# **Reusing Wheels, Not Reinventing Them**

A Guide for Developing a Reuse Centre



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## **Reusing Wheels, Not Reinventing Them**

A Guide for Developing a Reuse Centre



A New South Wales Government Initiative



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## Disclaimer

All recommendations are made to the best of the project management's knowledge and belief at the time of publication. Later changes in legislation and practice cannot be honoured.

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## Distribution

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## About Reverse Garbage Co-operative, Sydney

Reverse Garbage was established in 1975 by a group of teachers who saw the need to address the growing demand for a source of cheap educational materials as well as the need to save large amounts of useful materials going directly to landfill.

Today we are the largest creative reuse project in the southern hemisphere employing twelve permanent staff in our materials trading, education and consultancy services from our two depots in Sydney, at Marrickville in the inner west and Casula in the south western suburbs.

The materials trading service links industry and the creative community by collecting and diverting off-cuts, rejects, over-runs and other discarded materials away from their usual destination, the rubbish tip, and making them available to people in the community who find a huge range of creative and practical uses for these materials. Since starting we have collected an average of 8,000 cubic metres per year.

We also provide high quality and innovative waste awareness and creative education and training programs for local councils, schools, vacation care, adult education, government and industry catering to English speakers as well as for people from non-English speaking backgrounds.

Our recently established consulting service has completed projects for the NSW Environment Protection Authority and NSW Regional Waste Boards.

#### Reverse Garbage's aim is:

To work co-operatively with all interested parties to achieve waste minimisation through promotion of longer life use of resources; to implement education programs and mutual benefit projects with the community, industry and government and to be a democratic co-operative committed to internationally accepted principles of co-operation.

Beyond the obvious benefits of our services, our work is also beneficial by educating people on how to re-think waste and garbage, to appreciate both natural and manufactured materials and to be more aware of using our planet's precious resources thoughtfully.

Stephen Mitchell for Reverse Garbage Co-operative, Sydney

## About this handbook

## About the Reuse Centres Development Project

The Reuse Centres Development Project is a response to the many requests Reverse Garbage Co-operative, Sydney receives about how to set up a similar operation in other areas. Rather than a quick half hour of advice on the run we realised there is a lot of work and time involved in explaining all the ins and outs of the business, and so we applied for funding to develop this handbook.

We also decided it would be beneficial to hold a series of seminars and workshops throughout NSW to reach interested people and establish a network of contacts. Five workshops were conducted in 1998 and were very successful.

Since we started the project organisations similar to Reverse Garbage have been set up in Adelaide, Brisbane and recently Surfers Paradise. We hope this handbook ends up in the hands of energetic people in other places who see the craziness of throwing good resources away and will do something about it. This handbook is all about helping you do something about it!

Happy Reusing.

#### Stephen Mitchell for Reverse Garbage Co-operative, Sydney

## How to use this handbook

Here are a few points and tips on how to use this handbook:

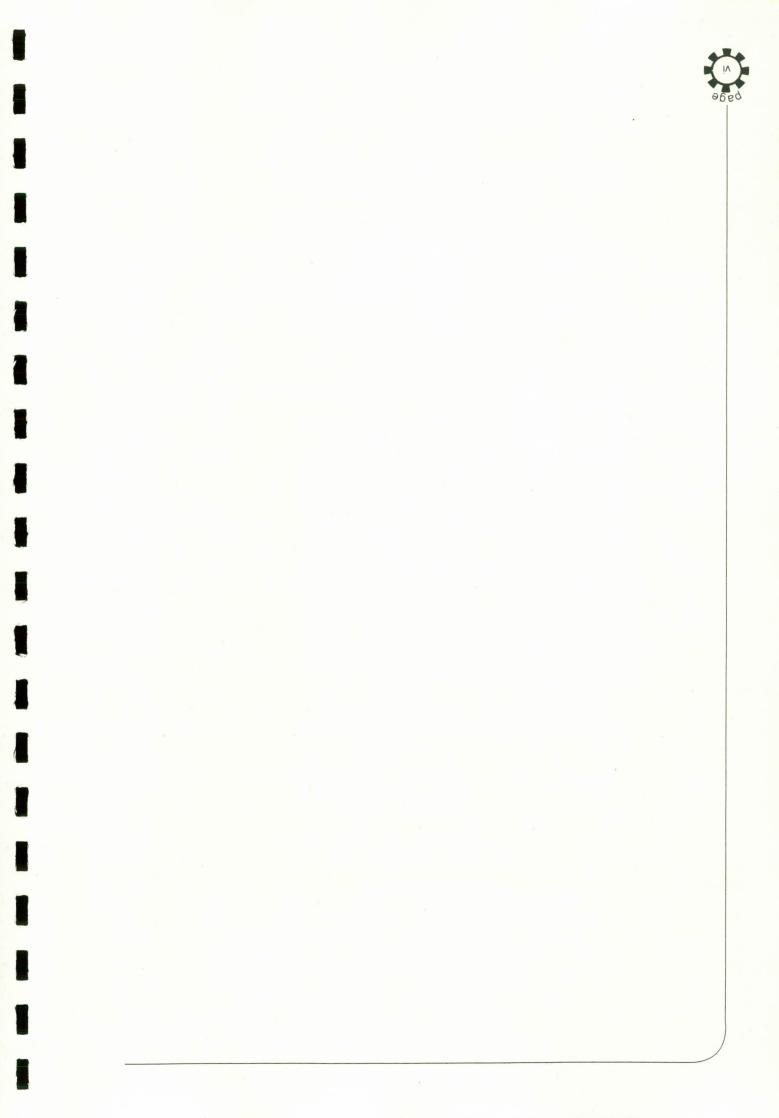
- It's updateable
- It's modular
- The content is NSW specific in places
- There are some issues which are more straight 'business management' than 'reuse enterprise' issues. These have been included anyway – as an overview/to ensure completeness – as it is a 'handbook' less a 'Reverse Garbage story'
- This handbook will not provide you with the magic formula for success! The setup journey is unique for each and every enterprise you'll need to apply the information it contains to your own circumstances
- Each chapter has a standard format, references from each chapter and resources for further information are listed at the end of the chapter
- Also, refer to the INFO PAGES (Appendix A) for more contacts and resources. Throughout the handbook you will find references to the info pages. Most of the contacts listed in the text are detailed in the info pages.



## Table Of Contents

page	
1	Chapter 1 – Rethinking reuse
5	Chapter 2 – What is your idea?
15	Chapter 3 – Feasibility
23	Chapter 4 – Steps to setting up
33	Chapter 5 – Choosing a business structure
39	Chapter 6 – Business planning
45	Chapter 7 – Resources for startup
53	Chapter 8 – The people of your enterprise
63	Chapter 9 – Operations, siting, and infrastructure
69	Chapter 10 – Business essentials
77	Glossary
81	Appendix A – Info pages
92	Appendix B – Existing reuse centres
96	Appendix C – Models and case studies for reuse enterprises
104	Appendix D – Materials database
111	Appendix E – Summary of Reverse Garbage materials
113	Appendix F – Reverse Garbage – dummy accounts
115	Appendix G – Reverse Garbage – sample employment forms and policies
127	Appendix H – Reverse Garbage – sample project management forms







#### **Rethinking REUSE**

Every year, for each Australian one tonne of solid domestic, commercial and industrial waste will go to landfill; as noted by Shawn Andrews Commonwealth Department of Environment 1998. It's a growing pile of garbage – developing societies generate more waste per person than ever before. Included in this waste is an ever-growing stream of materials whose useful lives have not been exhausted – potentially reusable goods or resources for enterprise.

Reuse is already considered as a legitimate
albeit humble – activity within a large sector of the community. Think of the local charity groups and second hand dealers, scrap metal merchants and the like who have eked a living and provided community services from the income derived from 'unwanted goods'.
This chapter looks at how further growth of the resuse sector can benefit the community by:

Returning valuable resources
 to the economy

· Reducing waste

 Creating employment & fostering community spirit

· Creating educational opportunities

<<< For more details on the WMMA Act, other legislation, waste boards and waste forums, refer to the 'info pages' at the back of the handbook <<<



## Reuse: a value, not volume approach to waste management

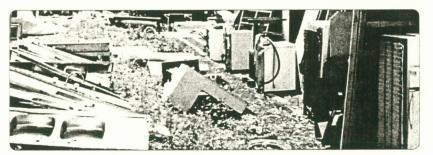
Reuse alone will not achieve a major reduction in the amount of waste disposed – but it might go further than we assume – and economic opportunities arise if we take a 'value, not volume' approach to waste management.

#### **CASE STUDY: Resource Work Co-operative, HOBART**

Resource Work Co-operative, Hobart is a salvage and 'tip shop' business, operating from two landfills in Hobart. A recent survey of the tip found that at least 20% of what was disposed at each landfill was potential product for their operation. From a population of 140,000, an average of 200 m<sup>3</sup> is diverted for reuse every week – generating an annual turnover of half a million dollars.

Reverse Garbage Co-operative, Sydney is a community business, collecting industrial discards and reselling the resources for creative community use from two Sydney depots, in Marrickville and Casula. About 8,000 cubic metres of reusable materials including wood, paper, perspex, rubber, fabric and theatre props are saved from landfill each year.

As part of this project, case studies and surveys have been unearthed which demonstrate the untapped potential of reuse as a waste minimisation tool.



According to the US Environmental Protection Agency, 24.8 million tonnes of appliances, furniture, carpets, and miscellaneous durables were discarded in 1993, but only 2 million tonnes were recovered. The institute for Local Self Reliance estimates that 5% of the total waste stream can be recovered by reuse enterprises<sup>1</sup>.

In short, there is an oversupply unwanted 'resources', and an under supply of enterprise.

## **Waste Reduction Potential**

Designing for obsolescence has been legitimised through the machinations of mass production – where disposable is 'convenient'. Heavily packaged products with short life-spans suit monopolised large scale distribution systems, which go hand in hand with supermarkets and department stores.

Remanufacturing, reconditioning, repair and refurbishing present opportunities for small business within our local economy – toner cartridges, electrical, IT, whitegoods.

A 1993 US EPA estimate of reuse operation potential found that 13% of the municipal waste stream consisted of appliances, furniture, carpets and miscellaneous durables, materials able to be recovered and reused. If this estimate was applied to the Wollongong waste stream, some 18,400 tonnes of reusables could potentially be recovered for reuse each year.

#### **CASE STUDY: Tasmanian Trash Transformers**

Tasmanian Trash Transformers manages the operations at two rural landfills, which service a population of 5,000 people. The 'reuse shop' at the tip provides more income than their recycling operations.



Revolve, Canberra is a salvage and retail based business which operates from two tips in Canberra. In 1993/94, 3,000 tonnes of material was diverted from landfill, generating \$1 million. The estimated annual savings to Council (and therefore the community) due to waste diverted totaled \$75,000.

## **Reuse and community development**

'REVOLVE is about closing the loop in your local economy and turning waste management into resource management, creating a public asset out of a public liability'<sup>2</sup>

## **Employment Generation**

Reuse creates jobs. Staff are required at all points in the closing of the product loop: locating, selecting and retrieving end of life items and materials; transporting, exchanging and storing your stock; disassembling, refurbishing, renovating, reconditioning, reprocessing and reusing; warehousing, retailing, and product development.

The key to employment creation is small to medium enterprise. As well as the reuse activities mentioned above, 'offshoot enterprises' arise which base their business opportunities on reuse. The low cost of reused materials gives an enterprise a competitive edge for business that otherwise may not be able to survive or expand<sup>3</sup>.

#### **CASE STUDY: Textile Industry**

A San Francisco Bay Area textile company retrieves unwanted fabrics, textiles, and clothes from large generators (charity groups which specialise in clothing reuse). These 'out of spec' reusables are reconstituted as high-quality industrial rags, carpet backing, oil-absorbent products and woven wipers. With sales exceeding \$10 million, the business employs 125 people<sup>4</sup>.

<<< For more information: The US EPA's Jobs Through Recycling website: www.epa.gov/jtr, where US Market development professionals participate on the internet list server to trade guestions, answers and ideas. <<<

## **Community Invigoration**

Employment generation is one key to invigorating local economies and communities. There are other avenues. Reuse enterprise has the potential to tap into deep roots within our community and recharge.

It was not so long ago that the 'thrift ethic' was the norm, and the associated skills and innovations required to repair, value-add and extend product life were part of most communities. Lending, mending, sharing and bartering services are all potentially viable business concepts, which continue this tradition.

## CASE STUDY: Alphingon Self Help Toy Library, MELBOURNE

Alphington Self Help Toy Library, Melbourne is a toy lending service in Melbourne, which operates from a community centre every Saturday morning. The toy library was established through the work of 8 volunteers, including retirees, and approximately \$5,000 to purchase toys and a computer tracking system. 600 members pay \$10 per child, which entitles them to borrow a new toy every fortnight.

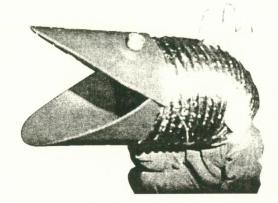




## **Educational Potential**

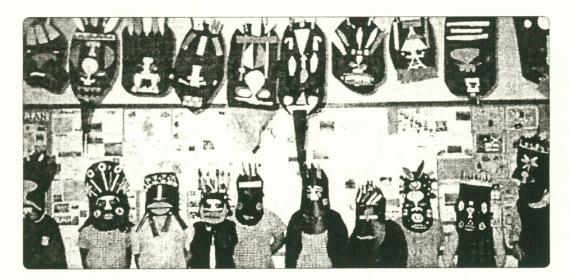
Reuse provides a variety of highly valuable opportunities for educating the community. In turn, these opportunities can be used to create additional revenue for your resuse centre. Education Services from a Reuse Centre can involve the following:

- Educational centres
  - Pre-School & Childcare
  - Primary
  - Secondary
  - Tertiary
- Community Organisations
- Government & Government bodies
  - Local
  - State
  - Federal



## Resources

- For more details on the Waste Minimisation Act (WMMA), other legislation, waste boards and waste forums, refer to the info pages at the back of the handbook.
- The US EPA's Jobs Through Recycling website: www.epa.gov/jtr.



## References

- <sup>1</sup> Institute for Local Self Reliance, 1995
- <sup>2</sup> 'REVOLVE Job Creation through resource conservation', Revolve booklet
- <sup>3</sup> New York Times
- <sup>4</sup> www.materials4future.org/r-ced.html





#### What is your idea?

So you've got an idea and you're thinking about setting up a reuse enterprise?

Reuse businesses can take on many different forms; depending on their size, the kind of stock they trade, their location (at a tip or in a retail centre), their suppliers and the kinds of services they provide. The key word to describe reuse enterprises is diversity – a reuse enterprise can be anything from a toy library to a computer recondition and exchange business.

> To demonstrate the diversity of reuse enterprise, this chapter showcases successful Australian and overseas reuse businesses. Read on to explore your idea further and to define where your 'reuse niche' might be.



## What is a 'Reuse enterprise?'

If you look around your local community it's quite likely that you will find a range of reuse enterprises already at work.

#### SOME COMMON TYPES OF REUSE BUSINESS include ...

#### 'Local Enterprise Trading Schemes' (LETS)

Market stalls, flea markets, garage sales, charity stores, auctions, trading posts, LETS and other or barter systems, scrap metal dealers, smash repairers, refurbishers and other value adding businesses, retread tyres, 'seconds' shops and pawn brokers.

Some businesses have been established which operate with the main objective of diverting waste from disposal to productive reuse. These 'reuse centres' can be described as businesses which:

'accept used, overstocked, outdated, and below-standard materials and make them available to recipients – who often include the public interest sector, the general public, and low income individuals'<sup>1</sup>

It's a fine line between a reuse business and a second hand business. However, we can distinguish between them as a reuse enterprise deals directly with 'discards' – or items which will be 'thrown out' into the 'waste stream'. One key goal of a reuse enterprise is to extend the useful life of discards by diverting them from disposal and transforming them into saleable products. A further goal is to minimise resource use.

When we treat what is known as 'waste' as a source of stock new business opportunities arise, many of them unexplored. Consider the 'stock' sold at a reuse centre such as Reverse Garbage:

#### **CASE STUDY: Reverse Garbage Co-operative, SYDNEY**

#### "More Fun, Less Waste"

**Paper and cardboard:** good boxes (all sizes), coloured paper, white paper (rolls and sheets), cardboard sheets, gold and silver paper, cardboard cones, mountboard

**Plastics:** perspex, foam, cut-outs, polypropylene, gasket punch-outs, vinyl, O-rings, acetate, expanded polystyrene (sheets and blocks), containers

Fabric: rolls, swatches (sample books), stripping, fake fur, felt, large fabric offcuts
Wood: any de-nailed timber, MDF, laminated particle board, veneer, spools, frames
Haberdashery: zippers, buttons, thread, belts, clips, shoulder pads
Stationery: office stationery, envelopes, folders, paper, clip boards, pens and more

Computer parts: circuit boards, keyboards, power supplies

Leather: belts, rolls, skins, offcuts (larger than hand size)

Containers: fibre drums, plastic drums, boxes (flattened)

Display materials: mannequins, decorations, display counters and boxes

Metals: punch-outs, shelving brackets, wire

**Other:** springs, wheels, rubber, audio and video cassettes, moulds, scourer offcuts, wool, games, knobs, cushion or toy filler and lots more besides!!!!!



## Your reuse niche

It will pay you to know where your opportunities are, how you are unique or innovative, and where your service complements or out-competes other business. A 'reuse niche' is the particular place your business will fill within the community and business sector. When exploring and defining your niche, consider factors such as:

- The type and range of stock will you trade in a range of items, or focus on just one kind of product? For example, you may specialise in computers and electrical equipment.
- Your suppliers will your stock come from the commercial and industrial waste stream, building and demolition waste stream, or household solid waste stream?
- How you procure stock will you pay for stock or seek donations?
- The kind of service you will provide your customers – you can collect goods and store



them in a warehouse for retail; or provide a brokerage service and charge for organising the exchange of unwanted goods between donors and recipients. Reuse operations can be combined with recycling, dissasembly for scrap and other waste related activities.

- 5. Will you provide complementary services in consultancy or education?
- 6. **Your** *customers* Government, small business, scrap dealers, the arts and craft sector, and the general public are just some of your potential customer base.
- 7. Will you value add? Refurbishing or repair may be a feature of your business.

#### CASE STUDY: Reverse Garbage Co-operative, Sydney's 'Reuse Niche'

Reverse Garbage specialises in providing commercial and industrial discards. Stock must be safe, clean and non-toxic. Most stock is 'pre-consumer waste' – meaning that

it is picked up 'from the factory floor'. Stock is donated and sold 'as is', from two retail depots.

A major customer base is the education, arts and crafts sectors.

An education program and waste consultancy supports and complements retail activities and advocates a 'waste reduction' message within communities throughout New South Wales.

Let's take a closer look at the three factors that are fundamental to your reuse niche:

- your stock;
- your suppliers; and
- how to procure your goods.



## Your Stock: what can be reused?

## Unloved or Pre-loved?

There are two basic categories of reusables: unloved and preloved. Unloved reusables have never been used. They can also be described as out of date, off-specifications, overstocked, seconds and offcuts. Preloved items are no longer needed or wanted by their owners, but could still be reused by others. These may also be described as 'second hand' goods.

The range of materials which reuse centres can deal with is diverse - consider Table 1.

#### TABLE 1: Range of Materials Reuse Centres Trade<sup>2</sup>

industrial discards		
whitegoods		
furniture		
household appliances		
building materials		
clothing		
garden waste		
recyclables – glass, paper and cardboard, scrap metal, P	PET etc	

<<< The database in Appendix D outlines stock for a typical commercial and industrial reuse enterprise. The 'info pages' list contacts for stock-specific reuse business ideas. <<<

## **Reuse and Recycling**

Be aware that there is a difference between 'reusing' and 'recycling'. Recycling typically involves some form of process which breaks an item or product down to its constituent materials – such as shredding and pulping a book for remanufacturing into recycled paper. A reuse enterprise deals with both materials and items – the book may be of more value when it is sold as is, to be reread. Paper offcuts from a printer might be sold as an art and craft material.

A reuse enterprise is therefore different to a typical recycling operation – which will trade in materials such as paper, glass and plastics. Your customers may not make this distinction – and may be inclined describe reusing as recycling. So be aware when communicating your idea. Reuse can work alongside of recycling activities, as Kiama Council's 'Minnamurra Revolve' illustrates.

#### **CASE STUDY: Minnamurra Revolve, KIAMA**

When you pay a visit to Kiama Council's 'Minnamurra Revolve' you pass by a number of collection points before you reach the area for unloading waste to be landfilled.

Car batteries, gas cylinders, white goods and other items are dismantled for scrap which is recycled. Waste oils are collected and sold to a local contractor for recycling. There is also a collection point for household hazardous chemicals. Wood waste is landfilled if contaminated, or cut and resold if not. Green waste is chipped and resold. Drop-off areas for glass, paper and aluminium are provided. These materials are then added to the materials collected from the kerbside recycling bins.

Potentially reusable items (household and business furniture, bric a brac etc.) can also be delivered to the tipshop shed, where they are stored and sold. Sales of approximately \$20,000 per annum are made.



## **Hazardous Materials**

Because you are dealing with discards, there are risks – you'll need to consider safety and liability when choosing your stock.

If you deal with 'hazardous' materials be aware of your Occupational Health and Safety, product liability and legislation obligations. Find out about your local Council's provisions for managing hazardous waste. Reverse Garbage Co-operative, Sydney has made a conscious decision not to trade in these products – as it conflicts with our chief customer group – children.

<<< For more information about how stock can shape your business, turn to Chapter 4 (feasibility) and Chapter 9 (operations). <<<

### Who are your suppliers?

A key factor for success is securing good suppliers. Reuse operations are unlike your typical retail outlet – you'll have to work harder to procure your stock. When considering your idea, take a quick look at your local business, industry and community – they all throw things away, and they are all potential suppliers!

Potential suppliers include waste disposal facilities (landfills, transfer stations). Council hard waste (clean up) collections, commercial and industrial businesses, household drop off, State and Local Government. Reverse Garbage Co-operative, Sydney has summarised materials which have proved to be reusable. Appendix E contains a summary of these materials, where they can be accessed, their reuse value and waste stream reduction impact.

<<< Appendix E for a summary of Reverse Garbage materials. <<<

Resource Work Co-operative, Hobart surveyed the two largest landfills in Tasmania from a reuse perspective. Table 2 summarises the major waste producers who arrived at the tip with potentially reusable items. You can use their findings and your local research to identify potential suppliers.

However, experience suggests that doing the extra legwork – visiting potential commercial and industrial suppliers – is perhaps the most sound way to identify who your potential suppliers may be.

	% of reusables
Construction industry	23%
(include: disposal companies for construction & demolition)	(4%)
Retailers and wholesalers	22%
Domestic self – haulers	14%
Manufacturers	14%
Waste disposal companies with commercial/industrial loads	13%
Commercial (property and business) services	8%

#### TABLE 2: Where do Reusables come from?<sup>3</sup>



## **Procuring stock**

You've thought about what your stock could be and who your suppliers might be. It's now time to think about how you might go about procuring your stock.

To you, pickup from a factory floor might mean 'procuring supplies'. To your supplier, you are providing a 'waste service'. Think about what your supplier's needs may be, and be ready to communicate what you can do for them, and what you'd like them to do for you in return!

There are a few options for procuring stock from suppliers – these are outlined in Table 3.

Seek donations from suppliers	Reverse Garbage Truck, Melbourne Reverse Garbage Co-operative, Sydney
Seek donations and offer payment	Reverse Garbage Co-operative, Sydney Urban Ore, US
Always pay	scrap metal dealers, antique traders
Pickup from supplier's site	Reverse Garbage Co-operative, Sydney
Kerbside pickup, arrange w/ council	The Bower Reuse and Repair Centre, Marrickville
Drop-off at your site	Tasmanian Trash Transformers, Deloraine Minnamurra Revolve, Kiama Wangarang Recycling, Orange Aussie Junk, North Albury Western Reuse and Repair Centre, Lavington
Salvage from tipface and drop-off	Revolve, Canberra Resource Work Co-operative, Hobart Salamander Bay Refused and Reused

### TABLE 3: Methods of Procuring Stock

<<< See Appendix B for contact details of the above reuse enterprises <<<

Chapter 2

What is your idea?

Your suppliers are your bread and butter, and you need to give serious consideration as to how you will find them and keep them. Here's some tips from Reverse Garbage Co-operative, Sydney.

## **Materials Collection**

Reverse Garbage Co-operative can regularly pick up or accept large quantities of reusable offcuts, discards or reject materials for free from your factory, shop or warehouse if the materials fall into the following catorgories:

#### ReUsable

Offcuts must be of reasonable size and regular in shape.

#### **Clean and Safe**

The whole community including schools, childcare centres, neighbourhood centres and festivals will reuse the materials so they need to be clean. We need to ensure that all materials, containers, off-cuts, rolls, bins or bags collected are not hazardous. If we are in doubt we will ask for a Materials Safety Data Sheet.

#### Separated

We can provide your business with clearly marked containers of different sizes for you to separate materials as convenietly and practically as possible. This makes it easier for you to store and easier for us to collect.

#### Quantity

We pick up large amounts of materials on a regular basis or special one-off items such as displays or fittings. We can not pick up small amounts of materials.

#### Location and Accessibility

We do runs into various areas of Sydney on a regular schedule so we usually only pick up when in that area. We can arrange urgent pickups depending on suitability, quantity, warehouse space and truck availability.

To make it economic for us to pick up and safe for our drivers, materials must be easily accessible, perferably on the ground floor and there must be suitable parking close to the materials. If the materials are bulky and heavy you may need to provide help loading them on.



## What Reverse Garbage Accept or Pickup

As a general guide, if you think it's too good to throw away give us a call. Here are some examples:

- **Paper and cardboard** good boxes (all sizes), coloured paper, white paper (rolls and sheets), cardboard sheets, gold and silver paper, cardboard cones, mountboard
- **Plastics** perspex, foam, cut-outs, polypropylene, gasket punch-outs, vinyl, O-rings, acetate, expanded polystyrene (sheets and blocks), containers
- Fabric rolls, swatches (sample books), stripping, fake fur, large fabric offcuts
- Wood any de-nailed timber, MDF, laminated particle board, veneer, spools, frames
- Haberdashery zippers, buttons, thread, belts, clips, shoulder pads
- Stationery envelopes, office stationery, interesting shapes
- **Computer parts** mother boards, keyboards, power supplies, hard drives, monitors, printers
- **Leather** belts, rolls, skins, offcuts (larger than hand size)
- **Containers** fibre drums, plastic drums, boxes (flattened)
- **Display materials** mannequins, decorations, display
- Metals punch-outs, shelving brackets, wire
- **Other** springs, wheels, rubber, audio and video cassettes, moulds, scourer offcuts, wool, games, knobs, cushion or toy filler .... and lots more besides!!!

If you have materials or products that your business throws out regularly or you're having a big clean up and you think that Reverse Garbage may be able to use what you can't, give our Operations Manager, Steve Mitchell a call on 9569 3132.





## **Reverse Garbage Tips for Finding and Keeping Suppliers**

It is very important when dealing with suppliers that we treat them with respect, honesty and courtesy at all times. They are also customers so we must: be reliable, punctual, keep them informed of changes to pick up days and offer alternatives if we cannot take the materials.

#### **Professional Presentation**

- Always have on hand brochures, business cards and "what we take" fact sheets to give to interested people. Often suppliers become customers and customers become suppliers.
- Wear the Reverse Garbage shirt and steel capped boots at all times.

#### **Professional Courtesy**

- Respect and observe any safety and security procedures that businesses have.
- In busy loading docks, consider other users and be as quick as possible.
- Replace any drums you take. If you can't replace them then and there, advise when you can and inform the operations manager.
- If you are on holidays or sick, we have to send someone else out to pick up. Make sure pick up details, name changes and phone numbers are kept up to date
- If a supplier isn't there at the agreed time, try the contact number. If you can't contact them and can't wait, leave a business card to show we were there at the agreed time.
- Don't promise people we can pick up materials regularly or accept a particular material, particularly if you are new and learning about suitable materials. Tell them we may be able to. Question them on how much they have, how regularly and what quality. Bring a sample to the attention of the Operations Manager and other staff if it is promising.
- If someone in the factory offers you materials we don't normally pick up and they are acceptable, make sure that this has the approval of their supervisor.

#### **Professional Communication**

- Have on hand information that offers alternatives to disposal. Talk to suppliers about ways to recycle and reduce waste.
- If people ask were the material is going, a good way to explain what you do is to say that you collect material that would otherwise go into landfill, and make it available to creative and practical people.
- It is important that all postal details are correct. Write on the run sheet any changes and get surnames and job titles if this applies, particularly in large businesses.

## **Existing Reuse enterprises**

One advantage of reuse is that there is a wide range of unexplored niches – it's very likely that you will be creating something new within the community. This can also present risks – as you leap into the unknown, and encourage others to do so by supporting you.

Fortunately, we can reuse wheels – and learn from existing case studies. A number of unique examples of reuse enterprise have been 'unearthed' as part of the Reuse Centres project.

By taking a closer look at these existing businesses, you can understand your local opportunities and identify some of the risks underlying your business idea.

<<< For models and case studies of existing reuse centres turn to Appendix C. <<<</p>



## • The datab

- The database in Appendix D outlines stock for a typical commercial and industrial reuse enterprise.
- The info pages list contacts and resources for 'ideas for reuse'.
- For information about how stock can shape your business, turn to Chapter 4 (feasibility) and Chapter 9 (operations).
- Appendix E for a summary of Reverse Garbage materials.
- See Appendix B for contact details of the reuse enterprises presented in this chapter.
- For models and case studies of existing reuse centres turn to Appendix C.

## References

- <sup>1</sup> 'Reuse operations community development through redistribution of used goods', Institute of Local Self Reliance, August 1995. Report
- <sup>2</sup> Institute of Local Self Reliance
- <sup>3</sup> 'Supplying discards to reuse industries: opportunities identified from an audit of the sources and composition of municipal solid waste' by Resource, 1998





**Chapter 2** 



#### The steps to setting up

An introductory framework to the processes ahead.

Establishing a reuse enterprise can be a journey with difficult bends to negotiate, easy straights and traffic jams! Each journey is different – do not expect this handbook to give you the 'magic formula'. However, there are some basic steps to setting up which are the same for all reuse enterprises. We can also be strategic and learn from the experiences of businesses which have 'been there, done that'.

The last chapter explored what your reuse niche might be. This chapter sets up the framework of how you can go about turning your idea into a reality....

Now that you believe you have a feasible reuse idea, this chapter explains the next three steps:

1) Harness your resources

2) Do your background research

3) Get advice



## STEP ONE: Harness your resources

It takes more than an idea to get your business underway. Commitment, skill, experience, enthusiasm, hard work, and a sense of humour are also needed. Setting up a business is a personal choice, too. Will running a reuse enterprise suit your lifestyle?

Some people are good managers, some are good entrepreneurs. Successful small businesses have the right mix of both. Essential skills for a reuse enterprise include:

- Communication
- People skills
- Time management
- Punctuality an organisational skills
- Administrative skills
- Financial planning and record keeping
- Marketing
- Promotions
- Retail and cash handling
- Manual and technical
- Creative and educational

Do you or your group have the relevant experience or skills? Ask yourself: Do you have what it takes to launch a business, write a press release, do a financial plan, and lobby local council for their support? Do you know how to go about securing suppliers and enticing customers to your shop?

