

The Business Case for Less Waste



Illawarra Area Child Care saw less waste and greater staff satisfaction after introducing worm farms and compost bins

A guide to promoting the benefits of recycling at work

Introduction

Every year in Australia, businesses generate over 12.5 million tonnes of waste. Almost half of that waste (46%) goes to landfill¹ despite estimates that approximately 70% can be reused or recycled.²

New research shows that 76% of businesses believe that reducing waste is part of being a sustainable and ethical business.³ However, there is also the perception that they are doing all they can in regard to waste management, that there may be little benefit in doing more, or that they don't have the knowledge to improve their waste and recycling practices.⁴

This resource will help employees at any level in an organisation, including those with sustainability responsibilities, to make the business case for less waste. It explains how improved waste management can reduce unnecessary costs, boost staff morale, provide a competitive (or efficiency) edge and improve environmental outcomes. Together these benefits make a workplace more sustainable.

Unless otherwise indicated quoted statistic are from NSW Environment Protection Authority (EPA) research*.

“As a community owned not-for-profit, we'd much rather use money for children's education resources than to take rubbish away.”

Illawarra Area Child Care

1: Fewer Unnecessary Costs

Landfilling waste instead of recycling may seem like an easy solution but the unnecessary costs that come with it can be significant – and not just environmental. Poor waste management practices and a preference for landfilling over recycling impose a financial cost in two key ways.

The first is excess waste management and transport fees. Waste contracts are often structured around bin pick up. Transporting a skip bin full of uncompacted soft plastic or cardboard is effectively the same as transporting air. And each truck movement has financial and environmental costs. Investing in recycling equipment like balers and compactors reduces the need for truck pick-ups and can therefore lower the contract fee.

Landfill levies are the second avoidable cost. Levies are a state government fee for each tonne of eligible waste sent to landfill. The rate varies depending upon

material type and business location and is additional to the normal landfill cost. The most common charge in Western Australia is \$55 a tonne, in Victoria it is \$62, South Australia \$76 and in NSW it is \$133. In the ACT the landfill gate fee is \$146. The levy is easily avoided by sending material to recycling.

Landfill levies range from \$55 a tonne in WA to \$133 in NSW. Recycling does not attract the levy.

The establishment of green supply chains also promotes efficiency and synergy among business partners, minimising waste and reducing cost.⁵

Modern Tiles Erina achieved savings of approximately 50% after the installation of a compactor and baler for cardboard and plastic. These savings came from fewer waste collections as well as the indirect benefits of a tidier warehouse with more room for stock. A tidy, well organised warehouse improves warehouse processes, inventory control and supply chain management as well as workplace safety – all of which improve a company's bottom line.



Modern Tiles Erina saw savings of around 50% after installing a cardboard compactor.



The Good Guys reduced bin collections from three a week to one a fortnight.

The Good Guys Rockdale saved thousands of dollars with a plastic wrap baler and polystyrene compactor facilitated through the NSW EPA's Bin Trim program. The baler and compactor resulted in a reduction of bin collections from three per week to one per fortnight.

By investing in a baler and compactor The Good Guys Rockdale reduced bin collections from three per week to one per fortnight.

Blackmores was awarded Australian Packaging Covenant Signatory of the Year in 2016 for their commitment towards achieving environmental sustainability across packaging design and innovation, partner collaboration, employee engagement and recycling and reuse. Their commitment resulted in a reduction of waste to landfill of almost 25% and the impressive saving of \$68,500 per annum on future disposal.





Investigate free industry programs

Make the Case

When putting your business case together:

- ❑ Investigate whether you can set up simple and free recycling programs like 'Cartridges 4 Planet Ark', MobileMuster and TechCollect as a way of introducing recycling to the organisation.
- ❑ Do a quick audit of your key waste streams and identify: the most significant by both weight and volume; the recyclable materials; and, whether they can be compacted to reduce space and transport costs. **The Bin Trim tool** can help make this process easy.
- ❑ Review your existing waste management contract for opportunities to reduce costs (which may mean changing some internal practices).
- ❑ Talk to a **new recycling contractor** about the services they offer and make it clear you are looking for savings.

