TFGA Submission: Draft Waste Action Plan

The Tasmanian Farmers and Graziers Association (TFGA) is the leading representative body for Tasmanian primary producers. TFGA members are responsible for generating approximately 80% of the value created by the Tasmanian agricultural sector.

The TFGA appreciates the opportunity to make comment on the review of the Draft Waste Action Plan.

The TFGA agrees with the key targets that have been set for Tasmania, especially when it comes to recycling and reducing the amount of organic and material waste in landfill.

In Tasmania there are over 2,426 farms, that employ 13,300 that contribute to organic and material waste. TFGA members responded that if there were more services available to accompany the recycling efforts then the organic and material waste would be recycled.

Recently, there have been forums focusing on organic waste, i.e. Food Innovation Hub Forum in Longford and Shaping our Food and Waste Systems Forum in Hobart that focused on farm material waste to reduce what is not recycled by farmers. Material waste comes in different shapes and forms but the main material wastes on farm include fertiliser bags, grain and seed bags, net wrap on silage bales, fencing material, metals and poly pipe.

In the agricultural sector recycling initiatives currently occurring are DrumMuster, plus there is a local business Environex that has a processing plant near George Town. More services are required, as farmers are very interested in recycling to reduce the material waste staying on their land.

Providing more options for farmers to recycle has been a common theme from members. There is limited infrastructure to recycle certain material. More services available to farmers, like DrumMuster, whereby local councils are used as a recycling depot, is needed.

In the past couple of years there has been a change to the use of fertiliser bags, moving from multiple use to single use. Multiple use bags were able to be used up to a certain amount of times and then

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1 About my region – Tasmania, ABARES
would be replaced, at the farmers cost. If there was any damage to the bag it would be replaced immediately. Fertiliser bags are not returned to the fertiliser companies to recycle, meaning farmers have responsibility to dispose of the bags. A service to recycle the bags from farmers or for used bags to be marked and returned to fertiliser companies and picked up from there would help this issue.

Net wrap on bales is the netting underneath the silage wrap that keeps the bale in shape before it is wrapped in black wrap. It is constant when silage is being cut, for livestock farmers there will be significant amount of net wrapping to deal with. It is not only livestock farming impacted, horticulture uses netting to protect the trees from birds and vermin. Farmers have responded that the processing plant in George Town does not take the net wrap, only the black silage wrap. Net wrapping is a significant material waste on farms that needs to be dealt with as the amount that is accumulated during the year should not end up in landfill.

Fencing material or polybutylene pipe when it is no longer fit-for-purpose on-farm are other materials that could be recycled. It can all accumulate on-farm and without a service to recycle the material can end up in the landfill, which is counterintuitive to the key targets that are being proposed in the Draft Waste Action Plan.

From our member responses it has shown that if the more recycling services are available more organic and material waste would be recycled rather than left on farm or sent to landfill.

Thank you for the opportunity to comment on the review of Draft Waste Action Plan and we look forward to your response.

Yours sincerely,

[Signature]

Peter Skillern
Chief Executive Officer
14th October 2019
Dear Brad,

The National Waste Recycling Industry Council (NWRIC) is the national peak body representing waste and recycling businesses. We work to improve waste and recycling services for all Australians.

Our national members¹ and state affiliates², service most households and businesses across every State and Territory. The NWRIC’s 450 plus members range from small family-owned businesses to multi-billion-dollar global companies. They collectively own and operate nearly every private waste and recycling facility in Australia for collecting, recycling, processing and treating waste.

The NWRIC members work together and cooperatively share a vision for a fair, safe, innovative and sustainable waste and recycling industry. The NWRIC members do this by:

- transforming waste into resources for reuse or energy;
- ensuring the safe handling, disposal and treatment of non-recyclable and hazardous waste; and
- providing a safe and clean environment for the community.

The NWRIC welcomes the opportunity to submit feedback on the draft Tasmanian Waste Action Plan.

Boardly, the NWRIC welcomes the proposed action plan, and believes the state waste levy, Container refund scheme, waste reduction and resource recovery targets demonstrate a commitment to enhance waste and recycling services for all Tasmanians as it moves to a more circular economy.

