

  
**Senator the Hon Don Farrell**

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**Parliamentary Secretary for Sustainability and Urban Water**

B11/1966

Mr David Petrie  
President  
Australian Tyre Industry Council  
Level 2, 464 St Kilda Road,  
MELBOURNE VIC 3004

17 NOV 2011

Dear Mr Petrie

I write to thank you for the contribution your organisation has made to the development of a product stewardship scheme for tyres, through its representation on the Tyre Implementation Working Group (IWG), and to advise you of the outcome of recent consideration of the scheme by the COAG Standing Council on Environment and Water.

As you would be aware, in November 2009 environment ministers asked the tyre industry to develop a voluntary industry-led product stewardship scheme and in response, the tyre industry and governments established the Tyre IWG. The Tyre IWG's membership comprises representatives of the major stakeholders in the supply chain: the Australian Tyre Industry Council, Federal Chamber of Automotive Industries, Motor Trades Association of Australia, Australian Tyre Recyclers Association, Victorian Automobile Chamber of Commerce, as well as the Australian, New South Wales and Queensland governments.

On 8 August 2011, I was pleased to meet with the industry members of the Tyre IWG to discuss aspects of the proposed product stewardship scheme for tyres. At that meeting, I made a commitment to assist in progressing the work on tyres and to support its accreditation as a voluntary arrangement under the *Product Stewardship Act 2011* (the Act), provided the scheme works and complies with the relevant requirements.

Subsequently, at a meeting of the COAG Standing Council on Environment and Water on 16 September 2011, Australia's environment ministers considered the report from the Independent Chair of the Tyre IWG and the draft scheme guidelines prepared by the Tyre IWG.

At that meeting, ministers congratulated the tyre industry, giving in-principle support to its model for a voluntary product stewardship scheme, and encouraged the industry to consult with key stakeholders on the development of the guidelines through the establishment of Tyre Stewardship Australia (TSA) and to seek accreditation under the Act. Support was based on the comprehensive nature of the proposed scheme, and the involvement of representatives of the whole supply chain in its development and implementation. Ministers also agreed to refer a number of complementary measures relating to regulation and procurement policy that would support the scheme, to one of its committees for action.

The Independent Chair's report to ministers advised that the Tyre IWG had completed its work and was to be replaced by an interim board of directors for TSA. I understand that a key

task for the interim board was to be the completion of the draft guidelines, with the scheme to commence in 2012.

I understand that the transition from the Tyre IWG to the TSA has not yet occurred, with the interim board of the TSA not yet established. As a result, the level of engagement of the full range of key stakeholders has been significantly reduced. I believe it is important that representatives from the whole supply chain are involved in the ongoing development of a voluntary product stewardship scheme, particularly in the scheme's design.

It is clear that excellent progress has been made to date by the Tyre IWG and I am keen to see this process continue without further delay. I therefore suggest that it would be appropriate to reconvene the Tyre IWG to provide a forum for completing the scheme's design in the absence of the interim board of TSA.

It is important that the design of the tyres scheme is sufficiently robust to achieve accreditation under the Act. Tyres have been identified by environment ministers as one of the first products to be accredited under the voluntary provisions of the Act. Consultations on the processes that will apply to the accreditation of voluntary product stewardship arrangements will commence soon. The reconvened Tyre IWG will provide an effective mechanism for representatives of the tyres supply chain to provide input during these consultations.

The Department of Sustainability, Environment, Water, Population and Communities will contact you shortly on a date and venue for convening a meeting of the Tyre IWG. If you wish to discuss any issues raised in this letter, please contact Dr Diana Wright, First Assistant Secretary, on 02 6274 2604 or [diana.wright@environment.gov.au](mailto:diana.wright@environment.gov.au).

I have provided a copy of this letter to Mr Silvio de Denaro, Secretary, Australian Tyre Industry Council.

Yours sincerely



Senator Don Farrell