'Philosophy is infectious. Skills are important'1

#### **CASE STUDY: Resource Work Co-operative, HOBART**

A group of five first met in November 1992. Their idea gained momentum as they spied on the tip from the hill above Hobart. The following year the group incorporated and lodged an expression of interest for the salvaging rights for the largest landfill in Hobart.

Unsuccessful, Resource tried again at a smaller, suburban landfill, and successfully negotiated with the local council for salvaging rights in September 1993. The plan to commence salvaging and stockpiling in October was delayed until February 1994. In March, the 'tip shop' opened. The business broke even in 6 weeks.

Based on their success, Resource won the rights to salvage at the big Hobart tip. In July 1995 the second tip shop opened. By 1996, RESOURCE Work Co-operative had grown by 43%.

## **Steering Committees**

Working as a group helps spread the workload and draw more skills into your enterprise. But if you are working with a group you'll want to develop a 'common vision' and effective group decision making processes.

A steering committee can assist in gaining access to a wider network of support for your idea. Steering committees can provide guidance, acting as a 'sounding board' during setup. A volunteer steering committee can be an effective way to harness people's skills and know-how without asking for too much commitment. You'll need to be clear about their role and be prepared to provide members with an appropriate level of information and support.



When do they first convene?

When seeking steering committee members, think about drawing upon skills such as promotions, accounting, legal, and business know-how. Community members and members of

professional organisations with links to potential customers and suppliers are other useful additions to a steering committee.



### CASE STUDY: The Bower Reuse and Repair Co-operative, MARRICKVILLE

The Bower formed a steering committee to assist the setup of a reuse and repair co-operative in Sydney's inner west. The steering committee became incorporated before applying for funds. Once the Bower received funding, it adopted a Co-operative structure, and some of the steering committee became members of the 'Board of Directors'.

## Getting Support for your idea: Lobbying and Negotiating

If you can effectively promote your idea during the early stages of setup you increase your chances of securing the support of others. The better you promote your idea, the more others will want to be part of what you are during.

When seeking support for your idea, be prepared to hear people's concerns. Experience suggests that people may not see the difference between the tip and a reuse enterprise. A range of concerns can arise – who wants to live next door to a junkyard, or have one in their local electorate? Be ready to explain your concept fully, and emphasise site layout, design and cleanliness where appropriate.

Maleny Waste Busters found that a consultative approach worked well when establishing a recycling depot at their local tip. Once they had a clear 'vision', the group visited various community groups to hear their concerns and seek their ideas. This was found to be invaluable in harnessing the community's support.

In some cases, establishing a reuse enterprise has proven to be a political battle. Resource Work Co-operative, Hobart found a State MP to be an invaluable spokesperson in communicating their vision and lobbying local government.

## Seeking Support from local government

If you are a tip-based operation, or want to source your stock from kerbside pickups, your relationship with local council will be vitally important.

Table 1 identifies actions that waste management authorities can undertake to improve the viability of a reuse enterprise.

#### TABLE 1: The Role Waste Managers can play to Facilitate Reuse Enterprise<sup>2</sup>

Redesign disposal sites to incorporate value adding, exchange, salvage for sale, product take back and recycling operators.

Reduce/ waive disposal fees for customers who deliver reusables.

Provide reuse industries with a fee-for-service for their contribution to reducing disposal costs.

Train and accredit employees and managers in in-house reuse.

Measure the reusability of products in waste composition studies.

Stipulate reuse applications and supply to reusers in building licenses and demolition approvals\*. Implement waste minimisation through procurement.

page

· A 'Waste Not' Development Control Plan is available from the NSW Local Government Association.

Chapter 3

Developing trust between local council engineers and reuse operators will smooth the setting up process. Be clear about your intentions to integrate your activities with council and other waste service providers. Can you work on joint promotions or refer customers to each other? Can you trade in materials? Can you share the costs of running facilities? Be aware of the need to consult with a variety of council staff – from the tip face workers to local councilors to waste managers.

#### **CASE STUDY: Maleny Wastebusters**

Maleny Wastebusters established a joint venture with local council to run the local recycling and tip in 1989. Here are some of their tips (excuse the pun!) for dealing with local councils<sup>3</sup>

- Get all your agreements in writing.
- Negotiate the fine points before starting.
- Council has its needs, just as you do you can afford to negotiate hard.
- Be well briefed on Council policies, guidelines and initiatives. Take a close look
- at how Council promotes its waste services.
- Be firm about your siting needs. It will help if you know what the community's concerns and wants are.

Potential Council Objections:

- This is only one of the groups we have to deal with. eg. we have a recycling contract.
- We have to deal with the whole waste stream: waste volumes are more important than the value of waste.
- We don't want a junkyard on our doorstep; and it's the last thing the community wants.
- Salvaging is an Occupational Health and Safety nightmare.

## Seeking Support from other waste service providers

Reuse centres have a unique relationship with recyclers and 'traditional' reuse and second hand businesses and charities. Tips can be territorial places! Generate a healthy business relationship with these groups from the start.

Step inside the shoes of the group you are dealing with. It may help to assess the Strengths, Weaknesses, Opportunities, and Threats (SWOT) others may see when responding to your proposal. You may like to setup an initial meeting to discuss the potential strengths and opportunities that could arise for both by working together. Be realistic and open when dealing with the 'threat' that you may pose to their operations.

#### **Beneficial Networks**

Potential links can be forged with a number of organisations from your local community, region or state, including those outlined in Table 2. The role which some of these groups can play are discussed in more detail in the relevant sections of the handbook.



#### **TABLE 2: Beneficial Networks**

#### State Government

NSW Department of State and Regional Development NSW Environment Protection Authority Department of Fair Trading Department of Urban Affairs and Planning Department of Industrial Relations State Government Audit Office

#### Local Government

Local council Waste disposal facility operators Health, Planning and Waste Departments

#### Federal Government

#### DEETYA

NEIS program providers AusTrade/AusIndustry National Heritage Trust Workcover/Worksafe Australia Australian Securities Commission

#### Community-based organisations

Environmental Defenders Office Community Legal Centre Local Business Enterprise Centre Supported employment agencies Disabilities sector Labour Co-operatives Other reuse businesses LETS/trading/barter schemes Volunteers Associations Environmental/ conservation groups

#### Educational institutions

#### TAFE

Community and Adult Education Universities Earth Workers – contact via Environmental Protection Authority

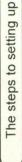
#### **Business organisations**

Chamber of Commerce, Chamber of Manufacturers Australian Business Ltd Regional ITEC Promotions and Marketing Associations

#### Financial organisations

Australian Ethical Investment Banks Investors/ Business 'Angels'

<<< Contacts for some of these can be found in the 'info pages'. <<<



## Choosing and using a business name

When harnessing your resources and talking to others, it will help to have a name for your business idea. Here's some tips for choosing a business name.

#### **TIP: Choosing and Registering a Business Name**

The language you use is very important when you're in the discard business.

Will you call yourself a 'recycler', or a 'reuser'?

What will people imagine if they hear the word 'junk' or 'waste'?

A catchy, imaginative name can stick in people's minds and get them talking about you. Is your name too brief?

Does it really capture what you want to do, and the kind of services you will provide?

Registering your business name will protect your 'image' and 'identity'. It means that you alone can trade under your name. As an owner of a business name, you are entitled to take legal action to prevent others from using it to gain commercial advantage by deceit. However registering a business name will not give you the level of protection which a trademark will. Neither will it provide you with a legal 'structure' under which you can do business – more about this in Chapter 5.

<<< Register your business name with the NSW Department of Fair Trading. <<<

### STEP TWO: Do your background research

Do you have a good foundation in 'reuse' and 'waste issues'? Are you ready to deal with the peculiarities that dealing with waste can bring?

Before you commit yourself, do your research. The alternative may be to go ahead and risk wasting your time, effort and money. So do your background research, consider the feasibility of your idea, plan, and most of all – talk to those that have 'been there, done that'. Adopt the successes of others and know how to avoid the mistakes: **reuse wheels, don't reinvent them!** 

## **STEP THREE: Get advice**

You'll need to know about reuse in particular and business in general. Courses, professionals (lawyers and accountants), and business books can assist.

\*

Seek advice from the following areas:

- Existing reuse enterprises
- Federal government agencies
- State government agencies
- Local government waste management and community services sections
- 'Experts', for example retirees
- Paid consultants
- Your local library
- Internet
- Small business associations and support services



**Chapter 3** 

## Consultants

A good way to find the right consultant is to seek referrals from other businesses. Check if the consultant has the relevant certification and experience in your area of business. Can you afford them? Arrange your rates of payment (hourly payments or flat fees for performing a particular task) and get it in writing. If you think that you have been overcharged, query it.

You may decide to do the work yourself to save money. Are you competent? Sometimes paying for professional service will end up saving you money. Can you get an expert to review your work, for a fee? It may also pay to get a second opinion.

Here's a list of a few different kinds of consultants and what they can do for you.

BUSINESS CONSULTANTS can write, or review, your business plan.

**SOLICITORS** can offer legal advice – for example when choosing your business structure. They can review or draw up agreements, leases and contracts. Solicitors can also assist you when forming a limited liability company. Solicitors can be expensive – do your research, and know when you have to use them, and when you do not.

**ACCOUNTANTS** can assist with financial planning and decision making. Accountants can advise of the taxation implications of different business structures. They can assist by:

- preparing or reviewing your figures in your business plan
- helping with loan applications
- advising on bookkeeping systems
- filing tax returns

It can be a good idea to get a second opinion of your financial plans – preferably from someone who has already established a reuse enterprise. A good accountant can cost – but they can also help you avoid a hefty tax bill.

**INSURANCE BROKERS** can save you money by recommending the most cost effective insurance policy. Note however, that brokers or agents are trying to sell you insurance packages – shop around, and talk to other reuse enterprises.

**INDUSTRIAL RELATIONS CONSULTANTS** can assist with union matters or in setting up a workplace agreement.

<<< The National Industry Extension Service can give general advice on using management consultants. Contact the relevant professional societies (law society) for more specific information. <<<





## Resources

- Doing research or seeking advice? The 'info pages' contain a list of contacts for 'Business Assistance', 'Legal Advice' and 'Networks for reuse'.
- Register your business name with the NSW Department of Fair Trading on 02 9619 8660.
- The National Industry Extension Service can give general advice on using management consultants. Contact the relevant professional societies (law society) for more specific information.

## References

- <sup>1</sup> Sonia Chirgwin, Tassie Trash Transformers
- <sup>2</sup> 'Resource Work Co-operative article
- <sup>3</sup> Maleny Wastebusters article



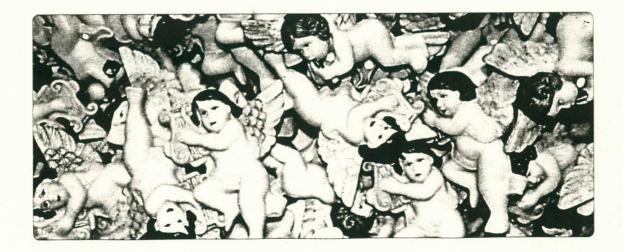


### Feasibility

You've done some research and sought advice about your idea for a reuse business. Before you start to plan in earnest, it's a good idea to assess how feasible your idea is. In this chapter we'll take a closer look at feasibility studies.

When considering the feasibility of a reuse enterprise, you'll need to consider a unique set of factors. These will now be explored in detail.

Why is this chapter the largest chapter in this handbook? Because a well conceived and researched feasibility study can save you from spending a lot of time, money and effort chasing after an idea which has fundamental flaws. Read on!



## What are feasibility studies?

'Feasibility is about predicting if your business idea will work or not. It's a process of testing your assumptions, testing your values and predicting if your idea will work in the community'<sup>1</sup>

A feasibility study will guide you as to when and where your efforts will be most effective. It is also a decision making tool – take a number of options through the feasibility process to identify the best one to pursue.

There are many models used in business to assess feasibility

Let's take a closer look at six key issues which emerge when assessing feasibility for a reuse enterprise:

- 1. The **demand** for your idea,
- 2. The income you can expect,
- 3. Procuring stock,
- 4. Locating your enterprise,
- 5. Your siting needs,
- 6. The timing of your proposal.



## 1. Evaluating the demand for your business

Ask yourself: who will buy your goods and services? Who are the potential customers? Who are potential suppliers? What are their needs? Use tools such as market research to quantify and prove that a healthy demand exists for your services and products.

- **Potential customers** include low income households, community organisations, owner-builders, small business, community arts and ethnic groups.
- **Potential suppliers** are small or big business, small to large scale manufacturers or fabricators, retailers, building and demolition companies and householders.
- **'Indirect' beneficiaries** can include the community, local council and local business. Regional and state initiatives and organisations may also benefit indirectly.

Together with the above, the existence of the following characteristics and groups can suggest that a market exists for a reuse centre in a region: a growing population, cultural diversity, regular community events, a strong manufacturing sector, a strong construction and demolition sector, a labour force with creative and repair skills, unemployment, a good number of education institutions and childcare facilities, a strong community sector, retirees associations and environment groups.

<<< Western Community Reuse and Repair have results from their initial market research</p>
- Contact the Western Sydney Waste Board on 02 9676 6299. <<<</p>

Don't forget to consider the demand from both suppliers and customers. If you are picking up discards you are providing a service to your suppliers. What are your supplier's needs in terms of source separation, pickup and drop-off schedules, storage and handling? What is the advantage of using your services compared with simply throwing discards in the bin?

A supply of discards can halt if a supplier changes and improves their waste habits for the better. In some instances (for example with paper discards) you will be competing with recyclers – as suppliers may be contractually obliged to recycle all their waste.



#### TIP: What is Your 'COMPETITIVE ADVANTAGE'?

How do you compare with your competitors? This will shape the demand for your service. Consider the following from a customer perspective:

- 1. How much you cost?
- 2. What you do?
- 3. How you do it?

You need to have the balance right between all three. Customers may not come back even if you are cheap, if they can get what they want from their local shopping centre where the service is better. Your customers are your best source of information here, so ask them!

### 2. What income can you expect?

You can derive income from the sale of products such as:

- Direct sale of reused stock
- Sale of value added items
- 'Bulk' purchases and sponsorship
- Providing items for loan
- Mail order

And services such as:

- Delivery
- Negotiating an exchange of waste
- Membership
- Education programs and workshops



#### **Pricing strategies**

If retailing is your core activity, how you price stock will determine your success. Reuse businesses typically survive by moving a lot of stock at a low price. But you still have bills to pay! Getting the balance right between covering your costs and keeping customers happy is essential. Customers may have an expectation that you are a 'bargain' centre. This may especially be the case if you promote your 'non profit' status. Stock presentation and accessibility will affect your customer's perception of how much items should cost. On the other hand, some customers are treasure hunters – and may actually prefer to scrounge through piles of discards in search of the elusive bargain!

A combination of strategies will probably work best. Pricing strategies worth exploring include:

- Selling items by piece, by group, by volume, selling related items together;
- Displaying set prices;
- Giving special discounts to particular customer groups (for example members or low income earners);
- Allowing bargaining at the point of sale;
- Providing 'waiting lists' and 'ordering' systems for much loved items that sell quickly once in stock;
- Providing some freebies for all, or your most valued customers.



Feasibility

#### CASE STUDY: Pricing Strategies at Reverse Garbage Co-operative SYDNEY

Prices are generally between 20-50% of retail prices, depending on availability, quality, sexiness and storage space. Pricing research is done as materials come in and is recorded in a card file. A 'frequent scrounger card' gives discounts to regular shoppers. 'Subscriptions' are bulk discount purchases suitable for schools and child care organisations. Payment is made in advance for a set amount, which can then be used throughout the year by anyone with the subscription card. Bulk discounts for individuals are negotiated on a case by case basis. Members who have done eight hours volunteer work receive a 20% discount.

#### Bargaining and Negotiations at Reverse Garbage

Customers will often test out new staff by attempting to bargain them down. Good recruitment, training, a good sense of humour and confidence in your prices are essential in the battle for a fair deal for both parties.

To establish a product's price you can compare with how much it costs you to procure; or its new or second hand value. But be prepared to not be prepared! It's quite likely that you will come across items, which are so unusual that you will have no way to relate their price to anything else. A 'barter' system can be used in these cases.

## 3. How will you procure stock?

Consider and cost your options for procuring stock. Back in Chapter 2 we presented a range of options – from paying for discards which are dropped off at your door, to picking up for free from the factory floor.

Costing can be a very complex equation, but a necessary one! For a commercial and industrial enterprise, which picks up from the factory floor, staff hours will probably be your major expense. Consider factors such as the distance between you and the supplier; whether other pickups can be made along the way; the frequency of pickup; and how easily the item can be unloaded and stocked on the shop floor.

## Source separation

'The first step in avoiding waste is avoiding mixing'<sup>3</sup>

How will you select stock? Do you need to be selective to be viable? Some reuse businesses have identified the need to be selective and ask suppliers to 'source separate' reusables from the rest of the waste stream. This will save you the time it takes to sort through garbage. It is a very different approach from conventional waste services which mix unlike things (reusables, recyclables and items destined for landfill) together.

#### **TIP: Provide 'REUSE BINS' For Source Separation**

At Reverse Garbage Co-operative, Sydney, some suppliers are provided with empty, labelled fibre drums and asked to 'source separate' reusable resources. Pickups are as simple as taking away full bins and replacing them with empty ones – no sorting through the skip for treasures! It all comes down to communication.

#### If you're asking for waste - you'll get rubbish!

Reuse enterprises don't ask for waste, they don't handle waste. Instead, ask your suppliers for 'discards': off-cuts, off spec, out of date, one offs, end of line, pre-loved, seconds! You're in the business of supplying discards, not managing the solid waste stream.



## Some strategies for procuring stock

Urban Ore, a US building and demolition reuse business, stimulates its supply of quality discards by offering to pay suppliers when they drop-off source separated goods. Revolve has found that tip-face salvage is the only way to procure adequate supplies of discards.

'.. relying on the community to identify saleable goods and drop them off directly would mean missing a great deal. Most people are unaware of the value or use of their unwanted items. 50% of REVOLVE's stock comes from workers directly salvaging from the tip face'<sup>4</sup>.

Drop off operations may provide the chance to be selective if staff are present:

'We weren't impressed with the idea of salvaging from the tipface, so we successfully negotiated with the Council for the contract to run the landfill weighbridge as well as the tipshop. This means we can direct people when they enter the tip to the recovery shop'.<sup>5</sup>

These examples illustrate the need to source separate in order to ensure a good supply of quality discards. Being selective can also mean that you minimise occupational health and safety and product liability risks.

#### **CASE STUDY: Second Hand Clothing Dropoff Bins**

A charity group, which sells second hand clothes, uses a comprehensive system of 'drop-off bins' at shopping centres, libraries and car parks to procure their stock. Much work is taken up with separating reusable goods from the garbage. Occupational Health and Safety risks also arise for their volunteer sorters.

## 4. Location

The geographic location in which you base your operations is crucial to your success. A feasibility study can assess potential locations and consider the implications. Once again, you will need to consider both supply and demand.

'Look at your local reuse environment. Look at your local waste environment. Where are the tips? Where are the people? Where is the industry?'<sup>6</sup>

When assessing the feasibility of a location, ask yourself questions such as those in Table 2 (over page). Tradeoffs will have to be made. The best location for accessing suppliers may not be the best location for customers. A site close to suppliers may be located in an industrial area at some distance from passing trade. A location in a retail area is closer to customers but could be expensive to establish and operate.

Location is an important consideration for tipshops, too. Many tipshops operate retail outlets and drop-off facilities at the landfill. Is this the best location for your customers? In Canberra, Revolve located its tipshop at the entrance to the landfill, knowing that a million trips were made to the tip each year<sup>7</sup>.



#### TABLE 2: Assessing the Feasibility of a Location

How much passing trade is there?

Where are the planned and existing waste disposal and transfer sites?

Is the location close to the customer base and/or easily accessed by customers?

What are the socio-economics and demographics of the 'catchment area'?

Is the location central to the 'catchment area' of suppliers?

What are the local council land use zoning requirements? This is especially important for a new site. Will there be any restrictions on trading hours?

What are the travel implications - for procuring your stock for customers?

Are salvaging rights available?

Will siting a reuse enterprise in this area cause concern to neighbours?

Will this location provide opportunities to link with other community based activities?

## Salvaging Rights

Another key issue for tipshops is salvaging rights. Some councils offer salvaging rights, others do not. In some cases, a business may already hold salvaging rights – you may have to wait and bid for them. In other cases, councils may be reluctant to reward salvaging rights.

There is much to learn from existing tipshop enterprises. Table 3 is a basic outline of the issues covered in an expression of interest for salvaging rights, prepared by Resource Tip Shop when starting up.

#### TABLE 3: Key Issues for Negotiating Salvaging Rights<sup>8</sup>

How you want to operate - on the tipface, in the drop-off area.

Your activities relative to existing landfilling and recycling activities.

Your access and security needs.

Your relationship with the landfill site manager.

Leasing and royalty arrangements for use of council's land.

The legalities of 'ownership' for salvaged items. Includes rights of other tip visitors/general public.

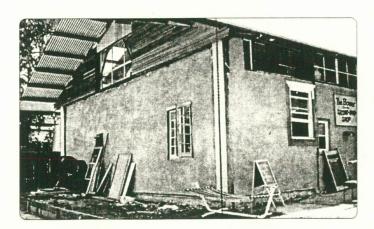
Occupational health and safety - responsibilities of council/salvager.

Information required by council during operations.

Leasing and inspection arrangements.

## 5. Siting

As well as the location of your business, you need to analyse how feasible it will be to setup for operations at a site. Ask yourself questions such as: What facilities are available? Who else uses the site? Can we commence operating 'as is'? To what degree do we have to convert the premises?





Siting issues will vary for the particular style of reuse enterprise you are investigating – a list of considerations are outlined in the Table 4. You can expect to have to make tradeoffs, however experience suggests that site layout and image is of prime importance.

#### **CASE STUDY:** The Bower Reuse and Repair Centre, MARRICKVILLE

The Bower approached a community centre seeking to setup shop. They had procured a grant and proposed to build a new building from scratch. Considerable concern was expressed by other users of the site – they held fears that a 'junkshop' would be an unsightly addition to the centre. To minimise these fears, the co-operative employed an architectural designer to produce conceptual drawings of the building and to oversee the building operations.

When assessing a site, there is much to consider. We recommend that you visit an existing enterprise at this stage. Try to organise a guided tour and talk to many people who use the site – from workers to customers.

#### TABLE 4: What are Your Siting Needs?

What development approval is required from the local council?

Is the site exposed to adverse weather conditions, wind, odour and noise?

What concerns have been raised by other users/neighbours?

Is the site secure? Outside areas need to be cyclone fenced and well lit at night.

Is the site well signposted - onsite and surrounds?

Is there enough space? How much is undercover? Is there adequate storage?

Don't underestimate – viable reuse enterprises tend to carry and move large volumes of goods. Undercover space will minimise the spoilage of goods. As a guide, Reverse Garbage Co-operative's Marrickville warehouse in Sydney is 850m<sup>2</sup>. Revolve, Canberra commenced operations from an enclosed yard of 150m<sup>2</sup>. The minimum 'warehouse' space requirement is 250m<sup>2</sup>.

Is there potential for expansion? eg. modular undercover buildings.

Are services connected or available - electricity, water, telephone?

Does the site have adequate access, parking, and transport – private and public? Reverse Garbage Co-operative, Sydney, Marrickville site requires 8 parking spaces for staff, and 12 for customers.

Is there good truck access and loading/unloading facilities?

Can the site provide easy access for customers once they've arrived?

Is there a toilet for staff and customers?

Is the site well drained? Is the flooring solid and smooth?

How and where stock will be unloaded, loaded, dropped off, handled and stored?

What is the relationship between reuse, recycling and disposal facilities present on the site?

<<< Contact your local Council to find out about zoning restrictions and the approvals required for your proposal. <<<

Consider the following operational activities. Can the site accommodate these?

- Warehousing
- Retail area
- Administration/office space
- Counter/sales area
- · Staff facilities: toilet, shower, lunch room
- Loading dock (needs to be big enough to store a couple of truckloads of material to be sorted before going on sale)
  - ured)

Feasibility

• Unloading area (must be away from customers entering and leaving the Centre and secured)

- Area for recycling cardboard/paper, plastics, fabric etc.
- Education workshop and preparation area
- Meeting room
- Gallery/ideas space

# Leasing

A key decision is whether you will lease or buy the site. None of the reuse enterprises surveyed owned their land and premises. However, problems with a lease can make or break a reuse centre in its early days. Many tip shops have formed agreements with their local council, which have allowed them to pay nominal rent during setup.

Consider the leasing arrangements, which exist for the site. A highly desirable premises may have very strict lease conditions. What deposit is needed? When are the first rental installments due? More tips for commercial leases are provided in Chapter 10.

# 6. The timing of your proposal

Is it an opportune time to bring your proposal to fruition? Revolve, Canberra spent 6 years planning and lobbying before they won salvaging rights. Resource Work Co-operative, Hobart 'downgraded' their initial plan and commenced operations from a smaller landfill. Tasmanian Trash Transformers timed their proposal in accordance with the adage 'strike when the iron is hot'.

#### **CASE STUDY: Tasmanian Trash Transformmers**

The State Department of the Environment threatened to close the local landfill in Deloraine, Tasmania. Tasmanian Trash Transformers approached the local council with an offer to commence operating as part of a 10 week, no strings attached trial. After gaining the support of the community and local council, Tasmanian Trash Transformers negotiated a long term contract (5 by 5 years) to operate the site.

# Resources for performing a feasibility study

A full feasibility study can be done by a professional consultant – beware, as this can cost. You may be able to do some or all of the work yourself. Check out the resources at the end of this chapter.

#### Sources of information

Feasibility is about asking 'what if?'. Your best asset will be the questions you ask. Use a range of techniques to pose questions and seek answers – hold questionnaires and focus groups, search records, make observations and do interviews. Sources of information, which may be relevant to your reuse enterprise, are outlined in Table 5.



TABLE 5: Information So	ces for Feasibility Studies
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Potential Information Sources	What they Might Tell You
Waste audits	Weight & composition of local waste stream.
Resource/Revolve audits	'Reusability' of typical landfill waste stream.
Yellow pages search	Existing local second hand, recycling businesses, size & location of potential supplier base.
Site surveys	Resources required to setup on site.
Visits to existing reuse centres	Management, site design & layout.
Real Estate agents	Advantages and disadvantages of a location.
The Environmental Protection Authority	Waste policy & initiatives (State level).
local council	Status regarding salvaging rights and site availability local waste management systems.
Australian Bureau of Statistics	Commerce base of region. Demographics of your market
Local council community services	Community services - directory of local contacts
Direct Mail list brokers	A list of businesses by business type

# Waste Audits

Waste audits are studies, which measure the type and quantity of waste being produced by the generator/s in question. As a reuse enterprise, use audits:

- To assess the type and quantity of stock you can collect for sale;
- To predict your income;
- To appraise and evaluate retrieval techniques; and
- To assess the existing scavenging population.

Waste audits are often performed by business and industry, but this information is usually treated as confidential and may be difficult to obtain. Local councils also perform waste audits for the landfills they manage. These audits develop a profile of the waste arriving at the landfill. However it is likely that neither business nor council audits will have a 'reuse' focus. Revolve and Resource<sup>9</sup> tipshops have both produced audits which assess the reuse potential of waste arriving at their landfills.

If you're trying to predict where the suppliers of commercial and industrial discards are, you'll need to try a different approach to auditing. Use the **generic database provided in this handbook** to identify industries, and search the yellow pages to locate these industries in your area.

The next best next step may be to knock on doors, explain your concept, do a quick survey and seek support. You may be able to work in with your local council (health and safety officers often visit premises as part of their normal work) or Waste Boards (they may have commercial and industrial Waste Officers).

<<< Contact details for waste boards/waste forums are in 'info pages'. <<<



# Resources

#### Who Can Help Fund a Feasibility Study?

- Commonwealth Department of Employment, Education and Training and Youth Affairs (DEETYA) Regional assistance program.
- New Enterprise Incentive Scheme (NEIS)- contact via local Centrelink Office.
- Local Business Enterprise Centre contact details in the info pages.
- Western Community Reuse and Repair Centre market research results Contact the Western Sydney Waste Board on 02 9676 6299.
- Contact your local Council to find out about zoning restrictions and the approvals required for your proposal.
- Consultants with relevant expertise in reuse enterprise are listed under 'Business Advice' in the info pages.
- Contact details for waste boards/waste forums are in the info pages.

# References

- <sup>1</sup> Amanda Kenyon, Guest presenter, Reuse Centres Development Project, Lismore workshop, September 1998
- <sup>2</sup> RESOURCE Work Co-operative, Hobart Expression of interest for salvaging rights
- <sup>3</sup> Urban Ore, US
- <sup>4</sup> 'REVOLVE Job Creation through resource conservation', Revolve booklet
- <sup>5</sup> Wangarang Recycling, Orange
- <sup>6</sup> Annie Kavanagh, Waste Consultant
- <sup>7</sup> 'REVOLVE Job Creation through resource conservation', Revolve booklet
- <sup>8</sup> RESOURCE Work Co-operative, Hobart Expression of interest for salvaging rights
- <sup>9</sup> 'Supplying discards to reuse industries: opportunities identified from an audit of the sources and composition of municipal solid waste' is available from Resource

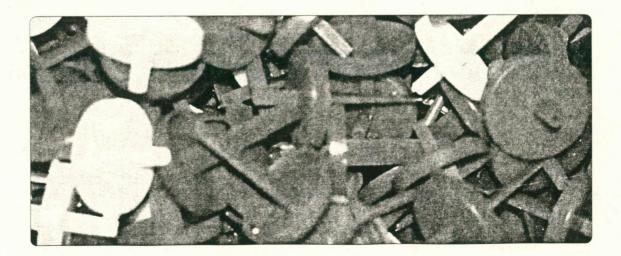




#### **Choosing a business structure**

A business 'structure' is the legal entity you work under when carrying out the activities of your enterprise, whether it be a co-operative, company, sole trader, or partnership. When choosing a business structure there are a number of things to consider, and some structures may suit better than others.

> This chapter will outline a range of business structures and highlight some of the considerations you will need to make as a reuse enterprise. Each structure has its advantages and disadvantages.



# **Choosing a structure**

Which structure will work for you? Look through Table 1 when considering this question. At this stage, it is also worth giving some thought as to when it will be necessary to have a business structure. Can you adopt different structures as your business evolves from an idea, through negotiations, startup, early growth and beyond?

#### TABLE 1: When Considering the Structure of Your Enterprise Ask Yourself:

What will it cost - initial establishment and ongoing fees?

- What amount of time and resources will we have to spend to fulfil the legal requirements (meetings, record keeping, auditing) of the structure?
- Will we be eligible for tax exemptions? Do we have to pay provisional tax?
- What level of financial liability is acceptable for members?
- What member information rights do we want?
- What kind of decision making processes do we want to adopt?
- What will we need to do to implement the Goods and Services Tax (GST)?
- How will the GST affect income and expenditure?

