

Managing waste data for the public good

Joe Pickin and Geoff Latimer, January 2020

There is a clear social benefit in providing public information about the movement and management of waste. Waste management often relies on good individual practices, and these are buttressed by public confidence in the sector. Transparency makes it easier for investors to identify infrastructure gaps, improves the standard of public and political debate, and means community groups, neighbours and governments can more easily identify risks and poor practices. Generators of hazardous or large waste streams will keep a more careful eye on their waste management if they know the public can see it too. Easily available data means secret stockpiles and criminal activity are less likely. Would it have been possible, for example, for massive volumes of solvents to be secreted throughout Victoria if recipients publicly reported what they received from where, and what they did with it?

At present, information on waste flows in Australia is limited in scope and detail by two major issues: reporting gaps and commercial confidentiality.

Reporting gaps

Most jurisdictions require reporting from most landfills, typically to ensure levies are properly collected and passed to the state. Some jurisdictions – NSW, Queensland, the ACT and WA – have established or are moving towards compulsory reporting by processors of waste collected for recycling. Most jurisdictions require reporting of movements of hazardous waste, although some still rely on old-fashioned paper certificates that are time-consuming to process and generate poor quality data.

However, there are many gaps. Landfills outside the Perth metropolitan area don't have to report, and some of these may be receiving large quantities of C&D waste that should be subject to the WA levy. Voluntary surveys of the recycling industry have worked well for SA and Victoria for many years, but facilities may decline to report, for example when upset about an unfavourable government decision. I was informed one jurisdiction doesn't ask about stockpiles because 'why would they tell us?'. Several large companies recently declined to respond to a major survey of MRFs intended to help plan public investments in the sector.

Commercial confidentiality

Governments collect waste information for a range of purposes, including levy collection, planning and monitoring, but generally report only collated and aggregated information. Site-specific and disaggregated information are hidden due to commercial confidentiality constraints in state and territory legislation. Potential penalties for unauthorised disclosure by public servants or their consultants include large fines and jail time.

The constraints can be extremely tight, sometimes preventing data sharing of even innocuous aggregated data between levels or agencies of government. Victoria's new Environment Protection Act has hopefully resolved the issue, but for many years Sustainability Victoria and Victorian waste and resource recovery groups were unable to access information held by EPA Victoria that was of obvious benefit in fulfilling their statutory functions, including waste receipts and landfill capacities. A public servant from another jurisdiction told me that our request, on behalf of the Commonwealth, for a tonnage figure on the total quantity of a particular hazardous waste generated in that jurisdiction would not receive a response because it could theoretically result in staff going to jail.

Commercial confidentiality constraints were developed alongside reporting requirements. The deal between the waste industry and government was: 'we agree to provide information to you so long as you promise to keep it secret'. The concern is understandable – no operator wants their activities,

markets and processes to be available to commercial rivals, who might use it to poach business or copy their innovations.

But what if all companies' information simultaneously become publicly available? This is a very different scenario. It might be uncomfortable for some operators, but the main issue of unfair advantage would be absent. Would they even care? We note that orthodox economics sees access to market information as a public good and an enabler of market efficiency. Why would we allow narrow commercial interests to reduce market efficiency in this area of crucial public interest?

National Pollutant Inventory as a precedent

A precedent casts light on the previous question. The National Pollutant Inventory (NPI) was established in 1998 as a compulsory mechanism for publicly disclosing what companies emit to the (predominantly air) environment, covering a range of chemical pollutants. As it was developed, there were protestations from industry that it was an outrageous over-reach: mandatory reporting in tonnes per year of pollutants emitted from specific facilities, with full records of company name and address – all in one big, downloadable database on the internet!

The widely voiced concern was commercial confidentiality; a competitor could back-calculate critical throughput and production information, based on public knowledge of emission outputs, and so glean an unfair insight into business operations. In response, Government established a procedure to assess reports flagged as potentially commercially confidential, with successful claims resulting in the publication of aggregated data only. A review of the last 10 National Environment Protection Council annual reports reveals only one claim for commercial confidentiality. The Commonwealth Department of the Environment and Energy advises that no such claims have been successful over the 20 years of the program. An examination of the 2018 NPI review discussion paper and submissions found no reference to commercial confidentiality concerns. It appears to be a non-issue.

Conclusions

We maintain that weakness in reporting requirements and subservience to industry preferences is undermining appropriate public oversight of waste generation and management. Given the recent failings of waste governance, it is time for a rethink. The public interest would be better served if data on waste types, quantities, sources, facilities, processes, pathways and fates were much more publicly transparent. The default position of state and territory governments should be to require this information from significant waste generators and waste operators above some low threshold level of throughput. Reporting exemptions should be available on a case-by-case basis where a sound rationale is provided. Governments should report this information in disaggregated and aggregated forms.

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