of weighted criteria in all Government contracts to encourage the use of recycled products.

Action 5 (and 8): Encourage Local Government to increase the use of recycled materials in road pavement construction.

(Timeframe -Short term. Responsibility – Local Government)

The above action is acceptable to Local Government on the provision that the issues discussed under part 1 'Acceptability of recycled products' are addressed. It is considered that the most effective method of encouragement would be for State Government to demonstrate a willingness to take a lead in this issue through their procurement policy.

See WALGA Recommendation 5 + 11

Action 6: Encourage acceptance of recycling yards in industrial areas to provide the necessary area for recycling activity through extensive liaison with Local Government and the Department of Planning and Infrastructure

(Timeframe -Long term. Responsibility – State)

Action 13: Investigate the benefits of regional transfer stations for building products waste.

(Timeframe –Long term. Responsibility – State, Local Government, C&CC, RC, DI)

Some confusion was expressed at the Local Government workshop as to whether recycling yards and regional transfer stations are essentially the same thing; or whether a recycling yard is envisaged as a reprocessing centre. There was also some confusion as to whether the word 'regional' in Action 13 is intended to refer to rural transfer stations or regionalised facilities (whether they are rural or not). These are not major issues, but it would help if they were clarified.

Local Government has no major issue with Action 6, but considers it largely unnecessary. Local Government, and presumably the Department of Planning and Infrastructure, would be unlikely to have any particular issue with the establishment of recycling yards. It is considered that recycling yards would simply be treated the same as any other proposal, with planning permission taking into account environmental and community impacts such as dust, noise and traffic and the need to maintain buffer distances.

It is also questioned whether Action 13 is necessary. It is considered that, providing profitable markets can be shown to exist for materials; entities will identify this through their own investigations and will take-up the opportunity to establish transfer stations for building products. For example, Geraldton-Greenough Regional Council already stockpiles concrete until it is economical to bring a crusher up from Perth. The crushed concrete is then used for backfill. However, if this process could not be done economically, they would look for an alternative market or send the waste to landfill.

If a market is not profitable due to, for example, a lack of infrastructure or transport costs, then responsibility will fall to Local and State Government to carry the burden of dealing with the waste. It is considered that this issue extends beyond building waste to a general question of waste infrastructure regionalisation. The Waste Management Board and Local Government are currently undertaking a number of projects to improve and regionalise waste infrastructure across the State. Therefore, it is considered this action would sit better outside the Strategy as part of general regionalisation investigations and projects.

WALGA Recommendation 13: That the action to investigate the benefits of regional transfer stations for building products waste be removed from the Strategy but be considered as part of regionalisation projects generally.

Action 7: Provide encouragement for State and Local Government Authorities to implement an Environmental Management System (EMS).

(Timeframe –Long term. Responsibility – State, Local Government)

As it is presented, it is considered this action should probably be removed from the Strategy and rather be addressed at a higher level forum. The adoption of an EMS is a large undertaking, requiring State and Local Government to fundamentally change the way they operate. Whilst this may actually be a good thing; it would seem to be too large an undertaking to be driven through this one strategy document. Rather, it needs to be driven by a complete whole-of-Government policy shift. Before considering such a shift, Local Government (and State Government) would require much more information on which EMS would be implemented (it is presumed the Strategy refers to the ISO 1400, but this is not clear), how it would be implemented, and what the impacts and the benefits of the implementation would be.

WALGA Recommendation 14: That the action to encourage the adoption of EMS be removed from the Strategy but be considered as part of a whole-of-Government policy direction.

Action 9: Update the C+D directory.

(Timeframe –Short term. Responsibility – State)

Action 12: Produce education/communication materials relating to the use of recycled materials.

(Timeframe –Short term. Responsibility – State)

Action 16: Produce a demolition and recycling manual that includes potential markets for salvaged materials.

(Timeframe –Short term. Responsibility – State, DI)

All of the above actions are supported. However, it is considered that these actions are primarily the responsibility of industry, not the State Government. It is considered that Action 9, 12 and 16 could be combined, with peak bodies, such as Master Builders Association (MBA) acting as the primary repository of information. It is considered that, although State Government may have a supporting role, it is the primary responsibility of peak industry bodies to provide its members with education and communication

programmes. It is recognised that peak bodies, like the MBA, are in the best position to ensure industry information is kept up-to-date; and also in the best position to communicate with members and ensure they are fully aware of industry developments.

WALGA Recommendation 15: That the peak bodies in the construction and demolition industries take the primary responsibility for actions relating to the production, maintenance and dissemination of education and communication materials to encourage the use of recycled materials.

