MEDIA RELEASE

FRAGMENTED STATE REGULATION DRIVES UP CONSTRUCTION COSTS AND HOLDS BACK RECYCLING

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Inconsistent and impractical environmental regulation adds to the cost of building homes and infrastructure while restricting the recovery of valuable construction materials, according to a new national industry survey.

Australia's construction industry generates more than 27 million tonnes of waste annually and spends around $2 billion on waste services. More than 80% of this material is recovered and returned to productive use, making recycling an essential part of Australia's construction supply chain.

However, a survey by the Australian Council of Recycling (ACOR) has identified significant environmental regulatory barriers that undermine investment in recycling infrastructure and limit material recovery.

ACOR CEO Suzanne Toumbourou said effective environmental regulation must protect the community while supporting responsible recycling.

"Recycled construction materials must be safe and fit for purpose, backed by strong standards and effective enforcement against operators who do the wrong thing. But regulation must also support responsible recyclers to recover valuable materials and return them to productive use.

"When materials that can be safely recovered are unnecessarily sent to landfill, construction projects face additional transport, disposal and waste levy costs. We also lose valuable local materials that could otherwise be used in roads, housing and infrastructure."

The survey assessed how environmental regulation across Australia's five mainland States supports resource recovery, examining environmental licensing and approvals, regulatory administration, enforcement, contamination controls and the use of recycled materials.

Environmental licensing delays were a concern across all five States, highlighting the need for improvement across all jurisdictions. South Australia ranked highest in the industry's assessment of how environmental regulation supports resource recovery, followed by Queensland and Western Australia. Victoria ranked fourth and New South Wales last, with NSW also facing significant concerns over impractical contamination standards and restrictions on the use of recycled materials.

Across Australia, recyclers reported that recovered materials face more stringent environmental regulation than virgin equivalents, while inconsistent requirements restrict markets for recycled construction products.

Industry estimates suggest that contaminant thresholds are sending around 5% of otherwise recoverable material to landfill, representing over 1.3 million tonnes annually across Australia. This adds avoidable pressure to landfill capacity at a time when Greater Sydney is already facing a projected annual shortfall of 2 million tonnes by 2031.

"Governments are focused on reducing construction costs and improving productivity. Reforming State environmental regulation should be part of that effort." Ms Toumbourou said.

ACOR is calling on State governments and environmental regulators to improve environmental licensing and approvals, adopt practical and risk-based contamination standards, strengthen compliance and enforcement, and establish nationally consistent environmental rules that allow safely recovered materials to compete fairly with virgin products.

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ACOR's *Industry Survey on construction & demolition recycling regulation* is available here

About ACOR

The Australian Council of Recycling (ACOR) is the preeminent industry forum for resource recovery, recycling and remanufacturing, leading the transition to circular economy in Australia. ACOR represents a growing industry that contributes almost $19 billion in economic value, generating broad social and environmental benefits. Our sector collects, sorts and reprocesses material, and makes new products with recycled content, creating more jobs for Australians. acor.org.au