2: A Competitive Edge

More than one in two (53%) businesses agree that efficient waste management and recycling gives them a competitive edge.⁶

Recent research has supported this by showing that businesses and brands with a demonstrated commitment to sustainability outperform those without.⁷ Increasing numbers of consumers are willing to pay more for goods and services from companies committed to reducing their environmental impact and that commitment has the power to sway product purchases for more than 45% of consumers.⁸

Environmental management practices can help businesses stand out from their competitors. Poor waste management practices are often habitual – things are done a certain way because they have 'always been done that way'. Adopting new practices then communicating the positive outcomes shows that a business or workplace is innovative and forward thinking which can foster customer loyalty and that translates into long-term profitability.⁹

O-I Australia's Returnable Packaging Program reduced waste to landfill by more than 84,000 tonnes and provided a service to their customers.



O-I Australia's Returnable Packaging Program diverted 84,000 tonnes of waste from landfill.



Businesses can gain a competitive edge in a number of ways.

- **Efficiency:** Good waste management should be easy for staff to engage with, occupy only as much space as needed, and limit the expenditure of unnecessary resources. When combined, these features will improve overall efficiency.
- **Reputation:** Taking responsibility for waste and environmental impacts gives a workplace the opportunity to demonstrate a point of difference from competitors. Informing suppliers, customers and stakeholders of achievements is a simple and positive way to improve organisational reputation. An increasing number of government and other tenders now require evidence of environmentally sustainable practices. Recycling can help win contracts.
- **Customer Service:** In some cases a business can provide a service to their customers that has a benefit for both. **O-I Australia**, the largest manufacturer of glass bottles in the country, introduced a Returnable Packaging Program for commercial suppliers. This program reduced waste to landfill by more than 84,000 tonnes and provided a service to their customers.

Australia Post has adopted a number of progressive recycling programs for their customers including 'Cartridges 4 Planet Ark', MobileMuster and the Nespresso Coffee Capsule Recycling Service.

From a business perspective, providing these services to their customers drives foot traffic into Australia Post outlets and demonstrates an organisational commitment to the environment.

After installing a baler **Galluzzo Fruiterers**, a local grocer in Glebe, reduced their cardboard waste from 7 wheelie bins a day to just 2, delivering an estimated waste management saving of \$12,000 a year. The changes also resulted in a more available shop space and more time for staff to spend with customers.

Joe Galluzzo said, "Imagine this place full of people. We serve almost 250 people a day. Then imagine all the fruit and veg, and all the cardboard boxes piled up in the back. It was making it really hard to move about and get things done properly."



Make the Case

When putting your case together:

- ❑ Identify examples of wasteful, costly or inefficient practices. Provide suggestions for improving these processes and where possible quantify time, money or space savings.
- ❑ Outline opportunities for promoting successes to customers, suppliers and stakeholders that will improve your organisation's reputation.
- ❑ Where relevant, look for opportunities to assist customers or suppliers to improve their own environmental impacts as a way of building loyalty.

3: Happier Staff

High staff morale is another positive outcome of good organisational waste management.

More than nine out of ten Australian households recycle¹⁰ and employees are increasingly expecting – and putting pressure on employers to provide – recycling facilities in the workplace. Statistics indicate that Australia-wide, 80% of employees would like more recycling in the workplace and that having recycling facilities makes them feel that they work for a responsible employer.¹¹

When recycling programs are implemented in the workforce, staff morale increases and employees feel like they are part of a team. The knock-on effect of this is significant.