<<< For some tips on a business name, refer to the section on choosing and using a business name in Chapter 3 <<<

#### **CASE STUDY: Reverse Garbage Co-operative, SYDNEY**

Reverse Garbage is set up as a non-profit co-operative limited by guarantee with memberships which have ranged in number from 50 to 250 over the years. Any surplus money is reinvested in the co-operative. We recently changed our structure from a co-operative with shares to a co-operative without shares. Co-operative members pay an annual fee of \$6 and receive a quarterly newsletter. After putting in 8 hours volunteer work, they become active members and have the right to vote at Annual General Meetings and stand as a Director. Nine Directors are elected and they hold office for two years. Four retire one year, five the next. The Board of Directors is responsible for the strategic direction of the business and its financial viability. Staff carry out day-to-day operations. The members, though this is voluntary.

# **Different business structures**

# **Incorporated vs Unicorporated**

If you are unincorporated your personal affairs are not separate from your business affairs. You can still trade but you will remain personally responsible for debts and legal obligations. If the business fails, your private assets are at risk. This applies even if you or your group operates according to a written constitution and rules.

When you incorporate, your group has a separate legal entity – meaning that you have 'limited liability' for the decisions you make. There are three forms of incorporation:

- 1 as an association under the Associations Incorporation Act 1984,
- 2 as a company limited by guarantee under the Corporations Law,
- 3 as a co-operative under the Co-operatives Act 1992.



All three forms of incorporation require payment of an application fee, lodgement of an annual financial return, and compliance with the relevant legislation. Note that if you are found to be negligent or dishonest by a court of law, your limitation of liability can be removed<sup>1</sup>.

# **Unincorporated Business Structures**

#### Sole trader

A sole trader conducts their business alone. The sole trader is responsible for all business decisions and debts, and receives all profits. This applies even if the sole trader has employees working for them.

Being a sole trader is an inexpensive structure to establish and maintain, and requires the least amount of reporting. If you trade under your own name, you don't even need to register a business name. A disadvantage is that you pay tax at a personal rate.

Sole trading would suit a small 'cottage industry' reuse enterprise – for example one which value-adds to reused goods and retails from a market stall, by commission or via mail order.

#### Partnership

A partnership can be useful if you don't have enough members to incorporate, as a partnership agreement can be made between 2 and 20 legal owners of an enterprise. Partners contribute time, talents, and money towards the business and in turn share responsibilities, profits and risks. All partners are liable for losses incurred by other partners. In NSW, a limited liability structure is possible.

A written partnership agreement costs \$500 to establish and is recommended as it may help avoid disputes. The agreement is a legally binding contract, but there are no legal requirements when it comes to its contents. This flexibility may suit a startup reuse enterprise – but you'll need to dedicate time to develop an agreement, which suits all partners. How do you decide who does what? How do you reward the relative contributions of partners for their efforts?

A typical partnership agreement can outline decision making processes, and must be rewritten everytime a partner leaves or joins. This is a potential cost for a labour intensive, growing 'community' enterprise where workers are partners. Partnerships are relatively inexpensive to establish and have fewer accounting requirements than other structures. A partnership allows you to pay tax at a company rate.

# **Forms of Incorporation**

#### Associations

An association can be formed between at least 5 people who have agreed to a set of objectives and rules outlined in a Constitution. An association must have a purpose other than the financial gain of its members – such as education for waste minimisation or provision of charitable services. Members are still able to receive payment for work done.

Associations are not obliged to have their accounts audited unless required by a funding body or the Charitable Fundraising Act. However they must prepare an annual financial statement, pay an annual fee, and be covered by public liability insurance.

Becoming an incorporated association can be a useful 'first step' when setting up your reuse enterprise – as it lends legitimacy to your proposals and is inexpensive to do. It also allows flexibility – property, liabilities (debts) and contracts can be automatically transferred from members of the unincorporated association to the incorporated association. However, an incorporated association cannot have trading as its major objective (unless it is a charity). If you want to establish your trading wings, you'll need to 'upgrade'.

<<< Contact the Department of Fair Trading to apply for incorporation as an association. <<<

#### **COMPANY** limited by guarantee

Companies are the most complex of the structures described here. A 'company limited by guarantee' means that shareholders pay up to a specified amount if the company is liquidated ('shut down') and still has debts. This amount may be a nominal sum and personal assets need not be at risk.



**Chapter 5** 

If you are negligent, becoming a company will give no better protection than other forms of incorporation. However, more than any other structure, a company will be recognised as a separate entity by law.

It costs more to incorporate as a company (companies limited by shares cost at least \$800 to incorporate). Incorporation involves filing a written constitution and articles of association. Once incorporated, you will receive an Australian Company Number (ACN) and a 'Pty Ltd' subscript, which you must use.

Corporations Law guides how the company is setup and run, and you have set administrative requirements to prove compliance.

A company can have over two shareholders who vote according to the number of shares held. Policy decisions are made by an elected Board. Directors have substantial legal obligations and you may find it difficult to muster a volunteer Board of Directors.

Tasmanian Trash Transformers, Aussie Junk, North Albury, and Revolve, Canberra are all examples of reuse companies limited by guarantee.

<<< Contact the Department of Fair Trading/or the Australian Securities Commission on 02 9911 2500. <<<

#### **CO-OPERATIVES**

Co-operatives exist in many sectors – tourism, childcare, agriculture, transport, credit unions, RSL clubs, building and construction, manufacture, retail and health.

A co-operative structure is a separate legal entity and can enter into contracts in its own right. Members purchase a 'share', and all members have one vote. Members have their liability limited to their share value. The number of shares and their price is determined by members.

A co-operative structure might appeal if you want to operate according to the international co-operative principles in Table 2. When registering, you incorporate these principles into your Rules and Constitution.

#### **TABLE 2: International Co-operative Principles**

Democratic control and equality of member's rights

Voluntary and open membership

Member's economic participation

Autonomy and independence

Co-operative education and training

Co-operation amongst co-operatives

Concern for the community

Co-operatives are flexible structures, which may provide the following benefits<sup>2</sup>:

- A simple form of incorporation which is inexpensive to register (about \$100).
- A structure that aims to promote participation and equality.
- A flexible structure, where members can easily leave and join.
- A structure where the rewards of the business can be shared amongst members. The basis for distribution of profits is decided by members – say, depending on the amount of work done, or the amount invested.
- Profits can be reinvested back into the business appropriate for a growing enterprise.
- Member ownership and control.

A number of issues can arise when working in a co-operative:

- The process of decision making can be slow- facilitation skills are useful!
- Conflict can arise during decision making; remain unresolved or grow out of proportion.



- Designating roles, responsibilities and workload can take time and experience.
- Members who are attracted to co-operative principles do not necessarily bring 'business' skills to the enterprise.

A major barrier for co-operatives is raising startup capital. Co-operatives cannot raise equity from outsiders (on the stockmarket) and have difficulties in meeting the lending requirements of conventional sources of finance. This is exacerbated as reuse businesses are not seen as having a 'proven track record' by most banks. This lack of investment can lead to slow growth and result in labour intensive operations. However, reuse operations can tend to suit labour intensive and low tech (low capital cost) workplaces.

#### CASE STUDY: Resource Work Co-operative, HOBART

At Resource, members are workers. Members buy a share for \$100 to open an 'equity account'; and receive a basic award wage for hours worked. At the end of the financial year, members decide how to divvy up profits, according to the relative amount of work done. Options include a wage bonus or accrual to each personal equity account. Members may elect to contribute their profits back into the business.

<<< The Registry of Co-operatives gives advice on setup, standard rules, and has a formation package ph 02 9793 0557. <<<

#### **NON-PROFIT Organisations**

To be 'non-profit' means (in legal terms) that the income, assets and surplus funds of the business are used to achieve the organisation's objectives and are not distributed to members or shareholders. However a non-profit organisation can still be self sufficient in meeting costs, and it can earn more than it spends. Be aware, however, that the latter may take some time and sweat for a reuse enterprise to achieve. Non-profits can engage in trading, have employees and pay members wages and reimburse expenses<sup>3</sup>. Some examples of non-profit organisations include hospitals, schools, unions, political parties, social clubs, trading co-operatives and credit unions.

A well conceived non-profit enterprise can make effective links between its business activities and social or environmental objectives<sup>4</sup>. For example, Reverse Garbage Co-operative, Sydney, has 'advocacy of reuse' and 'education' as two of its three core objectives. This can also widen the net for funding opportunities. Which is not to say that a for-profit business will automatically neglect social and environmental values.

#### **CASE STUDY: Habitat for Humanity, US**

Habitat for Humanity is a US non-profit organisation which provides reused building and demolition waste for low income housing. Non-profit marketeers describe it:

'It's a perfect product (homes for the needy). It offers instant gratification (we see the house rise) and linkage for potential sponsors (banks and building societies). It's a wonderful opportunity for employee involvement, and it brings the community together.'

Promoting your work as 'non-profit' can enhance links with both customers and suppliers. Recent surveys of community attitudes towards reuse in western Sydney found that the community are more disposed to donate their unwanted goods to non-profits or charity groups.

The flipside is that customers may develop a perception that your stock is over priced. Funding bodies may be less willing to support your work if you fail to promote your 'professional front'.

Note that there is a distinction between non-profit organisations and charities. The latter has 4 areas of work, including<sup>5</sup>:

- 1. The advancement of education;
- 2. The advancement of religion;



- 3. The relief of the aged, impotent and poor; and
- 4. Any other purposes beneficial to the community.

You may also be eligible for specific taxation exemptions if you qualify as a charity.

#### **CASE STUDY: Revolve, CANBERRA**

'REVOLVE is an unlisted company limited by guarantee. The Articles of Association establish Revolve as a not-for-personal-profit company by describing the purposes for which the company exists and the use of any profits. Profits are reinvested in the company to expand the skilled recycling workforce.

There are no shareholders. Their role is replaced by members. Each member has an equal vote and contributes a set amount of funds \$10 – in the event of the company winding up.

Why non-profit? It maximises both employment and the range and number of goods dealt in'6.

# Resources

- For some tips on a business name, refer to the section on choosing and using a business name in Chapter 3.
- Contact the Department of Fair Trading on 02 9619 8660 or the Australian Securities Commission on 02 9911 2500.
- The Registry of Co-operatives gives advice on setup, standard rules, and has a formation package 02 9793 0557.
- A Small Business Guide is available at Government Bookshops
- The Australian Securities Commission published information sheets dealing with single director companies.
- See the Info pages, Business Advice, the Structure of your Enterprise, and Legal Advice sections.
- 'Creating jobs through employee-owned co-operative enterprises' is a package available from DEETYA.
- Contact Resource Work Co-operative, Hobart or Reverse Garbage Co-operative, Sydney for a copy of their rules.

# References

- <sup>1</sup> 'Legalities: guidelines for running a community organisation' 4th edition, by Graham Wheeler for the Council of Social Service NSW, 1994. Redfern Legal Centre – publisher
- <sup>2</sup> 'Creating Jobs through employee-owned cooperative enterprises' A guide for Jobseekers, and a guide for business advisors May 1998. HANDBOOK Contact National NEIS Association: p: 03 9415 7199 f: 02 9415 7299
- <sup>3</sup> 'Legalities: guidelines for running a community organisation' 4th edition, by Graham Wheeler for the Council of Social Service NSW, 1994. Redfern Legal Centre – publisher
- <sup>4</sup> 'Non-profits in business' by Steve Lawrence. Published by WorkVentures (1997)
- <sup>5</sup> 'Legalities: guidelines for running a community organisation' 4th edition, by Graham
   Wheeler for the Council of Social Service NSW, 1994. Redfern Legal Centre publisher
- <sup>6</sup> 'REVOLVE Job Creation through resource conservation', Revolve booklet





# **Business planning**

Once you have proved that your idea is feasible, you can start to plan in earnest. A business plan outlines the details of how you propose to turn your idea into a reality. The importance of business planning should not be understated – a business plan can help in gaining essential support and funding for your business. In short, it can sell your business idea.

This chapter explains the why, how, and when of writing a business plan.



# Why develop a business plan?

A plan is an outline of where you want to go. A good business plan will identify how to best allocate your resources to get there. Once your journey is underway, you can use your business plan to guide you – so you can revise and adjust your path before going off track. A good business plan will not only enable you to prevent problems; it will also assist in identifying and capturing opportunities. You can also use your plan to communicate your idea to others – members, incorporating bodies and potential funding and lending institutions.

#### TIP: Are you planning to fail, or failing to plan?

Many small businesses fail in their first year. Some common reasons are:

- Lack of cash flow
- Lack of professional advice
- Overestimating your capabilities

Your business plan should identify the resources – financial and other – needed for startup. It will also show how the enterprise will operate and perform financially over the first three years. The planning process is outlined in Figure 1.

#### **The Planning Process**



# Resources for writing a business plan

Resources for writing a business plan are provided at the end of this chapter. It is also worth considering the option of writing your own plan. This can not only save your money, it also assists you with becoming familiar with your own idea. And you may know your idea better than a business consultant. If you do use a consultant, ask yourself if they have the relevant experience to plan your enterprise.

# Nine key elements of a business plan

In general, business plans tend to be more systematic than feasibility studies. Many have a standard table of contents, which can be simplified into 9 key elements. Let's take a look at these now. As many of these elements are described in other chapters most elements will only be briefly described here.



# I. Vision and Mission

How do you see your future? Your 'Mission Statement' is a statement of purpose. For example, you may outline the products you will retail or the services you will provide. Your 'mission' is best communicated as specific and realistic goals, such as: the amount of waste diverted from landfill; number of regular suppliers; resources available for education; the aim and philosophy behind an education program; anticipated income and turnover.

Aim to weave your business, environmental and social objectives into your mission statement<sup>1</sup>. This will promote your viability and success in all of these areas.

# II. Organisational Description and Management Team

Use this section to outline the roles and responsibilities of workers, and your business structure. It's also appropriate to describe your own skills and experiences, which may assist you to fulfill your plan.

# **III. Product and/or Service Strategy**

Describe your reuse 'niche'. Outline your 'catchment', or the geographic area in which you do business. You may choose to pull out the key findings of your feasibility investigations to demonstrate the logic behind your strategy. You may choose to integrate this element with the next.

# **IV. Market Analysis**

By performing a 'Market analysis' you are proving that a demand for your service exists; and outlining how you will meet this demand. In doing so, follow these steps:

- 1. Outline the needs of your target 'markets' of customers and suppliers. Quantify the 'demand' for your product or service strategy. For example, you might profile the socio/economic nature of your customer base and outline the waste profile of your catchment and suppliers. An analysis may involve identifying your strategy's strengths, weaknesses, opportunities, and threats in meeting these demands.
- 2. Assess the reuse, second hand, recycling and waste sectors in your 'catchment'. Analyse your relationship with competitors and complementary enterprises.
- Analyse your location use information such as passing traffic, population served, number and type of potential suppliers, the number of tip drop-offs, and amount of waste generated.

# V. Marketing Plan

How do you raise your profile within the community? What will you do to attract new customers, and keep them coming back? Present and analyse the publicity, pricing, and promotion strategies you will employ. Establish ways to measure the effectiveness of your strategies, by identifying the factors critical for success.

# VI. Job Training and Employment

What skills will you need for setup and day to day operations? Use job descriptions to illustrate the possible roles and responsibilities of workers. Operating schedules will outline how work will be done, and provide basic costings.



**Chapter 6** 

This section is particularly important for reuse enterprises, as staff wages and support costs will be a major operating expense. Burnout is a real issue for reuse enterprises – are you over-estimating what can be achieved? Will workers be overstretched? Identify external sources of support (for example labour market programs) and the implications for early enterprise development. How do you propose to provide staff training and induction? How will staff participate in decision-making? What role will volunteers play, and how will their needs be met?

# **VII. Financial Plan**

Your financial plan will illustrate how you will stay afloat through the ups and downs of setup. Your financial plan will be an invaluable guide during the early days of your enterprise, so ensure that it is watertight. No plan is foolproof – and you will need to review your plan as you go along. For example, you will need to compare your anticipated income from sales with your actual income.

Depending on the business structure you adopt, you may be legally required to present updated versions of different components of your financial plan. For example, companies must present profit and loss statements and balance sheets to the Australian Securities Commission every financial year.

A typical financial plan has a few standard components, outlined in Table 1.

<<< Refer to Appendix F for Reverse Garbage Co-operative, Sydney's dummy accounts for a typical commercial and industrial reuse enterprise. <<<

Profit and loss statements	The total income less the total costs of the financial year. A Profit and Loss (P&L) statement shows the ordinary items of expenditure, which includes tax and depreciation. Used with the balance sheet, a P&L will provide you with a dynamic view of your financial health over time.
Balance sheet	The financial position or balance of funds for the enterprise at the end of each financial period. Balance sheets include major purchases, asset values and unpaid liabilities (financial 'obligations' such as bills and debts).
Cash flow predictions	Problems can occur when you have a lot of bills and no money in the back to pay them! Predicting 'Cash flow' is vital during startup. A cash flow prediction is a statement of all the money going in and out of the business on a monthly basis for the next two to three years. It includes a period by period prediction of the amount of working capital you'll need to raise to cover your initial costs. By evaluating your performance against these predictions you will be able to tell in advance if the business is going to be short of cash or if you'll have extra funds. Use this tool when making day to day management decisions: to spend or not to spend?
Borrowing statement	The amount of money/startup capital you will need and where it will come from.
Break even analysis	When will your business be 'self sufficient'? At the 'break even point', the level of revenue (such as the sale of reusables) meets fixed costs (such as rent and salaries) and variable costs. After this date, you'll be making a profit.
Startup and capital requirements	A list of the infrastructure requirements and other setup needs and how much it will cost. Refer to Chapter 9 for more details

#### **TABLE 1: Elements of Financial Plans**



# **Predicting cash flow**

Cash flow predictions are a vital guide to your operations during the early days. Predicting your expenses should be relatively simple. However, income may not be as easy to predict. How much income do you expect during the early days of setup? How quickly will your sales figures grow? Say your source of income is from the sale of goods. You'll need to be aware of the fluctuations, which will emerge in your sales figures: which months do we predict our customers to be 'spending big'? Be aware that every customer will have a saturation point of 'discards' that they'll want to buy – unless you are targeting 'hoarders anonymous' as your customer base!

Strategies for improving cash flow are discussed in Chapter 10.

Reuse enterprises typically have a high rate and volume of stock turnover – you want to move stock out and get new discards in, ensuring a variety of products which will attract customers to return. This requires customers to take your stock off your hands. Reverse Garbage Co-operative, Sydney relies on quite a large customer base. How big will your customer base need to be to keep the cash coming in, and how will you reach these potential customers?

# VIII. Business Risk Analysis

Asking 'what if?' and identifying risks is good planning. By undertaking this analysis, you are increasing your chances of being prepared if things go awry. Reuse enterprises are susceptible to the following risks:

- Lack of supplier support.
- Inability to develop a strong supplier base.
- Inability to develop a strong market for 'reusable discards'.
- Setbacks due to lack of co-operation from traditional waste management authorities (especially the case for tip based operations).

# **IX. Contingency Plans**

How will you respond to the risks you've identified above? What will you do if the funding you were relying on doesn't come through?



# Resources

Refer to the info pages for the following contacts, and more!

- Business Enterprise Centres are located throughout NSW. BECs assist new business starters by advising on business viability; maintaining a referral service and providing resources such as libraries, seminars, and business incubators.
- Small business units. The NSW State Government Department has a small business unit, which provides workshops (outlining all aspects of going into business) and has computer databases and training videos available for use.
- The New Enterprise Initiative Scheme (NEIS) is a self-employment program for unemployed people, which includes training in small business management, business skills and business plan development. Contact your local Centrelink Office.
- The Co-operatives Development Fund assists co-operatives (both existing and new) by way of subsidy of up to 50% of the cost of engaging a consultants for advice in financial planning, feasibility planning and business planning. Contact the Registry of Co-operatives at the Department of Fair Trading.
- Refer to Appendix F for Reverse Garbage Co-operative, Sydney's dummy accounts for a typical commercial and industrial reuse enterprise.

# References

<sup>1</sup> 'Non-profits in business' by Steve Lawrence. Published by WorkVentures (1997)

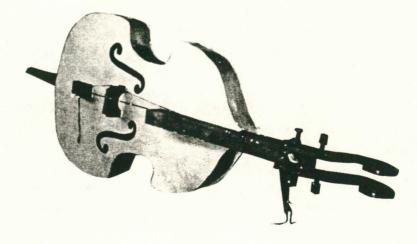


#### **Resources for startup**

Your business plan will predict what it will cost to startup. Now it's time to secure the resources you need to begin operating. This chapter will take a look at some of the options you have to resource the early stages of your enterprise, before you have a regular income to meet your operating costs.

You may be able to secure financial support through 'seed funding', donations or a loan. You can also seek in-kind support or negotiate a sponsorship agreement. Some reuse enterprises have financed their own enterprise – through co-operative shares or partnership agreements.

The other key resource at this stage is your own hard work or 'sweat equity'. So take it easy and make it fun!



# Strategies for startup resources

As we have already mentioned, reuse enterprises often have low setup costs as they tend to be labour intensive, low-tech operations, which require little capital infrastructure.

Funding can come from two basic sources: inside (income generated from doing business – such as selling goods and educational services) and outside (government and private foundation grants, corporate, government and private donations or in-kind support, and direct funding). Resource Work Co-operative, Hobart derives approximately 90-95% of their income from sales of discards salvaged from the tip-face. A survey of 33 diverse reuse operations in the USA found that approximately 70% of businesses' incomes were derived from sale of products: the next most significant source of income being government funding and grants<sup>1</sup>.

There are four basic strategies for meeting your startup costs and needs:

- 1. Borrow, cut costs or delay payments;
- 2. Do It Yourself;
- 3. Solicit 'in-kind' support or sponsorship deals;
- 4. Secure funding.

Many reuse operations have begun with the barest of essentials.

#### CASE STUDY: Resource Work Co-operative, HOBART

#### Do It Yourself setup

At RESOURCE tip shop, 30 people put in \$100 each. This was used to purchase a truck (by hire/loan) and safety equipment so salvaging could begin.

Your key items of capital expenditure are likely to be siting (buildings, yards, infrastructure); and equipment (vehicles and safety equipment).

#### **TIP: The reuse business wish list**

- Trolleys with straps.
- Covered trucks with furniture hoists at rear.
- Side access door on trucks.
- Multiple phone lines.
- Pallet jack preferably electric.
- Forklifts can be useful down the track.



You may also need income support to meet operating costs until you have a steady income. Some of your initial 'running costs' include: promotions, legal and accounting fees, insurance premiums, connecting services, rent, bond and salaries.

#### **CASE STUDY: Revolve, CANBERRA**

Revolve started operating with three full-time staff and several volunteers from an enclosed yard of 150m<sup>2</sup>. Initial capital was provided by a loan of \$15,000 from an ethical investment company. This loan was guaranteed by workers along with the Building Workers' Industrial Union. In that first financial year, REVOLVE turned over \$156,000 and created 5 full time jobs<sup>2</sup>.



# Resources for startup

# **1. Borrowing, Cutting Costs and Delaying Payment**

What you can pay tomorrow, delay paying today! Starting small and simple can keep overheads low, thereby minimising the time and effort spent securing resources and allowing you to start reusing and generating income. You can save your 'big vision' for your expansion plans.

#### **CASE STUDY: Tasmanian Trash Transformers**

After gaining the support of the community and local council, Tasmanian Trash Transformers (TTT) won a long term contract to operate the local landfill. The Council contributed \$30,000 for an onsite shed. A \$25,000 loan from Australian Ethical Investment was secured. When expanding to a second site, TTT took out another \$25,000 loan. Turnover is now \$300,000 per year.

However, no matter how small you start, you will still need some resources to commence operating effectively – here's a few ways to access them now and pay later.

# Loans

Whilst many of us have concerns about being in debt, taking out a loan can be less time consuming and cost less than generating the same amount from grants or funding programs. However, you will need to consider the cost of interest over the time it will take to pay off the loan. Borrowing for startup can be a risk as your anticipated income is still unknown.

#### TIP: Some Tips for Borrowing:<sup>3</sup>

- Don't take on a larger loan than you can handle.
- Find out what it will cost you to borrow.
- Don't use short term finance to fund long term assets or costs.

Being in debt is a strategy for getting out of debt. Know when to borrow:

- To stabilise cash flow. You may need to bridge the gap between start-up funding and ongoing revenue from sales. You may have cash needs that do not coincide with a funding programme's timetable.
- For capital purchases if you need a new building, truck, or retail space to take advantage of an opportunity.

If you are starting up, securing a loan can also be difficult. Before it will lend you money, a bank will require you to have:

- Secured assets to borrow against (such as your house);
- A business plan that demonstrates a demand for your services and market access;
- A 'proven track record'; and
- A secure cash flow.

Not so typical for a startup reuse enterprise! However, take heart. Some businesses have successfully asked other organisations to secure their loan – as the Revolve, Canberra case study above shows. Another option is to take out a personal unsecured loan and invest it in business.

<<< 'Business Angels' can assist with securing loans - refer to the 'info pages'. <<<

Note that a business plan is a must when seeking a loan. Ask your accountant to review your figures and leave a copy of the plan with the lending institution. Credit Unions may be more willing to organise a loan for a co-operative enterprise.



**TIP:** The Australian Ethical Investment fund has provided startup loans for Revolve, Canberra; and Tasmanian Trash Transformers. Find their contact details in Appendix B.

#### Leasing and hire purchase

Hire/Purchase means you pay for an item as a series of regular installments. This means you can use the item to generate the income to pay it off. Resource Work Co-operative, Hobart secured a truck in this way. Reverse Garbage Co-operative, Sydney has procured office equipment by hire purchase.

#### **Overdraft facilities**

You may be able to negotiate an overdraft facility for your cheque account. This allows you to overdraw to the overdraft limit – it's like a short term loan. Overdrafts require security to guarantee and have flexible repayment arrangements. They can be used to smooth out the fluctuations in your daily operations. Don't become dependant and treat your overdraft facility as a long term loan!

#### **Tax deductions**

Some of the costs involved with investigating and organising your business are tax deductible. Find out in advance – as this may effect your decision to spend. You can also time your purchases to maximise the tax deduction you receive.

# 2. Do It Yourself

#### Equity

Equity is an investment. In return for providing equity, an investor has a claim to the future profits and assets of the enterprise. In essence, investors buy a portion of the business. In a company, partnership or a worker owned co-operative, your group can provide equity.

<<< Equity financiers may be found through the Australian Development Capital Association p 02 9251 3911. <<<

#### 'Sweat equity'

In the first year of operations for many small businesses you can be putting in more effort than you are reaping rewards. It is important to record the 'sweat equity' everyone contributes and discuss repayments and rewards. How long can you rely on 'sweat equity' to keep your operations viable before morale suffers?

#### **Pooling resources**

You may be able to harness and develop your own know-how in order to cut costs – from writing a business plan to designing promotional material. Even if your enterprise fails to get off the ground, you've developed a new skill.

TIP: At the Raleigh Ecohouse, members provided their own equipment, furniture and tools – cutting initial setup costs drastically.



#### Fundraising

Good old fashioned fundraising activities, especially events, can foster 'community involvement' in your idea. Some fundraisers aren't so 'fun' for organisers – bear this in mind as it takes resources to raise funds. Can your fundraising activities be tagged onto existing community events – such as markets and festivals? A fundraising group will probably be able to come up with all kinds of ideas: enjoy!

If you are going to embark on fundraising as a major source of your startup resources, you might want to check up on the legal aspects of fundraising – consult the Charitable Fundraising Act 1991.

# 3. In Kind Support and Sponsorship Arrangements

In-kind support may be sought for a number of things – such as capital infrastructure, rent or promotions. There are many possibilities. For example you can approach your local council and ask them to promote your 'launch' in rates notices or existing waste education material.

Plan ahead and put in 'requests' to organisations and businesses in your area for their 'discards'. Cash registers, computers and office furniture may be found this way. Your requests can also act to promote your business; they may even secure longer term suppliers and customers.

#### **CASE STUDY: Gecko Recycle, GOLD COAST**

#### From donor to customer

Gecko Recycle in the Gold Coast moved very quickly after startup to turn sponsors and donors into suppliers and customers.

Sponsorship and donations can 'plug the gaps', by securing resources for particular items. Be specific about what you want the support for – make it something tangible and distinct. Approach potential sponsors with a 'win-win' proposition: what's in it for them? How can you promote their support as part of your own promotional activities?

A written proposition may be appropriate. Include samples of any promotional material, which is already in the public domain. Provide follow-up information to contributors.

And, of course, it may pay you to time your approaches at the end of the financial year. Will givers be able to deduct donations from their tax?

# 4. Securing Funding

#### Grants

One of the strengths of community-based (non-profit) reuse centres is their capacity to attract funds for a wide range of projects and programs from diverse sources. Reuse centres attract these types of funding because they can be a forum for many issues and are linked to many different stakeholders, including commerce and industry, educational bodies, government at all levels, neighbourhood groups, environmental organisations, ethnic groups, and arts bodies.

Grant programs come in a variety of shapes and sizes – some are listed in the info pages and a few shall be explored below. There is an art to writing successful grant applications. Put simply, get to know the broad agenda of the funding body and tie your idea up with their's as much as possible. Many grants have guidelines to assist you when writing an application. Ask: Which proposals have been successful in the past and why?



If you win a grant, you will probably have to sign an agreement with the funding body, which covers details such as what you'll use the funding for, the types of expenditure permitted, provision for the return of unspent funds, details on financial accountability and evaluation requirements.

Funds are available for many purposes and, if they support primary aims of the Centre (i.e. youth employment), they can be of considerable assistance for the development of the Centre overall. If they are for incidental projects (i.e. youth arts) it is well to remember that they are not a source of additional (surplus) income as all grant money must be spent on the project and invariably the project will consume administrative resources and management time. It is often a requirement of funding bodies that there is a real contribution from the organisation.

#### **Programs to assist**

The following Table 1 outlines funds which may be available for the development and operation of a reuse centre. The list above is far from exhaustive and is subject to continuous change. Some of the contact details for these funding programs are listed in the 'info pages'.

Waste reduction	Waste Planning and Management Funds Waste Reduction Grants Program (NSW Government) Regional Waste Boards and Regional Waste Forums (NSW)
Environmental education/ conservation	Environmental Education Trust (NSW Government) The Esprit Cares Trust Fund (Esprit Cares Trust) Green Corps (DEETYA)
Community Development	Community Development Grants Program (NSW Ethnic Affairs Commission Casino Community Benefit Fund (NSW Dept of Gaming and Racing) Trust funds (Local Business/industries) Community Development Funds (local council) (Repital Planning Area Assistance Schemes)
Arts	Visual Arts and Crafts Grants (NSW Ministry for the Arts) Community Cultural Development (Australia Council – Federal) Community Cultural Development Grants (NSW Ministry for the Arts)
Education	Helping Early Leavers Program (NSW DTEC) Circuit Breaker Program (NSW DTEC)
Employment	New Enterprise Incentive Scheme (DEETYA – Federal) Mature Workers Program (NSW DTEC) New Work Opportunities (DEETYA)

#### TABLE 1: Potential Funding Bodies for a Startup Reuse Centre

<<< For more information, refer to contacts in the 'info pages'. <<<

Let's take a closer look at some of these programs and how they have worked with reuse centres in the past.