The NWRIC provides the following comments in response to the proposed focus areas and actions to achieving these targets;

1. Moving to a Circular Economy: Government Priorities and Key Sectors

What are the key opportunities for reducing waste, developing our resource recovery industry and shifting to a circular economy

The NWRIC supports the principles of the circular economy and its members play a key role in moving and processing resources through the economy. Key to a strong circular economy is the creation of new local, interstate and overseas markets for recovered materials from the waste stream.

¹ Australia’s nine largest waste & recycling companies: Alex Fraser Group (Hanson), Cleanaway, J. J. Richards and Sons, Solo Resource Recovery, Sims Metal Management, Suez, Remondis, ResourceCo and Veolia.

² Waste Recycling Industry Association, Queensland (WRIQ), Waste Contractors and Recyclers Association of NSW (WCRA), The Victorian Waste Management Association (VWMA), Waste Recycling Industry Association of South Australia, Waste Recycling Industry Association of Western Australia (WRIWA) and the Waste Recycling Industry Northern Territory, WRINT.
This requires working collaboratively across the supply chain of products and goods, from the organisations and farmers who import, make or grow these products and goods; the businesses and householders who use these goods to the organisations who collect and process these products and goods.

It’s about increasing the amount of recovered materials back into the supply chain, replacing virgin materials wherever possible to create value and a market pull for recovered materials. It’s about developing circular products and goods that are regenerative and restorative. To do this successfully it is important to establish much closer links between those who import and make the products and goods with those who collect and process them so that these resources can be recirculated through the economy.

It’s also about educating the users on how they can choose better in what they buy (i.e. recycled content), how they can reuse and repair the products and goods to extend their useful life, and how they can dispose of them properly through the correct collection channels, keeping them clean so they can be recycled and reused in products and packaging, as compost in agriculture or as substrates and aggregates in civil construction.

It’s also about putting in the necessary regulatory framework such as extended producer responsibility schemes, mandating recycled content in product and packaging, banning non-recyclable and unnecessary single use plastics, providing recycling rebates to make recovered materials competitive with virgin material at either a state or national level. This will ensure a level playing field for both producers and processors, and provides the appropriate market signals that rewards circularity and penalises non regenerative, linear waste generation.

Therefore, it is important that a whole of government approach is taken where industry and regional development, agriculture, trade, environment and education work together.

2. Governance

What are the primary waste management and resource recovery roles and responsibilities of government, industry and the wider community?

The NWRIC does not see a need to change the current roles and responsibilities. However, it is important that a level playing field is maintained in regards to the regulatory environment and access to financial support for all waste and recycling operators both private commercial operations and public local council owned and operated facilities.

3. Data innovation Networks and Resource Recovery Targets

What are your key data and information needs on waste and resource recovery?

No comment.

How can we best use existing research and innovation networks, or establish new networks, to help address our waste and resource recovery challenges?

A key initiative would be to establish a circular economy hub that facilitates partnerships between those collecting and processing materials to supply secondary resources to the construction, manufacturing and farmers.

What are your views and suggestions on the targets?

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The NWRIC is pleased to see the targets mirror those in other state and territory plans and what is proposed for the national waste policy.

What is lacking is are targets for recycled content in packaging and products types. These should be material based i.e. a target for each material type, glass, paper and in the case of paper for the 6 plastic types (and other plastic materials). As well as state and local government procurement targets for inclusion of recycled materials into roads and other construction activities.

Comments on specific targets

- ensure 100% of packaging is reusable, recyclable or compostable by 2025;

Need to expand to include recycled content levels in paper, glass and plastic packaging. These targets need to be underpinned by a regulatory framework to ensure that companies achieve them and if not they are penalised in some way.

- achieve a 50% average recovery rate from all waste streams by 2025 and 80% by 2030;

Key to this will be developing local markets through positive government procurement of recycled materials in road construction and minimum recycled content levels in products and packaging.