High staff morale is associated with higher job satisfaction which in turn leads to cohesive, productive team work. Employees with high morale and job satisfaction are committed to their employers, and motivated to work harder to achieve more and staying with the employer longer. Not surprisingly, retaining





Illawarra Area Child Care are expected to send 8 tonnes less waste to landfill a year.



staff leads to financial gains – as reduction of profit from the costs of recruitment and training are avoided.¹²

Illawarra Area Child Care introduced compost bins, worm farms and paper recycling to the 11 sites they run across the region. This action was supported by staff training and education. As a result of these changes the centres are expected to send 8 tonnes less waste to landfill each year. They have also seen improved staff training, increased morale and greater engagement with sustainability processes.

Three out of four Australian businesses report that good waste management practices increase their ability to attract and retain talented employees.

Make the Case



When putting your case together:

- ❑ Outline ways in which co-workers will be involved in the development and evaluation of new practices.
- ❑ Identify channels for clearly communicating changes to staff so there is shared understanding of what is changing, why it's changing and their role in the change. Confusion or resentment are the enemy of change.
- ❑ Include strategies for recognising and rewarding positive staff engagement.

4. A Smaller Footprint

All workplaces generate waste, but the type of waste varies from industry to industry – for example, approximately 76% of waste generated by office based businesses is paper and cardboard while 62% of waste generated by cafés and restaurants is food waste.

The vast majority of these waste streams are recyclable – for example, over 94% of waste in a typical office bin can be recycled, and similarly high rates exist in most other workplaces.

It is well established that waste has huge environmental impacts. To make goods or to provide services resources like minerals, metals, wood, food, fibres, and fossil fuels need to be extracted from the planet. These resources will then undergo a production phase following which, the new products will be transported to markets, stored and consumed. At each stage of this process there is an environmental impact including the release





Investing in a wood chipper cut Cumberland Golf Club's waste by 30% and saved \$8,000 in waste fees.

of carbon into the atmosphere which drives climate change.

Sending materials to landfill at the end of their useful lives comes with its own set of impacts including the release of toxic chemicals or greenhouse gases, as well as contributing to litter and solid pollution (e.g. ocean plastic).

Recycling material that is already in the economic system and converting it into an input for other industries equates to less overall harm to the environment.¹³ It lessens the demand to extract new resources, lowers greenhouse gas emissions, and decreases litter and pollution.

According to General Manager Andrew Laplain, after taking care of glass, cardboard and general waste **Cumberland Golf Club** realised “the biggest issue we had was a lot of plant waste around the golf course”. So they invested in a wood chipper (with the support of a rebate from the EPA) at the cost of \$16,500. The chipper resulted in a 30% waste reduction which meant the club pays \$8,000 less on waste transport and disposal fees each year. Their return on investment is just two years. After that they'll effectively be making money.

Make the Case



- ❑ Look at existing environment policies or statements that you can use to encourage adoption of better practices. Relevant statements might be included in a sustainability policy or mission statement, annual report or media release. Link the benefits of better waste management to these statements (and remember that good waste practices almost always reduce climate change impacts).
- ❑ Link the environmental benefits of recycling to your organisation's key activities as did Cumberland Golf Club. For example, if you work in the health sector link environmental health to human health, while surf shops, tourism businesses or beachside cafes might link the message to litter or pollution reduction.
- ❑ Find ways to make your organisation's environmental impact easily understood by colleagues. A great way to do this is to reframe the impacts in terms people can easily relate to and visualise. A statement like, 'In the last year we have sent enough plastic to landfill to fill this meeting room x number of times,' is easier for people to understand than 'In the last year we have sent 150 tonnes of plastic to landfill.' You can use [The Recyclator](#) to assess the climate change benefits of recycling 25 different materials.



Galluzzo Fruiterer saved time, space and money.



The Next Step

Using the Brain to Create Change

Once you've made the case for less waste it's important to build support across the workplace, establish the new practices, review and, if necessary, change them after a trial period and then communicate challenges and successes with stakeholders.

Psychological research has identified many simple tips for encouraging behaviour change among workmates. Below are six from the **Business Recycling Behaviour Change Made Easy** series to help you on your way.

