November 10, 2005

Waste Generation and Resource Efficiency
Productivity Commission
Locked Bag 2
Collins St East
Melbourne Vic 8003

Dear Sir/Madam

The Publishers National Environment Bureau (PNEB) welcomes the opportunity to comment as part of the Productivity Commission's enquiry into Waste and Resource Efficiency.

The PNEB represents Australia's major newspaper and magazine publishers:

- ACP Publishing Pty Ltd
- APN Newspapers Limited
- Independent Print Media Group
- John Fairfax Holdings
- Marinya Media (Rural Press Limited)
- News Limited
- Pacific Magazines
- PMP Ltd
- West Australian Newspapers

The major role of the PNEB is to support and promote the recycling of newspapers and magazines. Through the efforts of publishers directly and through a unique alliance with Australia's domestic newsprint manufacturer, Norske Skog Australasia, the PNEB has been able to help Australia to recycle more of its newsprint than any other country in the world.

This stood at 74.5 per cent in 2004 (latest statistic). Considering that some old newspapers are not available for recovery (lost to activities such as fire lighting, garden mulching, paint drop sheets and archiving) the figure is better than 80 per cent.

The PNEB and Norske Skog have recently had their National Environmental Sustainability Plan 2006-2010 endorsed by the Commonwealth, State and Territory Governments through the Environment Protection and Heritage Council at its meeting on October 26.

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The EPHC Communiqué of October 26, 2005 stated:

> **Newspaper recycling**
>
> Council congratulated the Australian community and newspaper industry for their commitment to recycling, and endorsed a record fourth voluntary product stewardship plan that will run from 2006-2010. Ministers agreed that the voluntary scheme run through the industry's association, the Publishers National Environment Bureau, was the most successful example of voluntary product recycling in Australia.
>
> The industry has delivered against its targets for increasing recycling of newspapers and magazines for each five-year plan since these were initiated in 1990. The current recycling rate of 74% for newspapers and magazines is the highest in the world.

We believe this is a world-first such agreement between Governments and an industry sector and is a model for other industries, demonstrating the publishing industry's commitment to voluntary Product Stewardship.

The Plan document is included in this package.

The PNEB also wishes to add comment on the following points in the scope of the Inquiry:

> 1. The economic, environmental and social benefits and costs of optimal approaches for resource recovery and efficiency and waste management, taking into account different waste streams and waste related activities;
>
> 2. Institutional, regulatory and other factors which impede optimal resource efficiency and recovery, and optimal approaches to waste management, including barriers to the development of markets for recovered resources;
>
> 5. Strategies that could be adopted by government and industry to encourage optimal resource efficiency and recovery.

Comments relevant to Inquiry:

Our National Environmental Sustainability Plan document begins with the assertion:

> "The newspaper is a sustainable product. If it is recovered clean and dry, uncontaminated by organics, it can be re-used again and again in new newsprint."

This is a critical issue for the industry and the environmental benefits of newspaper and magazine recycling.

We are concerned that in the name of efficiency and cost saving, there has been a move from source-separated kerbside collections, with paper being kept separate from glass, plastics and metal, to co-mingled collections with all recyclables being put into one Municipal Garbage Bin (MGB).

While advances in Materials Recovery Facilities (MRFs) have been designed to separate the various recyclates, typically anywhere from 20 to 40 per cent of the materials processed still goes to waste in landfill.

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We applaud the recovery and processing industries' work to improve on this figure.

However we are deeply concerned about the new concepts of:

1. Kerbside collection of paper with household putrescible garbage to go into the emerging Alternative Waste Treatment (AWT) and disposal technologies

and

2. Kerbside collection in a single bin of household garbage and all recyclables for later separation for recycling in a 'dirty' MRF.

These methods are designed to extract any possible recyclable commodities such as glass, plastic and metals but effectively destroy paper, or ruin it for possible re-use. All significant domestic recyclers of old newspapers have indicated they will not be able to use old newspapers collected from dirty MRFs.

The very real threat to the industries producing new newsprint from old newspapers (ONP) and old magazines (OMG) plus cardboard from ONP, OMG and old cardboard is highlighted in research undertaken by Nolan–ITU and sponsored by Visy Recycling and Norske Skog Australia.

A copy of this report is included in this package, but in brief, the researchers estimated that a move to single bin collection and processing, using the technologies available and proposed (in 2003) would result in the 620,000 tonnes of paper and cardboard from Local Government kerbside collections having:

1. A potential loss of up to 110,000 tpa in the 3-5 year period; and

2. A potential loss of up to 451,100 tpa in the 10-15 year period.

In the two years since the research was done, moves to AWT are growing exponentially and we believe the above scenarios are now very conservative.

This is fibre which can be used for Australian manufacture of new newsprint and new cardboard. If it is ad0-15 year period.

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