- have the lowest incidence of littering in the country by 2023;

The container return scheme will hopefully help deliver this target. The NWRIC is very supportive of the introduction of this type of product stewardship scheme

- reduce the volume of organic waste sent to landfill by 25% by 2025 and 50% by 2030;

The proposed organic waste targets are supported. However, composting cannot occur without dedicated sites. Adding clean compost to land is essential to maintain and enhance soil health and productivity. However, where organics become contaminated with plastics, POPs\(^3\) or heavy metals, they can be diverted from landfill to energy recovery (if dry, or after being dried). This approach also applies to contaminated biosolids.

- work at the national level and with local government and businesses in Tasmania to help phase out problematic and unnecessary plastics by 2030.

Which waste streams would provide the best opportunities to make some early progress on the proposed targets?

- Construction and demolition waste. Waste levies have been key in increasing resource recovery of C&D waste.
- Establishing separate food and organic collection systems for metropolitan areas to enable the diversion from landfill and recovery of nutrients for reuse in agriculture.

\(3\) Persistent organic pollutants, including PFOS/FPAS, dioxins. Other common organic contaminants include solvents and fuel.

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4. Infrastructure planning
What do you consider are the highest priority infrastructure requirements for waste management and resource recovery in Tasmania?

5. Support resource recovery across the industry
How can governments, businesses and the community best support the development of the resource recovery industry in Tasmania?

The NWRIC considers there a seven essential components to drive high resource recovery;

- Levies structured in a manner that stimulates recycling. This could include discounts on residuals from recycling processes and/or recycling rebates for recovered materials that meet agreed specifications.

- Dedicated sites for resource recovery infrastructure. Identified in the coming Tasmanian solid waste and resource recovery infrastructure plan. These sites must be agreed between Local and State government.

- Local markets for the resources created by a circular economy. Through positive procurement of recycled materials in construction, products and packaging to create a market pull for materials. As well as removing non recyclable materials from the economy.

- Consistent policing of regulations to prevent illegal dumping for commercial gain.

- Product stewardship for key problem products, including all electronics, batteries, photovoltaics, tyres and used machine lubricating oil.

- Clear and accessible disposal points should be available for hazardous materials and goods in the waste stream.

- Ensuring businesses and the community recycle correctly. This requires consistent and regular education targeting businesses and the community. Western Australia is a great example where they have agreed on consistent messaging to reduce contamination in kerbside recycling. The work has also shown that minimum levels of investment are required to change behaviour. See attached WA report.

6. Education and community engagement
Are you aware of any existing education materials that could be adapted for the Tasmanian context? (Please provide examples).

- For kerbside recycling see WA kerbside recycle right.
- Love Food Hate Waste campaign.

7. State and National Policy and regulatory settings

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Which policy or regulatory settings will help us achieve the targets in this Plan and help stimulate the resource recovery industry?

The NWRIC believes that in order to create a circular economy, harmonisation of key elements of waste and recycling regulations are needed.

Therefore, we strongly recommend that Tasmania continue to work closely with the Federal, State and Territory governments on harmonising regulations governing waste and recycling levies and definitions, waste tracking, mass load balance reporting and data collection, collection and processing standards for organics, construction and demolition materials, materials collected via kerbside collection systems, and product stewardship schemes for all electronics, batteries, photovoltaics, packaging and containers.

Do you have other comments on the Draft Waste Action Plan?

OTHER COMMENTS

a) Statewide waste levy

The NWRIC supports the introduction of a state-wide waste levy in Tasmania. Please see attached our recent White Paper - Review of Waste / Landfill Levies in Australia. Levies can achieve a lot of positive outcomes. However, it is important to ensure that when establishing waste levies that you do not create a levy avoidance industry. As has occurred within NSW, Queensland and WA. This can be done by ensuring levies are priced accordingly, provide where required a recycling residual discount or recycling rebate for resource recovery activities that are not commercially viable but environmentally important, and application of the levy portability⁴ (both within the state and interstate) and/or proximity principle.

Ensuring definitions and administration of the levy is consistent with other states and territories. This will keep administration costs down for operators collecting the levy on behalf of the government and minimise confusion. Pricing hazardous and liquid waste also needs to be treated cautiously to ensure the levy doesn’t result in inappropriate treatment or mixing of waste or mislabelling. Some of these wastes the only appropriate disposal is to landfill.