Start Small and Easy

Research shows that encouraging people to commit to a small, easy change is likely to entice them to commit to a bigger change later. So begin your change processes with small and easy actions like providing a paper recycling bin adjacent to the waste bins. It'll help increase paper recycling and prime people to adopt other changes later on. And the easier the behaviour is, the more people will buy in. Putting a paper recycling tray on every desk will result in even more paper being recycled than setting up bins (which people have to walk to). [Find out more about small steps.](#)

Use the Group

Humans are social creatures and our behaviour is strongly influenced by 'the group' (more so than we like to admit). This phenomenon is called social proof and is an effective change strategy. When encouraging change highlight that the desired behaviour is a common one, that it is undertaken by 'the group'. So a message like 'Thanks to everyone for recycling,' will be much more effective in motivating action than 'Everyone keeps putting the wrong things in the recycling bin'. The research shows the latter message will actually encourage bad behaviour because it reinforces the idea that others are doing it wrong. [Find out more about Social Proof.](#)



Putting paper recycling trays on desks will result in more recycling.

Hit 'em Where it Hurts

Human brains feel the pain of current loss more than they feel the joy of future gain. Which is a useful tool for creating change. When making a financial argument, frame it in terms of loss rather than gain. Research shows that saying 'We are wasting \$300 a week on skip bin collections,' is much more powerful than 'We could save \$300 a week by changing our bin collection'. [Find out more about loss aversion.](#)

Send the Right Signs

Clear, concise and informative signage is one of the strongest tools you have to encourage appropriate recycling (and other) behaviour. However, poor signage is surprisingly common. Effective signage should be: noticeable, with eye catching colours and images; self-explanatory, with a clear action; as close to the location where the desired behaviour will take place as possible; and, positive; nobody likes to be bossed around by a sign. [Find out more about setting up effective signage.](#)

You're Free to Choose

Respecting individual autonomy is a powerful tool in encouraging change. Research on more than 22,000 people shows that adding phrases like 'You're free to choose' or 'Don't feel obliged' is likely to double the



compliance rate. [Find out more about the positive power of choice.](#)

Make it Personal

Adding a handwritten Post-it note to a survey form increased the response rate in one study from just 36% to an impressive 78%. This effect is created by the psychological concept of reciprocity. The recipient of the Post-it recognises the extra effort that went into the note and feels a need to reciprocate. Psychologically speaking we humans simply dislike feeling indebted to other people! Where possible, use personal touches to encourage change. [Find out more about the power of the personal touch.](#)



Good signage should be clear, concise and informative.

Information and Resources

BusinessRecycling Service

Make recycling at work easy!

The BusinessRecycling.com.au website and hotline (1300 763 768) have an extensive database of recycling service providers for over 90 different materials. It also has:

- [Free recycling signage](#)
- [A guide to choosing the right recycler](#)
- [Inspiring stories of successful workplace recycling](#)

Small Scale Recycling Equipment Catalogue

The [Recycling Equipment Catalogue](#) contains information on a wide range of machinery (like compactors, balers and organic processors) and suppliers to help workplaces make informed purchasing decisions when choosing new recycling equipment.

Bin Trim and Recycling Calculator

[Bin Trim](#) is an Excel tool, developed by the NSW EPA (but can be used by any workplace) that helps you measure your business waste and gives you tailored information to reduce, reuse and recycle materials.

It is a quick and easy tool that will provide your workplace with:

- A profile of your current waste and recycling
- A tailored Bin Trim plan to reduce, re-use and recycle
- Practical information to help you waste less and save more.

The EPA's Recycling Calculator or Recyclator

allows you to measure the environmental benefits of recycling 25 different materials. It shows the benefits in greenhouse gas, water, energy and landfill savings.

Government Assistance Eligibility

Explore a business's eligibility for various environmental grants at

www.business.gov.au/assistance

See References

