

# What's The Deal With Business Waste?

Understanding Attitude,  
Knowledge and Actions

Small and medium enterprises (SMEs) are a major part of Australia's strong economy, accounting for 99.7% of all businesses<sup>1</sup>. What they are also contributing towards, however, is the 6.5 million tonnes of business waste nationally going to landfill every year<sup>2</sup>. Recycling rates are increasing, but Australia's growing population means that overall waste generation is increasing too<sup>3</sup>.

Understanding the attitudes of businesses towards waste and recycling, their knowledge about how to implement recycling practices and what future plans they have for their waste management systems, is vital in determining how to reduce the large volumes of waste currently being sent to landfill and maximise recycling behaviour.

## About This Report

This report highlights the findings of a New South Wales Environment Protection Authority (NSW EPA) social research project on SME waste and recycling knowledge, attitudes and behaviours. This information is combined with other research and reports on the waste management attitudes, knowledge and actions of businesses around Australia. Unless otherwise indicated, quoted statistics relating specifically to SMEs are from the EPA research.



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## Attitudes

### Why Businesses Recycle

Nearly eight out of ten SMEs (76%) view the act of reducing waste generation and increasing recycling as a key component of being a sustainable and ethical business<sup>4</sup>. Being able to promote these actions to customers is therefore a motivator for improving waste management practices. Three out of four Australian businesses (76%) believe that good waste management improves public perception of the company<sup>5</sup> and four out of ten businesses (40%) believe that being able to tell customers and clients that they recycle as much as possible helps to win and retain business<sup>4</sup>. This perceived influence on customers and clients is even greater in the service industry, such as hotels, cafes and restaurants, highlighting how the motivation for recycling can differ greatly between business types.

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Half of SMEs (51%) state that a benefit of improving their waste and recycling practices is to motivate staff<sup>4</sup>. Indeed, National Recycling Week research shows that three quarters of Australian employees (78%) say that having recycling facilities at work does, or would, make them feel like they work for a responsible employer<sup>6</sup>. Studies have shown that employees who perceive the business they work for to be ethical, are more likely to conduct ethical behaviours themselves and feel a commitment to their employer<sup>7,8</sup>. Companies that have embraced a green mandate also report an increased ability to recruit and retain talented employees and increase overall productivity<sup>9</sup>.

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Rhodes Waterside, managed by Mirvac, has two organic processing units in each of the two docks which recycle 25 tonnes of food waste a month. Find out more at [BusinessRecycling](#).

Green supply chains also promote efficiency and synergy among business partners, minimising waste and reducing costs.

A third motivator half of SMEs (53%) view for increasing their recycling activities is the competitive edge that it gives them over other businesses<sup>4</sup>. Having an environmental strategy is increasingly something that clients expect, with 43% of outsourcing companies finding that green factors play a role in the selection process of their clients<sup>10</sup>. Green supply chains also promote efficiency and synergy among business partners, minimising waste and reducing costs<sup>11</sup>.



Many businesses view waste as a fixed cost that cannot be reduced, with recycling perceived to be more expensive - even when this is not the case.

### Cost as a Barrier

A for-profit business will generally be motivated by actions that reduce costs. Surprisingly, however, cost does not appear to be a strong motivator to reduce waste generation, with more than seven out of ten businesses across Australia feeling that the cost of their current waste bill is relatively low<sup>4,12</sup>. The perception that waste disposal is not a financial burden is a key barrier to encouraging more businesses to get on board with Reduce, Reuse, Recycle practices.

Around one in four Australian businesses actually say that the cost of recycling is a barrier to them improving their waste management practices<sup>4,13</sup>. Many businesses view waste as a fixed cost that cannot be reduced, with recycling perceived to be more expensive - even when this is not the case<sup>2</sup>.



**"First it's good for the environment and second it's good for our finances."** Sophie Lu, Friendly Supermarket, Waitara.  
[Find out more at BusinessRecycling](#).

If an SME needs to contribute financially to reduce their waste generation, one in five of them (18%) would expect a 12-month payback period in order to justify investment. Only one in four SMEs are willing to invest if there is a long term payback of between 4-10 years<sup>4</sup>.

### Time and Space

Across Australia around one in five businesses consistently say that time pressures and a lack of staff resources are a major barrier to making waste and recycling improvements<sup>4,13-15</sup>. Smaller businesses and those in the service industry, which typically have a casual dominated workforce and a high staff turnover, say they are affected by time constraints the most<sup>5,16</sup>.

One third of SMEs (37%) feel that they do not have sufficient space to establish additional bins or other waste management. However when asked if they feel this is a barrier that prevents them from making changes to their organisation's waste generation and recycling behaviour, only 9% of SMEs thought that it was<sup>4</sup>. This is consistent with other studies across Australia which have found only 6%<sup>13</sup> and 9%<sup>12</sup> of businesses state that a lack of space/storage prevents them from changing their waste management practices.

Despite the potential barriers that businesses can face, one third of SMEs say that there are no barriers to them improving their waste and recycling practices<sup>4</sup>.



**Artist paint manufacturer Derivan worked with their suppliers to increase cardboard recycling, thus saving \$50,000 a year.**  
[Find out more at BusinessRecycling](#).

One third of SMEs recognise that they lack knowledge to proceed with waste management improvements ...

## Knowing What To Do

Not having a clear knowledge of waste management and recycling can be a significant barrier to understanding what changes can be made to a business and how to implement them. One third of SMEs recognise that they lack knowledge to proceed with waste management improvements<sup>4</sup> and two thirds of Australian SMEs say they are actively trying to seek more information on how to reduce their environmental impact<sup>17</sup>. As these groups of businesses are aware of their gap in knowledge, they are more likely to be open to new information about reducing waste and optimising recycling opportunities<sup>4</sup>.

