

Submission to the 20 Year Waste Strategy for NSW

“Clothing – Too Good to Waste”

A Submission
by
King Cotton Australia

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King Cotton Australia

King Cotton Australia (KCA) is a leading national clothing recycling operator with more than 40 years' experience in the industry. We operate one of the largest clothing bin networks in the country with more than 560 bins across Sydney and Melbourne.

KCA helps the community divert clothing and textiles from landfill and we facilitate the recycling of more than 150,000 kilograms every week. In 2018, KCA established Australia's first on-demand household collection service for clothing and textiles, which has serviced more than 20,000 unique collections.

With the material collected, KCA processes the clothing at a centralised warehouse in Punchbowl NSW where the product is sorted and packed. The warehouse and collection operations employ in excess of 40 people, in predominantly low-skilled positions. Material collected is either distributed to one of 8 retail outlets or baled for export to overseas markets.

Although KCA is not a charitable operator, it is committed to supporting charitable outcomes and donates 20% of gross profits to a number of key charities including Make a Wish Foundation, YouthSafe, Father Chris Riley's Youth off the Streets and Enough.

KCA's 8 retail outlets provide a valuable and tangible benefit to households seeking affordable, quality pre-owned clothing. The service is used extensively by very low to low- and moderate-income households as a way of providing clothing for their families. The absence of this service would have a negative effect on these households.

KCA has also partnered with the University of NSW to fund research into alternative uses of clothing as a way of increasing the diversion of waste textiles from landfill.

Overview of Clothing and Textiles Collection in Australia

Although there is no formal monitoring across the country, the ABS estimates that more than 500,000 tonnes of clothing and textiles ends up in landfill in Australia each year. Estimates also indicate that Australians purchase the equivalent of 27 kilograms of new clothing each year and dispose of 23 kilograms each year. More than 85% of ends up in landfill.

“500,000 tonnes of clothing and textiles ends up in landfill in Australia each year (ABS)”

This is reflected in the audits undertaken by the EPA and various local government authorities into the composition of household rubbish bins. *The disposal-based Survey of commercial and industrial waste in Sydney (2008)* determined that **garbage bag contents in mixed C&I waste included 5% textiles.**

The diversion of clothing from the waste stream is largely performed by charitable and private operators as a self-funded operation. Unlike glass, paper, cardboard and aluminium, the collection of clothing and textiles is largely ignored by Councils with very few local authorities having formal systems or policies to support their collection for recycling.

Once clothing has been collected and sorted, a small proportion is separated for resale at retail outlets in Australia - both charity and non-charity operated. Most of the clothing however is baled and exported for re-use in developing countries in Africa and the South Pacific. This clothing plays a critical role in providing quality affordable clothing for very low-income communities in these countries. KCA works with the overseas operators of this service to verify that employees are correctly and appropriately remunerated.

Both the charity and non-charity operated collection services rely on the export market to manage the surplus of clothing collected. The revenue from the sale of clothing in overseas markets underpins the collection, sorting and transport costs of the operation. The absence of an export market is likely to result in no viable (self-funded) domestic collection service and a massive increase in textiles to landfill.

The Relationship between Charitable and Non-Charitable Recyclers

Despite the apparent differences between the two types of operators in the sector, charity and non-charity organisations have similar operational models. Both groups obtain most of their clothing via collections from clothing bins. Clothing bins are commonly located on either public land (council sites, car parks, sporting fields...) or private land (shopping centres, service stations, private, registered clubs...).

Once collected, clothing is sorted for sale at local retail outlets or for export to overseas markets. While the sale of clothing in local shops is seen as the ideal, the income from the sale of exported material underpins the operations of the service.

There is also a close working relationship between charity and non-charity operators with the latter often undertaking collection services for charities or for disposing of surplus material to overseas markets on their behalf.

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The peak body for charity clothing operators – National Organisation of Charity Recycling Organisations – NACRO has recently modified their membership structure to enable non-charity members to play a role in the organisation. This reflects the inter-relationship between the sectors and the need for the industry to work collaboratively.

Opportunities for the Circular Economy

Clothing collected from clothing bins or from household collections should not be classified as waste. A t-shirt or a pair of jeans continues to be a t-shirt or a pair of jeans even after the original owner has parted with it. In this respect, clothing should be viewed like other commodities that can be disposed of by their original owner and be re-used by a new owner. It only becomes waste if it is not re-used or converted into an alternative product.

Clothing recyclers are currently exponents of the circular economy. The collection of clothing and resale of it either domestically or internationally ensures that the resources used in the production of the original garment are not wasted, but rather, are re-used for their intended purpose – clothing.