# **Business Assistance**

Revolve, Canberra, used a Business Incubator when starting up. Business Incubators are run by select Business Enterprise Centres. In an Incubator, you share the costs of rent and services (such as secretarial) and receive in-house business assistance.

#### **Employment Assistance Programs**



A number of reuse enterprises have successfully harnessed assistance from employment programs during their first year of operation. Some businesses have even evolved from employment programs.

#### **CASE STUDY: Western Commnunity Reuse and Repair Centre, LAVINGTON**

Western Reuse and Repair Centre evolved from a New Work Opportunities scheme into an ongoing business. DEET provided funding for a staff of eight and a supervisor. The local council funded another supervisor and electrical repairer. Today, the group maintains their links with the local council and continue to reuse and repair.

At this point in time it is difficult provide general guidance for labour market programs throughout the whole of NSW – you'll need to do your own local research as private employment agencies provide a variety of services. The following is a list of programs, which may be available in your area.

# The New Enterprise Initiative Scheme (NEIS)

NEIS is funded by the Commonwealth Department of Employment, Education, Training and Youth Affairs (DEETYA). NEIS is described as 'a self-employment program that helps unemployed people to become independent of Social Security payments by starting their own business.' NEIS provides an allowance (equivalent to Newstart payments) for each employee for up to a year. During the year business advice and mentor support is also provided. Reuse enterprises have had varying degrees of support from mentors, so shop around if you can.

In order to be eligible for NEIS you need to be registered as unemployed and have an idea for a financially viable new enterprise. For each person on the scheme, your business plan must prove that your business will earn at least as much as the NEIS allowance after one year of operation.

<<< www.deetya.gov.au/neis/neisinfo.htm or your local Centrelink office. <<<

# Self-employment Development – SED and Group/Community Co-operative Enterprise (GCCE) development

SED and GCCE are 'approved activities' – meaning you can continue to receive Newstart whilst working on a small business idea which will offer viable self-employment. Unlike NEIS, you don't receive mentor support or participate in a 6 week business course.

# **Assisted Employment Schemes**

The Assisted Employment Scheme is funded by the Department of Health and Family Services, and is administered by local 'provider agencies'. Under the scheme, you receive financial support for 'services provided to your clients' such as staff training, co-ordination and supervision. You cannot use the scheme to meet the running costs of your business such as wages. The scheme is a long term one, providing support for 3 to 5 years.

# **CASE STUDY: Wangarang Recycling, Orange and Spins, WEST WYALONG** Assisted Employment Scheme

Wangarang Recycling and SPINS are two of a number of reuse operations in Central Western NSW who participate in the Assisted Employment Scheme.

• Wangarang Recycling employs people with mild and impermanent disabilities to staff the weighbridge and operate the reuse shop at the local landfill.



# Resources

- 'Business Angels' can assist with securing loans refer to the info pages.
- Refer to the 'Finance and Funding' section in the info pages for funding contacts and references.
- For information on the New Enterprise Initiative Scheme check out www.deetya.gov.au/neis/neisinfo.htm or your local Centrelink office.

# References

- <sup>1</sup> 'Reuse operations community development through redistribution of used goods', Institute of Local Self Reliance, August 1995. Report
- <sup>2</sup> 'REVOLVE Job Creation through resource conservation', Revolve booklet
- <sup>3</sup> www.tgci.com/publications/98winter/gettingcre.htm





#### The people of your enterprise

People are fundamentally important to your business. When working in a reuse centre you will not always have a 'formula' to work to – waste can be unpredictable. Workers with evaluative skills; initiative and an ability to learn on the job are valuable resources. This chapter outlines the range of skills which are called upon in the process of 'closing product loops' – from locating and sourcing discards to selling them.

Day to day work in a reuse centre can be mentally and physically demanding. To foster workplace morale it's important to embed a sense of worth in what you do – even if you are just dealing in 'garbage'. Creating a positive and motivated workplace involves deciding on roles and responsibilities and providing job support and training. Some typical roles and responsibilities used to organise and co-ordinate work in reuse centres are presented in this chapter. Have a professional approach.

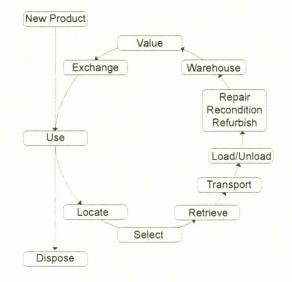
Being an employer brings with it a host of obligations – from providing a safe working environment to paying salaries, tax, and superannuation. The rights of workers vary with how they are legally defined. The distinction between employees, contractors, volunteers and co-operative members will be outlined.



# The right skills

It can be helpful if your group has a relatively diverse skill base. Think about the range of skills employed when 'closing the loop' – turning discards into products.

#### Skills for closing product loops



Some of the skills you need to do the tasks above well:

- **Locate:** materials recognition, knowledge of commodities and manufacturing processes, waste management
- Retrieve: communication, evaluation, organisation, time management
- Select: material's recognition, evaluation
- Transport: driving, scheduling, communication
- Loading/Unloading: materials handling, forklift licence
- **Warehouse:** presentation of goods, knowledge of safety issues, knowledge of stock availability and value
- **Repair, recondition, refurbish, renovate, dismantle:** technical skills, evaluative, craftsmanship, lateral thinking, ability to do costings
- **Retail/exchange:** ability to assess value of stock, knowledge of stock availability, understanding of potential application/use of stock, cash handling procedures, communication skills, customer service skills, numeracy, organisation.
- Exchange: communication, knowledge of commodities, organisation, lateral thinking





# The people of your enterprise

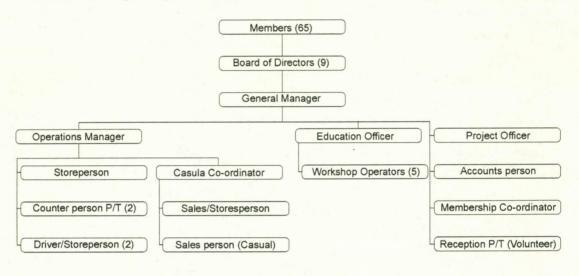
#### Who does what?

Australian reuse enterprises use a variety of 'worker' and 'management' arrangements to co-ordinate work, make decisions, and delegate responsibilities.

#### **CASE STUDY: Reverse Garbage Co-operative, SYDNEY**

At Reverse Garbage the Board of Directors is responsible for the strategic direction of the business and its financial viability. Staff carry out day-to-day operations.

#### **Reverse Garbage Organisation Chart**



#### **TIP: When hiring staff<sup>1</sup>**

Prepare a job description and list of 'essentials and desirables' for applicants and ask them to address these in their application

Ask open ended questions, not yes/no questions during the interview

Listen more than talk during the interview

Check references after the interview

Advise applicants if they weren't successful

Prepare a letter of appointment, which outlines the job description, and conditions

of employment

#### **Co-operatives**

A workers' owned co-operative structure can support flatter management hierarchies and more flexible remuneration structures than other kinds of business. If there is a downturn in business, a worker-owned co-op can react by asking members to reduce hours rather than making them redundant. There is also provision to record unpaid work, or 'sweat equity' contributed during startup. This can be remunerated as an increase in share value or by distributing profit at a later date. In this sense, a workers' owned co-operative could accommodate some of the needs of workers as the business evolves<sup>2</sup>.



# **Roles and responsibilities**

# **Board of Directors**

The role of a typical Board of Directors is outlined below in Table 1. Roles, responsibilities, and procedures for meetings and elections are typically outlined in the rules and/or Articles of Association of your enterprise.

#### TABLE 1: Typical Jobs for the Board<sup>3</sup>:

Set policy and limits
Supervise the manager
Set the strategic direction of the organisation
Ensure systems and controls are in place
Oversee financial management
Make sure you can meet your debts
Appoint auditor and monitor
Table accounts to an Annual General Meeting (for co-ops)

A Board of Directors can play an essential role, however you will need to judge whether you want to introduce another level of hierarchy into your operations and decision making.

When recruiting Board members be clear about what you would like them to do, and the length of their 'term' on the Board. Be prepared to induct them as you would a staff member and provide an outline of liability issues for Board members. Securing volunteer Board members can be difficult at times, especially those with both experience and time to commit.

#### **CASE STUDY: Reverse Garbage Co-operative, SYDNEY**

#### **Board of Directors**

The Board of Directors responsibilities are to:

- · Develop, review and redefine the strategic direction of the co-operative;
- Develop specific financial objectives for the co-operative;
- · Set a level of authority and other standards for the General Manager; and
- · Support the General Manager and equip him/her with the resources to do their job.

#### **Managers and Co-ordinators**

Do you want a 'flat' management structure where everyone has equal responsibility, or a 'tiered' management structure? Organising the work to be done and simplifying the lines of communication can be made simpler by assigning managing or co-ordinating roles – potential tasks for managers/co-ordinators are presented in Table 2

#### TABLE 2: Tasks for Management<sup>4</sup>

Orga	nise, plan and control the flow of work
Recru	uit, induct, train, supervise and motivate staff
Deve	lop new business opportunities
Track	k, manage, analyse and communicate finances
Set b	oudgets and monitor or control spending
Monit	tor cash in and cash out, update books
Com	municate with the Board the financial position
Ensu	re the organisation meets its legal and statutary reponsibilities

The process of decision making you will employ will also determine how tasks are done – who does what. Participatory decision making, consensus decision making, or a consultative approach refer to various processes of decision making and who they may involve from your enterprise.

#### Workers

The role of operations staff is detailed in the case study below. Operations staff include, Operations Manager, Drivers, Sales Persons and Stores Persons.

#### **CASE STUDY: Reverse Garbage Co-operative, SYDNEY**

#### **Operations Staff**

Operations Manager is responsbile for:

- Day to day management of trading
- Financial management
- Co-ordination of operations staff
- Promotions sourcing new materials
- Liaison with suppliers

Storespersons are responsible for:

- Storing materials and restocking the depot
- Pricing materials
- · Stock ordering and labelling
- Relief counter work

Sales/Counter staff are responsible for:

- Selling materials
- Advising customers on reuse of materials
- Administration and reception duties

Drivers are responsible for:

- Picking up, delivery and unloading of reuseable materials
- Stores work as required
- Building maintenance
- · Liaison with industry to maximise the amount of materials we can get reused

#### Volunteers

Volunteers can make invaluable contributions towards setting up a reuse enterprise – from volunteer accountants to builders to cleaners. These days, people volunteer for reasons such as: personal satisfaction; a sense of 'community belonging'; to enhance their work skills; or 'self growth'. Volunteers are precious – be aware of their needs, which are outlined in Table 3.



#### TABLE 3: Volunteer Needs<sup>5</sup>

Induction and guidance as to volunteer tasks and roles

Reimbursement of on-the-job costs (eg transport, safety gear)

Job satisfaction

To be treated fairly and as a co-worker

Training

Induction into Oc Health and Safety practices

Insurance (personal accident, damage to vehicles and property, and public liability)

A secure place to store their belongings whilst at work

<<< Contact The Volunteer Centre of NSW for assistance. <<<

#### TABLE 4: Legal Classification for Workers

In a legal sense, workers can be classified as members, employees, owner-operators or subcontractors. The distinction has implications for methods of payment, taxation and industrial relations. All of these classifications have been used by Australian reuse enterprises.

#### **Owner Operators**

If you are classified as an 'owner-operator' of your business, company or partnership your payment comes from your profits. You are responsible for organising your payment and taxation.

#### **Subcontractors**

A subcontractor works without day to day supervision and is paid to perform a set task, instead of receiving an hourly wage. Subcontractors are responsible for organising their own work, taxation and insurance. In order to be reimbursed, subcontractors produce an invoice for payment at the end of a particular work period. Subcontractors do not receive the 'security' offered to employees, such as worker's compensation, sick leave, etc. This is quite a tricky legal area and professional advice is best sought.

#### **Employees**

When the business is incorporated it becomes a legal employer and is responsible for paying wages and setting conditions.

#### Volunteers

A volunteer is someone who willingly chooses to undertake an activity, devoting time and skill without receiving monetary reward.

# The employer – employee relationship

If you are an employer, you have a number of legal obligations. This can prove to be quite expensive for a business in its early days. However, an employee – employer relationship can also provide a firm footing for building a business. Unless you have a lot of experience in employing people it may be beneficial to join a protessional employers group to help with professional advice as you need. Associations such as Australian Business, Australian Retailers Association or The Employers Federation offer membership packages which offer free advice about employment and other day to day business decisions.

#### **Employment Contracts**



An employment contract is a record of agreement between an employee and employer. It sets out employment conditions – such as the job roles, duties, responsibilities, conditions of work (hours of work, holidays and sick leave) and remuneration through superannuation and salaries.

When writing a contract or letter of employment, bear in mind your legal obligations as an employer. These will now be briefly outlined – however you will need to know about these in more detail.

#### **Obiligations of Employers**

Table 5 summarises the legal obligations. Some of these will be outlined in more detail in the last chapters. Seek legal advice and do your own research. Employer groups and unions can help in this area.

#### TABLE 5: The Legal Obligations of Employers

To pay superannuation contributions into employee's superannuation scheme.

To pay tax installments.

To provide 'equal opportunity to all'. Under the NSW Anti Discrimination Act 1977 it is illegal to discriminate on the grounds of race, gender, marital status, physical and intellectual impairment and homosexuality. The Act covers all stages of employment from advertising and hiring to dismissal.

To work within the *Industrial Relations Acts* which cover worker's compensation insurance, occupational health and safety requirements, unfair dismissal, and leave conditions.

To maintain **a safe working environment** and implement safe working practices. This will be discussed in more detail in the next chapter.

<<< For more info, contact the Human Rights and Equal Opportunities Commission (Federal) and the NSW Anti-Discrimination Board. <<<

<<< The Department of Industrial Relations provides information on employment conditions. <<<

#### **Conditions of Employment**

Industrial awards are work codes, which have been negotiated by unions. They establish work conditions such as minimum wages, hours of work, overtime, holidays and safety. Some of the relevant awards for reuse enterprise work include:

#### TABLE 6: Reverse Garbage Co-operative, SYDNEY

However, work in the reuse sector is not cut of the mould and existing awards maybe cumbersome to adapt. An enterprise agreement may be more suitable. Under the NSW Industrial Relations Act 1991, legally binding enterprise agreements can be made between the employer and employee to settle their own working conditions and arrangements. Tasmanian Trash Transformers have developed their own enterprise agreement, and Reverse Garbage Co-operative, Sydney is in the process of doing so.

<<< For more information contact the Award Enquiry Service and the Department of Industrial Relations. <<<

#### **Rights of Employees**

Employees of all incorporated bodies enjoy a number of rights, including6:

- The right to participate in union;
- The right to be employed under the terms and conditions of a written contract; and
- The right to enjoy the benefits of the relevant industrial award.



You may want to involve all workers in all decisions. The trick is to balance this philosophy with the practicalities and demands of running a business. Delegating tasks and giving particular decision making powers to managers or co-ordinators or workers is a knack. A co-operative structure may be able to provide a working platform for participative decision making. Employees of a worker owned co-operative have a democratic right to exercise one vote of equal value in all affairs; and information rights to be briefed on all current policies and financial affairs of the co-op.

With regards to the delegation of power, responsibility and decision making, communication is just as important as the structure you adopt for your business. The key issue is to communicate effectively as a group. Time away from daily tasks at regular staff meetings can be effective forums for co-ordinating the work to be done, and raising and solving problems.

# Training

Training is important for maintaining staff morale and enhancing staff competency – it improves the viability and vitality of your work. Training can also assist to minimise Occupational Health and Safety risks by promoting worksafe policies and practices – from safe lifting to eliminating passive smoking to preventing repetitive strain injury. Formal training is recommended as well as practical, hands-on sessions.

<<< Consult the Revolve booklet for their Health and Safety Policy, which outlines specific duties for management and employees. <<<

#### **On the Job Training**

As we have mentioned previously, the reuse business is not always predictable so workers need to be able to learn 'on the job'. Multiskilling of staff is essential, and you may devise a training program to simply do this. Formal staff 'induction' can also play a role – see the case study below. Training/professional development of staff can be difficult to deliver.

#### **CASE STUDY: Reverse Garbage Co-operative, SYDNEY**

New staff have an induction period – for intensive 'on the job' training. This covers: An introduction to Reverse Garbage including our aims, and the roles and responsibilities of staff. An overview of policies including OH & S and Code of Conduct. Followed by training in specific procedures relating to their job and a tour of the site the by working with an experienced person until they develop the confidence and experience to work on their own.

#### CASE STUDY: Revolve, CANBERRA

At Revolve, a structured induction course takes new staff from the administration office (for policies and procedures); the overall landfill site (for an overview and some basic training in 'manual handling' techniques); and yard and tip practices.

Training can be optimised and more effective if 'standard practices' are documented in some way; and if files and the tools for completing tasks are well labeled and easy to find. During startup, workers can play an active role in developing and improving 'standard practices'.



#### **Training by Coursework**

There is very little in the way of custom-made, formal coursework for reuse businesses. Training can involve:

- Customer service
- Management
- Media skills
- Business/retail skills
- Selling and marketing
- Stock control and warehousing
- Computing and accounting
- Vocational training
- Trade skills
- Design
- Education
- Manual handling

**TAFE (NSW)** has developed a waste training package and courses for vocational training. The following certificates may be relevant:

- First aid certificate
- Forklift certificate
- Class 4 Licence
- Fire Extinguisher Use
- Tagging and testing (for electricals)
- Accounting and Bookkeeping certificate

The **Waste Management Traineeship Scheme** is provided by a private company called the 'Environment Training Company'. Core modules (250 hours) include ecoskills, introduction to the waste industry, occupational health and safety, introduction to solid waste handling equipment, receiving and dispatching waste, sorting materials for recycling, treatment or disposal, and communication.

**Earthworks** is a community based, peer education council with a focus on attitudes and finding personal waste minimisation solutions for participant's daily life. The Bower Reuse and Repair Co-op was established from a group of Earthworkers. Earthworks can be 'modified' to your workplace.



# Resources

- Turn to Appendix F and Appendix G for dummy accounts, a dummy job description, employment contract, and recruitment package from Reverse Garbage Co-operative, Sydney.
- Contact (refer to info pages for details) The Volunteer Centre of NSW for assistance and advice regarding volunteers.
- For more info, contact the Human Rights and Equal Opportunities Commission (Federal) on 9284 9600 and the NSW Anti-Discrimination Board on 9318 5444.
- The Department of Industrial Relations on 9243 8888 provides information on employment conditions.
- The 'Employment and Training' section in the info pages has contact details for coursework.

# References

- <sup>1</sup> 'Small Business Street Smarts', Peter Thorpe
- <sup>2</sup> 'REVOLVE Job Creation through resource conservation', Revolve Booklet
- <sup>3</sup> 'Creating Jobs through employee owned co-operative enterprises' A guide for Jobseekers, and a guide for business advisors May 1998. HANDBOOK, National NEIS Association
- <sup>4</sup> 'Creating Jobs through employee owned co-operative enterprises' A guide for Jobseekers, and a guide for business advisors May 1998. HANDBOOK, National NEIS Association
- <sup>5</sup> 'Legalities: guidelines for running a community organisation' 4th edition, 1994. BOOK by Graham Wheeler for the Council of Social Service NSW, 1994. Published by Redfern Legal Centre
- <sup>6</sup> 'The A to Z of money matters in your community co-operative, 1995. CONFERENCE PAPERS, NSW Registry of Co-operatives





# **Operations, siting and infrastructure**

There's no doubt about it, operating a reuse enterprise can be hectic. On the flipside, it can also be varied, rewarding and entertaining. This chapter looks at site design and layout, infrastructure and the logistics of operating a reuse enterprise – safely.



# **Occupational Health and Safety**

During startup, expect to meet resistance – some people may perceive that your business will be a hazardous place for workers or customers. However, experienced reuse operators claim that the risks are manageable<sup>1</sup>.

The risks are real, the risks have to be articulated and acknowledged. The risks have to be insured against. The risks have to be avoided through training and preparation, and the risks are completely manageable with common sense solutions<sup>2</sup>.

Be prepared, have a good understanding of the legalities and get acquainted with safe and effective work practices.

# The Legalities of Health and Safety

Safety is not just commonsense, or good business – it's your legal responsibility. The Occupational Health and Safety Act 1983 and the Workers' Compensation Act are the relevant Acts of Parliament. A brief summary of your requirements as an employer is outlined below in Table 1.

Basically, employers are required to ensure the health, safety, and welfare of employees in the workplace. You must also conduct business so as to protect the health and safety of people coming to the workplace who are not employees.

#### TABLE 1: Summary of the Acts<sup>3</sup>

#### The Occupational Health and Safety Act 1983

Workers' Compensation Act

- · You must inform employees about work safe practices.
- The workplace must have a summary of the Workers' Compensation Act and information on the Occupational Health and Safety Act.
- A register of injuries must be kept to record any work related injuries no matter how trivial.
- The Act outlines how employees can participate in health and safety decisions through safety committees.
- Workcover Authority inspectors can issue employers with notices to take specific health and safety measures, or face fines.

#### **Safety and Operations**

Product safety will be a consideration for every discard you decide to bring into your premises. Lifting, handling and displaying stock will present a variety of risks – and in a reuse business the shape, size and content of stock will vary every day.

Working conditions (especially for outdoor work and tipface work), work intensity, work duration, and demanding and repetitive tasks are factors to consider when organising your work schedule and nurturing staff morale. You will also need to consider safety offsite, for example if you pick up discards from the factory floor or kerbside.

#### **CASE STUDY; Reverse Garbage Co-operative, SYDNEY**

Drivers sometimes get offered containers that have labels with names we can't even pronounce. We ask the company for a materials safety data sheet (MSDS) for all containers which tells us everything about the chemical and the recommended disposal method of the container. If the material is unsafe or they don't have the MSDS we reject the container. If the material is OK we keep the MSDS at the depot to make it available to people who reuse the containers.



Operations, siting and infrastructure

Customers are not only susceptible to any risks on your site, they can create risks. Whilst searching for elusive bargains, people can leave items and materials in dangerous places, neglect their children, forget to wear appropriate footwear, be carrying too much, wander into 'staff only' area of the warehouse – and more! Be aware of all of these possibilities when designing your floorspace and when on the job.

It is recommended that workers meet regularly to discuss safety. Keep a whiteboard free for issues to be jotted down as they arise.

#### **CASE STUDY: Revolve, CANBERRA**<sup>4</sup>

An OH&S officer was elected for each yard. The officer was professionally trained and given a specific responsibility for safety. An allowance is paid for this extra responsibility. This staff member is obliged to be constantly on the lookout for potential dangers in the yard and any failure to work safe or wear protective gear. Once a week a formal inspection is made of the yard and actions are recommended to the site manager.

# **Operations**

#### CASE STUDY: Reverse Garbage Co-operative, SYDNEY

In a typical week we have a schedule of pickups for different industrial areas. We pick up regularly from some factories and as demanded for others. The operations manager takes calls from potential suppliers during the day and placed pick ups into the schedule. If they can't wait until the truck is in that area and the materials sounds OK we rearrange the schedule to accommodate. This requires a fair bit of experience and knowledge of storage space, potential salability and juggling of resources.

The drivers picks up materials and brings them to the depot. Some materials are set aside for our other depot. The stores staff price the materials and display them for sale. Truck drivers do eight pickup runs each week – this amounts to about eight truckloads. In order to keep track of the wastes to be picked up Reverse Garbage uses 'run sheets'. Run sheets consist of lists of suppliers which are visited in a round trip. The run sheet also has space to slot in extra or 'one-off' pickups. These run sheets are kept as records of stock collected.

Materials from the trucks are unloaded by the drivers and the storeperson onto the loading dock. It is the storeperson's task to unload stock from the loading area to the retail area or storage areas. There are separate, lockable storage rooms. Lighter items can be stored in the lofts.

The storeperson is also responsible for keeping the retail area full of stock, tidy and signposted. Customer assistance is also given.

#### **TIP: recording stock**

Experience suggests that recording all stock as it comes in can be a waste of time. Stocktakes may be required at the end of the financial year to estimate the value of stock at hand for taxation purposes.

Your aim is to keep the discards coming in and going out. Promotions aimed at potential suppliers are likely to be more of a priority than maintaining a stock recording system. You do need to keep tabs of the discards, which have proven to be popular, and actively seek this stock out. Facilitating good communication between pickup and retail staff will help. The sale categories used to record sales on the cash register also assist.



## **Warehousing and Retailing**

At Reverse Garbage Co-operative, customers arrive throughout the day. There's plenty of parking near the front entrance, plus a driveway up to the front door if they have something bulky to load up and take away.

Sales staff assist customers if required, however the warehouse is basically open for browsing and 'self service'. Free packaging and baskets are available by the door. Scissors are available for loan for stock such as paper, ribbons, contact – which is stored on rolls.

Hours of opening have been the same for years – however one of our most common phone enquiries is 'when are you open'? We often get people calling up in advance – if they are looking for something specific or aren't sure if we have what they need. It helps, if you're answering the phone, to know the stock – whether an item is a regular pickup and when it might be available.

#### **TIP: Hours of opening**

Tip face operations generally stay open 7 days per week, as weekends are a busy time for salvaging and retail from waste depots. commercial and industrial operations might do pickup operations 5 days per week and be open on Saturdays for trading.

<>< Department of Industrial Relations can provide information on opening hours. <<<

Floor plan will influence the amount of assistance customers need in order to find what they want. Signage will also answer basic questions such as 'how much is this?' or 'what is this and what can it be used for?'.

Customers can offer a deal for a bulk purchase, put a deposit on an item to be held, pay for a delivery, make a straight cash or cheque purchase, or order a bulk mail order. Each sale and refund goes through the cash register. Daily takings are tallied and made ready for the bank at the end of the day, by the counter staff who has operated the cash register all day.

#### **TIP: Time Management<sup>5</sup>**

You're going to be busy! You will rarely have time to 'get everything done'! It will take some time to organise what you have to do – and it may help to consciously record, review and experiment with how each worker spends their time. Logs can be reviewed together. Try and ascertain the priority of the tasks done, for example:

- tasks which need to be done within a day,
- tasks which need to be done at some stage,
- tasks which are nice to have completed, but not essential,
- tasks which are being duplicated/done by someone else.

# Site layout

When we were looking at feasibility, we mentioned the importance of site design and layout. Let's now take a look at your workplace from a retail and operations perspective.

#### TIP:

Signage and general tidiness are essential. A fence is one of the easiest and quickest ways to obscure a messy landfill operation from browsing customers<sup>6</sup>.



### **Thinking Floor Plans?**

It's very likely that your floor plan will evolve as your business does, however there are some basic steps you can take which may save you the time and expense of re-organising things down the track. Here's what we have learnt at Reverse Garbage Co-operative.

## **CASE STUDY: Reverse Garbage Co-operative, SYDNEY**

A key issue is getting as much stock on the floor as possible – without the floor being cluttered so that stock is inaccessible or dangerous. We have separate areas: the 'shop' is for stock, which is smaller and priced per item; the 'floor' contains larger stock and items, which are sold by volume.

We analyse what proportion of sales come from shop sales and have increased how many square metres is devoted to individually priced items. How much floor space and handling a material takes is often the deciding factor in whether to accept a material, though we try and offer as much variety and "surprise factor" as possible.

The relationship between the loading dock, storage areas, and the retail space need careful thought, in terms of moving stock and customer access.

We have separated the areas where staff work from where the customers can browse as much as possible. Behind the scenes is the office space. Staff and volunteers can access a kitchen and lunch area from the floor and office. We have also established a second, 'quiet space' – a one-person office in the archive room – where our records are kept.

We are in the process of renovating a separate education room – unfortunately our warehouse is a bit old and finding the space or time to renovate an area is a bit of a challenge.

## **Floor Plans and Merchandising**

If you are a retail outlet, your floor plan will influence how much stock you sell. The art of 'merchandising' your stock is a crafty one – as everyone who's taken a critical look at their supermarket will know. Why not try some of these?

- Keep your front door open it encourages people inside;
- Have stock visible from the entrance;
- Display popular/unusual items in the front window, change the display regularly;
- Keep a variety of stock out on the floor; or
- Display complementary items together.

## Infrastructure

## **Storage Systems**



In the reuse business, you will be handling material of all shapes and sizes. You'll get plenty of 'one offs' – so your handling and storage systems will need to be flexible and efficient to use. It's' very likely that your stock will have a low unit value: bulk storage may be the way to go. To keep operations efficient, you will want to choose a storage system, which minimises 'double handling'. Safe storage, loading, unloading and lifting is perhaps the most important thing to keep in mind when devising storage systems.



### CASE STUDY: Reverse Garbage Co-operative, SYDNEY

At Reverse Garbage, we exchange empty containers to a lot of our regular suppliers when we pickup the full. The containers are reused cylindrical chemical storage drums, made out of heavy duty cardboard, with a metal base.

The same drum is used when picking up, transporting, and unloading stock at the Reverse Garbage warehouse. A trolley is used to carry the drum to the retail space, for browsing customers; or storage areas. That's the magic formula – and of course, it's a difficult one to keep.

Often we pick up stock, which hasn't even left its transport package- for example the cardboard box, which carries the individual items. These boxes are emptied into available drums or permanent 2 metre square bins. The empty box is left at the front of the shop – free packaging for customers to fill!

It's labour intensive work. A forklift is not a viable or safe option at this stage as our warehouse has an old wooden floor.

The area is used by browsing customers and their children so there is a constant need for everyone to be aware of this when moving materials around the warehouse.

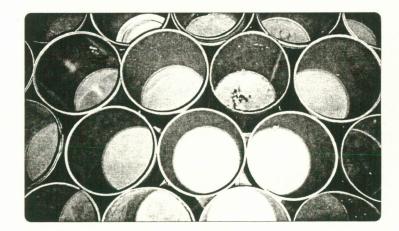
#### **Equipment and Transport**

Reuse operations are traditionally pretty low-tech – there's little infrastructure other than offsite transport for pickup and deliveries. If you have a split-level building winch, hydraulic lifts and ramps can be useful. Compare this with recycling, which can use balers, sorters, shredders, conveyors, pulpers, washers, dryers, and grinders!

At Reverse Garbage Co-operative, two tonne pantec trucks are used. These are fully enclosed – so we can still operate on rainy days. Hydraulic lifting trays at the back of the truck are versatile enough to get into loading docks and allow us to unload stock to floor level back at the warehouse – without lifting!

## Resources

 Department of Industrial Relations can provide information on opening hours, refer to the info pages for details.



## References

- <sup>1</sup> 'REVOLVE Job Creation through resource conservation', Revolve booklet
- <sup>2</sup> 'REVOLVE Job Creation through resource conservation', Revolve booklet
- <sup>3</sup> 'Legalities: guidelines for running a community organisation' 4th edition, by Graham Wheeler for the Council of Social Service NSW, 1994. Published by Redfern Legal Centre
- <sup>4</sup> 'REVOLVE Job Creation through resource conservation', Revolve booklet
- <sup>5</sup> 'Small Business Street Smarts', Peter Thorpe
- <sup>6</sup> Sonia Chirgwin, Tasmanian Trash Transformers





## **Business essentials**

Preparing a lease, paying wages, staying on the right side of the tax office, dealing with insurance brokers, money matters: it's the stuff of business. This chapter overviews these and other matters which will arise in the day to day running of your business. A little bit of research, pre-planning, preparation and getting 'systems in place' will help you cover your bases, so that when things get busy or go wrong, you won't be overloaded with late night work or end up in trouble!



