

Government Investment to Grow Charitable Reuse and Recycling

Summary

Australian charities are forced to send over 60,000 tonnes of waste to landfill every year due to illegal dumping and donations that have no value and cannot be reused or recycled¹.

This problem is hurting communities and harming the environment. And yet, charities present an opportunity for Australian governments to drive reuse and recycling solutions if we get the policies, economics and collaboration right.

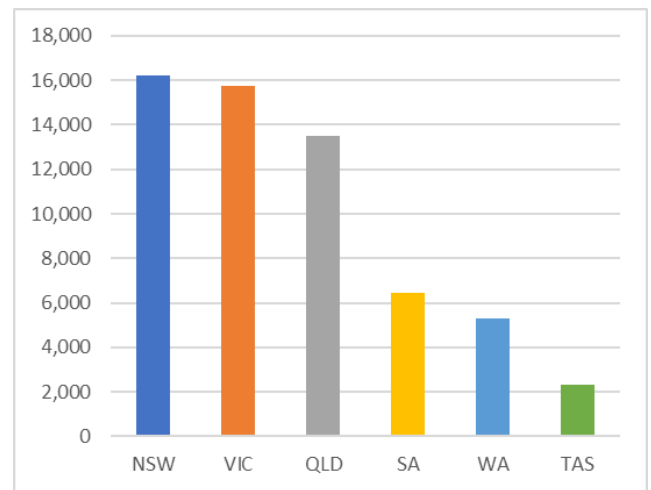
Working through NACRO, Australian governments can measurably reduce dumping and increase recycling in collaboration with the charitable reuse, recycling and retail sector by focusing on three proven interventions:

- **Infrastructure Investments** – to deter illegal dumping and improve waste management.
- **Recycling Initiative Grants** – to encourage recycling innovation and technology.
- **Consumer Education Campaigns** – to influence the behaviour of unintentional dumpers.

Charities already spend over \$13 million a year on waste management, including investments to divert 588,000 tonnes away from landfill through reuse, recycling and resource recovery activities at 2,500 charity op shops and warehouses nationally¹. And with Government support, charities can divert even more.

By investing in the charitable reuse, recycling and retail sector, Australian governments will achieve their environmental targets, meet consumer expectations and deliver a triple bottom line return on investment with environmental, social and economic benefits unrivalled by any other sector.

Waste to Landfill by State



**Tonnes of Waste
Diverted from Landfill by
Charitable Recyclers**

588,000

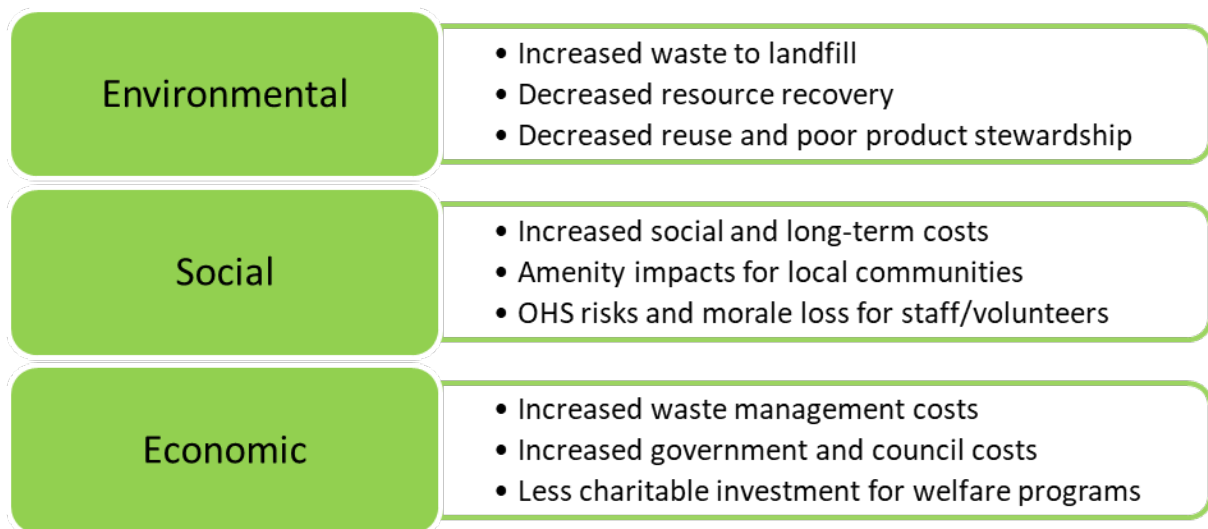
**NACRO's Primary Strategic Objective: To Reduce Dumping and
Increase Recycling in Collaboration with Governments**

THE ISSUE

Environmental, Social and Economic Impacts

Charities bear a significant burden of illegal dumping across Australia, with charity shops and bins being a prime target for clothing, textile and household waste. Illegal dumping forces charities to send 60,000 tonnes of waste to landfill every year.