It is also important to ensure that the funds collected are managed transparently. The NWRIC recommends the Tasmanian government establish a trust fund, with clear objectives on what the funds can be spent on. As well as report annually on how the funds were spent against the objectives, the return on investment and which sector the funds were spent in i.e state, local government, business, community or waste / resource recovery industry.

Recommendations from NWRIC White Paper - Review of Landfill Levies

The NWRIC recommends the following reforms to enhance the benefits and reduce the negative impacts of levies across Australia.

4.1 Develop a National Levy Pricing Strategy through COAG to prevent levy avoidance and ensure local and international competitiveness of the resource recovery sector

Facilitated by the COAG process, States and Territories need to set levies relative to each other to encourage resource recovery and the safe disposal of hazardous wastes. The levies should be structured in a manner

⁴ Levy ‘portability’ means that levies are charged based on where waste is generated, rather than deposited into landfill.

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that does not encourage the development of a levy avoidance industry as has happened in NSW, Queensland and WA due to the significant price differentials between regions and states.

In developing the pricing strategy, current levies should not be reduced as this will have a negative impact on existing waste and recycling commercial businesses.

The pricing strategy should also take into consideration the provision where appropriate of levy discounts on recycling residuals and/or recycling rebates on recovered materials that meet agreed specifications. Specifically, for the scrap metal shredding industry where due to the increasing proportion of plastics in cars and white goods, the ability to compete on the international commodity market is significantly reduced and could result in the exporting of whole cars for processing.

The NWRIC recommends that any levy discount on recycling residual or recycling rebate on recovered materials be applied consistently across all states; that a levy discount on recycling residuals or recycling rebates on recovered materials only applied where there are agreed recycling performance requirements or recovered material specifications; that a levy discount on recycling residuals or recycling rebate on recovered materials should only be made available to those recycling activities that are either at a genuine competitive disadvantage, or where landfill disposal is the only disposal option for the residual generated from current best recycling practice, or where the recovered material is more expensive then the virgin material it is substituting.

Where possible recycling rebates on recovered materials should be funded by an extended producer responsibility scheme rather than the waste levy, as in the case of the Oil Stewardship Scheme.

Waste levies can be improved in the following areas;

- Definitions for which waste is and isn’t levied (e.g. solid, liquid, prescribed and hazardous).
- Where the liability for the levy sits i.e. at the point of generation and is portable across regions and jurisdictions.
- How far waste can be moved (i.e. proximity within or across jurisdictions) including the tracking and reporting on the movement of waste.
- How the levy is collected and administered by operators on behalf of governments including daily cover discounts, the payment period for levy remittance, levy on bad debts and recovery of transactional costs transactional costs for administering levy payments.

4.3 More transparency and accountability by jurisdictions how much levies are raised, how they are spent and annual reporting

With anywhere between 10% to 75% of levy funds invested back into activities to improve waste management and resource recovery there is an urgent need for jurisdictions to be more transparent on how much levy funds are collected and how they are spent each year.

Specifically, the NWRIC recommends that each jurisdiction should;

- maintain a separate waste levy trust account from which all levies collected are managed, similar to Victoria’s Municipal and Industrial Levy Trust Account where all levies are retained;
● the Trust Account should have clear rules on how the funds are to be allocated and reported on including objectives that link to the State’s waste avoidance, resource recovery and circular economy strategies and plans,

● levies raised are only invested in activities consistent with the Trust Account’s rules and objectives,

● guaranteeing a minimum percentage of levies (the NWRIC suggests 50%) be spent annually on activities to implement the jurisdiction’s waste avoidance and resource recovery strategies, resource recovery and remanufacturing industry development plans, market development initiatives and infrastructure plans;

● as a minimum each jurisdiction should make funds available to;
  ○ government departments for waste compliance and education activities,
  ○ local government for compliance, education, waste reduction and resource recovery activities, and
  ○ the private sector to advance development of infrastructure, resource recovery and safe treatment and disposal of hazardous materials.

