

**Responses from the Publishers National Environment Bureau
to the Productivity Commission's Draft Report
on its Inquiry into Waste Management, June 2006.**

Report Overview: Page XXVII – Upstream issues:

“For example, if conservation of old growth forests were a policy priority, subsidising newspaper recycling on the grounds that this would relieve harvesting pressures on those forests would be largely futile. This is because virgin newsprint is predominantly made from plantation-grown wood.”

PNEB response: No old growth eucalypt has been used in the manufacture of newsprint in Australia since 1991. Newsprint manufacture uses recycled fibre (averaging 30%) and timber taken from forest thinning or wood that is left following sawlog harvesting, which considered it unusable, as well as residue from saw milling.

Page 365 – Case Studies of Stewardship Schemes

“The major publishers have supported Norske Skog’s recycling plant at Albury by specifying the use of recycled fibre in their newsprint contracts.”

PNEB response: We would add: “and by having long term (10-year) purchase Agreements that specify recycled content [unusual in newsprint supply contracts world-wide].”

**Page 367: in Potential Benefits [of the National Environmental Sustainability
Plan 2006-2010 (Newsprint)]**

Another weakness of the newsprint agreement is that it lists the waste hierarchy as a key principle underpinning the scheme. As noted in chapter 5, this is not an appropriate basis for policy as it ignores all the costs and benefits that apply between different waste management options.

PNEB response: This is a philosophical argument given nobody has analysed real costs of this strategy for various sectors of the economy. We can argue our costs are absorbed by our industry and that recycled content newsprint is sold to publishers for no more than virgin but is of higher quality.

Page 367, Conclusion (1):

The newsprint scheme appears to have been very effective in achieving its goal of increased recycling. The rate of newspaper recycling increased from 28 per cent in 1989 to 75 per cent in 2004 (Newsprint Producer and Publisher Group 2005). PNEB (sub. 2) claimed Australia now recycles more newsprint than any other country.

PNEB response: We have just seen the latest statistics released by the Newspaper Association of America and the American Forest and Paper Association <http://stats.paperrecycles.org/index.php?graph=recuse&x=71&y=10> which show the USA recycled 69.9 per cent in 2005 – up from 35 per cent in 1990. Australia has been ahead of the USA since 1994. We publish our results in international journals each year and no-one ever challenges our assertion that we are the world's highest.

Page 367, Conclusion (2):

There is little information available about the benefits and costs of the scheme. However, the scheme sets targets that appear to be arbitrary, rather than being based on robust evidence of a net benefit.

PNEB response: Quality of Australian-made newsprint contained recycled fibre is superior to newsprint made from all virgin fibre in calliper (thickness), finish, opacity and show through. Price is the same, making Australian recycled content newsprint a clear choice for publishers regardless of the environmental benefits of landfill avoidance and energy conservation. Also, recycled content paper uses less ink because of the smoother finish; another economic benefit.

Page 367, Conclusion (3):

The third (sustainability) target seems only remotely relevant to the primary purpose of the scheme — to support a market for recycled newsprint.

PNEB response: Granted, but focusing the industry on recycling other materials, from printing plates to toner cartridges, has both economic (money saving) and environmental (reducing materials to landfill and re-use of resources) pluses. Also, the industry's focus on water and



energy efficiencies will provide both economic and environmental benefits.

Page 367-8, Conclusion (4):

It is doubtful the environmental benefits are very significant from a waste management perspective. Newsprint is not a hazardous waste, and so its disposal in landfills seems unlikely to have major adverse impacts. The other environmental benefit the PNEB has noted — reduced greenhouse gas emissions due to lower energy consumption — might be more efficiently achieved by broader policy instruments operated at the national level.

PNEB response: Granted, newsprint is safe to bury in landfills, or to burn or compost. But it makes economic sense to reuse the fibre

instead of dumping it given that it costs the same to produce the fibre from recycled newspapers as raw timber with the benefit that it uses less energy?

Page 368, Conclusion (5):

Nevertheless, the Commission considers that the newsprint stewardship scheme has been worthwhile. The scheme has been effective in increasing recycling and, given it is essentially a private arrangement entered into by a handful of large firms, has probably delivered a net benefit.

PNEB response: We appreciate the Commission's assessment (taking into accounts the points raised above).

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