The environmental, social and economic impacts on our environment, our communities and the charities themselves are substantial, long-term and cumulative:



The financial impact of illegal dumping on charities include direct costs such as waste contractor fees and site clean-up costs, as well as the costs of reactive measures for managing dumped items, such as staff and equipment overheads for clearing waste and personal protective equipment.

Further costs are generated through the adoption of preventative measures aimed at reducing dumping, such as installing signage, specialist fencing and surveillance. Charities are also impacted by indirect costs, such as the removal of charity bins in response to community complaints as well as the presence of dumping acting as a deterrent for genuine donations. Other negative impacts include charity staff and volunteers typically experiencing feelings of demoralisation at the levels of waste they are required to sort through, and the health and safety risks that arise from handling dumped items.

Despite this vicious cycle, charities still manage to divert over 588,000 tonnes away from landfill through reuse, recycling and resource recovery activities at 2,500 charity op shops and warehouses nationally¹.

Charities already deliver triple bottom line impact for Australian communities and have the vision and networks to help government reduce projected landfill volumes. But charities need government investment to do more.

The single biggest challenge holding charities back from doing more environmental and societal good, is illegal dumping. 76% of charities put this at the top of their list. 33% of charities also cite a lack of government support as a major difficulty².

The systemic change driven by China's National Sword Policy, the explosion in conspicuous consumption from the *Fast Fashion Crisis*, and the potential for overseas export markets for second-hand clothing to dry up all put charities at the forefront of Australia's next environmental battleground - the clothing and textile waste stream.

**This Problem Impacts All Environmental Stakeholders:
Communities, Consumers, Councils and Charities**

THE OPTIONS

What Can We Do?

- **Do Nothing** – If nothing is done, nothing will change. Drafting and communicating written plans can provide nice optics, but without the investment to drive effective implementation, there will be minimal impact.
- **Data-driven Investments** – Investing in proven interventions to proactively reduce dumping and increase recycling, with measurable targets and stakeholder accountability is the only way to deliver real environmental, social and economic impacts. This is a shared responsibility to be achieved together. Charities must come to the party with co-funding, innovative processes and accountability. But governments need to kickstart this with appropriate investments, grants and campaigns.

PROVEN INTERVENTIONS

Three Interventions Work

Over and above the waste levy exemptions, rebates and financial relief provided by State Governments to offset the direct levy impacts of illegal dumping and provide a foundation of support for charitable recycling organisations, there are three proven interventions that drive a proactive reduction in dumping and an increase in recycling:

- 1). **Infrastructure Investments** – to deter illegal dumping and improve waste management.
- 2). **Recycling Initiative Grants** – to encourage recycling innovation and technology.
- 3). **Consumer Education Campaigns** – to influence the behaviour of unintentional dumpers.

Working Groups between governments and other stakeholders invariably come back to these three key interventions as the most effective options available. All three are supported by an existing body of research³ and data sets, or cited within State Government action plans to address illegal dumping. These three interventions are defined as:

Infrastructure Investments

*Installation of infrastructure that deters dumping at charity sites, such as fencing, CCTV, signs and sensor lighting.
Purchase of waste management equipment like waste trucks to facilitate process improvements and increase recycling.*

Recycling Initiative Grants

*New charity-based systems to increase reuse and recycling of targeted waste types, such as clothing, textiles, furniture.
Encouragement of multiple small-scale new recycling initiatives at individual op shops locations, especially regional areas.*

Consumer Education Campaigns

*Education campaigns to influence unintentional dumpers, as a precursor to systemic change in illegal dumping behaviours.
Data led pilots to measure the impact of specific education campaigns at targeted dumping hot spots.*

All three proposed intervention areas are seamlessly aligned with the needs and recycling aspirations of charitable recycling organisations. This ensures strong uptake, engagement and participation by charities in government led initiatives. Charities are committed to working with Government on these three interventions, with 89% saying they will also consider co-funding. Charities rated the following as either essential or very important to tackle illegal dumping²: **100%** Consumer Education Campaigns. **92%** Recycling Initiative Grants. **74%** Infrastructure Investments. **86%** Waste Levy Exemptions and/or Relief.

Charities will co-fund in these three proven interventions, showing their commitment to scaling Government investments.