● contribute up to 1% of annual collections to a National Resource Recovery / Product Stewardship Fund that must be matched by the Commonwealth. The purpose of the fund would be to;
  ○ develop, regulate and ensure compliance of national product stewardship schemes;
  ○ coordinate and monitor the implementation of the national waste policy including facilitating ongoing collaboration across state, territory and local governments, and the waste and recycling sector;
  ○ coordinate and monitor the implementation of the national food waste strategy,
  ○ prepare the national waste report and national accounts

● report annually on the total amount of levy funds collected and spent (including non-waste and recycling related expenditure) and outcomes achieved.

b) A container refunds scheme:

The NWRIC supports the implementation of a container refund scheme in Tasmania. The NWRIC considers the NSW approach to be best practice. The NWRIC also supports the SA proposal to increase the refund to 20 cents per container and to broaden the scope to include wine bottles and other large glass containers. This will ensure a viable resource recovery industry, producing better quality materials for reuse back into containers, other products and civil infrastructure.

Two important learnings from the implementation of the schemes in NSW and Queensland were;

(a) the need to have an equitable revenue sharing agreement between material recycling facilities (MRFs) and local councils, the NWRIC supports the approach taken by WA to agree an upfront 50/50 split, and

(b) the MRFs retain ownership of the containers they process and retain the right to choose to either sell the sorted containers via the scheme portal (as adopted in Queensland) or sell directly to approved downstream processors, to ensure they receive a fair and reasonable price.

Access to these revenue streams is critical to ensuring MRF’s processing kerbside collections remain commercially viable when the CRS is implemented.
c) 80% resource recovery by 2030:

For further information please contact NWRIC Secretary Alex Serpo (secretariat@nwric.com.au, ) in the first instance.

Yours sincerely,

Rose Read
CEO, NWRIC
ceo@nwric.com.au
STATE-WIDE GUIDELINES FOR KERBSIDE RECYCLING

A JOINT SUBMISSION BY:
- WASTE AND RECYCLING INDUSTRY ASSOCIATION OF WA (WRIWA)
- CLEANAWAY WA
- SOUTHERN METROPOLITAN REGIONAL COUNCIL (SMRC)
- SUEZ WA
- WESTERN AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION (WALGA)

1. OVERVIEW
China’s National Sword policy reduced the acceptable level of contamination in recyclable materials exported to that country from 5% to 0.5%. This lead to a dramatic drop in related commodity prices and threatened the viability of recycling in Western Australia. This has been further heightened by China’s ‘Blue Skies’ policy in 2018.

Current contents of kerbside recycling bins in WA:

<table>
<thead>
<tr>
<th>Material</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Glass</td>
<td>31%</td>
</tr>
<tr>
<td>Fibre (OCC, ONP, mixed paper), 44%</td>
<td></td>
</tr>
<tr>
<td>Metal</td>
<td>4%</td>
</tr>
<tr>
<td>Plastic</td>
<td>6%</td>
</tr>
<tr>
<td>Landfill</td>
<td>15%</td>
</tr>
</tbody>
</table>

As part of discussions with the Waste Taskforce (formed earlier this year by the State Government to advise the Minister for Environment on waste and recycling industry issues) the three main operators of Material Recovery Facilities (MRFs) in WA – Southern Metropolitan Regional Council (SMRC), Cleanaway and SUEZ – recognised the impact that China’s policy would have on recycling in Western Australia and the need to address increasing contamination rates in kerbside recycling bins.

It was recognised that one of the major drivers of contamination in the kerbside recycling bin was the existence of many differing lists of acceptable materials across the State, and consequent confusion in the community about what could and could not be recycled. In addition, packaging itself has become increasingly complex over the years and the community needed guidance not only on what can be placed in the recycling bin, but also on what cannot.

The MRF operators developed a simplified, up-to-date set of guidelines on what can and cannot be placed in the kerbside recycling bin applicable anywhere in Western Australia, from Karratha to Albany.

The MRF Operators then contacted the Municipal Waste Advisory Council (MWAC), the WALGA¹ Committee with delegated authority for waste management, informing them of the proposal and seeking feedback on using the recycling guidelines for education campaigns at Local Government level. MWAC provided feedback to the MRF operators and subsequently facilitated an information session for Local Government on the consistent communications and the ongoing impact of China’s National Sword policy.

Local Governments then commenced engagement with their communities starting new discussions and conversations about what can and can’t be recycled and why. This has provided an opportunity to ask people to look at their recycling behaviour because ‘the recycling rules have changed’.

