

# Vinyl Council Australia

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Dear colleagues at Metro Group, Zandy and Vanessa,

I hope you will accept our delayed submission regarding the MWRRIP. Firstly congratulations on producing such a large document. We appreciate it is a major milestone. We are pleased to be able to respond with information to assist in the final version of the document, and future work plans and initiatives.

The VCA is the peak industry body representing local manufacturers, importers and suppliers of vinyl and related services in the Australian market. We have a growing membership; a fact that attests to our useful quality programs, services and credibility in industry. PVC is one of the most commonly used polymers due to its properties with consumption nearly 200,000 t pa in Australia. It appears in many diverse applications from bottles, to stretch food film, medical devices (face masks), pipe, flooring, door seals, window frames, house cladding, etc.

Unfortunately it has low recycling rates in Australia for a number of reasons:

1. majority of PVC is in durable products that have a long life ie 20+ years, and in the case of pipe may never be removed at end of life
2. the margin for collection and reprocessing vs virgin material is tight, which makes reprocessing a fine art
3. up until now most government policy, collection programs, resources and funding has been on packaging, and PVC is a small fraction in packaging, and has never received govt support or attention for recovery, indeed sometimes industry initiatives have been undercut by collection contracts.
4. up until now most government policy, programs, resources and funding has been focused on quantity (tonnes esp MSW) or hazardous products (tyres or computers/TVs), not upon value, supply chains, local manufacturing and closing the loop or local employment, and so it has been up to industry groups such as VCA and members to individually arrange and financially invest in collection and recycling, or unite to commence programs for sizeable quantity recovery and reprocessing in Australia. This has sometimes been successful, and sometimes undermined.

The VCA has undertaken a number of recovery and recycling programs in the past and continues to do so. In addition, the VCA supports individual initiatives in recycling, both scrap from manufacturing processes and end of life. The VCA has a publicly available list of recyclers on its website that is one of its most popular pages. We strongly recommend the Metro Group make full use of this free public resource in its work and also in preparing the final version of the MWRRIP in contacting companies known for their role and expertise in recycling PVC. This includes companies such as CryoGrind, Welvic, Emmans, etc that service Melbourne and Australia for PVC recycling and reprocessing.

The VCA would be very pleased to work in conjunction with the MWRRG in these below areas to increase recovery and recycling for reprocessing in Victoria and Australia and would be pleased to have this noted in the final version of the MWRRIP. Areas of interest for collection and reprocessing

- coated fabric (advertising banners, truck tarpaulins, grain covers)
- medical (IV bags, face masks, tubes)
- commercial flooring
- bottles
- flexible film
- electrical and telecom cable
- laminating, cladding
- pipe, conduit and windows/door frames (rigids)
- credit and gift cards

to name a few. We have some data on quantities and sources for these, and are collecting details of companies and stakeholders involved in each supply chain.

We ask that our programs gain acknowledgement in the final version of the MWRRIP, in particular the VCA's world leading program for medical PVC recycling that collects material from Tas, SA, Vic and NSW for reprocessing in Victoria, and will soon expand to WA & QLD. We would be delighted to share insights and data from this program for you, as we are launching a new website and material (updating existing material in 2016). Please note we are collecting over 10t a week already of medical PVC, all which gets reprocessed in Melbourne.

With regard to the MWRRIP in general:

1. We support a strong focus on organics, esp food recycling.

2. The terminology needs to differentiate between 'materials' and 'waste'. 'Waste' infers no value, even when the product still has a value to someone. For example, in the PVC medical program we refer to them as 'products' or 'materials', and only use 'waste' to refer to material that goes to landfill. Those people participating in the program are especially keen to know what the material goes to and we make it clear that the PVC becomes mats or hose manufactured in Australia, and mats for playgrounds in NZ. This build great support for recycling. For this reason, for example, the opening para in one of the fliers should change to the following: 'How we manage our **materials** is important to ensuring the long term liveability and sustainability of our city'. We encourage the MWRRG to change the language, to encourage the public to see the value of materials, and for the document to do more to embrace industrial ecology, retain value in material and support end markets.

Furthermore, there is very little commentary on the value of different materials, supply and demand for materials such as hardwood or composite timber, plastics, metals etc, and the strengths, gaps and opportunities. The trading price for virgin and recycle is a fundamental aspect, along with markets for material. We know that the trend for timber is one of increasing scarcity, and therefore laminates and composites with plastic will grow substantially. It is vital that this document herald the future of innovation, reprocessing valuable material for valuable product as efficiently and competitively as possible. We encourage MWRRG to add more commentary on trends in materials and production.