# Accounts and bookkeeping

This is not to do with raising finance for startup – it's to do with the kinds of regular payments and bookkeeping tasks, which will arise every day, week and month. Bookkeeping is the art of keeping day to day records of financial transactions, and tallying them regularly to produce updates on your budget and cash flow.

Having effective cash management systems in place can save you time and money. It allows you to keep track of your financial position – this can help prevent theft, and assist with cash flow as you know who still owes you money. You can more easily measure your actual performance against your predicted performance. Decisions to buy or not to buy can be made from a well-informed position. Staff can get paid on time.

If you are incorporated or a partnership you'll be required to keep business records for up to five years. Companies are required to keep records for seven years. This includes records of sales and other income, and details of expenditure such as wages.

#### TABLE 1: So What are the 'Accounts'?

Your accounts include:

- A Balance Sheet refer to Chapter 6
- Profit and Loss statement refer to Chapter 6
- Notes and an auditor's report
- · Director's statement and report, if applicable

The better your books are kept, the less money you'll spend on an accountant. It can also assist with keeping bank charges down. A computer accounting program, such as Mind Your Own Business (MYOB), can assist.

## **Monitoring Cashflow**

There are a few simple components of bookkeeping.

Update your books daily by recording every transaction. Tally the cash you have and compare with your records – your books should 'balance' every day. A cash register will save time if you make a lot of sales. Paying your expenses by cheque means that you simply need to tally your cheque butts. Fill out a deposit slip, and bank the cash. Keep duplicates of the deposit slip.

At the end of the month, tally up your records. Summarise income and expenditure. Compare and reconcile it with the actual money in your bank account. You can group items using the same categories that are in the budget in your business plan- this will assist you with comparing your actual performance to predicted performance.

At the end of the financial year, update your profit and loss statement, and balance sheet. Take these and your books to an auditor, who will verify that your records are adequate and that systems have been followed. An accountant can assist with preparing your tax return.

## **Improving Cashflow**

#### **TIP: Strategies for Improving Cashflow<sup>1</sup>**

- Improve the way you collect money that is owed to you
- Increase your income from sales
- Delay payment for as long as you can

Cut costs

Improve your collection of receivables by having efficient invoicing procedures. Invoice when you have completed the service or provided the goods, and send a reminder at the end of the month. Note on your invoice: 'accounts strictly 30 days' (a typical time period) – this gives the customer until the end of the next month to pay.

Keep a record of invoices, which have not been paid. Follow up if you don't receive payment. Think of how you can encourage debtors to pay on accounts which are owing and get familiar with the ways in which you can protect yourself from delinquent debts.

<<< The Credit Reference Association of Australia keeps records of companies and directors p: 02 9951 7555. <<<

You can increase your income from sales by promoting, holding a 'sale', raising and dropping stock prices, and doing 'deals' such as discounts for bulk purchases. Time your business launch with 'peak' sale time – the end of the summer holidays and the start of school are good times at Reverse Garbage Co-operative, Sydney.

Don't pay until you have received the complete service or product and wait until you are invoiced. Keep a record of the cheque number and the date you paid on the invoice. Delaying payment to the extent that you risk your 'unblemished' credit standing is not recommended when you are starting out.

Get to know your tax deductibility status, and the kinds of expenses you can claim – such as office expenses, rent, repair and maintenance, computer software and business travel. Use a vehicle logbook to assist with claiming tax deductions on vehicle expenses. These costs will be deducted from your tax bill – you will need to keep records.

Shop around when choosing bank accounts. Bank fees can vary, depending on the methods of payment you will use.

## **Wages and Related Payments**

You will need to establish a system of record keeping for wages and salaries, such as timesheets and a standard wages record book. As well as a wage, employees are also entitled by law to these related payments:

**Superannuation contributions** – to employee's or contractor's superannuation schemes under at Superannuation Guarantee Act. The amount of contribution is a percentage of income.

<<< The Australian Taxation Office has an employers' guide to superannuation and superannuation hotline: p:131 020. <<<

<<< The Superannuation Commission helpline p:131 060. <<<

**Taxation Installments** – You must deduct tax from employee's salaries regularly – ('Pay As You Earn' tax or 'Payroll tax') and send this money to the taxation office every month. The Tax Office has a schedule of rates – but basically the more people you employ, the more you pay. You will need to register as a group employer and prepare group certificates every year. You may also be required to deduct tax from certain kinds of 'one off' contractors who do work for you, under the Prescribed Payments System.

<<< Contact the Australian Taxation Office: p:131 020. <<<



## Tax

The business structure you adopt will determine your taxation rate. Note that the Income Tax Assessment Act 1936 has quite a broad definition of what a company is. It is quite likely that you will have to do an annual tax return and pay tax at company rates. You will have to pay income tax on the revenue your business receives, and possibly the wage you draw from the business. If you are a sole trader or partnership you may have to pay provisional tax on your projected income – meaning that after your first financial year of operations you will have to pay two years worth of tax.

## TIP: Can't Pay Your Tax Bill?

If you take out a loan to pay your tax bill the borrowing expenses and interest can be claimed as a deductible expense next year<sup>2</sup>.

Some other kinds of taxes that will effect how you do business are outlined in Table 2.

## TABLE 2: Different Kinds of Taxes

**Sales Tax** – is levied on some manufactured or imported goods by wholesalers or manufacturers. Discards are not liable.

**Payroll Tax** – is to be paid regularly to the ATO if you have employees and pay wages. You will need to become a 'Group Employer'.

Stamp Duty - on insurance policies and motor vehicle registration transfer.

Financial Institutions Duty - is levied on credits to bank accounts.

Debits Tax - on withdrawals from bank accounts.

Fringe Benefits Tax - if you provide 'non cash remuneration' to employees.

**Capital Gains Tax** – on any profits you make from the sale of an asset. You will need to keep a register of Assets.

<<< Contact the Australian Taxation Office: p:131 020. <<<

The current draft form of the Goods and Services Tax Bill creates an additional complexity for reuse enterprises. The stock you sell will incur GST at the time of sale. However, the Bill allows for businesses who sell second hand to claim input tax credits on goods sold after July 2000 – so that the GST is not paid twice<sup>3</sup>.

# Insurance

# **Compulsory Insurance**

Note that insurance policies will only cover a certain range of activities – you may not be protected for everything you do. This is the case if your actions are deemed as negligent. Translate your policies into job description responsibilities, training, and work practice.

Many businesses risk financial disaster because of under insurance. Make sure you are covered for the full replacement cost of assets and stock plus business interruption costs.

Being in the business of waste, you may also find a few hurdles when taking out a policy. Talk to other reuse centres about their experiences – seek advice and shop around – business insurance is provided by brokers and can vary. You may find that one broker will provide you with the best deal for all your needs. You can decrease your premiums by getting multiple coverage discounts, and if you have processes in place to minimize risk, such as security devices and smoke alarms.



<<<The National Insurance Brokers Association p: 02 9964 9400, 008 252 558. <<<

Business essentials

Some policies are legal requirements:

- Public liability if you are incorporated.
- Worker's compensation if you have paid staff.
- Fidelity guarantee if you are a Co-operative.

# **Public Liability Insurance**

Public liability will cover your business in the event that a member of the public is injured, negligently advised, or their property damaged as a result of your activities. Note that not all policies will cover all everything – many do not cover negligent advice or professional indemnity. Know your insurance needs:

- Which sites are to be covered (what if you do pickups?)
- Will volunteers be covered?
- What kinds of activities will be covered (educational workshops, open days at the tip as well as trade related activities)?
- What is the insurance status of members when they are on site?

Product liability is a very important issue if you are dealing with discards! It will cover you in the event that a product causes damage to a consumer, or if the product is faulty or defective, or if no warnings are attached to the goods. In particular, you might want to make a conscious decision as to whether you will trade the kinds of items listed in the box!

## **Do You Want to Trade These Goods?**

used containers (ex industrial), offcuts, electrical equipment, glass, white goods, machinery, scrap, household materials, 'household hazardous' materials such as used paints, solvents, aerosol cans, oils.

It is compulsory for all Associations to maintain public liability insurance policy cover for at least \$ 2 million. Many commercial leases will also require public liability coverage. The majority of Australian reuse centres surveyed during this project were covered for \$10 million. If you have a joint venture, you may be covered under the other party's policies.

# **Workers' Compensation**

This is compulsory if you have paid workers. Workers' compensation covers workers for work related 'on the job' injuries or illness which has occurred as a result of workplace conditions. Your insurance policy will require that standard work practices, occupational health and safety measures and injury reporting procedures are maintained as part of your daily routine.

## A List of Essential Safe Work Practices for a Reuse Enterprise

- Keep the workplace neat and tidy practice good housekeeping.
- Think about the risk of stock falling when devising storage and unloading systems.
- Consult with staff about the best way to prevent accidents and listen.
- · Document all safety procedures and train staff continuously.
- Make sure staff adhere to procedures.
- Get professional help and safety audits done if you don't have the skills or knowledge.
- Foster awareness and skills for safe lifting.
- Put up a warning sign on the public entrance. This should highlight the need for children to be supervised at all times.



Keep customers away from staff working areas, especially unloading areas.

Your workers' compensation premium will vary as a percentage of your total payroll; and the 'perceived injury risk' for your 'industry classification'. Reuse industries are susceptible to high worker's compensation insurance premiums because of the nature of the industry and history of claims.

<<< Contact the Workers' Compensation Board if you disagree with your premium calculation. <<<

<<< Contact the WorkCover Authority in your area to distinguish between contractors and workers and their eligibility for coverage under your Workers' Compensation policy. <<<

# **Theft from within – Fidelity Guarantee Insurance**

This protects members from the fraudulent behaviour of other members or staff. It's compulsory if you are incorporated as a Co-operative. Fidelity Guarantee is available for other forms of incorporation – it can cover misappropriation by staff who handle goods or cash.

## Other policies to consider:

## **Property Insurance**

This can cover contents and building in the event of fire, and theft. Cross check your policy with the conditions of the lease if you are renting. Third party property insurance will cover the organisation and the driver if someone else's property is damaged during the course of business activities. Comprehensive insurance cover will also cover damage to, and theft of, the group's vehicle. Specific provisions are available to cover electronic equipment in the event of unforeseen and sudden loss or damage to computers.

It's tempting to leave insurance coverage until your business is on it's feet – but you should really treat insurance costs as a startup expense. A 'cover note' can give temporary insurance.

<<< The Crime Prevention Authority of the Bureau of NSW Police can give advice regarding security. <<<

## **Business Interruption or Loss of Profits Insurance**

If your business is interrupted through damage to property by fire or other insured perils, this policy will reimburse your anticipated net profit for the period of interruption. Disability or Income protection will insure you against loss of income or inability to meet loan repayments if you fall sick or have an accident.

#### Legalities

Legal advice should be sought when choosing a business structure, drawing up contracts and leases. Research the kinds of licenses and legislation, which are relevant to your activities. Here some basic information to get you started.

## Leasing

Commercial leases, unlike residential leases, do not come in any standard format, nor are they the subject of any legislation. So be careful, you may wish to get a solicitor to assess the conditions attached to a lease before you sign.



Conditions include: your holding rights if the site is sold; a schedule of rent increases (both inflation based and 'market value' based); indemnities; the procedure if you default on rental payments; your rights to sublet; the length of lease; and rights of renewal. The Conveyancy Act sets a scale of the maximum legal fees, which can be charged, for preparing a commercial lease.<sup>3</sup>

#### Licences to trade

You may need a second hand dealers' licence from the Department of Fair Trading. A second hand dealer is classified as:

'a person (individual or a company) who is in the business of buying and selling second hand goods (goods that have been used, or that are represented by a vendor of the goods to be goods that have been purchased by a third party but unused – for example, goods may be an unwanted gift'.

A list of goods to which the licence applies is available form the Department of Fair Trading. The licence will cost you \$325 initially and then \$235 every year thereafter. It may also mean that you need a computerised tracking system for stock. From January 1, 1999, it will be a licence prerequisite for computerised records to be made.

<<< Department of Fair Trading Business License Information Service for licensing requirements<<<</p>

## **Relevant legislation**

We've already discussed the legislation which applies to business structure; occupational health and safety and staff related matters. Refer to Table 3 for a list of other legislation which may be relevant.

<<< The Environment Defenders Office in Sydney has fact sheets on waste legislation. <<<</p>

#### **TABLE 3: Relevent Legislation for Reuse Enterprises**

The Pawnbrokers and Second Hand Dealers Act 1996 Contact the Department of Fair Trading: investigation branch

Sale of Goods Act 1923

Retailers and service providers have legal obligations to customers, including: to supply goods of reasonable quality in relation to price and the description of goods; to supply goods that are suitable for the purpose

- Contact the NSW Department of Consumer Affairs.

Trade Practices Act 1974

Details trade practices to regulate unfair or misleading behaviour to consumers and other business. Aims to regulate 'anti-competitive' behaviour.

- Contact the Australian Competition and Consumer Commission.

The Contracts Review Act 1980

The act of buying and selling creates a legal agreement between buyer and seller, which is covered by the basic law of contracts.





## Resources

- The Credit Reference Association of Australia keeps records of companies and directors p: 02 9951 7555.
- The Australian Taxation Office has an employers' guide to superannuation and superannuation hotline: p:131 020.
- The Superannuation Commission helpline p:131 060.
- The National Insurance Brokers' Association p: 02 9964 9400, 008 252 558.
- Refer to the 'Legal Advice, Business Assistance, Accounts and Taxation and Legislation' sections in the info pages for other contacts and references.

# References

- <sup>1</sup> 'The Small Business Book' by Emma Alberici 1995 Penguin
- <sup>2</sup> Australian Taxation Office Fact Sheet No: TGST010: 'GST transitional arrangements – second hand goods
- <sup>3</sup> 'Legalities: guidelines for running a community organisation' 4th edition, by Graham Wheeler for the Council of Social Service NSW, 1994. Published by Redfern Legal Centre



# Glossary

Avoidance Employing alternative strategies that minimise, or do not create, waste.Business Plan A document describing a proposed business venture which may be used as an operating, planning and fundraising tool.

Buy-Back Centres Outlets where you can buy secondhand items.

#### Commercial and industrial waste

Inert, solid, industrial or hazardous wastes generated by businesses and industries (including shopping centres, restaurants and offices) and institutions (such as schools, hospitals and government offices), excluding construction and demolition waste and municipal waste.

#### Construction and demolition waste

Waste being resulting from the demolition, erection, construction, refurbishment or alteration of buildings or from the construction, repair or alteration of infrastructure-type development such as roads, bridges, dams, tunnels, railways and airports and that is not contaminated or mixed with any other type of waste, and does not contain any asbestos waste.

#### **Co-operative Business**

A co-operative business structure is a separate legal entity and can enter into contracts.

**Domestic waste** Represents all household waste placed on the kerbside for collection by council or council contractors.

**Drop-off Centres** Collection bins for recyclables are often located in public places such as schools, service stations, parks, transfer stations and landfills, where the public can take their recyclable material.

#### Ecologically Sustainable Development (ESD)

Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

- EPR Extended Producer Responsibility.
- **Equity** A risk interest or ownership right in a property.

**Garden Waste** Any waste material that in its raw form comprises of vegetation. This includes grass, leaves, mulch, plants, branches/twigs, tree loppings and trees.

- **Green Waste** Food, garden and wood waste. The management of these waste streams are covered by the NSW EPA Green Waste Action Plan (1997).
- **Income Statement** A statement which lists revenues, expenses, gains and losses for a period of time ending with the net income for the period.
- Landfill SiteA waste disposal facility used for the purpose of disposing waste to land.Also known as 'garbage tip'.
- Landfill Solid or liquid material disposed of by burial in the ground.
- Leachate Liquid released by, or water that has percolated through, waste, and that contains dissolved and/or suspended liquids and/or solids and/or gases.

LGA Local Government Area.



## Municipal waste

Solid and inert waste arising from the following waste sub-streams:

**Domestic waste** – represents all household waste placed on the kerbside for collection by council or council contractors;

**Other domestic waste** – residential solid and inert waste arising from domestic clean-up and garden waste; and

**Other Council waste** – Council generated solid and inert waste arising from street sweepings, litter bins, parks and garden clean-ups, tree loppings and Council engineering works.

### **Non Profit Business**

A business in which income, assets and surplus funds used to achieve the organisations objectives and are not distributed to members or shareholders.

#### **NSW Environment Protection Authority**

NSW EPA is the leading NSW public sector organisation responsible for environment protection. The EPA was established in March 1992 under the Protection of the Environment Administration Act 1991. The EPA's philosophy is that pollution prevention is as important as control. In addition to its regulatory functions the EPA is active in environmental education, environmental economics, environmental research and monitoring, and regular reporting on the state of the environment in NSW.

### NSW EPA Waste Reduction Grants Program

	Also known as The Waste Challenge. Funded by the State Waste Advisory Council (SWAC), allows individuals and organisations across the State to apply for grants up to \$100,000 for projects that will develop innovative and proactive approaches to waste reduction in NSW.
Recycling	Any process by which materials that would otherwise become solid waste are collected, separated, processed and returned to the economic mainstream in the form of raw materials or product.
Reprocessing	The processing of waste that has been recovered into a different non-waste product.
Resource	Anything used by organisms to meet their needs (air, water, minerals, plants, animals).
Resource Recover	y
	Extraction of useful materials of energy form waste materials. This involves recycling or conversions into different unrelated products or uses.
Reuse	Finding or adapting products after their initial use so that they have the same, similar or alternative uses. These reuses extend the life of the products. It is also products reused with or without cleaning and/or repairing.
Source Separation	Separating different types of waste or reuse resource at their source.
Total Waste Stream	n
	Includes Domestic Waste, Commercial and Industrial Waste and Construction and Demolition Waste.
Transfer Station	A waste handling facility used to transfer waste from collection vehicles to a bulk haul vehicle in order to achieve long-distance transportation efficiency. It may also be used to sort and redirect waste with the potential to recycle prior to disposal.



Value Adding	Repairing or refurbishing a material, to increase the value of the material for resale or reuse.
Vermiculture	Worm farming.
Waste	As defined in the Waste Minimisation and Management Act 1995 to include:
	<ul> <li>a. any substance (whether solid, liquid or gaseous) that is discharged, emitted or deposited in the environment in such volume, constituency or manner as to cause an alteration in the environment, or.</li> </ul>
	b. any discarded, rejected, unwanted, surplus or abandoned substance, or
	c. any otherwise discarded, rejected, unwanted, surplus or abandoned substance intended for sale or for recycling, reprocessing, recovery or purification by a separate operation from that which produced the substance, or
	d. any substance prescribed by the regulations to be waste for the purposes of this Act.
	A substance is not precluded from being waste for the purposes of this Act merely because it can be reprocessed, re-used or recycled.
Waste Audit	A study which measures the type and quantity of waste being produced, develops a profile of waste, to then develop waste management (reduce, reuse, recycling) priorities.
Waste Board	Eight Waste Boards set up around Sydney by the NSW State Government to develop a regional strategic approach to waste management. Each Board comprises groups of local government areas working towards reducing waste to landfill by 60% by the year 2000, according to the principles of ecologically sustainable development.
Waste Facility	Any premises used for the storage, treatment, reprocessing, sorting or disposal of waste, includes transfer stations and landfills.
Waste Exchange	Waste Exchanges are networks for listing reusable goods and materials you need, as well as searching for businesses or individuals who have placed a request because they want the goods and materials for which you no longer have a use.
Waste Managemen	
	A priority waste flow list, under the Waste Minimisation and Management Act 1995 where waste avoidance is the highest priority followed by, re-use, recycling, and reprocessing. Waste disposal is viewed as the last

## Waste Minimisation and Management Act 1995

option for waste reduction.

Sets out statutory obligations for the management of waste, including provisions for the licensing and reporting of waste activities. It also sets out statutory obligations for waste facilities and provisions imposing standard environment protection requirements for non-licensed waste activities and transporters.



Glossary

Waste Minimisation	n
	The prevention of waste at its source, either by preventing the generation of waste altogether or reducing waste output. It also entails the re-designing of products and changing social patterns of production, distribution, and consumption.
Waste Reduction	Decreasing the amount of waste at its source.
Waste Stream	A general term used to denote all waste material placed out for removal, either by the recycling or garbage contractor.
Working Capital	Is the funds used for the day-to-day operations of a venture.
Whitegoods	A generic term used for large household appliances including refrigerators, washing machines, hot water systems, dishwashers, freezers, dryers, etc.





# Appendix A – Info Pages

## **Reuse Contacts**

'REVOLVE – Job Creation Through Resource Conservation', booklet. Contact Revolve Canberra Business Centre Downer ACT 2602. p: 02 6239 3691, f: 02 6239 3693 e: revolve@webone.com.au

'Reuse – A New View From Treasure Island', by Rod Garton for Resource Work Co-operative Society Ltd 1998. Contact GPO Box 1092 Hobart TAS 7001. p: 03 6234 3772, f: 03 6234 4644 e: resotips@netspace.net.au

Resource is a not for profit co-operative, established after two years of planning, \$3,000 seed funding was gained from 30 people each donating \$100 each. Resource operates two tip shops – salvage and sales, materials include building materials, hardware, furniture, books, toys, antiques, bric-a-brac.

'Supplying Discards To Reuse Industries: Opportunities Identified From an Audit of the Sources and Composition of Municipal Solid Waste' by Rod Garton for Resource Work Co-operative Society Ltd 1998. Contact GPO Box 1092 Hobart TAS 7001. p: 03 6234 3772, f: 03 6234 4644 e: resotips@netspace.net.au

Information collected includes source (15 categories of industry), magnitude, frequency of supply, and volumes. Results are discussed with regard to how well they replicate local and international findings, and their implication for discard management.

'Reuse Operations: Community Development Through Redistribution of Used Goods'.
Report by Michael Lewis, Russell Clark, Jeffrey Vandall and Neil Seldman 1995, ISBN 0-917582-95-0, LC 95-31168. Contact Institute for Local Self-Reliance 2425 18th Street, NW Washington, DC 20009.
p: 202 232 4180, f: 202 332 0463, at: www.ilsr.org

'Sustaining Business and Jobs Through Pallet Repair and Reuse'. Report by Brenda Platt 1997, ISBN 0-917582-94-2, LC 97-1335. Contact Institute for Local Self-Reliance 2425 18th Street, NW Washington, DC 20009. p: 202 232 4180, f: 202 332 0463, at: www.ilsr.org

'Creating Wealth From Everyday Items'. Report by Brenda Platt 1997, ISBN 0-917582-95-0, LC 97-1338. Contact Institute for Local Self-Reliance 2425 18th Street, NW Washington, DC 20009. p: 202 232 4180, f: 202 332 0463, at: www.ilsr.org

Waste Prevention, Recycling, and Composting Options: Lessons from 30 US communities', by US EPA February 1994. Reference EPA530R92015. Contact www.epa.gov/epahome/publications.htm

Wastewise Program US EPA program. Contact www.epa.gov/wastewise

A voluntary program to assist business to reduce waste.

'Manufacturing with Reused and Recycled Materials: 50 Small Business Opportunities Materials for the Future Foundation. Report. Contact www.materials4future.org

'Total Recycling: Realistic Ways to Approach the Ideal', by Daniel Knapp and Mary Lou Van Deventer, University of California Press.

'The Art and Science of Dumpster Diving', John Hoffman, 1992, Loompanics Unlimited.

# **Networks for reuse**

NSW Environment Protection Authority. Contact 59 – 61 Goulburn Street Sydney South NSW 1232 PO Box A290 Sydney South NSW 1232. p: 131 555 (Pollution Line), p: 02 9733 5000, f: 02 9733 5002 at www.epa.nsw.gov.au

The EPA publish a number of guidelines in relation to the Waste Minimisation and Management Act (see 'Legislation' below); contaminated sites; and landfill and waste issues.

Reusenet, Internet Resources for Tipshops and Re-use Centres. Contact Mim Buchhorn, p: 0413 464 012, e: buckchoy@hotbot.com

Internet resources for tipshops and re-use centres. Get your business listed on the directory, or participate in the discussion list. Another NSW State Government Waste Reduction Grant Intiative.



'State of Waste' Report. Local Government and Shires Association of NSW. Contact PO Box 7003 Sydney 2000. p: 02 9242 4080, f: 02 9242 4111. Manisha Amin: e: mamin@lgsa.org.au

'Recycling Directory for the Sydney, Central Coast, Hunter, and Illawarra Regions'. Compiled by the Western Sydney Waste Board. April 1999. Contact Western Sydney Waste Board PO Box 1101, Blacktown 2148. p: 02 9676 6299 f: 02 9676 6363 e: wswmb@region.net.au at: www.wswaste.nsw.gov.au

- The Materials for the Future Foundation, United States. Contact www.materials4future.org A non profit organisation promoting community economic development for low-income communities through the creation of reuse, recycling, amd remanufacturing enterprises in Northern California. Publications are available.
- Chelsea Centre for Recycling and Economic Development. Contact www.chelseacenter.org Aims to create jobs whilst supporting recycling efforts, and help the economy and the environment by increasing the use of recyclable materials in manufacturing processes. Activities include assisting manufacturers to overcome technical and financial barriers to utilizing more scrap materials; assisting entrepreneurs to commercialize innovative recycling and reuse technologies; attracting new scrap based businesses to the State; working with other business and technology service providers; and developing and transferring related technologies.

# ReDO: Reuse Development Organisation Contact c/ Mary Lou Van Deventer Urban Ore Inc, 6082 Ralston Ave, Richmond, CA 94805 USA, at www.redo.org/

A US membership organisation for reuse operators and other interested parties. They aim to promote reuse as an environmentally sound, socially beneficial and economical means for managing surplus and discarded materials and they provide the following services: information exchange, brokerage of goods, local and regional meetings, consulting and consulting referrals.

Reusable News. Contact US EPA Office of Solid Waste at www.epa.gov/epaoswer/non-hw/recycle/reuse

# Clean Hunter Centre. Contact 98 Broadmeadow Road Broadmeadow NSW 2292. p: 02 4940 0975, f: 02 4940 0976 e: chc@idl.net.au

Aims to facilitate and support the development of the market side of recycling and waste minimisation.

## Mim Buchhorn, Talking Garbage. Contact p: 0413 464 012, e: buckchoy@hotbot.com

Mim and Jenny Kent worked on the Reuse Centres Project, wrote this book, and pulled together Sydney's first ever 're-use' seminar. Mim's passion for reuse is matched by her interest in recycled, product policy, EPR, and other 'sustainable consumption' initiatives. She is now working on 'Reuse.net' internet resources for tipshops and re-use enterprises.

Jenny Kent, Consultant. Contact PO Box 67 Oatley NSW 2223. p: 0417 455 644 e: jennykent@bigpond.com

Specialist waste consultant working in the areas of waste education and waste minimisation. Experienced in project management, policy and strategy development, researching, and community consultation and facilitiation.

Annie Kavanagh, Consultant. Contact Northern Sydney Waste Board Suite 1, 47a Penrose Street Lane Cove NSW 2066. p: 02 9428 5673, f: 02 9428 5674 e: nswb@bigpond.com Annie was instrumental in developing and establishing Revolve, Canberra.

Sonia Chirgwin and Billy Willis, Tasmanian Trash Transformers. Contact tastrash@vision.net.au ((have emailed)) see reuse contacts as well))

Dawn Smith, Consultant. Contact Dawn Smith Marketing and Business Consulting 10 Attuga Street Keiraville NSW 2500. p: 02 4229 3624, f: 02 4229 3627 e: smith4@ozemail.com.au

Specialises in marketing, planning, business planning and feasibility studies for the waste industry.

# **NSW Waste Boards**

Central Coast Waste Board. Contact PO Box 345 Gosford NSW 2250. p: 02 4323 4343, f: 02 4325 3711 e: ccwaste@acay.com.au at: www.ccwaste.idl.com.au/e

Hunter Waste Board. Contact PO Box 307 Waratah NSW 2298. p: 02 4940 0400, f: 02 4940 0399 e: hwpmb@idl.net.au at: www.hwpmb.idl.net.au/



Illawarra Waste Management. Contact PO Box 460 Dapto NSW 2530. p: 02 4262 2200, f: 02 4262 2533 e: illawarra@wasteboards.nsw.gov.au at: www.globalpresence.com.au/iwm

Inner Sydney Waste Board. Contact Suite 2, Level 11 Town Hall House 456 Kent Street Sydney NSW 2000. p: 02 9261 2777, f: 02 9261 2577 e: iswb@wasteboard.nsw.gov.au at: www.wasteboard.nsw.gov.au

Macarthur Waste Board. Contact PO Box 1441 Campbelltown NSW 2560. p: 02 4628 4588, f: 02 4628 9925 e: mwb@macwaste.org.au at: www.macwaste.org.au

Northern Sydney Waste Board. Contact Suite 1, 47a Penrose Street Lane Cove NSW 2066. p: 02 9428 5673, f: 02 9428 5674 e: nswb@bigpond.com at: www.users.bigpond.com/nswb

Southern Sydney Waste Board. Contact Locked Bag 300 Botany NSW 2019. p: 02 9316 9199, f: 02 9316 9586 e: sswb@mpx.com.au at: www.sswb.nsw.gov.au

Western Sydney Waste Board. Contact PO Box 1101 Blacktown NSW 2148. p: 02 9676 6299, f: 02 9676 6363 e: wswmb@region.net.au at: www.wswaste.nsw.gov.au/

# **Community Links**

'Who Cares About the Environment in 1997?'. Report. NSW EPA Social Research Series. Contact NSW Environment Protection Authority. Contact 59 – 61 Goulburn Street Sydney South NSW 1232 PO Box A290 Sydney South NSW 1232. p: 131 555 (Pollution Line), p: 02 9733 5000, f: 02 9733 5002 at www.epa.nsw.gov.au

'The Environment and NSW Ethnic Communities' 1997 Report. NSW EPA Social Research Series. Contact NSW Environment Protection Authority. Contact 59 – 61 Goulburn Street Sydney South NSW 1232 PO Box A290 Sydney South NSW 1232. p: 131 555 (Pollution Line), p: 02 9733 5000, f: 02 9733 5002 at www.epa.nsw.gov.au

Australian Association of Environmental Education. Contact PO Box 1148 Castle Hill NSW 1765. p: 1800 247 557, f: 1800 247 558.

Playgroups Association. Contact PO Box 567 Gilford NSW 2161. p: 02 9632 8577, f: 02 9632 6445.

Local Council Community Service Directories. Contact your local Council or look in your local library. Local community groups: Church groups, Retirees Associations, 'University of the Third Age', Local Business Associations; Civic Groups; Lions, Rotary etc.; Environment and Landcare.

Local Government and Shires Association of NSW. Contact PO Box 7003 Sydney 2000. p: 02 9242 4080, f: 02 9242 4111.

# **Business Assistance**

Business Enterprise Centres – NSW Peak Body. Contact your local BEC via the white pages. Or call p: 02 9413 3230.

BECs are located throughout NSW. They are funded by State and Regional Development. They are independent, non-profit organisations which have been established to assist new business starters and micro business. Your local BEC can give advice on business viability and referral, and may have a range of resources available – a library, practical seminars, and referral.