RECOMMENDATIONS

Government Co-Funding of \$10 Per Tonne of Waste

NACRO recommends that Government co-funding of just \$10 per tonne of waste will deliver measurably significant reductions in dumping and increases in recycling in every state and territory. By focusing investment into the three proven interventions, and working through NACRO to collaborate with the charitable reuse and recycling sector, Australian governments will achieve their charitable environmental targets, meet consumer expectations and deliver a triple bottom line return on investment.

The annual investment required for each Government based on current waste to landfill tonnage, is as follows:

Government	Tonnes	Investment
New South Wales	16,212	\$162,000
Victoria	15,749	\$157,000
Queensland	13,482	\$134,000
South Australia	6,432	\$64,000
Western Australia	5,315	\$53,000
Tasmania	2,340	\$23,000
Northern Territory	488	\$10,000
ACT	390	\$10,000
Commonwealth	60,408	\$604,000

Charities will commit with co-funding of their own to drive the launch of innovative processes, infrastructure spending and/or education campaigns - with full accountability and a shared responsibility to achieve measurable targets.

Charities have a symbiotic relationship with Australian governments. Both share mutual objectives in creating environmental and social impact, as well as economic inclusivity. The work of charities assists tens of thousands of people with emergency food and shelter, aged care services, education programs, emergency/crisis relief, home visits, hospital and health services, hostel accommodation, mental health services, suicide prevention counselling, disability services, medical research, prison visits and migrant/refugee assistance. 2,500 charity op shops generate \$500 million in annual revenue that is directed back into their charitable mission goals - serving Australia's most disadvantaged individuals and communities.

Charities support the work of many State and Federal Government departments, underpinning essential social welfare services to the tune of \$500 million every year.

This Policy Position Paper asks for a total investment of just \$1.2 million across all State and Commonwealth governments – which works out to less than 0.25%.

This small yet highly effective investment is also in line with growing public opinion and perceptions around both recycling initiatives and trust in charities. People want the government to invest in recycling and they want charities to succeed.

NEXT STEPS

This paper calls for the creation of a working group in every State and Territory, and at a Federal level to be jointly facilitated with the National Association of Charitable Recycling Organisations (NACRO), with the objectives for each group to:

- Identify and prioritise the key requirements for each area
- Create a gap analysis on any required data or insight benchmarks
- Set measurable targets for a reduction in dumping and an increase in recycling
- Agree on funding and investment parameters
- Develop an implementation plan

Appendix

NACRO

The National Association of Charitable Recycling Organisation (NACRO) advocates on behalf of Australia's charitable reuse, recycling and retail sector.

NACRO members include all of Australia's leading charitable recycling brands:

The Salvation Army, St Vincent de Paul Society, Australian Red Cross, Mission Australia, The Smith Family, UnitingCare Queensland, Good Samaritan Industries, Lifeline, Uniting VIC TAS, Brotherhood of St Laurence, Anglicare, RSPCA, YMCA, Diabetes, Spine & Limb Foundation, Sacred Heart Mission, Family Life, Ted Noffs Foundation, Asthma Australia, Legacy Services, Wayside Chapel, Epilepsy Foundation, Endeavour Foundation, Link Vision, Anuha Services, Australian Relief Organisation, City Mission, UnitingCare Wesley Country

2,500 charity shops with an unrivalled network across Australia generate \$500 million in revenue towards charitable welfare programs, while diverting 588,000 tonnes away from landfill by extending the life of 285 million products through 40 million customer transactions annually, as well as investments in smarter reuse, recycling and resource recovery initiatives.

NACRO's primary strategic objective is: *To Reduce Dumping and Increase Recycling in Collaboration with Governments.*

Clothing and Textile Waste Stream

Ironically, charities may also hold the key to a comprehensive solution to the entire Clothing and Textiles waste stream.

Once Australian governments help charities scale the processing and recycling of the waste clothing and textiles they already receive, the 2,500 charity op shop and warehouse locations become ideal locations for the collection of all clothing and textile waste in Australia.

The proviso is that charities need government investment to deal with the current waste levels and develop their recycling capacity to handle future loads. The economic incentives are that councils will be able to save money and improve resource recovery by partnering with charities on collections. Plus regional areas will get a massive boost in development as recycling at regional op shop locations sparks new economic inclusivity and employment opportunities.

But before this big picture vision can be realised for Australia, governments need to kickstart investment for the charitable reuse and recycling sector through three proven interventions.

References

¹ NACRO data sourced from waste levy relief and rebate tonnage claims, and member waste expense data extrapolated to all states based on total number of op shop locations nationally.

² NACRO membership survey April 2018.

³ Does Your Donation Count or Cost: UnitingCare Community, UnitingCare Queensland and the Department of Environment & Heritage Protection, March 2016. Behaviour Works 2013 Study.