3. The document is dominated by a focus upon MSW and comingled collection systems, waste and landfill and says too little on recycling and reprocessing, innovation, jobs, manufacturing and closed loop production in Australia. It is not a good model for the short or long term. The document says little about supply chains and recovery for reprocessing in Australia, and the fact that Melbourne has been the Australian capital for reprocessing of materials because of its stronger manufacturing base and greater distance from Asia.

The document unfortunately incorrectly labels companies as 'reprocessors' and requires more clarity to be correct. Companies who sort, bale and export are not reprocessors, vs those that actually 'reprocess' into new product by washing, granulating etc. There must be a distinction in the final edition between sorters and reprocessors, ie Polytrade vs Cryo Grind, SITA vs Replas. Some companies do both, in which case they should be labelled as both. But it is not appropriate to call them the same in a document as this.

We hope that the final edition includes greater recognition for business initiatives in recycling. A substantial proportion of C&I recycling around the world is B2B where valuable materials are sold and exchanged between businesses, and never enter the govt controlled systems, however, this is almost ignored in this document. Some of this data is available in the C&I Report commissioned by SV and written by SRU (and HMillicer) in 2013. There are great opportunities for the MWRRIP to support and build upon these existing industry initiatives so they become stronger programs, retaining high value material in replacing virgin materials. Comingling everything everywhere is not the solution, it can have considerable costs and these should be researched and understood. We hoped that the document would support both govt and industry initiatives equally, rather than ignoring one almost entirely.

For example, the VCA established an extended producer responsibility scheme for recovery and local

reprocessing of PVC bottles in mid 1990s and successfully ran this program with industry levy for 10 years. It was discontinued after kerbside comingled collection contracts in Melbourne did not require or encourage one collector/sorter to support continued separation of PVC in Melbourne, and supply quantities dropped below economically viable levels. Consequently a major Australian floor manufacturer now has to rely on virgin material and occasional shipments of ground bottle ie 5,000t rather than >30,000 t per year, and shut down one manufacturing site because it was no longer viable to produce a particular production line. Co-mingled recycling results in lowest value for materials, and sometimes makes recycling and reprocessing impossible, undermining local business use and competitiveness.

The same challenges exist for the current VCA medical PVC recovery program, such that we have established completely separate systems to those run by the major operators. A trial with a major multinational sorter a few years ago saw that company baling all material for export rather than for sale to Australian reprocessors. Consequently we discontinued that arrangement and have now a complete supply chain that supports Australian production and recycling. We hope that the final version of the MWRRIP notes such industry initiatives as ours, plus others such as Red Group, Replas, Tapex, Integrated Packaging, to name a few, and their success in recovering material, supporting jobs and more efficient production in Australia. Greater granularity and recognition of B2B systems is required.

4. In addition to above comments that should be applied to the list of Priority Actions, we recommend that 5&7 be combined, and new PA should be added. We appreciate the importance of initiatives to recycle organics as outlined.

PA 1 should also support group procurement of product that contains recycle to create market pull. This PA is still fixated on collection and does nothing to support market pull ie aim for 10% of paper purchased by local councils to be recycled, fencing product likewise etc. At the very least Metro Group could investigate comparable programs overseas that are successful ie Malaysia, UK, etc. for application in Australia.

PA 8 should refer to the *reprocessing* industry not the *processing* industry. It is contrary to govt policy, for example as outlined in the Sustainability Fund Priority Actions, to emphasise *processing* (baling and primary level handling), over *reprocessing* which is concerned with closed loop and more sophisticated secondary level handling resulting in jobs, improved productivity and stronger economy in Victoria.

PA 9 seems to refer to landfill and transfer stations ie infrastructure only. Does this mean that there will be no consultation or engagement with VCA on our medical PVC recovery program or other programs?

PA 10 should be broader than comingled and waste to landfill bin systems. The VCA collection systems in hospitals needs govt partnership in better training to ensure only PVC is deposited in the bins. Education programs need to emphasise the loss of value through contamination of any bin system, not only municipal kerbside for example. We would like to work with the MWRRG to improve training for hospitals on medical PVC to lift recycling rates and cut contamination.

A new PA should be added on data collection and sharing reports. A focus has to be developed on understanding supply chains and the future for materials for example. All the regional WRRG have responsibility for C&I and C&D as well as MSW, and it is essential that similar knowledge is gained across material streams as this will provide insight into reprocessing opportunities. For example, at the VCA we are identifying latent demand for recycle amongst manufacturers, as well as potential suppliers.

Please do not hesitate to contact us for further information on our listed PVC reprocessors, programs or other comments on the document overall.

Kind regards and all the best with your synthesis of submissions. Also best wishes for Xmas and the start of 2016.

Helen Millicer

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