“The ability to export the surplus of what can be sold in Australia is fundamental to funding the continued operation of this no-cost service that receives no funding or payment from government or user”

It is vital for the continued viability of the sector that clothing that is collected is able to be sold for re-use. Clothing recyclers are happy to sell the majority of their clothing in Australia, but the market for second-hand clothing is limited, although it is growing. The ability to export the surplus of what can be sold in Australia is fundamental to funding the continued operation of this no-cost service that receives no funding or payment from government or user.

Of the clothing that is collected within Australia and exported overseas, the vast majority continues to be used as clothing. The balance (approximately 15%) is converted into rags and returned to Australia for use in industrial and cleaning applications.

Notwithstanding the sale of clothing both domestically and overseas, there remains other potential avenues for textiles that support the circular economy. King Cotton is committed to developing new channels for the use of textiles and to this end, has funded research by the University of NSW into alternative uses.

The Agreement supports research by NSI (New South Innovations) – a research arm of UNSW into the feasibility of producing wood/textile bio-composite from

waste. The product, when fully developed, will have applications in the production of material for office and household furniture.

Continued research by clothing recycling operators and government should be undertaken to explore as many alternative uses of textiles as possible to drive innovation and reduce waste textiles from ending up in landfill.

Risks and Opportunities

Risks:

Clothing recyclers currently self-fund the collection, re-use and recycling of clothing across Australia. This means that the service is free for all users including households, government and local authorities. The service helps divert thousands of tonnes of clothing that would otherwise end up in landfill, minimising the adverse impacts on the environment and reducing the costs of tipping.

This service depends on the ability to readily collect the clothing and textiles, resell selected items in the domestic market and export the balance to overseas markets. Any change in the regulatory arrangements that cover this service that must avoid removing the financial model that underpins this service.

Clothing recyclers would be willing to explore alternative uses for clothing to those currently utilised provided these alternative uses can adequately fund the collection and handling of the product.

Opportunities:

Clothing recyclers operate largely without support or assistance from government or local authorities. There is very little in the way of campaigns to raise awareness of the importance of keeping clothing and textiles out of the waste stream, and the means by which it can be achieved.

Local authorities play a key role in organising events that help households minimise waste to landfill. Chemical Clean-ups, E-Waste collection days, kerbside and place-based recycling programs, food-waste reduction programs are examples of council-supported and funded initiatives that assist households manage their waste.

The 500,000 tonnes of textiles sent to landfill each year could be dramatically reduced with the concerted support of state and local governments. This could include:

- Improve the ease with which clothing collection bins are placed on public land (at present, each council can prevent clothing collection bins – which account for more than 85% of clothing collections – from being sited on council land);
 - Recognising that around 5% of household waste is textiles and clothing, and promote the importance of recycling this resource through education campaigns;
 - Provide funding to support research into viable alternative uses for textiles that enable more of the collected product to be retained within Australia
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Recommendations:

The NSW Government's 20 Year Waste Strategy needs to:

- 1. Ensure the financial viability of the clothing collection/recycling sector by protecting the revenue sources and operational model of the industry;*
- 2. Establish a Clothing and Textiles Management Group – including operators and regulators - and which would work in collaboration to develop effective, sustainable policies that maximise the diversion of clothing from landfill;*
- 3. Support the sector to fund ongoing research into alternative uses for waste textile that can not be sold domestically or exported;*
- 4. Work with Councils to develop policies that facilitate the safe and efficient collection of clothing including on council-owned land;*
- 5. Undertake community awareness campaigns on the importance and methods of clothing recycling and the benefits to the environment and economy of doing so.*

Conclusion

Clothing collection and its diversion from the waste stream is a service currently provided for free by charity and non-charity operators. The ability for this free service to continue into the future requires any new regulatory framework to recognise the business model of the clothing recycling and re-use industry.

Any new strategy needs to be developed in collaboration with operators in the charity and non-charity sectors and any changes to the regulatory framework needs to ensure it remains financially viable. The absence of this outcome will see a significant rise in the quantity of clothing and textiles to landfill or a dramatic increase in collection costs for government and households.

In order to prioritise the diversion of clothing from landfill, the NSW Government, the EPA and local authorities need to support the sector by raising awareness of the environmental benefit of removing clothing from the waste stream. It also needs to identify and remove existing barriers to the efficient collection and recycling of clothing and textiles.

In order to help reduce the more than 500,000 tonnes of textiles and clothing that is dumped in landfill across Australia each year, the NSW Government needs to help support research programs into alternative uses for the clothing and textile that is unable to be sold, re-used or exported.