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Re: The effectiveness of the Albanese Labor Government's waste reduction and recycling policies in delivering a circular economy

The RMIT Construction Waste Lab (CWL) welcomes the opportunity to provide a submission to the House Standing Committee on Environment and Communications inquiry into the effectiveness of federal government's waste reduction and recycling policies.

Since 2018, RMIT CWL has been at the forefront of researching the circular economy of construction and demolition (C&D) waste. Our industry-driven research covers a wide range of C&D waste management aspects, including policy, education, circular supply chains, and innovative waste solutions and technologies. With the support of the Sustainable Built Environment National Research Centre (SBEnc) and in collaboration with various state public agencies and private organisations, we have actively raised awareness in both sectors. To maximise our impact, we have collaborated with researchers from Griffith University and Curtin University, resulting in a prolific output of academic and industry publications, including three books addressing C&D waste management, market development for waste resources, and the utilisation of products with recycled content in the building and construction sector.

Members at RMIT CWL have been deeply involved in analysing state and national waste policies, leading to a set of recommendations aimed at enhancing the C&D waste management system in Australia. Please find below our perspectives regarding the following terms of references:

(a) Recycling export regulations imposed through the Recycling and Waste Reduction Act 2020

In the context of C&D waste, the government's ability to implement waste export policies could be hindered by the lack of a clear definition for C&D waste resources. This longstanding issue in waste regulations nationwide has led to confusion, as the current simple definitions in state and national frameworks do not specify which materials are considered C&D waste. For example, materials like glass, plastic, and paper can be generated from packaging materials of construction materials or recovered from demolition projects.

In the EU, the definition of C&D waste is comprehensive, providing a full list of C&D waste materials in the Waste Framework Directive and in reference to the European List of Waste (Chapter 17). It is recommended that an update in the definition for the C&D waste stream should include specifications of the types of materials. Such a definition could serve as a reference point for state waste regulations and policies.

The government has a range of tools at its disposal to significantly reduce the need for waste export. Firstly, adopting a public-private partnership model for the modernisation of recycling facilities for waste resources banned from export could enhance circularity for these materials, especially when coupled with the mandatory purchase of recycled materials as part of sustainable procurement practices in public projects or by public agencies. Currently, it appears that the private sector in the waste management and resource recovery industry is not fully equipped to adopt and implement new technologies at the pace required by various policies, standards, and regulations. This partnership model will promote a risk-sharing approach, which is particularly beneficial to the industry. We believe that implementing waste export regulations will facilitate closer collaboration between the government and the private sector, enabling the realisation of a circular economy for these waste resources.

Secondly, further investment in R&D projects and activities aimed at finding new applications for these resources is crucial. This exploration can create demand and foster the development of circular supply chains around these resources. However, as previously mentioned, the adoption of these materials must be comprehensively supported by sustainable procurement policies and practices.

Overall, implementing the solutions outlined above can lead to the development of viable end-markets for waste resources, creating sustainable jobs for a diverse workforce, including those from low socio-economic backgrounds. We believe that the current government has not been particularly successful in exploring options to reduce the need for waste export. The current setup has been more of a threat than an opportunity for economic growth in the waste management and resource recovery industry. However, adopting a need reduction approach can mitigate the risks associated with not complying with Australian international and domestic commitments and obligations.

(b) The efficacy and progress on circular economy deliverables

Progress towards achieving circular economy objectives is understandably gradual but sustainable, requiring effective and close collaboration between the federal government and state governments. The first step in this transformative journey is raising awareness. The waste collection, recovery, and disposal processes have traditionally followed a linear approach, and any shift towards circularity necessitates changes in policies, business models, and interactions with various stakeholders. The government has been particularly successful in raising awareness among parties involved in C&D waste management. It appears that the government is moving in the right direction by taking on a coordinating role and enhancing the understanding of C&D waste issues and circular economy principles across the nation, both in public and private organisations.

However, the government should strive to improve in two key areas: providing regular updates to the National Waste Policy and enhancing waste data collection and reporting. These aspects are integral as many strategies and policies developed at both state and national levels are directly connected to and informed by these tools. Additionally, up-to-date waste data is essential for comprehending the impacts of implementing various policies and practices. Currently, the latest national waste report provides information on waste recovered in 2020 and 2021.

(c) The progress on the implementation of mandated product stewardship schemes

The post-pandemic conditions have significantly impacted the building and construction sector. Businesses in this sector are facing immense pressure to deliver construction projects, leading to struggles for manufacturers to supply the required resources. Additionally, high inflation in labor, fuel, materials, and interest rates has limited construction businesses' full participation in product stewardship schemes. While some examples showcase successful implementation of these schemes in the sector, their widespread adoption remains limited. Therefore, the government cannot be solely held responsible for any shortcomings in progress regarding the implementation of mandated product stewardship schemes.

An interim solution to the limited progress in implementing product stewardship schemes could be to provide financial incentives in the form of tax subsidies. This approach encourages, rather than mandates, more businesses to participate in these schemes. Businesses are more likely to make changes to their operations when they see financial benefits from doing so.

Finally, the federal government has a pivotal role in knowledge transfer across the nation. The Government can do that to ensure harmonisation and knowledge transfer (best practices sharing, cases studies), this will stop reinventing the wheel. The government can commission a portal same as our knowledge portal, www.cdwasteportal.com.au, where all states are covered to facilitate harmonisation and knowledge transfer across the states and territories. It is ambitious and challenging but have far reaching benefits and something that can be remember as one of the artefacts of the current government.

Thank you for consideration of RMIT CWL's submission, if there are any queries, please contact the undersigned.

Yours sincerely

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