The Sydney Business Enterprise Centre operates a 'fax back' service. Contact p: 02 9282 6977, f: 02 9281 2546.

Your local BEC can give advice on business viability and referral, and may have a range of resources available – a library, practical seminars, and referral. Ask for an index of fax on demand information.

NSW Department of Fair Trading Business License Information Service. Contact BLIS Department of Fair Trading Level 21 227 Elizabeth Street Sydney NSW 2000 p: 02 9619 8722.

A free service which will outline all the licensing requirements for all NSW and Commonwealth Government Business Licenses.

Registry of Co-operatives NSW Department of Fair Trading Level 8, Civic Tower, 66-72 Rickard Rd Bankstown NSW 2200 p: 02 9793 0558.



Grassroots Economic Organising Newsletter, bimonthly publication. Contact www.geonewsletter.org Reports on community based economies and their development through local co-operative action. GEO provides a global forum to: discuss issues; learn from one another; share resources and build strategies and coalitions that defy the limits of mainstream economic options. Subjects covered include: cooperatives, local currency, microenterprise development, employee ownership, youth entrepreneurship, creating jobs, revitalising communities that face economic and ecological decay.

Non Profit Charitable Organisaions 'Practical Hints for building your nonprofit Board' by Stan Hutton, June, 1998. Contact http://nonprofit.miningco.com/LIBRARY/WEEKLY/aa040698.htm

Free nonprofits grassroots MBA: Self directed, community based management development program. Contact http://mapnp.mtn.org/library/mgmnt/mba\_prog.htm

Resources for self organised learning. US program.

'Small Business Street Smarts' by Peter Thorpe. ISBN 0646125699

'The Small Business Book' by Emma Alberici 1995 Penguin. ISBN 0140253572

'The E-Myth: Why most small businesses fail and what to do about it' by Christine Roden.

# Legal Advice

'A Guide to the NSW Co-operatives Law', 1994 by Donald R Magarey. Published and distributed by CCH Australia GPO Box 4072 Sydney NSW 2001. p: 02 9857 1300, f: 02 9857 1601. Outlines the formalities of setting up a co-operative, holding meetings, and raising capital.

'Legalities: guidelines for running a community organisation' 4th edition, by Graham Wheeler for the Council of Social Service NSW, 1994. Published by Redfern Legal Centre 122 George Street Redfern NSW 2016. p: 02 9698 3066, f: 02 9698 3077.

NSW Department of Fair Trading Business License Information Service. Contact BLIS Department of Fair Trading Level 21 227 Elizabeth Street Sydney NSW 2000 p: 02 9619 8722.

A free service which will outline all the licensing requirements for all NSW and Commonwealth Government Business Licenses.

Community Legal Centres. Contact the Community Legal Centre Secretariat Suite 1 245 Chalmers Street Redfern NSW 2016. p: 02 9318 2355, f: 02 9318 2863.

CLCs can provide legal advice and assistance for members of the local community and in some specialist areas of law.

The Law Society of NSW Community Assistance Department. Contact 170 Phillip Street Sydney NSW 2000. p: 02 9926 0333, f: 02 9231 5809.

The Law Society of NSW Specialist Accreditation Section. Contact 170 Phillip Street Sydney NSW 2000. p: 02 9926 0333, f: 02 9231 5809.

Find a Business Law accredited specialist.

Legal Access Information Centre. Contact State Library of NSW Macquarie Street, Sydney NSW 2000. p: 02 9273 1558, f: 02 9273 1251.

NSW Department of Fair Trading. Contact PO Box 972 Parramatta NSW 2124. p: 02 9895 0111, f: 02 9895 0222.

Provides information on the The Pawnbrokers and Second Hand Dealers Act 1996.

NSW Department of Consumer Affairs. Contact p: 133 220. Provides assistance and protection to consumers, under the Sale of Goods Act.

The National Insurance Brokers Association. Contact Level 18 111 Pacific Highway North Sydney NSW 2060. p: 02 9964 9400 or 1800 252 558, f: 02 9964 9332.



# **The Structure of Your Enterprise**

'A Small Business Guide for companies' Contact NSW Government Information Service (bookshop) Ground Floor Goodsell Building corner Phillip Street/Hunter Street Sydney NSW 2000 PO Box 258 Regents Park NSW 2143. p: 02 9743 7200, f: 02 9743 7124.

The Australian Securities and Investment Commission (Business Centres). Contact Sydney: Level 8 City Centre Tower 55 Market Street Sydney NSW 2000 GPO Box 9854 Sydney NSW 2001. p: 02 9911 2500, f: 02 9911 2550

Have information sheets which deal with single director companies.

NSW Department of Fair Trading Associations Section. Contact PO Box 972 Parramatta NSW 2124. p: 02 9895 0111, f: 02 9895 0222.

Non profit online news. Contact www.gilbert.org/news

'Creating Jobs through employee – owned co-operative enterprises' – A guide for Jobseekers, and a guide for business advisors May 1998. Handbook. Contact New Enterprise Incentive Scheme (NEIS), through the NSW Department of Employment, Education, Training and Youth Affairs (DEETYA) GPO Box 9880 Canberra ACT 2601, f: 02 6240 7352. at: www.deetya.gov.au/neis

NEIS is a self-employment program that helps eligible unemployed people become selfsupporting and independent of Centerlink payments by establishing their own businesses.

NSW Department of Employment, Worplace Relations and Small Business. Contact Level 7 North Wing 477 Pitt Street Sydney NSW 2000, GPO Box 9879 Sydney NSW 2001. p: 02 9246 0600, at: www.dewrsb.gov.au/default.htm

NSW Department of Industry, Science and Resources. Contact Level 17 Maritime Centre 207 Kent Street Sydney NSW 2000. p: 02 9265 0900, f: 02 9252 3652 at: www.ausindustry.gov.au/

# **Business Planning and Feasibility Studies**

NSW Department of Urban Affairs and Planning (DUAP). Contact GPO Box 3927 Sydney NSW 2001. p: 02 9391 2000 at www.duap.nsw.gov.au

Publications include planning guidelines on landfilling, composting, and related facilities and for contaminated land.

NSW Department of State and Regional Development. Contact PO Box N818 Grosvenor Place Sydney NSW 1220. p: 02 9228 3111, f: 02 9228 3626, at www.business.nsw.gov.au

Women in Business Program. Contact Lynette Dorn PO Box N818 Grosvenor Place Sydney NSW 1220. p: 02 9338 6704, f: 02 9338 6706 at www.smallbiz.nsw.gov.au

Women in Business is a program run through NSW Department of State and Regional Development, runs a women in business mentor program and offer free workshops on business topics (such as marketing).

WorkVentures. Contact Level 10 418A Elizabeth Street Surry Hills NSW 2010. p: 02 9282 6922, f: 02 9211 6923.

'Non-profits in Business' by Steve Lawrence, published by WorkVentures (1997)

# **Staff and Volunteers**

'Creating Jobs through employee – owned co-operative enterprises' – A guide for Jobseekers, and a guide for business advisors May 1998. Handbook. Contact New Enterprise Incentive Scheme (NEIS), through the NSW Department of Employment, Education, Training and Youth Affairs (DEETYA) GPO Box 9880 Canberra ACT 2601, f: 02 6240 7352. at: www.deetya.gov.au/neis

NEIS is a self-employment program that helps eligible unemployed people become self-supporting and independent of Social Security payments by establishing their own businesses.

NSW Department of Industrial Relations. Contact Level 2, 1 Oxford Street Darlinghurst NSW 2010, PO Box 847 Darlinghurst NSW 2010. p: 02 9243 8888.

Can provide information on trading hours, employment conditions and fair trading. For information on State awards, call: p 131 628. For information on federal awards, call 02 9282 0888.



Workcover New South Wales p: 131 050 or 02 9370 5303.

The Workcover Authority is a body which is established by the NSW Government to oversee the health, safety, rehabilitation and compensation of workers in NSW. Workcover provide assistance with Worker's Compensation Insurance, preventing work injuries, and rehabilitation from workplace incidents.

Workcover Bookshop. Contact 400 Kent Street Sydney NSW 2000, PO Box 5364 Sydney NSW 2001. p: 1800 658 134, f: 02 9699 014.

Worksafe Australia. Contact GPO Box 58 Sydney NSW 2001. p: 02 9577 9555, f: 02 9577 9202.

Volunteering NSW. Contact Level 1, 105 Pitt Street, Sydney NSW 2000. p: 02 9231 4000 f: 02 9221 1596. Acts as a peak organisation supporting volunteering in NSW. State wide services include information and referral service (linking those who wish to volunteer with non-profit orgnisations); Training and assistance with recruiting, placing, maintaining and recognising volunteers. Cost of membership for your organisation is up to \$125 per annum.

NSW Department of Family and Community Services. Contact 02 8255 1000 or 1300 653 227. Responsible for delivering Assisted Employment Schemes, and various community services.

Human Rights and Equal Opportunities Commission. Contact Level 8 Picadilly Tower 133 Castlereagh Street Sydney NSW 2000 GPO Box Sydney NSW 1042. p: 02 9284 9600, f: 02 9284 9611.

NSW Anti-Discrimination Board. Contact Level 4 181 Lawson Street Redfern NSW 2016. p: 02 9318 5444, f: 02 9310 2235.

US EPA Jobs through recycling. Contact www.epa.gov/jtr

Sustainable Jobs Corporation. Contact PO Box 15909 Durham, NC 27704 USA. e: id@kirkwoods.com Aims to provide access to capital for jobs in neighbourhoods that need it.

# **Accounts and Taxation**

'Finance, Accounting, and Bookeeping Manual' by New South Wales Council of Social Service (NCOSS). Contact 66 Albion Street Surry Hills NSW 2010. p: 02 9211 2599, f: 02 9281 1968.

'The A to Z of money matters in your community co-operative, NSW Registry of Co-operatives, 1995 workshop papers, \$10.00. NSW Registry of Co-operatives (part of the Department of Fair Trading) p: 02 9793 0558. Inlcudes: 'The Money Story – an easy journey through the ides of book-keeping and accounting Jane Bringolf, Education and Training Officer, the Volunteer Centre.

Running a Workers' Cooperative: Financial Planning and Control: A Practical Guide ICOM, 1986

Australian Society of Certified Practicing Accountants. Contact Locked Bag 23 Grosvenor Place NSW 1220. p: 02 9375 6200, f: 02 9375 6299.

Association of Taxation and Management Accountants. Contact GPO Box 195 Sydney NSW 2001. p: 02 9747 3166, f: 02 9747 3950.

Try these bodies to find an accountant in your area.

National Institute of Accountants. Contact GPO Box 4194 Sydney NSW 2001. p: 02 9299 3052, f: 02 9262 1367.

State Government Audit Office. Contact GPO Box 12 Sydney NSW 2001. p: 02 9285 0155, f: 02 9285 0100.

Australian Taxation Office Superannuation Helpline: employers help line p: 131 020.

The Australian Prudential Regulation Authority Information line p:131 060.



# **Finance and Funding**

'Getting Credit for What You Do: How and When to Borrow Money' by Stevens and Anderson, June 1998. Contact www.tgci.com/publications/98winter/gettingcre.htm

'Financing Recycling-Related Ventures: Options for Community Development' by Michael Lewis, Jeffrey Vandall, Russell Clark, and Neil Seldman 1995, ISBN 0-917582-94-2, LC 95-31169. Contact Institute for Local Self-Reliance 2425 18th Street, NW Washington, DC 20009. p: 202 232 4180, f: 202 332 0463, at: www.ilsr.org

'A Financing Guide for Recycling Businesses: Investment Forums, Meetings, and Networks'. US EPA publication. Reference EPA530R96012. Contact www.epa.gov/epahome/publications.htm Financing strategies and business planning to be used by government and non profits to help recycling and reuse business find financing' document.

Australian Ethical Investment. Contact Suite 66 Canberra Business Centre Bradfield Street Downer ACT 2602. p: 02 6242 1988, f: 02 6242 1987. e: centre@austethical.com.au, at: www.austethical.com.au

Australia Council Grants Handbook. Contact Australia Council PO Box 788 Strawberry Hills NSW 2012. p: 02 9950 9000, f: 02 9950 9111.

The Australia Council is the Commonwealth Statutory Authority which provides advice on cultural matters to the Government. This handbook of grants also has Arts Resources contacts.

WESTIR Funding Calendar, Western Sydney Information and Research Service Ltd. Contact PO Box 457 Blacktown NSW 2148. p: 02 9622 3011, f: 02 9622 3500.

WESTIR is a non profit community organisation funded by the NSW Department of Community Services which provides info on the services for, and needs of Western Sydney.

Australian Business Ltd. Contact Private Bag 935 North Sydney NSW 2059. p: 02 9927 7500. Business Angels: p: 02 9555 1243, f: 02 9555 8054.

Run a 'Business Angels' program which provides business partnerships between investors and organisations needing funding.

Australian Venture Capital Association. Contact Level 7 167 Macquarie Street Sydney NSW 2000. p: 02 9251 3911, f: 02 9232 1065.

Contacts for Equity Financiers.

Local Council community grants schemes. Contact your local Council.

Philanthropy Australia. Contact Level 10 530 Collins Street Melbourne NSW 3000.p: 03 9620 0200, f: 03 9620 0199.

Represent grant makers and seekers, ie foundations and trusts.

# **Employment and Training**

New Enterprise Incentive Scheme (NEIS) NSW Department of Employment, Education, Training and Youth Affairs (DEETYA) GPO Box 9880 Canberra ACT 2601, f: 02 6240 7352. at: www.deetya.gov.au/neis

NEIS is a self-employment program that helps eligible unemployed people become self-supporting and independent of Social Security payments by establishing their own businesses.

NSW Department of Industrial Relations Award Inquiries. Contact PO Box 847 Darlinghurst NSW 2010. p: 131 628, f: 02 4960 4746 at www.dir.nsw.gov.au

Environment Training Company. Contact Level 2 Holt Street Stanmore NSW 2048. p: 02 9550 9711, f: 02 9550 9866. e: etcnsw@zip.com.au ((have emailed again)) Runs a Waste Management Traineeship .

Earthworks. Contact Phil Smith, NSW Environment Protection Authority. Contact 59-61 Goulburn Street Sydney South NSW 1232 PO Box A290 Sydney South NSW 1232. p: 131 555 (Pollution Line), p: 02 9733 5000, f: 02 9733 5002 at www.epa.nsw.gov.au

Earthworks is a grassroots community based program aimed at educating and changing behaviour patterns of waste generation.



Standards Australia p: 02 9746 4700

'Aussie Host' - customer service training p: 03 9525 1395

- Workers Education Association (WEA), Adult Community Education (ACE), University of the Third Age (U3A). Contact your local council for details about your nearest community adult education provider. Community adult education providers.
- St John's Ambulance. Contact 6 Hunt Street Surry Hills NSW 2010. p: 02 9212 1088, f: 02 9281 6923. First Aid Certificate training courses.
- Red Cross Australia. Contact 159 Clarence Street Sydney NSW 2001. p: 02 9229 4111, f: 02 9229 4244. First Aid Certificate training courses.

# Legislation

The NSW Waste Minimisation and Management Act, 1995

The Act aims to:

- reduce the amount of waste disposed of in NSW by 60% from 1990 levels by the year 2000.
- implement the waste management hierarchy: avoid waste, re-use, recycle and reprocess, and dispose.

The Act sets up 8 regional Waste Planning and Management Boards, from the Hunter region, Sydney and the Illawarra reiogns. The Boards have developed Regional Waste Plans to assess waste in their region, and propose and implement strategies to manage and reduce waste regioanlly. The Waste Boards have power over local government. Elsewhere, some Councils regions are forming voluntary regional waste forums. Industry Waste Reduction Plans for specific industry groups are another feature of the Act.

#### Waste Minimisation and Management Regulation, 1996

Implements the Act. The Regulations contacin provisions to develop waste levy systems; and outlines standard reporting and environmental protection requirements for non-licensed activities. Principal responsibility for regulating waste management in NSW lies with the Environment Protection Authority, who license operators and transporters.

Environmental Defender's Office. Contact Level 9 Charles Building 89 York Street Sydney NSW 2000. p: 02 9262 6989, f: 02 9262 6998, e: edonsw@edo.org.au, at www.edo.org.au

A public interest legal centre for the environment. Any member of the public can get initial free legal advice – call to make an appointment. An Environmental Law Fact Sheet is available. No 16 is specifically on Waste management.

NSW Government Information Service (bookshop). Contact Ground Floor Goodsell Building corner Phillip Street/Hunter Street Sydney NSW 2000 PO Box 258 Regents Park NSW 2143. p: 02 9743 7200, f: 02 9743 7124.

Purchase of Acts and Regulations.

NSW Department of Fair Trading. Contact PO Box 972 Parramatta NSW 2124. p: 02 9895 0111, f: 02 9895 0222.

Provides information on the The Pawnbrokers and Second Hand Dealers Act 1996.

# Waste Exchanges

Illawarra Waste Exchange WEBSITE Contact www.globalpresence.com.au/waste\_exchange

#### Ecorecycle Victoria WEBSITE Contact www.ecorcycle.vic.gov.au

Ecorecycle Victoria has been created to bring about significant changes in the way Victoria addresses resource recovery, recycling and waste management.

#### Australian Reusable Resources Network. Contact www.arrnetwork.com.au

ARRnetwork is an online trading site where businesses and individuals can list the reusable goods and materials they no longer need, or they can place a request for those reusable items. It is a service provided by the NSW Waste Boards to support the trading of reusable goods and materials in an easy and cost effective manner. This initiative aims to keep valuable resources from being disposed of to landfill and preserve more of our natural resources. To place listings on the network your must become a member (free) of ARRnetwork.



# **Re-use Centres**

#### Alphington Self Help Toy Library. Contact 2 Kelvin Road Alphington VIC 3078. p: 03 9499 2360.

Linked with Association for Environmental Education in Early Childhood and the local neighbourhood centre. Committed to providing toys to children that are made locally from natural, re-used or recycled materials. A lending library, open every Saturday. Members may borrow toys, some made using Reverse Garbage Truck, Melbourne materials, some second hand and repaired by local handy-people.

#### Aussie Junk. Contact 359 Glenley Street North Albury NSW 2640. p: 02 6025 4505.

Operates 5 retail outlets, 3 located at landfills (Albury, Gregadoo, Junee and Culcairn), tip face salvaging and drop-off facilities. Aussie Junk re-use and recycle almost everything, including furniture, bric-a-brac, metal items, windows, doors, bathtubs, sinks, babyware and jewellery.

#### The Bower Reuse & Repair Centre. Contact 142 Addison Rd Marrickville NSW 2204. p: 02 9568 6280, f: 02 9564 1034 e: bower@netaus.net.au

The Bower is Sydney's first community driven Re-use and Repair Centre. It was started in 1998 by inner city residents who wanted to do more to reduce waste in Sydney. By promoting large scale re-use and repair, the Bower provides an alternative to the tip for re-usable materials. The Bower salvages anything from the waste stream that has the potential for reuse. Materials available for sale include used household furniture and bric-a-brac, building supplies, appliances, hardware, scrap metal and tools.

# Ecohouse. Contact Shortcut Rd Raleigh NSW 2454. p: 02 6655 5405, f:0 26655 0298, e: levy@midcoast.com.au

Ecohouse is a non-profit organisation established to reduce waste and generate employment. Ecohouse facilities are available for green waste and tip face drop-off (building materials, scrap metals, tools, toys, recyclables).

# G. L. Resource Recovery. Contact PO Box 361 Foster NSW 2428. 2 landfill sites: Buckets Way, Taree p: 02 6551 5266, f: 02 02 6551 5266, e: recovery@midcoast.com.au. Tuncurry Landfill, The Taree Road, Tuncurry p: 02 6554 9471, f: 02 6554 9471.

2 sites operating tip face drop-off and retail outlets.

# Lambing Flats Enterprises. Contact PO Box 18 Young NSW 2594. p: 02 6382 5390, f: 02 6382 4788, e: lfe@yol.net.au

Regional landfill, with some reuse. Supported employment program.

# Mimosa Recycling. Contact Turners Lane, Cootamundra NSW 2590. p: 02 6942 6250, f: 02 6942 4833.

Regional landfill and recycling processing, with some re-use of materials. Employment program for people with disabilities.

# Minnamurra Waste Disposal & Recycling Centre. Contact Princess Highway Dunmore NSW 2533, PO Box 75 Kiama NSW 2533. p: 02 42377621 or 0242375148, f: 02 42375149.

#### e: kmc001@tpgl.com.au web: http//www.kiama.nsw.gov.au

Established in 1994 as a Kiama Council initiative. Minnamurra Centre has 3 permanent staff, located on-site at Minnamurra landfill. Facilities include green waste area and community drop-off and retail shop for reusable material.

# Mudgee Recycling. Contact 40 Sydney Road Mudgee NSW 2850. p: 02 6372 1386, f: 02 6372 7386 e: recycle@lisp.com.au

Collecting and storing recyclable materials including paper, cardboard, steel, aluminium, PET and transporting for processing. Will be moving to a new site, which will include composting facilities and a re-use centre.

# The Recovery Shop, Wangarang Industries. Contact Opher Road Orange NSW 2800. p: 02 6362 4923, f: 02 6362 3746.

A non-profit organisation, with a drop-off tip shop, however no salvage operation.

# Resource Work Co-operative. Contact GPO Box 1092 Hobart TAS 7001. p: 03 6234 3772, f: 03 6234 4644 e: resotips@netspace.net.au

Resource is a not for profit co-operative, established after two years of planning, \$3,000 seed funding was gained from 30 people each donating \$100 each. Resource operates two tip shops – salvage and sales, materials include building materials, hardware, furniture, books, toys, antiques, bric-a-brac.



Reverse Garbage Truck. Contact 1-39 Hobsons Road Kensington VIC 3031 . p: 03 9372 6044, f: 03 9372 6033.

A non profit co-operative with 3 retail outlets (Kensington, Mornington, Ringwood) for industrial materials, furniture, building materials etc.

Reverse Garbage Co-operative, Sydney. Contact Marrickville Office/Warehouse 8/142 Addison Road Marrickville NSW 2204. p: 02 9569 3132, f: 02 9560 9765. or Casula Warehouse 1 Casula Road NSW 2170. p: 02 9600 9291, f: 02 9602 7915. e: sydney@reversegarbage.org.au

A non profit co-operative, providing affordable resources for the community including industrial discards, offcuts, overruns, theatre props; creative environmental education workshops for children and adults; and consultancy services in waste management.

# Revolve. Contact Canberra Business Centre Downer ACT 2602. p: 02 6239 3691, f: 02 6239 3693 e: revolve@webone.com.au

Revolve was established in 1988, after 6 years of planning to create jobs through resource conservation and close loops in the local economy. Revolve is a not-for-profit operation salvaging from the tip face, with a retail outlet on site, materials include furniture, whitegoods, gardening supplies, hardware, building materials, automotives, plumbing supplies, carpet, bric-a-brac.

Salamander Bay Refused and Reused. Contact 360 Soldier's Pt Rd Salamander Bay NSW 2317. p: 02 4984 6244, f: 02 4984 6244.

Drop off and tip face salvage and retail outlet on-site.

#### Share Centres, Germany. Contact ARENA Neue StraBe 4 Germany.

Services including collection, storage, repair, rental and recycling of materials.

## Bland Shire Waste Disposal Depot. Contact End of Park Street West Wyalong NSW 2671

PO Box 286 West Wyalong NSW 2671. p: 02 6972 4733, f: 02 6972 4733.

Operate regional landfill, with some reuse. Support employment program.

# Tasmanian Trash Transformers. Contact PO Box 184 Deloraine TAS 7304. p: 03 6362 3700, f: 03 6362 3723 e: tastrash@vision.net.au

Established in 1992 to minimise waste. Operates at landfill, drop-off facilities include – recycling – glass PET, sump oil, clothes, scrap metal. Retail outlet with materials including furniture, toys, clothes and landscaping supplies.

#### Waste No More. Contact 60 Sayers Road Laverton North VIC PO Box 86 Werribee VIC 3030.

Established in 1996 by Wyndham Council, funded by government bodies to provide a model of viable repair, recycling, re-use, waste reduction in the community, to stimulate business employment and educate for best practice. The facility includes retail outlet, drop-off facility and a workshop for repair of whitegoods and timber furniture. Materials for sale include furniture, toys, sports equipment, timber, appliances and electrical equipment.

A shop and drop-off facility is located in the main street of town,. Materials include furniture, toys, sports equipment, timber, appliances, electrical equipment.

#### Yacannabuybetta. Contact Forest Road Tamworth NSW 2340 p: 019 321 469.

Setup by Tamworth City Council with 'Challenge Disabled Services'. Drop-off facilities and tip face salvaging, retail shop at Tamworth Waste Depot landfill site.

# **Textile Reuse**

'Weaving textile reuse into waste reduction', Report by Brenda Platt 1997, ISBN 0-917582-93-4, LC 97-3520. Contact Institute of Local Self Reliance 2425 18th Street, NW Washington, DC 20009, p 202 232 4180, f: 202 332 0463, at www.ilsr.org



# **Electronics And Computers Reuse**

Plug Into Electronics Reuse', Report by Brenda Platt and Jennifer Hyde 1997,
ISBN 0-917582-92-6, LC 97-97. Contact Institute of Local Self Reliance 2425 18th Street,
NW Washington, DC 20009, p 202 232 4180, f: 202 332 0463, at www.ilsr.org
Profiles the operating experience of 13 computer reuse operations in the US.

Some US Reuse, Redistribution and Repair Organisations. Contact www.epa.gov/jtr/thirds/jtmet/computer.htm and www.microweb.com/pepsite/Recycle/recycle\_index.html

#### The Raft project. Contact www.raft.net

Resource Area For Teachers (RAFT) is a non profit organisation that funnels business surplus materials to schools and community groups for creative learning and play.

## **Food Reuse**

'Waste to Feast' South Sydney City Council. Report, 55 pages. Contact p: 02 9300 4000, f: 02 9300 4999 PO Box 103 Beaconsfield NSW 2015. at www.sscc.nsw.gov.au

Details a trial of excess food reuse in the food retail and service industry in the South Sydney local government area.

Foodbank NSW. Contact 8 Frazer Street Lakemba NSW 2195. p: 02 9759 4300 f: 02 9759 4212. e: foodbank@zeta.org.au

Aims to feed those in need by soliciting and distributing nutritious, surplus food and grocery products through a network of certified, not-for-profit welfare agencies that provide services to people in need throughout the state.

Links to www sites concerned with the recovery of surplus foods. Contact www.usda.gov/fcs/glean.htm

# **Building Materials Reuse**

US directory on recycled content building products. Contact www.harrisdirectory.com

'Community Development Corporations and Reuse Operations: four case studies of working relationships'. Report by Michael Lewis, Russell Clark, and Jeffrey Vandall 1996. Contact Institute for Local Self-Reliance 2425 18th Street, NW Washington, DC 20009. p: 202 232 4180, f: 202 332 0463, at: www.ilsr.org

An information site for setting up a building materials exchange. Contact http://192.55.244.197/winuwd/115.htm

Environmental Building News Contact http://www.ebuild.com

# **Bicycle Reuse**

Recycle Bicycle Project NSW. Contact www.alpha.net.au/~blinddog/ReCycle



# Appendix B – Existing Reuse Centres

Alphington toy li	
CONTACT	
	34 Rona St 2 Kelvin Rd, Regent Alphington VIC 3073
-	03 9470 5717
DETAILS	Linked with Association for Environmental Education in Early Childhood and the local neighbourhood centre
WHY?	Committed to providing toys to children that are made locally from natural, re-usable or recycled materials
WHAT?	A lending library, open every Saturday. Members may borrow toys, some made using Reverse Garbage Truck materials, some 2nd hand and repaired by local handypeople.
INFO AVAILABLE	Budget, article 'How to Setup a Toy Library', details for members, info on association
Aussie Junk	
CONTACT	Denis Richter
	71 Vincent Rd, Wagga Wagga NSW 2650
-	02 6926 1485
WHAT?	Tip face drop-off and retail
Cootamundra Re	cycling Enterprise
	Andrew Duncan
	25 Barnes St. Cootamundra 2590
	02 6942 4353
	02 6942 4833
WHAT?	Regional landfill, with some reuse and recycling.
	Supported employment program.
Ecohouse	
	Thomas and Michaela
	Shortcut Rd, Raleigh 2454
	02 6655 5405
	02 6655 0298
	waste reduction, local employment Green waste, tip face drop off – building materials, scrap metals, tools, toys etc,
what:	recycling (typicals), run by a community group.
INFO AVAILABLE	
Great Lakes Reso	ource Recovery
CONTACT	Andrew Graham, Greg Turnel, John Weate
ADDRESS	PO Box 361, Foster, 2428
-	02 6554 9471
	02 6554 9471
WHAT?	Tip face drop-off and retail
ambing Flats	
CONTACT	Bill Fenson, Viv Byrne
	PO Box 18, Young 2594
-	02 6382 5390
WHAT?	Regional landfill, with some reuse. Supported employment program.
	Future Foundation
	www.materials4future.com
ADDRESS	
ADDRESS	US – Northern California
ADDRESS DETAILS	US – Northern California A non profit organisation promoting community economic development
ADDRESS DETAILS	US – Northern California A non profit organisation promoting community economic development for low-income communities
ADDRESS DETAILS WHY?	US – Northern California A non profit organisation promoting community economic development for low-income communities Support the creation of viable reuse, recycling, and remanufacturing enterprise.
ADDRESS DETAILS WHY? WHAT?	US – Northern California A non profit organisation promoting community economic development for low-income communities



#### Minnamurra Revolve & Recycling Centre

**CONTACT** Peter Patterson

ADDRESS	Kiama	Council	Princess Hwy	Kiama	Dunmore 253	3
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Telephone 02 4232 0222

Facsimile 02 4232 0255

**DETAILS** Est. 1994. Council initiative. 3 permanenet staff. multiskilled; casuals as req'd. no volunteers

- WHY? \$17 000/y profit; reductions to landfill
- **WHAT?** Sales of salvaged materials. No repair; onsite at small community landfill/recycling. Incl. greenwaste pit, Community drop-off, council pickup runs sources

INFO AVAILABLE Promo, startup stuff - media releases

#### Orana

CONTACTPeter FisscherADDRESS40 Sydney Rd, Mudgee 2850Telephone02 6372 1386Facsimile02 6372 7386WHY?Looking to startup reuseWHAT?Recycling of 'the basics'

#### **REDO: ReUse Development Organisation**

CONTACT Mary Lou Van Deventer A

- ADDRESS 6082 Ralston Ave, Richmond CA 94805 USA
- DETAILS Iniated by Dan Knapp from Urban Ore on January 23 1996
  - WHY? Education, networking, finding resources and distributing them
  - WHAT? Membership organisation for reuse operators and other parties.

