

Committee Secretariat
Standing Committee on Industry, Innovation, Science
PO Box 6021
Parliament House
Canberra ACT 2600

Submitted via email: iisr.reps@aph.gov.au

31st January 2020

Dear Committee Secretariat,

Re: Inquiry into Australia's Waste Management and Recycling Industries

The Australian Energy Council (the 'AEC') welcomes the opportunity to make a submission to the Commonwealth Government's *Inquiry into Australia's Waste Management and Recycling Industries*.

The AEC is the industry body representing 23 electricity and downstream natural gas businesses operating in the competitive wholesale and retail energy markets. These businesses collectively generate the overwhelming majority of electricity in Australia and sell gas and electricity to over 10 million homes and businesses.

The AEC wishes to draw attention to the economic and environmental opportunities that waste materials from energy production, in particularly coal ash, can present. Coal ash has beneficial re-use value for a variety of construction activities, namely the making of bricks, lightweight aggregate and concrete. The ability of coal ash to serve as a partial substitute for cement deserves particular attention, as it is not only more technically sound but also better for the environment (cement manufacturing is one of the largest greenhouse gas contributors). Despite these benefits, Australia's fly ash re-use rate is among the lowest in the world at 44 percent, placing it well below other countries such as Japan (97 percent), UK (70 percent) and China (69 percent).¹

This submission intends to identify some of the impediments to greater take up and how these can be overcome.

Impediments to innovation

The AEC considers the existing state-based regulatory framework to be an impediment to the efficient management of coal ash, as it creates regulatory confusion across jurisdictions. It would be desirable for the Commonwealth Government to provide leadership in this area through the standardisation and harmonisation of regulation across the states. This is consistent with recommendations made in previous Senate reports about how to improve waste management. For example, the 2018 Senate Standing Committees on Environment and Communications report on the waste and recycling industry in Australia recommended:

... that the Australian Government work with state and territory governments to ensure the implementation of harmonised, best-practice landfill standards.²

¹ Ben Millington 2019, "Coal ash has become one of Australia's biggest waste problems – and a solution is being ignored," ABC News. <https://www.abc.net.au/news/2019-03-10/coal-ash-has-become-one-of-australias-biggest-waste-problems/10886866>.

² Senate Environment and Communications Reference Committee 2018, "Never waste a crisis: the waste and recycling industry in Australia," Commonwealth of Australia, p111, 142. https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Environment_and_Communications/WasteandRecycling/Report.

There is also a need to raise public awareness about the beneficial re-use capabilities of some waste products. In the case of coal ash, negative media coverage has created perception issues that make government and businesses unnecessarily cautious when regulating or investing in such products. For products with clear re-use capabilities, these perceptions are not appropriate and unnecessarily hinder greater uptake.

Searching for solutions

When the aforementioned Senate Standing Committees on Environment and Communications published its report on Australia's waste and recycling industry, it had similar responsibilities to the current inquiry, being to identify solutions that will improve Australia's waste management. A key recommendation of the 2018 report was for Australia to move towards a circular economy that 'prioritises the collection, recovery and re-use of products'.³ It described the current failure to develop such an economic model as a 'significant policy error' and called for a 'suite of regulatory and policy changes aimed at influencing behaviour, as well as investments in infrastructure and technology'.⁴

The AEC considers that adopting a circular economy would lead to a significant reduction in the amount of coal ash 'waste' as well as producing positive economic and environmental outcomes through the increased uptake of coal ash re-use products.

With a view to driving the development of a circular economy and addressing negative perceptions of coal ash as a product, the AEC considers it worthwhile for government agencies to facilitate consultation between regulatory bodies, electricity generators and key stakeholders in the recycling and construction sectors. Fostering cooperation between all relevant stakeholders will help in identifying solutions that maximise the re-use value of coal ash.

Any questions about this submission should be addressed to Rhys Thomas, by email to Rhys.Thomas@energycouncil.com.au or by telephone on (03) 9205 3111.

Yours sincerely,



Ben Skinner

General Manager, Policy & Research
Australian Energy Council

³ Id at 132.

⁴ Ibid.