As previously mentioned, seven out of ten SMEs (71%) feel that their current waste bills are relatively low, thereby acting as a barrier to motivate businesses to assess their waste management practices. However less than a third of these businesses (30%) say that they actually know what these costs are and more than half of businesses (58%) keep no records at all on how much waste they produce<sup>4</sup>. This means that there is a large gap in knowledge between the burden of the waste they produce and the cost of disposal, which is likely being incorporated into their general building expenses (like rent).

A worrying finding is that seven out of ten SMEs (68%) think that they are already doing all they can in regards to waste management and recycling<sup>4</sup>. As the recycling rate for commercial and industrial waste is only 60%, there is clearly significantly more that can and should be done. Businesses that feel they have

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already optimised their waste management will be much less likely to seek information about changes in the waste industry and new services that are available to them. These businesses therefore need communications specifically tailored to disrupt their thinking and emphasise recent changes to waste management practices.

Nearly one in five SMEs (17%) believe that there are no obvious benefits to reducing waste and recycling more<sup>4</sup>. These businesses clearly have a significant gap in their knowledge not only regarding the environmental benefits of reducing waste to landfill, but the economic benefits it can have for their business through ethical and productive staff, satisfied clients and potentially reduced waste costs. How improved waste management can benefit a business should clearly be part of any promotional work targeted at SMEs.

## A Caffeine Hit

Business waste comes in many forms. A recent project carried out by Planet Ark with support from the City of Sydney estimated that 3,000 tonnes of coffee ground waste is generated by the 921 cafes and coffee shops located within the City of Sydney local government area each year. Around 93% of these grounds ended up in landfill, indicating a significant knowledge gap.



One in seven (14%) are planning to implement a waste and recycling management policy in the next 12 months.

## Taking Action

### Looking For Advice

One in six SMEs (16%) are planning to discuss waste and recycling with staff and one in seven (14%) are planning to implement a waste and recycling management policy sometime in the next twelve months<sup>4</sup>. This is a significant number of businesses that will be looking for information and advice. More than one in four (28%) SMEs reported having talked to their staff about these issues in the past 12 months and 19% had implemented a waste or recycling policy in that same period.

[BusinessRecycling.com.au](#) receives visits from thousands of Australian businesses each year seeking waste and recycling information and as policies like landfill levies and waste reduction incentives continue to be implemented more businesses will be looking to take positive actions.<sup>18-21</sup>.

### Know Your Waste

Conducting a waste audit is an important step in reviewing a business' waste management practices and identifying which materials can be removed from the waste stream and recycled. This audit may simply be done by a member of staff viewing the waste set up in the workplace and reviewing waste and recycling invoices to determine how much waste is generated. Alternatively a professional waste auditor can be used to obtain a more detailed and accurate understanding of the waste.<sup>22</sup>

[Bin Trim](#) is a free Excel tool for SMEs to measure their waste and provide tailored information to help reduce, reuse and recycle materials. Although set up for NSW, the tool can be used by businesses across Australia. NSW SMEs can also have a free assessment conducted by an EPA-funded Bin Trim Assessor.



Through a Bin Trim rebate the NSW EPA paid half the cost of a baler saving Modern Tiles Erina \$2,000 each year. [Find out more at BusinessRecycling](#).

[BusinessRecycling.com.au](#) provides online and phone advice to businesses on how to reduce waste and increase recycling. Details about where specific material types can be recycled across Australia are provided, making the process of finding the right recycling solutions for individual businesses quick and easy.

### Reduce Your Waste

Optimising waste management means more than simply diverting items from the waste bin to the recycling bin. It means learning how to reduce the volume of waste generated and reusing items as much as possible. [Behaviour Change Made Easy](#) is a series of research and behaviour change strategies to help businesses engage employees in reducing waste generation, recycle more and carry out positive environmental actions. Other resources include information on how to [Break the Barriers To Workplace Recycling](#) and [Choosing the Right Recycler](#). The focus of all of these resources is to simplify the process of improving waste management in the workplace, making it easier for businesses to reduce their waste generation.

Taking advantage of free recycling programs is one of the great ways for workplaces to start recycling.

'[Cartridges 4 Planet Ark](#)' is an innovative recycling program that collects the printer cartridges and toner of participating manufacturers for remanufacturing



**'Cartridges 4 Planet Ark' workplace collection box.**

and recycling by Close the Loop. Workplaces can have a collection box set up in their office, with free collection or postage when the bag is full.

**MobileMuster** is a free mobile phone recycling program, including batteries and accessories, financed by the mobile phone industry in Australia. As with 'Cartridges 4 Planet Ark', businesses can have a collection box set up in their office that is collected or posted for free when full.

## Promote Your Achievements

Promoting new waste management practices is important for businesses to not only ensure that all staff are aware of the new system, but to highlight their positive actions to customers and clients.

Free recycling signage can be downloaded from [BusinessRecycling.com.au](http://BusinessRecycling.com.au) to direct staff to the location of recycling bins and inform them where their waste should go.

There are several online tools where you can calculate the energy, water and greenhouse gases that have been saved by diverting common materials from landfill to be recycled including the NSW EPA's **Recyclator**, The Environmental Benefits of Business Recycling and Sustainability Victoria's **Life Cycle Assessment Calculator**. They provide free information for businesses to promote the environmental benefits their changes are making.



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