#### **Resource Tip Shop & Salvage Operations**

CONTACT	Brad Mashman
ADDRESS	PO Box 373, North Hobart 7002
Telephone	03 6224 8669
Facsimile	03 6273 4004
DETAILS	Staffed by volunteers. 2 years in the planning. Received \$3000 seed funding, from which 30 people were each paid \$100. Not-for-profit cooperative
WHY?	Employment – 8 fulltime,12 part-time, award wages. saves council \$60000/y
WHAT?	2 tips, shops – salvage & sales. building materials, hardware, furniture, EEPs, books, toys, antiques, bric-a-brac, spares
INFO AVAILABLE	Business plan, expression of interest, salvage rights, education blurb, articles, rules, 'art from trash' exhibition.
Reverse Garbage	e Truck, Melbourne
CONTACT	Rod Gunner
ADDRESS	PO Box 395, Footscray 3071
Telephone	03 9687 3484

elephone 03 9007 5404

Facsimile 03 9687 3280

**DETAILS** A non profit organisation, specialising in industrial reuse for creative community reuse **WHY?** Industrial waste reuse, landfill reduction, waste education and advocacy services, co-operative.

## Reverse Garbage Co-operative, Sydney

Reverse Garbage	e co-operative, Sydney
CONTACT	Stephen Mitchell, Heidi Freeman
ADDRESS	8/142 Addison Rd 1 Casula Road, Marrickville Casula NSW 2204 2170
Telephone	02 9569 31 32 / 02 9600 9291
Facsimile	02 9560 9765
DETAILS	A non profit organisation, specialising in industrial re-use for creative community use.
WHY?	Industrial waste reuse, landfill reduction, waste education and advocacy
	services, co-operative.
WHAT?	2 depots operate at Marrickville and Casula. Materials include wood, paper,
	perspex, rubber, fabrics, tubes, theatre props.
INFO AVAILABLE	Resource Cards. Education workshops available, Waste consultancy services.
	Members information. Business plan



CONTACT	Elgar Starkiss
	Canberra Business Centre, Downer 2602
	02 6295 5957
	02 6295 8039
	Est. 1988. with 3 fulltime staff and volunteers. 6 years planning. \$15000 received
2211120	in funding. Now 32 staff, 3000 tonnes, \$1million/y turnover. saves council \$75000/y
WHY?	Job creation through resource conservation, closing loops in local economy, waste into resources, employment
WHAT?	Not-for-profit, salvage from tips, safety training, sales onsite, furniture, whitegood
	gardening supplies, hardware, building materials, machinery, automotives, plumbing supplies, EEPs, carpets, books, Bric-a-brac, scrap metals, antiques
INFO AVAILABLE	Waste audits, business plan. Revolve booklet and summary.
Salamander Bay	Refused and Reused
CONTACT	David Sams
ADDRESS	360 Soldier's Pt Rd, Salamander Bay 2317
Telephone	02 4984 6244
	02 4984 6244
WHAT?	Tip face, salvage. open mon, wed, fri 7 – 2.30, s&s 9-1.30
Share Centres, G	Bermany
	Judy Lipp, Thilo Dchaefer
ADDRESS	ARENA Neue StraBe 4, Germany
Telephone	+49 707 126 44
WHY?	One-stop centre for waste avoidance and recycling. department store-with used products only. Cyclic economy model
WHAT?	Collection, storgae, repair, rental, recycling, very broad – diaper services to reusables for public events.
SPINS	
CONTACT	Jenny Kerr
ADDRESS	PO Box 286, West Wyalong 2671
Telephone	02 6972 4733
Facsimile	02 6972 4733
WHAT?	Regional landfill, with some reuse. Supported employment program.
Tamworth Counc	
CONTACT	Geraldine Perkins Peter Resch
Telephone	02 6755 4526
Facsimile	02 6755 4292
WHY?	Setup by Tamworth Council with 'Challenge' – employment service for people with disabilities.
INFO AVAILABLE	Survey info.
Tasmanian Trash	Transformers
CONTACT	Sonia Chirgwin
	PO Box 184, Deloraine 7304
	0418 349 376 036 362 3700d w/e
DETAILS	Est. 1992-10 year site management plan from council. Council funded some, Ethical Investment funded the rest.
WHY?	Waste minimisation. jobs – 1 fulltime, 5 part time.
WHAT?	Small country landfill. Topping, recycling – glass PET, sump oil, clothes, scrap meta self serve, revolve style shop – furniture, toys, clothes, landscaping supplies

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### The Bower Reuse & Repair Centre

**CONTACT** Jane Saunders

ADDRESS 142 Addison Rd, Marrickville 2204

Telephone 02 9568 6280

Facsimile 02 9564 1034

DETAILS Concept raised. \$100 000 funding secured, site. co-ordinator employed WHY? Waste min, education, co-operative, retail

WHAT? Repairing and reusing, through voluntary labour, tradespeaople for repair.

self-sustainability. reduce municiapl waste. community benefit and resource INFO AVAILABLE Business plan.

#### **RRR Wollongong**

CONTACT	Evan Wills, Jenny Briscoe-Hugh
ADDRESS	3 Old Coast Rd, Stanwell Park 2508

Telephone 02 4294 3384 / 02 4227 6481

Facsimile 02 4226 2180

**DETAILS** Concept raised, just secured funding for feasibility study

- WHY? Employmeny, recycling, education (on the job training), public education, research, literacy
- WHAT? Repair, renovation of slavaged goods, workshop, welding and woodwork
- **INFO AVAILABLE** Proposal outline, feasibility study (in October 1998)

#### Western Community Repair & Reuse Centre

CONTACT	Dennis Ryan
	Slaver's Rd, Lavington
	03 9369 8367
Facsimile	03 9369 7722
DETAILS	Est. 1996 by Wyndham Council, funding by gov bodies. Council run. 10 paid staff,
	casual repairer.
WHY?	Model of viable repair, recycling, reuse; waste reduction in community;
	stimulate business, employment, educating for best practice
WHAT?	Shop and drop-off in main street, workshop for repair. Donations from community;
	council, pick ups, repair-household items-furniture, toys; sports equipment timber, steel into products-outdoor furntiure, letterboxes, compost bins, EEPs. No clothes or liquid waste.
NFO AVAILABLE	July 96-marketing survey-customer needs training programme? media articles, media releases.
Nangarang	
CONTACT	Gary Skerett
ADDRESS	Orange
Telephone	02 6362 61 33
Facsimile	02 6361 7264

**DETAILS** Non-profit disabilities service

**WHY?** To provide employment for people with disabilities

WHAT? Tip shop, plus control weighbridge contract - no salvage INFO AVAILABLE Just started - wait for 6 months or so.



# Appendix C – Models and Case Studies for ReUse Enterprises

MODEL Networking for ReUse Enterprises

EXAMPLES Materials for the Future Foundation, US REDO, US Remanufacturing Industries Council, US Chelsea Centre for Recycling and Economic Development

## CASE STUDY Materials for the Future Foundation

**MISSION** 'to support community -based initiatives that integrate the environmental goals of resource conservation through waste prevention, reuse, and recycling with the economic development goals of job creation/retention, enterprise development, and local empowerment.'

'provides a much needed nexus between the environmental and community economic development fields.'

WHERE? San Fransisco Bay. Focus on low income communities.

NO. YEARS 6 years. 2 year formation process.

#### Employees/Volunteers

- Turnover NA
- Waste diverted NA
- Self sufficient NA

#### Logistics

2 project areas:

- 1 RECLAIM the Recycling Enterprise Center for Lending, Assistance, Information, and Marketing.
- 2 PREP Policy, Research, and Education Program.

Priorities center on enterprise development, direct technical and business assistance, and research for reuse and recycling – based community economic development. General policy development, advocacy, and outreach are secondary.

#### **ReUse Niche**

A network which supports existing and potential reuse enterprises.

**CONTACT** http://www.materials4future.org

#### **ORGANISATION STRUCTURE**

Incorporated as an indepedent organisation (US).

**STAFF** Diverse staff with backgrounds in recycling, solid waste, economic development, community building, finance, military base closure and social justice. "It takes a blending of expertise to be effective and provide the types of services and products that will help community groups and others create long temr sustainable enterprises".

MODEL Product specific ReUse

EXAMPLES

construction materials The Loading Dock, Baltimore, US Urban Ore, Berkeley, California, US Habitat for Humanity, US Habitat for Humanity, Melbourne computers 'Gifts In Kind' America

'The Raft' 'PEPSITE'

office equipment 'consumables' eg toner cartridges, textiles, mattresses

## CASE STUDY The Loading Dock Baltimore, Maryland

**MISSION** Affordable housing development

PLACE Baltimore, Maryland, US

No. YEARS 14 years

Employees/Volunteers 18 employees, 50 volunteers

Capital costs \$73 000

Operating Costs \$500 000 per year

Income from handling \$400 000

'Fair Market value' of goods handled

\$1.6 million per year.

Waste diverted 7000 tonnes per year

#### Logistics

Redirects bulky material from disposal to end users – low income homeowners, and organisations that build low income housing. Stock is made available to customers through a warehouse and brokering services.

**PRICING** Handling fee is charged, depending upon level of service required for redistribution of item.

## **ReUse Niche**

SUPPLIER BASE	Donations from community development corporations, Building and Demolition waste producers.
CUSTOMER BASE	More than 800 non profit member organisations; 900 religious organisations, and 5,700 individual members. 60% of materials are distributed directly to low income homeowners, who may be referred for membership by non profit social welfare organisations. The service suits renovation more than new building works.
TYPE OF STOCK	Construction and bulky materials such as lumber, drywall, floor covering, doors, paints, and windows.

#### Siting

WAREHOUSE 21 000 sq. feet.

MAJOR SOURCES OF INCOME

A 'handling fee' for a product, depending on the work done to obtain and exchange. For example, retrieval and cleaning services cost more than a 'perfect' item delivered to the warehouse. Members pay an annual fee.

#### Setup

Emerged from 'community development corporations', with both non profit and for profit emphasis.



Appendix C – Models and case studies for reuse enterprises

MODEL	Commercial and Industrial ReUse Centre
TYPE OF MATERIALS	Commercial and Industrial discards
EXAMPLES	Reverse Garbage Co-operative, Sydney
	Junkbusters, Albury
	Reverse Garbage, Melbourne
	Reverse Garbage, Brisbane
CASE STUDY	Reverse Garbage Co-operative, Sydney
MISSION	Making Industrial Discards available for creative community reuse.
PLACE	2 depots: Marrickville (inner west) & Casula (west)
No. YEARS	24 years
Employees/Volunteers	20 – 14 fulltime, 6 casual/part time
Logistics	
METHODS OF PROCUR	ING STOCK
	Pickup from regular suppliers and 'one-offs', via two trucks. Materials are
	taken to central Marrickville depot, and then delivered to Casula depots.
MAKING STOCK AVAILA	
	Both depots have storage and retail space. Bale deliveries to country areas.
	Education workshops incorporate material into educational experience.
PRICING	Limited delivery – for a fee.
PRICING	Stock is sold either by volume (\$15 per large hessian bag), or as individually priced items (smaller, higher value items; rolls of fabric and paper).
	Some haggling.
ReUse Niche	
<b>ReUse Niche</b> A reuse 'centre' – explore	es a diversity of 'niches'
	Commercial and Industrial. Eg: small and larger scale manufacturing
SUFFLIER DASE	and fabrication of materials and products. Some wholesale operations and
	retail operations (eg ex-window display). Festivals (eg ex-float materials,
	ex theatre sets).
CUSTOMER BASE	Schools – primary, highschool. TAFE and University students (eg architecture creative arts). Festivals, theatre and television crews. Local community.
TYPE OF STOCK	Offcuts, out-of-spec, out-of-date materials and products. Packaging,
	overstocked items. Non toxic, safe materials.
ADDITIONAL PROGRAM	IS/OBJECTIVES/ACTIVITIES
	Education program servicing schools, local councils, and events (eg Royal Easter Show). Interactive, hands on workshops using Reverse Carbage materials
	Show). Interactive, hands-on workshops using Reverse Garbage materials.
Value Adding	
Limited. Reverse Garbage	e 'kits' – templates and materials in one packet.
Competition	
	nin Sydney metro area – most reuse focuses on traditional 'second hand' type
operations. Some compe	tition from industry – funded education programs.
Siting	
WAREHOUSES	Marrickville: approx. 8000m2 (Addison Rd community centre)
	Casula: approx. (Casula Powershouse – community arts centre)
1001000	No outdoor storage area. Outdoor loading docks.
LOCATION	Marrickville depot is located in the inner west, close to customer base and central to supplier base (which stretches from Central Coast to Liverpool to).
	central to supplier base (which stretches from Central Coast to Elverpoor to).
	Easy access to public transport. Marrickville Council donated road signs
	Easy access to public transport. Marrickville Council donated road signs. Lots of off-street parking. Little passing trade.

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**Major Sources of Income** 

Sales of reused items.

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## **Major Expenditure**

Salaries and related expenses.

## **Organisation Structure**

Not for profit co-operative. Active members pay a small annual fee and have a right to vote at General meetings.

6 volunteer members on Board of Directors, General Manager, Operations Manager, operations staff, Education Co-ordinator, workshop operators.

### Staff

Employed by the Co-operative, under a variety of award conditions.

#### Setup

Has evolved from a volunteer based co-operative into paid staff organisation.



MODEL Salvage/dropoff & 'Tip Shop'

TYPE OF MATERIALS Commercial and Industrial, domestic solid waste.

EXAMPLES Resource Work Co-operative, Hobart

Revolve, Canberra Wangarang Recycling, Orange Tuncurry Recycling Depot Port Stephens Refused and Reused Ecohouse, Bellingen Minnamurra Revolve, Kiama Garbage Reincarnation, California

#### CASE STUDY Resource Tip Shop and Salvage operations

**MISSION** To prevent worthwhile materials from going to landfill in an economically profitable and viable manner.

**PLACE** 2 landfills and tipshops

No. YEARS 5 years

Employees/Volunteers 28 employees: 20 fulltime, 8 part time
Turnover \$5500 000
Waste diverted 700 m3 per week, saving Council \$60 000 per year
Self Sufficient? In 6 months from startup.

#### Logistics

Stock is salvaged from the active tip face. Dropoff facilities also available. Both tipshops have outdoor and indoor storage and retail space.

### **ReUse Niche**

A reuse 'centre' - explores a diversity of 'niches'.

**SUPPLIER BASE** 'The whole of society' – commercial and private

CUSTOMER BASE Local Community. Aim at the lower end of second hand market.

**TYPE OF STOCK** Household, commercial and industrial items for reuse. Also a dropoff point for household recycling.

#### ADDITIONAL PROGRAMS/OBJECTIVES/ACTIVITIES

Education program tours for schools, lectures. 'Art from Trash' annual exhibition. Waste stream analysis of landfill.

## **Value Adding**

Clean some discards. Planing for repair centre.

#### Competition

Other second hand markets.

#### Siting

Salvaging rights to landfill face. Lease site at tip entry from council, alongside recycling contractors.

LOCATION Some passing trade, plus tip traffic.

HOURS OF OPENING Every day, 8am to 5pm.

### **Major Sources of Income**

Sales of reused items 95%. Other sources 5%

#### Major Expenditure

Wages. Equipment. Rent.

### **Relationship with Local Council**

Have formal agreement and salvaging rights to the two tips. Some initial Council resistance.

#### **Organisation Structure**



Worker – owned co-operative. Members are workers and 'shareholders'. Active members participate in decision making. Decisions include how profit is distributed.

## Staff

Senior management – on performance based salary. Education Officer and Research Officer. 'Scrutineers' (tipface workers) are paid retail trade award.

## Setup

From a group of NEIS recipients. 30 people each paid \$100 to raise equity to buy basic equipment and setup. Broke even within 6 months, on basic wages.



MODEL Lending/Share/Repair Services

TYPE OF MATERIALS Toys, reusable crockery and cups for events, tools.

EXAMPLE Alphington Self Help Toy Library, Melbourne Share Centres, Germany Cup washer, Lismore

# CASE STUDY Alphington Self Help Toy Library

**MISSION** to provide a large selection of quality toys and equipment for loan to members.. to provide toys that are made locally from natural, re-usable or recycled materials'..

PLACE Alphington, Victoria

No. YEARS 2 years

Employees/Volunteers 8 volunteers

Turnover approx. \$4000

Self Sufficient within 10 months, with startup funding \$5500

### Logistics

**PROCURING STOCK** Buy from local craft markets, commission to local craftspeople, Reverse Garbage. **MAKING STOCK AVAILABLE to CUSTOMERS** 

By opening the library to members.

**PRICING** Library members pay an annual fee per child which allows them to borrow a limited number of toys for a limited time.

# **ReUse Niche**

Children's play equipment. Lending service.

SUPPLIER BASE Local craftspeople, retirees.

CUSTOMER BASE Local children and parents

TYPE OF STOCK HouseToys - made from natural, re-usable or recycled materials'...

# ADDITIONAL PROGRAMS/OBJECTIVES/ACTIVITIES

Links with the Association for Environmental Education in Early Childhood.

### Value Adding

Toys are repaired, remanufactured.

# Competition

Uniquely placed, as they provide a repair, maintenance and lending service for a specific product. Second hand shops.

# Siting

One room in a community centre.

### **Hours of Opening**

Every Saturday 9.30-11.30 am.

# **Major Sources of Income**

Members fees: \$1200. For setup: Local Council Community Grant \$3500, Loan from community centre: \$1000. Donation from community centre \$1000. fundraising \$500.

# **Major Expenditure**

Purchasing Toys. Computer tracking system.

# **Organisation Structure**

Not for profit subcommittee of incorporated community centre. Active members pay an annual fee in return for borrowing. Core of volunteers.

## Staff

1 paid staff initially for setup. 7 volunteers – each works one morning per 2 months.

### Setup

Initiated by community centre and 2 local volunteers, who formed a subcommittee for setup and ongoing management.



Appendix C – Models and case studies for reuse enterprises

MODEL Waste Exchange/Listing Service

EXAMPLES Illawarra Waste Exchange

ACT Waste Exchange Ecorecycle Victoria Waste Exchange Trading Post Chicago Board of Trade Recyclables Exchange

# CASE STUDY Typical 'online' waste exchange

MISSION To facilitate the use of reusable wastes or leftovers between users and waste producers.

To track exchanges made as part of ongoing reuse market development.

Cost Website setup and maintenance.

Self sufficient No - unless fee for service

# Logistics

A listing service, which provides an updated list of unwanted materials and needed materials, and circulates – say, using a website on the internet. Donors and recipients organise exchange between themselves. Users are requested to record when an exchange has been completed successfully. These records are kept over time.

# **ReUse Niche**

DONORS AND RECIPIENTS

Commercial and Industrial. Domestic. Building and Demolition. Individuals and organisations.

TYPE OF STOCK Supports a diversity of reuse niches.

# Competition

Waste disposal. Existing recycling contracts. New products

### Siting

'virtual' websites / Chicago Board of Trade Recyclables

Exchange cbot-recycle.com

**WHO** In US waste exchanges, the average number of 'recipients' of materials is 5000; the average number of donors is 300. In Australia, waste exchanges are being developed by public sector eg Waste Boards.



Description	Industry Classification	Product Category	Product Type	Material Category	Material Grade	Shape
Acetate	Graphic Arts Services & Supplies			Plastic		Sheet
Acetate	Plastics—Products— Wsalers & Mfrs			Plastic		Sheet
Acetate – Coloured	Photo Lithographers		fallengen 1-	Plastic		Sheet
Adhesive vinyl				Textiles	Vinyl	Offcut
Aerosol paint	Aerosol Containers, Valves &/or Filling	Containers & Packaging	Aerosol cans	Chemicals	Paints	
Air-conditioning ducting	Ductwork & Ducting	Construction & Demolition		Metal		and the second se
Aluminium containers	Packaging, Filling & Assembling Services	Containers & Packaging	Boxes	Metal	Aluminium	
Audio cassettes	Charities & Charitable Organizations	Household		Composite	Electrical	
Balloons	Balloons—Advertising & Novelty	Household		Textiles	Rubber	
Bias and binding	Ribbons & Tapes— Wsalers & Mfrs	Textiles & Clothing	Clothing	Textiles	Fabric	
Books	Organizations— Cultural & Educational	Household		Composite	Stationery	
Boxes	Computer Equipment —Hardware	Containers & Packaging	Boxes	Paper	Cardboard – Heavy	1
Boxes	Photo Lithographers	Containers & Packaging	Boxes	Paper	Cardboard – Heavy	
Boxes	Trucks & Buses —New	Containers & Packaging	Boxes	Paper	Cardboard – Heavy	
Buckets	Chemical Suppliers	Household	Kitchenware	Plastic		
Building samples	Architects			Composite		
Buttons	Buttons & Buckles —Wsalers & Mfrs	Textiles & Clothing	Clothing			
Calenders	International Relations &/or Aid Organizations	Household		Composite	Stationery	
Camouflage						
Canvas	Canvas Wsalers & Mfrs			Textiles		Cloth
Cardboard – gold and silver	Tobacco Products &/or Tobacconists' Supplies			Paper		
Cardboard boxes	Motor Garage Equipment	Containers & Packaging	Boxes	Paper		
Cardboard cans	Sealing Compounds &/or Services	Containers & Packaging	Cans	Paper		
Cardboard cones	Underclothing Wsalers & Mfrs	Containers & Packaging		Paper		
Cardboard cones	Yams—Wsalers & Mfrs	Containers & Packaging	Starder Th	Paper		
Cardboard cores	Blinds	Containers & Packaging		Paper		
Cardboard cores	Paper Converters	Containers & Packaging		Paper	a ngana si s	
Cardboard cores	Signs—Neon &/or Illuminated	Containers & Packaging		Paper	120	
Cardboard cut offs	Cutting Services— Fabric, Leather &/or Plastic			Paper		
Cardboard cut offs	Packaging Materials		Friday and	Paper		
Cardboard cut offs	Tubes—Cardboard &/or Paper			Paper		
Cardboard iilm boxes	Printers—General	Containers & Packaging	Boxes	Paper		

### Annondix D Matorials Database



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Description	Industry Classification	Product Category	Product Type	Material Category	Material Grade Shape
Cardboard rings	Leadlights &/or Repairs	Containers & Packaging		Paper	
Cardboard sheets	Discount Stores			Paper	Professional and
Cardboard tubes	Floor Coverings	Containers & Packaging	Tubes	Paper	
Cardboard tubes	Foil Printing & Stamping Equipment & Supplies	Containers & Packaging	Tubes	Paper	
Carpet offcuts	Carpet & Carpet Tiles —Wsalers & Mfrs	Household	Floor covering	Textiles	Carpet
CCF	Foam Fabricators & Processors			Plastic	
Cd, Air bag, colour paper, strapping.	Printers—General				
Christmas decorations	Display & Exhibition Equipment & Supplies	Household		Composite	
Cigarette filter tow	Tobacco Products &/or Tobacconists' Supplies			Composite	
Circuit boards	Amusement Equipment	Office	Equipment	Composite	
Coloured paper	Display & Exhibition Equipment & Supplies			Paper	
Coloured paper	Paper Coating Services			Paper	
Computer parts	Disabled Persons' Equipment &/or Services	Office	Equipment	Composite	Electrical
Cones	Carpet & Carpet Tiles Wsalers & Mfrs	Containers & Packaging		and the second	
Cones	Carpets & Rugs— Oriental & Handmade	Containers & Packaging			
Cones	Swimwear Wsalers & Mfrs	Containers & Packaging			Paris Sec.
Cones	Textile Agents	Containers & Packaging			
Confetti	Printers—Continuous Stationery & Equipment	Household			
Contact vinyl	Signwriters' Supplies		and the second s	Textiles	Vinyl
Containers	Electrical Appliances —Service & Parts	Containers & Packaging			
Containers	Health Foods & Products—Wsalers & Mfrs	Containers & Packaging		1979 - 9 1979 - 9 1970 - 9 197	
Corflute	Plastics—Products —Wsalers & Mfrs			Plastic	
Corflute	Display & Exhibition Equipment & Supplies			Plastic	
Corrugated cardboard				Paper	
Cosmetic containers	Cosmetics—Wsalers & Mfrs	Containers & Packaging			
Craftwood	1. 一个人的问题。		V. Stations	Timber	Particle Board
Crates	Packaging, Filling & Assembling Services	Containers & Packaging	Crates	Timber	
Curtain fabric	Curtains & Curtain Fabrics—Retail			Textiles	Fabric
Dacron	Filters &/or Filter Service	and a second		Textiles	Synthetic
Dacron	Furniture—Wsalers & Mfrs			Textiles	Synthetic
	And the second second second second second		the second s		

page 105

Description	Industry Classification	Product Category	Product Type	Material Category	Material Grade	Shape
Decorations	Christmas Trees &/or Decorations	Household		Composite		
Display material	Ladies' Wear-Retail			Composite		
Display materials	Display & Exhibition Equipment & Supplies	5		Composite		
Display materials	Graphic Arts Services & Supplies			Composite		4
Display materials	Libraries-Public			Composite		
Display materials	Lingerie, Sleepwear &/or Hosiery—Retail			Composite		
Display materials	Museums		the second second	Composite	· · · · · · · · · · · · · · · · · · ·	
Display materials	Travel Goods— Retail & Repairs			Composite		
Dowel	Dowel Wsalers & Mfrs			Timber		
Dowel	Wood Turners		a star the star	Timber		
Drums	Chemical Suppliers	Containers & Packaging	Drums			
Drums	Chemists— Pharmaceutical	Containers & Packaging	Drums			
Drums	Oils—Eucalyptus, Tea Tree & Essential	Containers & Packaging	Drums			×
Drums	Packaging, Filling & Sealing Equipment	Containers & Packaging	Drums			
Drums	Pharmaceutical Products—Wsalers & Mfrs	Containers & Packaging	Drums			
Drums	Tobacco Products &/or Tobacconists' Supplies	Containers & Packaging	Drums	·····································		
Fabric	Belting Mfrs & Supplies			Textiles	Fabric	Cloth
Fabric	Event Management			Textiles	Fabric	Cloth
Fabric	Filtering Materials & Supplies			Textiles	Fabric	Cloth
abric	Ladies' Wear-Retail		S. Alexandre and	Textiles	Fabric	Cloth
Fabric	Swimwear Wsalers & Mfrs			Textiles	Fabric	Cloth
abric	Textile Agents		A State Can	Textiles	Fabric	Cloth
abric	Textile Mills		and the second	Textiles	Fabric	Cloth
abric	Textiles-Wsale			Textiles	Fabric	Cloth
abric	Upholsterers		Section 1	Textiles	Fabric	Cloth
abric offcuts	Skirts & Slacks— Wsalers & Mfrs			Textiles	Fabric	Cloth
Fabric pieces & rolls	Manchester— Wsalers & Mfrs			Textiles	Fabric	Cloth
abric rolls	Fabrics—Knitted or Woven			Textiles	Fabric	Cloth
abric samples	Furnishings-Wsale			Textiles	Fabric	Cloth
abric swatches	Textile Agents			Textiles	Fabric	Cloth
ake fur	Promotional Products		N. Alexandre	Textiles	Synthetic	Cloth
ake wool offcuts			aran an an an	Textiles	Synthetic	Cloth
Felt	Billiards Tables &/or Accessories			Textiles	Felt	Cloth
Felt	Ironing Equipment	1		Textiles	Felt	Cloth
Film containers	Photographic Processing Services	Containers & Packaging	See Star	Plastic		
	and the second se	Household			the second s	



Description	Industry Classification	Product Category	Product Type	Material Category	Material Grade	Shape
Foam	Computer Equipment —Hardware			Plastic	Polyurathane	Foam
Foam	Disabled Persons' Equipment &/or Services			Plastic	Polyurathane	Foam
Foam	Promotional Products		And the state	Plastic	Polyurathane	Foam
Foam	Telephone Systems & Equipment			Plastic	Polyurathane	Foam
Foam backed fabric	Designers-Graphic		and the second	Textiles		
Framing off cuts	Picture Framing & Frames			Timber		
Fridge boxes	Discount Stores	Containers & Packaging	Boxes	Paper	Cardboard – Heavy	
Frillied stripping	Fabrics-Industrial				的情况最大学	
Fur scraps	Promotional Products		No. Angel	Textiles		1
Gold and silver bottle wrap	Plastics—Moulders			Paper		
Gold & silver rolls	Packaging Materials		AL STREET	Paper		
Golf balls	Golf Practice Ranges	Household	12 States	Composite		
Hessien matting	Mats &/or Matting			Textiles		
Holland blind material	Blinds—Fittings &/or Supplies	Household				
Industrial plastics	Plastics—Products —Wsalers & Mfrs		Total Aller	Plastic		
Kitchen sinks	Kitchen Renovations &/or Equipment	Construction & Demolition	Fixtures	Metal	Stainless steel	
Laminate	Cabinet Makers	1999 - A. 1999 -		Timber	Particle Board	
Laminate	Joinery			Timber	Particle Board	
Laminate & veneer particle board	Furniture Designers & Custom Builders			Timber	Particle Board	
Leather	Tanneries			Textiles	Leather	e l
Leather offcuts	Leather Clothing —Retail			Textiles	Leather	
Leather offcuts	Motor Body Trimmers			Textiles	Leather	1
Leather stampings	Footwear—Wsalers & Mfrs			Textiles	Leather	
Lens covers	Optical Supplies					
Light Gell	Theatrical Supplies &/or Services					
Masonite	Kitchen Renovations &/or Equipment			Timber	Masonite	
Mat board and frames	Picture Framing & Frames			Timber		
MDF	Kitchen Renovations &/or Equipment			Timber	Particle Board	
MDF circles	Public Address Systems			Timber	Particle Board	
MDF offcuts	Designers-Graphic			Timber	Particle Board	
Metal discs	Can Mfrs		Ser and the	Metal	Offcuts	
Metal discs	Drum Mfrs, Reconditioners &/or Dealers			Metal		Offcut
Metal tube	Blinds		the ma	Metal	an Antonio	Tube
	A short the store of the second s	Containers &		Plastic	Star Transform	
Microfilm boxes		Packaging		riasuc		2



Description	Industry Classification	Product Category	Product	Material Category	Material Grade	Shape
Neoprene wetsuit material	Surfing Equipment & Supplies—Wsalers & Mfrs			Textiles	Synthetic	
Newsprint	Printers-General		$\mathbb{P}^{1,\infty}_{\mathbb{P}^{1,\infty}_{\mathcal{F}$	Paper	Newsprint	
Nylon taffeta	Importers &/or Imported Products			Textiles	Synthetic	
Office equipment	Organizations— Conservation & Environmental	Office	Equipment	Composite	Electrical	
O-rings	Pump Repairers		1.498-355		Rubber	
Packing boxes	Confectionery Mfrs' Equipment & Supplies	Containers & Packaging	Boxes	Paper	Cardboard – Heavy	
Paper bags	Paper Bags	Containers & Packaging	Bags	Paper		
Paper rolls	Plan Printing Equipment &/or Services	Containers & Packaging	e crostance	Paper		
Particle board	Shop & Office Fitting			Timber	Particle Board	
Plastic cotton reels	Embroidery Services	Containers & Packaging	Spools	Plastic	General Parties of Aug	
Perspex	Display & Exhibition Equipment & Supplies	5		Plastic	Perspex	
Perspex	Plastics—Fabricators		APR 1840	Plastic	Perspex	
Perspex	Signs—Metal &/or Wood			Plastic	Perspex	
Perspex	Travel Goods— Retail & Repairs			Plastic	Perspex	
Perspex offcuts	Slot Machines			Plastic	Perspex	Offcuts
Perspex shapes	Lighting & Accessories Wsalers &/or Mfrs			Plastic	Perspex	
Plastic	Carpet & Carpet Tiles —Wsalers & Mfrs			Plastic		
Plastic	Plastics—Extruders			Plastic		
Plastic bags	Plastic Bags	Containers & Packaging	Bags	Plastic		
Plastic buckets	the second of	Household	Kitchenware	Plastic	and the second	
Plastic cutouts	Drawing & Drafting Equipment & Supplies		an a	Plastic		
Plastic drums		Containers & Packaging	Drums	Plastic		
Plastic film rolls	Packaging Materials	Containers & Packaging		Plastic		
Plastic frames	Computer Equipment —Hardware			Plastic		
Plastic moulding rejects	Plastics-Moulders			Plastic	1.252.8	Moulding
Plastic rings	Foil Printing & Stamping Equipment & Supplies			Plastic		
Plastic rolls	Packaging Materials		(AT)	Plastic		
Plastic tubes	Buttons & Buckles —Wsalers & Mfrs			Plastic		
Pleated paper	Pleaters			Paper		
Plumbing fittings	Adhesives	Construction & Demolition	Plumbing			
Plumbing materials	Sinks	Construction & Demolition	Plumbing			
Plumbing parts	Sinks	Construction & Demolition	Plumbing			