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| <i>Action 10: Produce a demonstration Waste Management Plan for use by developers and demolition contractors.</i> (Timeframe –Short term. Responsibility – C&CC, RC, DI) |
| <i>Action17: Work with industry associations to facilitate improved recycling processes and infrastructure.</i> (Timeframe –Long term. Responsibility – DI) |
| <i>Action 18: Produce guidelines for recycling operations.</i> (Timeframe –Short term. Responsibility – State) |
| <i>Action 19: Provide seed funding to assist private industry to generate business plans.</i> (Timeframe –Long term. Responsibility – State) |

The intent of these actions, in making industry more responsible for the waste they produce, is supported and identified as a priority. However, it is unclear whether the above actions alone would be sufficient to change industry practices.

Action 17, which is listed as a long-term action aimed only at the demolition industry, should rather be listed as a first priority and incorporate consultation with all industry sectors, particularly peak bodies like the MBA. This action must proceed the development of demonstration waste management plans in order to ensure the plans are workable in practice.

It is considered that through this consultation, the State Government must take a greater role in driving the content of the waste management plan/ business plans (it is presumed that these are intended to be essentially the same thing) and the formation of the Guidelines. The State must, in consultation with industry, identify what the aims of these actions are and what conditions they might set to reach those aims. It is also important that the Strategy identify the level of compliance that will be expected with a plan and how this will be enforced. The Association suggests that an industry Code of Practice might be a more effective tool for achieving compliance rather than Government enforced guidelines and regulations.

It is considered that it is the role of industry, through peak bodies such as the MBA, to assist in the State in the development of a Code of Practice (or Guidelines); and then to assist its members in complying with the Code. This would be achieved through the development of demonstration waste management plans that demonstrate how to be compliant with the Code; and through providing seed money to members to generate such plans as appropriate. It is difficult to envisage how the State could practically distribute seed money to individual businesses to develop plans. It is considered that

any State funding identified for these actions should be directed through industry peak bodies for demonstration and communication purposes.

WALGA Recommendation 16: That the action to work with industry associations to facilitate improved recycling processes and infrastructure should be identified as a priority action and relate to all building industry bodies.

WALGA Recommendation 17: That State Government take on a driving role in establishing what should be contained within an industry waste management plan.

WALGA Recommendation 18: That the action to develop guidelines be replaced within an action to develop an Industry Code of Practice.

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| <u>Action 11: Conduct presentations to industry groups and peak bodies.</u> |
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| (Timeframe –Short term. Responsibility – State) |
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| <u>Action 20: Liaise with the architectural fraternity to encourage the use of more recyclable materials in constructions as part of standard design practices.</u> |
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| (Timeframe –Long term. Responsibility – State) |
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These actions are supported and it is considered they should be combined into a short term priority action to engage with the whole of the building industry, including design, construction and demolition. It is considered that most stakeholders, including Local Government, are supportive of improving building waste practices. However, the actions need to be workable on the ground if they are to be effective. This requires engagement with all key stakeholders through presentations and liaison at all stages of the Strategy's implementation. This is also identified as an essential market development tool.

Industry groups are likely to have the same quality and availability concerns with the use of recycled building products as Local and State Government. As with these two groups, the concerns of industry are likely to be mitigated if standards are introduced for re-processed product; and the Code of Practice is developed using weighted criteria to encourage the use of recycled product rather than mandatory percentages.

A minor side comment with regard to Action 20 is that the word 'fraternity' is inappropriate as it implies a male-only institution.

WALGA Recommendation 19: Liaison with all industry bodies, including architectural peak bodies, to encourage the use of more recyclable materials, should be identified as a priority action .

See WALGA Recommendation 5.

Action 14: Investigate legal powers of planning authorities to attach conditions relating to waste management issues
(Timeframe –Long term. Responsibility – State)

This action is supported as a priority. Although it might be ideal for the aims of the Strategy to be achieved through non-regulatory measures, such as codes of practice, past experience has shown that this may not be possible. Therefore, it is considered that regulatory underpinning, such as that used by the BASIX scheme in New South Wales, is likely to be necessary. Should it be found legal powers do not currently exist for planning authorities to attach conditions relating to waste management issues; then strong consideration must be given to developing regulations to empower this. As the introduction of regulatory powers is likely to be a lengthy process, the sooner the process is initiated, the more likely the Strategy is to succeed.

See WALGA Recommendation 4.

Action 15: Investigate ways to improve government recognition of companies that perform well in the area of building products recycling
(Timeframe –Short term. Responsibility – State)

It is strongly considered that this is the role of industry rather than Government. A number of industry awards, such as the 'Golden Gecko' and the 'Development of the Year', already exist for environmental construction. It is not envisaged that the addition of Government recognition would have a significant impact on the way in which companies operate.

WALGA Recommendation 20: That the action to investigate ways to improve government recognition of companies that perform well in the area of building products recycling be removed or identified as a long-term, industry responsibility rather than a State responsibility.