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page 108

Description	Industry Classification	Product Category	Product Type	Material Category	Material Grade	Shape
Plywood	Laboratory Equipment &/or Supplies	5		Timber	Plywood	
Plywood	Travel Goods— Retail & Repairs	h. *		Timber	Plywood	
Plywood circles	Public Address Systems			Timber	Plywood	
Plywood spools	Hoses & Fittings— Supplies & Service	Containers & Packaging	Spools	Timber	Plywood	1 (address and 16 1 a
Polypropylene				Plastic	#5 – PP	a series of the
Polypropylene twine	Rope & Twine	Containers & Packaging		Plastic	#5 – PP	
Polystyrene	Computer Equipment —Hardware			Plastic	#6 – PS	
Polystyrene	Foam Fabricators & Processors			Plastic	#6 – PS	
Polystyrene	Sponges		2012-17	Plastic	#6 – PS	Cli calla
Polystyrene boxes with lids				Plastic	#6 – PS	
Pool blanket offcuts	Swimming Pool Equipment & Chemicals			Plastic		
Props	Film Production Facilities & Equipment					
PVC tube	Fire Protection Equipment & Consultants			Plastic	#3 – PVC	Tube
Reels	Balloons—Advertising & Novelty	Containers & Packaging	Spools			
Reels	Telephone Systems & Equipment	Containers & Packaging	Spools			
Rolls of knitted fabris	Knitwear—Wsalers & Mfrs	0		Textiles	Fabric	I The Party Street of
Rubber gaskets					Rubber	
Scourer	Cleaning Products &/or Supplies					
Shade cloth				Textiles		
Shelving	1997年1月2日日本 ···	Household	Furniture			
Silver stripping	Packaging Materials					
Skylight offcuts	Skylights					
Soft filling	Foam Fabricators & Processors					
Soft filling	Furniture—Wsalers & Mfrs					
Soft foam	Furniture—Wsalers & Mfrs			Plastic		Foam
Solar tint			Constant States			
Sponge foam	Promotional Products			Plastic		Foam
Square tubes	Electronic Parts- Wsalers & Mfrs					Tube
Stationery	Organizations— Local Government	Office		Composite	Stationery	
Sticky backs	Foam Fabricators & Processors			2		Car The Children and
Sticky backs	Gaskets & Packings		1.44		and the second second	
Stripping	Dyers				100 - 100	10
Stripping	Textile Agents					1.110
Styrene chips	Books-Retail		and the second second	Plastic	#6 - PS	Foam

Appendix D – Materials database



Description	Industry Classification	Product Category	Product Type	Material Category	Material Grade Shap
Таре	Cutting Services-	outogoty		cutogory	
lape	Fabric, Leather		<b>新闻新闻</b>		
	&/or Plastic				
Tennis balls	Clubs—Tennis	Household		Composite	
Timber	Flooring-Parquet			Timber	
Timber	Windows-Timber			Timber	
Timber – Hardwood	Doors & Door Fittings		Private	Timber	Hardwood
Timber offcuts	Furniture Designers & Custom Builders			Timber	
Timber offcuts – Cedar	Building Restoration Services			Timber	19 AV
Veneer offcuts	Plywoods & Veneers			Timber	
Video cassettes	Teaching Aids &/or Services	Household	Appliances	Composite	Electrical
Video cassettes	Television Stations	Household	Appliances	Composite	Electrical
Vinyl	Dogs' Supplies		All and a star	Textiles	Vinyl
Vinyl flooring	Floor Coverings	Household	Floor covering	Textiles	Vinyl
Vinyl offcuts	Canvas Wsalers & Mfrs			Textiles	Vinyl
Vinyl offcuts	Industrial & Protective Clothing			Textiles	Vinyl
Vinyl offcuts	Massage Equipment & Supplies			Textiles	Vinyl
Vinyl offcuts	Raincoat Wsalers & Mfrs			Textiles	Vinyl
Vinyl rolls	Theatres & Cinemas			Textiles	Vinyl
Vylene	all the state of the second			Textiles	Palater Land
Water containers	Drinking Water Supplies & Accessories	Containers & Packaging	Plastic		
Wetsuit	Surfing Equipment & Supplies—Wsalers & Mfrs				
Widgets	Computer Equipment —Hardware				
Wood strips	Furniture—Wsalers & Mfrs			Timber	
Wool	Tanneries			Textiles	
Wool matting offcuts	Dressing Gown Wsalers & Mfrs		en de se a companya de la	Textiles	

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# Appendix E – Summary of Reverse Garbage Materials

Types of materials, where they can be accessed, their reuse value & waste reduction impact:

Types of Materials	Where they can be Accessed	Their ReUse Value	Overall Waste Reduction Impact
Adhesive foams	Gasket cutters	Art and craft, home renovators, machine vibration absorbency, home use	Less demand for new product avoidance
Adhesive Vinyl	Signmaking materials manufacturers	Art and craft, signwriters, students and teachers	Less demand for new product avoidance
Canvas	Awnings manufactures	For reuse as new	Less demand for new product avoidance
Cardboard	Box manufactures, most factories, large retailers	Displays, art and craft, packaging for small industries	Less demand for new product avoidance.
Cardboard cores	Paper converters, fabric cutters, carpet recyclers	Props in theatres, storage containers, didgeredoos	Less demand for new product avoidance
Cigarette filters	Cigarette manufacturers	Art and craft, parties	Less demand for new product avoidance
Computers	Offices, government	Parts for repairs	Less demand for new product avoidance. Material available for reuse
Coreflute	Signwriters, display companies, elections, plastics cutters	Home use, displays, craft material	Less demand for new product avoidance
Dacron and polyester offcuts	Filter makers, quilt makers	Stuffing for toys, cushions	Less demand for new product avoidance
Display materials (e.g. mannequins, shop displays)	Large retailers, shopping centres, display manufactures, auction houses, museums	Art and craft, theatre props, small shop, window dressing, home renovators	Less demand for new product avoidance. Material available for reuse
Expanded polystyrene sheets	Transport companies, tile importers	Insulation, model making, displays	Less demand for new product avoidance. Material available for reuse
Fabric stripping	Fabric dyers	Weaving rugs, horse bridles, real handy stuff	Less demand for new product avoidance
Fabric, swatches and samples	Fabric importers, shops going out of business, auction houses, large retailers	Quilt making, doll and puppet clothes, scarves, table ware, book covers	Less demand for new product avoidance
Fake fur	Costume makers	Art and craft	Less demand for new product avoidance
Fibre drums	Pharmaceutical and food manufactures	Storage containers, decoupage, speaker boxes, small business decorate and sell at the markets	Less demand for new product avoidance. Material available for reuse
Glass	Office renovators, stain glass makers	For reuse as new	Less demand for new product avoidance
Haberdashery (buttons, zips, ribbons etc)	Old ladies, clothing manufactures, business which are moving, old stock	As for new	Less demand for new product avoidance. Material available for reuse
Industrial plastics	Plastics engineering industries	Cutting boards, for that little job you can't find anything else for	Less demand for new product avoidance
Leather	Belt and shoe makers, factories getting rid of old stock or moving, auction houses, auto trimmers	Book binding, drums, clothing, reupholsters,	Less demand for new product avoidance. Material available for reuse
MDF/craftwood offcuts	Office partition reconditioner	Home renovations, craft, picture framing, box construction	Less demand for new product avoidance.
Mount board offcuts, frames and framing timber	Picture framers	As for new product	Less demand for new product avoidance
Packaging (e.g. bubble wrap, plastics)	Importers of just about anything	Packaging, art and craft	Less demand for new product avoidance
Paper	Paper converters, printers	Drawing, painting, table cloths	Less demand for new product avoidance.
Particle board	Furniture manufactures	As for new	Less demand for new product avoidance

Appendix E - Summary of Reverse Garbage materials

Types of Materials	Where they can be Accessed	Their ReUse Value	Overall Waste Reduction Impact
Perspex	Gaming machine manufactures, plastics cutters	As for new	Less demand for new product/ avoidance
PVC	PVC manufacturers and cutters, sign writers, awning companies	Home use, for reuse as for new	Less demand for new product/ avoidance
Rubber	Gasket makers	Impact absorption, rubber repairs	Less demand for new product/ avoidance
Stationery	Government inquiries and departments, companies changing letterhead or cleaning out their offices	For use as new	Less demand for new product/ avoidance. Material available for reuse
Tiles	Tile importers	For reuse as new	Less demand for new product/ avoidance. Material available for reuse
Timber	Film sets, commercial makers, fumiture makers	For reuse as new	Less demand for new product/ avoidance
Veneer	Furniture manufacturers	Marquetry, school and craft use	Less demand for new product/ avoidance
Videos cassettes	Any large company	For reuse as new	Less demand for new product/ avoidance. Material available for reuse
Wet suit material	Wet suit manufacturers	Insulation, art and craft	Less demand for new product/ avoidance
Wooden boxes	Machine importers, glass dealers	Storage containers, blanket boxes, planter boxes	Less demand for new product/ avoidance. Material available for reuse

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# Appendix F – Reverse Garbage – dummy accounts

Sample Income/Expenditure

INCOME	99-00
Reusable Materials	
Bulk	\$ -
Individually priced	\$ -
Value-Added Products	
Kits	\$ -
Hessian Bags	\$ -
Project Sheets	\$ -
Education Materials	
Craft Books	\$ -
Purchased Materials	
Clay	\$ -
Glue	\$ -
Popsticks	\$ -
Paint	\$ -
Purchased Reusables	-
Paper	\$ -
Subscriptions	\$ -
Workshop Fees	\$ -
Local Govt Grants	\$ -
Grants/Govt income	\$ -
Other Income	¢
Membership Sunday Income	\$ - ¢
Sundry Income Interest Received	\$ - \$ -
Postage&Freight OnCharged	\$- \$-
	\$0
COST OF SALES	40
Value-Added Products	
Hessian Bags	\$ -
Project Sheets	\$ -
Educational Materials	
Resource Cards	\$ -
Purchased Materials	
Clay	\$ -
Glue	\$ -
Popsticks	\$ -
Paint	\$ -
Purchased Reusables	
Paper	\$ -
Freight & Postage on charged	\$ -
Waste Disposal	\$ -
Total Cost of Sales	\$ -
GROSS PROFIT	\$ -
EXPENSES	
Salaries	
Administration Salaries	\$ -
Operation Salaries	\$ -
	\$ - \$ -
Operation Salaries	
Operation Salaries Sales PersonsSalaries Education Salaries Project Officer (Half Year)	\$ -
Operation Salaries Sales PersonsSalaries Education Salaries	\$ - \$ -



Salary On-Cost	
Superannuation	\$ -
Workers' Compensation	\$ -
Total Employment Expenses	\$ -
Motor Vehicle Expenses	
Vehicle Running Costs	\$ -
Vehicle Repairs & Maint	\$ -
Vehicle Registration	\$ -
Vehicle Insurance	\$ -
Vehicle Insurance Excess	\$ -
Total Vehicle Expenses	\$ -
Administration	
Rent	\$ -
Telephone/Fax	\$ -
Training	\$ -
Printing/Stationery	\$ -
Insurance General	\$ -
Computer Expense	\$ -
Electricity	\$ -
Repair & Maint Building	\$ -
Postage	\$ -
Bank Charges	\$ -
Staff Amenities	\$ -
Staff Appointment	\$ -
Consultancy & Legal Fees	\$ -
KM Reimbursement	\$ -
Repairs & Maint Other	\$ -
Cleaning	\$ -
Equipment	\$ -
Memberships & Subscriptions	\$ -
Photocopying	\$ -
Volunteer Expense	\$ -
Local Travel	\$ -
Meeting Expense	\$ -
Sundry Expense	\$ -
Directories & Resources	\$ - \$ -
Total Admin Expenses	\$ -
Workshops	\$ -
Council Programs Expenses Advertising & Promotion	\$ -
Advertising & Promotion Media Advertising	¢
Promotions	\$ - \$ -
Brochure printing Newsletter	\$ -
	\$ - ¢ -
Total Advertising Expenses TOTAL EXPENSES	\$ - \$0
Net Profit (Loss)	\$-



# Appendix G - Reverse Garbage - sample employment forms and policies

# Appendix G – Reverse Garbage – sample employment forms and policies

# CODE OF CONDUCT February 1997

This Code of Conduct outlines what is acceptable behaviour for all persons engaged in Reverse Garbage's services including staff, Board members and volunteers. The Code emphasises that it is each and every person's responsibility to behave with respect, commitment and co-operation. All participants accept that failure to abide by the rules below may lead to dismissal from the organisation.

- Persons will not discuss confidential issues of Reverse Garbage with people outside the organisation except with the agreement of the Board.
- Persons will not do anything which is detrimental to the well-being of customers or potential customers of the organisation
- Persons will represent the organisation in a positive way.
- Persons will follow the grievance procedure set down by the Board to try to resolve any conflicts with customers, other staff or members of the organisation.
- The organisation will not tolerate harassment in the workplace in any form. Harassment is a discriminatory practice which is unlawful under the Australian Equal Employment Opportunity Act, 1973.
- The organisation will not tolerate physical or verbal assault or the consumption
  of alcohol or drugs (apart from prescribed medication) by its staff whilst on duty.
  Smoking is not permitted in buildings at all times and in vehicles when others
  are present.
- Persons will respect the property of the organisation and will not use mechanical equipment for other than work-related tasks. (Other equipment may be hired with the approval of the Operations Manager).



# **Roles and Responsibilities**

# **The Board of Directors**

Is responsible for:

- Setting the strategic direction of the cooperative, reviewing and redefining it
- Setting specific financial and organisational objectives
- Setting a level of authority and other standards for the General Manager
- Supporting the General Manager and equipping him/her with resources to do the job
- Ensuring the board has the necessary skills to support the General Manager
- Providing the financial resources needed for effective operation of the organisation
- Measuring the performance of the organisation and the General Manager on a regular basis

Reports to:

The membership

# **General Manager**

Is responsible for:

- Managing the financial, people and material resources of the cooperative effectively in pursuit of the cooperative's aims and objectives
- Acting as the Executive Officer to the Board of Directors
- Developing new business opportunities
- Strategic planning and implementation
- Implementation of policy

Reports to:

The Board of Directors

# **Operations Manager**

Is responsible for:

- Managing the day-to-day retail and materials collection operations
- Managing staff and resources at Marrickville and Casula depots
- Liaison with industry to maximise reuse of secondary resources
- Maintenance of premises and vehicles

Reports to:

The General Manager

# **Education Officer**

Is responsible for:

- Managing the staff and resources of the education programs
- Developing, finding funding for and implementing education programs
- Conducting waste minimisation and creative reuse workshops
- Undertaking publicity and promotions for the organisation

Reports to:

The General Manager

# **Project Officer**

Is responsible for:

- Developing project proposals
- Project research, management and reporting
- Administrative and financial processes and records of projects undertaken

# Reports to:

The General Manager



# **Casula Coordinator**

Is responsible for:

- The day to day coordination of Casula depot operations and staff
- Developing links with the local community

Reports to:

The Operations Manager

# **Accounts Person**

Is responsible for:

- Accounts receivable and payable
- Wages and payroll
- Routine superannuation, taxation and insurance systems and correspondence

Reports to:

The General Manager

# **Membership Coordinator**

Is responsible for:

- Promoting membership and recruiting and inducting new members
- Producing the quarterly newsletter
- Organising fulfillment of the active membership requirements of the cooperative
- Organising special benefits and functions for members
- Maintaining records of members

Reports to:

The General Manager

### Storesperson

Is responsible for:

- Storing materials and restocking the depot
- Pricing materials
- Stock ordering and labelling
- Relief counter work

Reports to:

The Operations Manager

# Sales/Counter person

Is responsible for:

- Selling materials
- Advising customers on reuse of materials
- Administration and reception duties

Reports to:

The Operations Manager

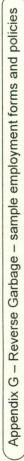
# **Driver/Stores person**

Is responsible for:

- Picking up, delivery and unloading of reuseable materials
- Restocking depots
- Building maintenance
- Liaison with industry to maximise the amount of materials we can get reused

Reports to:

The Operations Manager





# **Employment Policy**

# Aims

To provide direction and mechanisms for the recruitment of the best possible staff for employment vacancies that occur within Reverse Garbage.

To ensure all members of the Reverse Garbage community, including staff, members, customers and supporters are aware of employment opportunities arising within Reverse Garbage.

To ensure that the recruitment process is conducted openly, fairly and efficiently.

To provide for compliance in the recruitment process with all relevant legislation.

# **Principles**

That the success of Reverse Garbage depends on employing the best possible staff.

All applicants should be fully informed of conditions, requirements and responsibilities of the position(s).

That all recruitment and promotion should be conducted on the basis of merit.

# **1 Equal Employment Opportunity**

Applicants for positions will not be discriminated against on the basis of:

- race
- religion
- gender
- marital status
- pregnancy
- sexual preference
- physical disability
- intellectual disability
- age

# 2 Advertisement of Positions

- 2.1 All vacant positions, except those made under urgent appointment (see section 3.5), will be advertised internally and externally, through local community organisations and press.
- 2.2 All positions advertised shall contain:
  - a summary of the tasks and responsibilities
  - the conditions of pay
  - whether the position is full-time, part-time or casual
  - a summary of requirements
  - the name of the contact person and/or phone number for further information
  - the address for applications
  - the closing date for applications

# **3** Selection

- 3.1 Selection will be conducted by a panel comprising:
  - the person responsible for supervising the position
  - the General Manager
  - a Director appointed by the Board for that purpose
- 3.2 Selection for the position of General Manager will be conducted by:
  - two or more Directors
  - an external person with experience in the selection and supervision of senior, executive staff and an understanding of the operation of Reverse Garbage
- 3.3 Where possible, the selection panel will comprise representatives of different gender, racial and ethnic groups.
- 3.4 All interviews will be conducted in similar circumstances, with similar format and duration.



3.5 In the event of an urgent appointment being essential, the General Manager can make the appointment with the agreement of the Board Executive, the decision to be reported to the following Board meeting. The General Manager, with the agreement of the Board Executive, has the power to engage a person temporarily for up to three months. Any significant extensions to that temporary contract must be approved by the Board.

# **4** Appointment

- 4.1 The successful applicant should be notified as soon as possible by phone, followed by a written offer detailing:
  - position title
  - position description
  - pay and conditions
  - starting date and probation period
  - need for verification of qualification, etc
- 4.2 Upon commencement of work, the employee's supervisor will provide the employee with the following documents and explain their contents and significance:
  - staff induction folder
  - Reverse Garbage code of conduct
  - employment contract
  - performance agreement.

# **5** Performance Appraisal

A performance appraisal involves the employee, the line manager and a staff liaison officer appointed by the Board to be present at the appraisal interview. The function of the staff liaison officer is to observe and verify that the appraisal is conducted fairly, constructively and according to the guidelines below.

- 5.1 The General Manager is appraised by two or more Directors, including the Chairperson
- 5.2 The date of an employee's probatationery performance appraisal will be agreed at the commencement of their employment and included on their performance agreement. The probation period would normally be three months with annual appraisals after that time. Any delay in the probationary period can be extended if the panel conducting the appraisal considers it necessary. A copy of the signed performance agreement is kept on the employee's file along with any other documents relating to their employment.
- 5.3 The aims of the performance appraisal are to:
  - Encourage the person to review his or her own performance and development
  - Specify what their achievements were and which contributions have been appreciated
  - Acknowledge the aspects of the work the person fins difficult or unpleasant
  - Review and confirm the agreed tasks and standards listed in the performance agreement
  - Identify any special measures to improve the person's performance
  - Discuss career aspirations or possible development moves
  - Appraise the supervisor's role in leading and managing the employee
  - Improve the relationship between staff by increasing communication and understanding.
- 5.4 Performance appraisals are intended and designed to assist employees, supervisors, the General Manager and Directors.
  - Through performance appraisals, employees should obtain answers to:
  - What am I expected to do?
  - What are my strengths and weaknesses?
  - How can I perform better in my job?

The employee's supervisor will gain:

- More satisfactory work results
- Confidence in the employee's ability
- Good understanding and an effective working relationship
- Feedback about his/her own management ability.



The General Manger and Directors' will be better able to:

- Translate overall goals into objectives for individuals
- Decide on salary increases and promotions
- Discover staff training needs
- Develop personnel plans
- Validate employment procedures.
- 5.5 The performance appraisal process:
  - 1. Review the job requirements
  - 2. Review the previously agreed performance tasks
  - 3. Review Reverse Garbage objectives
  - 4. Review the employee's history, skills, training and experience
  - 5. Review the employee's past performance appraisals
  - 6. Assess the employee's performance against the expectations of the position using all sources of information available including other staff, customers, Directors etc. Rate each area of duty from unsatisfactory to very satisfactory
  - 7. Note performance issues which need to be discussed with the employee; include strengths, weaknesses and opportunities for development. Provide specific examples, especially where performance is poorly rated
  - 8. Meet with the employee and the staff/board liaison person in a private setting. Keep in mind that this is a constructive meeting for the benefit of the employee, management and Reverse Garbage; try to be open, honest, impartial and positive
  - 9. Encourage the employee's response to your comments
  - 10. Write up performance appraisal, inc. issues covered, actions and estimated timeframes
  - 11. Get the employee's comments and signature on the record
  - 12. Give the employee a copy and place a copy on file

The employee appraisal documents are confidential and will only be accessible to the particular staff member, the members of the appraising panel and the General Manager.

### **6 Exit Interview**

When an employee gives notice to leave, their supervisor should arrange an exit interview, to be conducted by the supervisor on, or as close as possible to, their last day of work.



# **Reverse Garbage Co-Operative**

# **Job Description**

POSITION:	General Manager
AWARD:	
CLASSIFICATION:	
CONDITIONS:	
SPECIAL CONDITIONS:	Three month probation period
ACCOUNTABILITY:	The Board of directors

# Summary

The purpose of this position is to manage the operations of Reverse Garbage (RG) to ensure the development of the organisation in line with policy and goals set by the board of management and our aims, objectives and principles.

To this end, this position has the following roles and responsibilities:

# 1 Day to day management of the organisation:

- a) Develop and support effective and cooperative work practices and culture
- b) Act as Executive Officer to the Board of management
- c) Develop and support ongoing financial management systems, including cash management
- d) Develop and implement systems for long term financial and assets management
- e) Calculate and work within rolling budgets
- f) Ensure the organisation's legal and contractual requirements and obligations are being met in all areas, including legislation around cooperatives and industrial relations, financial management and the requirements of funding bodies.
- g) Plan and manage Annual General Meetings and annual strategic planning and evaluation programs
- h) Develop and implement mechanisms for active involvement of members in the organisation.

# 2 Staff management:

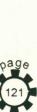
- a) Develop and monitor job descriptions, including lines of accountability, appropriate workloads, adequate supervision and congruence with awards
- b) Ensure regular support and supervision sessions with senior staff
- c) Manage annual staff appraisal sessions
- d) Plan and develop staff development and training programs
- e) Respect and support roles and responsibilities of staff and lines of accounting
- f) Develop and implement mechanisms to ensure and support staff involvement and input into decision making processes.

### 3 Monitor new business opportunities and growth management:

- a) Develop and manage procedures to ensure the delivery of service
- b) Identify and secure opportunities for partnership between RG and industry towards our aims and objectives
- c) Identify and secure opportunities for partnership between RG and other community, education and environmental organisations
- d) Manage and support RG's roles in education, advocacy and lobbying for waste minimisation in industry and the creative use of materials throughout the community
- e) Ensure planning and consultation so as to maintain RG's growth as a financially sustainable business in line with our objectives, aims and principles

# 4 Promotion and publicity:

- a) Develop, in consultation with staff and board, promotional campaigns and strategies
- b) Ensure production and distribution of contemporary and relevant promotional material
- c) Support development of project specific publicity strategies
- d) Supervise mechanisms for customer feedback and evaluation of campaigns



policies

and

forms

Reverse Garbage – sample employment

1

Appendix G

# 5 Develop and document policies and procedures manuals

- a) Ensure documentation of all areas of operation
- b) Consult with staff and board in development of format and content of organisational manual
- c) Incorporate our aims, objectives, principles and commitment to a cooperative working culture into policies and procedures

d) Monitor and develop policies and procedures regularly

It is also the responsibility of all staff of Reverse Garbage to:

- Co-operate with other staff and their supervisor
- Be reliable and punctual
- Follow Occupational, Health and Safety policy and procedures
- Participate in decision making
- Sign and follow an employment agreement
- Maintain respect and regard for members, volunteers, suppliers and customers
- Adhere to the Code of Conduct.



# **Performance Appraisal**

Date of Appraisal:						
Position:						
Date of Commencen	nent:					
Employment Agreen		ned	Yes /	No		
Circle the ranking yo	-					
Day to Day Ma					ation	
Employee rating	-	2	3	4	5	
Supervisor rating				4	5	
our comments abo				-		
four comments abo	ut tills a	iea oi wo	JIK.			
						·
Staff Managen	nent					
Employee rating	1	2	3	4	5	
Supervisor rating		2	3	4	5	
our comments abo		rea of wo	ork:			
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	usine	ss Opp	ortuni 3	ties an	d Grow	th Managem
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Appendix G - Reverse Garbage - sample employment forms and policies



# 6 Co-operation with other staff

Employee rating	1	2	3	4	5
Supervisor rating	1	2	3	4	5
Your comments about	this area	of work:			

# 7 Co-operation with supervisor

Employee rating	1	2	3	4	5
Supervisor rating	1	2	3	4	5
Your comments about	this are	a of work			

# 8 Reliability

Employee rating	1	2	3	4	5
Supervisor rating	1	2	3	4	5
Your comments abou	t this a	area of wo	ork:		

# 9 Participation in decision-making processes

Employee rating	1	2	3	4	5
Supervisor rating	1	2	3	4	5
Your comments about	this a	rea of wo	ork:		

# Supervisor's comments:

Include comments on particular strengths or weaknesses, additional training or education which would contribute to personal development

Worker's	comments:
----------	-----------

page
124
-

SIGNED:

# **Reverse Garbage Co-operative**

# **Exit Interview**

Staff Name: Position:

Date:

Interview conducted by:

To what extent do you think Reverse Garbage achieves its following aims?

- To achieve waste minimisation through the promotion of long life use of resources,
   reuse of waste materials, and advocacy for resource efficient design and manufacturing.
- To implement education programs and mutual benefit projects with the community, education, industry and government.
- To be a democratic, not-for-profit co-operative, with the involvement of members, participation of stakeholders and inclusion of staff in decision making.

Did the position at Reverse Garbage meet your expectations?

What are you looking for in your new position that your current position doesn't provide?

Did you find the job here easy or hard to learn?

Did you receive adequate support, including training, in your position?

Did you receive adequate encouragement and recognition for your efforts?



What is your main reason for leaving?

Are there any changes you believe should be made to the position?

Are there any changes you believe should be made to the organisation?

What would make it a better workplace?

Are there any other comments you would like to make?



# Appendix H – Reverse Garbage sample project management forms

# **Project Sheet – Useful information to store** and questions to consider about potential projects

	Name of project:
	Staff member co-ordinating project:
	Other staff involved:
	Board members involved + contact details:
No.	Other Co-op members involved + contact details:
	Other project partners + contact details:
	Outline of project:
	Aim of project:
	Length of project: Start Date, End Date.
	Task list, showing when they are to be done, by whom, desired outcome and resources required:
	Ensure work load is practical, and tasks are assigned to those best suited to performing them.
	Ensure permission to undertake the project has been given if required:
	Consider who needs to be consulted to assess the need for and design of the project:
	Costs of project - Budget breakdown showing income and expenditure:
	Dates of expenditure:
	Dates of income:
	Link to Reverse Garbage Strategic Goals:
n I	Location/s of project:
	Targets for project i.e. community targeted, business sector targeted etc.:
	Benefits of project to Reverse Garbage:
	Benefits of project to target audience i.e. business or community groups etc.:
	What risks are involved in undertaking this project?: See risk assessment sheet.
	Customer name/s and contact details:
	Is it possible/desirable to gain funding or sponsorship for this project?
	Have any funding/sponsorship agreements been entered into for this project?:
	Where are funding/sponsorship agreements filed?:
	What is the nature of the funding/sponsorship agreement?:
	Who is providing funding/sponsorship?:
	Who are your key contacts for the project?:
	What are your performance indicators to judge the success of the project?

Project evaluation sheets to be completed by project partners and participants?

Where are project evaluation sheets stored?

What publicity has the project received?:

Where are copies of the publicity stored?

Was the project on time and to budget?:

Were the customers happy with the outcome? Details:

Were project partners happy with the outcome? Details:

Were RG staff, board and members happy with the outcome? Details:

Were there any problems encountered with the project? If so, what were they?:

Should we do any similar projects later? Yes/No and why?:

Suggestions for improvements if similar projects are undertaken?:

Contacts etc. to help with future projects?

Are there any ideas for how to gain more work in this area?



**Risk Assessment** 

Project Name:	Date:	Page 1of 2
Project Description:		

Indentified Item / Action / Task			Potential Consequ	iences	Outrage		Systems in	Systems	Derived
	Risk type & description	Likelihood (L) 1-5	Nature	Ranking (C) 1-5	Factor (OF) 1-5	Risk (R) =LxCxOF	Place? Y/N	Effectiveness (SE) 1-5	Risk Factor (DRF) = R/S
		*							



# **Risk Assessment**

### Notes: Likelihood ranking

- 1 Unlikely
- 2 Low likelihood
- 3 Medium likelihood
- 4 Highly likely
- 5 Extremely likely
  Project Name: \_\_\_\_

Consequences ranking 1 - Negligable consequences

- 2 Minimal
- 3 Medium level consequences
- 4 Significant consequences
- 5 Highly significant consequences

Outrage factor ranking (media/political)

- 1 No impact
- 2 Minimal impact
- 3 Medium unwanted impact
- 4 Adverse impact
- 5 Highly adverse impact

# Page 2 of 2

System effectiveness ranking

- 1 Not effective
- 2 Moderate effectiveness
- 3 Highly effectiveness

Risk Management Strategy	Activity/Action	Key performance Indicators (KPIs)	Accountability	Resource Involved	Procedure	Timeframe



Appendix H - Reverse Garbage - sample project management forms