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¹ Western Australian Local Government Association
The consistent approach to recycling education has several benefits:

1. A single list of materials acceptable for recycling across WA will reduce community confusion and, in the longer term, assist to lower contamination rates. This, in turn, supports the viability of the recycling industry in WA by ensuring cleaner material is collected through the kerbside system.

2. The single list of recyclables allows for education campaigns at State level and/or across Local Governments, for instance in the Perth metropolitan area. This increases the effectiveness of community education campaigns, while reducing the cost to Local Governments as common education materials can be used.

### 2. DRIVERS

To reduce contamination levels, the nominees for this award recognised that a new approach to providing information about the kerbside recycling system was required. The main drivers for this approach were:

- The China National Sword policy, requiring a 10-fold increase in product purity, has severely impacted the market for recyclables in WA.
- A WALGA report identified that there have been impacts in other South East Asian markets (Vietnam, Malaysia and Thailand) as well, which has further decreased the commodity price.
- At the same time, contamination rates in kerbside recycling have increased, with one MRF in WA reporting a doubling of contamination rates from 10% in 2010 to 20% in 2018. This rising level of contamination makes the challenge of meeting China’s new higher standard, or selling material to other markets, even more difficult.
- Main contaminants in WA are as follows:

<table>
<thead>
<tr>
<th>Affects Processing</th>
<th>Affects Safety</th>
<th>Affects Quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strapping</td>
<td>Hazardous wastes and Aerosols</td>
<td>Plastic bags and light plastic film</td>
</tr>
<tr>
<td>Clothing</td>
<td>Nappies</td>
<td>Food and food containers</td>
</tr>
<tr>
<td>Rope/ cable/ hose</td>
<td>Batteries</td>
<td>Electronic goods</td>
</tr>
<tr>
<td></td>
<td>Needles/ syringes</td>
<td></td>
</tr>
</tbody>
</table>

Increased contamination can be attributed to:

- confusion in the community about recycling guidelines, which vary between Local Governments
- types of packaging have diversified over the past decade, and labelling can be confusing
- community engagement in recycling guidelines have been limited.
3. GOALS
The goal of collaboration was to support the viability of this State’s recycling industry by reducing levels of contamination in the kerbside recycling system.

The participants cooperatively developed improved guidelines on what can and cannot be recycled, with the aim of facilitating consistent community education and reducing contamination in kerbside bins.

The measure of success is a two-step process:
• Step One is to develop single, simplified, up to date guidelines on what can and cannot be placed in a kerbside recycling bin. This has now been achieved.
• Step Two is to use these guidelines as the basis for a State wide education program, working with WRIWA\(^2\), WALGA and Local and State Government.

4. RESULTS
The process has involved effective collaboration between MRF operators, WALGA and Local Government.

As part of the Waste Taskforce, the MRF operators initially identified the new guidelines for what can and can’t be recycled through the kerbside system (see summary below and full version at Attachment A). WALGA was then approached and facilitated a session with Local Government (over 80 attendees) identifying the implications of the China Sword Policy for recycling in Western Australia and the new consistent approach to recycling education at Local Government level that was being proposed. This session provided a clear explanation for why things could or could not be recycled through the kerbside recycling bin.

Participants at this session said for the first time they understood why things could and couldn’t be recycled. Local Government indicated they would progressively update their education materials to include the new messaging and engage with the community on the new recycling guidelines.

This process will continue to occur, with a launch planned for National Recycling Week, when the aim is for all Local Government resources to be updated and all stakeholders (WALGA, MRF Operators, WRIWA, Local and State Government) will undertake a widespread media campaign to ensure the community is informed of the new approach.

Previously, each MRF or Local Government decided on its own messaging and communication with the community. Instead, this project has provided a consistent message, allowing communications to be undertaken centrally on a much broader scale than ever before.

5. SCALABILITY
WA is the first state in Australia to have implemented a consistent approach to kerbside recycling. The collaborative approach on recycling education used in Western Australia is being championed at the national level by WRIWA, of which Cleanaway WA and SUEZ WA are both members.

\(^2\) The Waste and Recycling Industry Association of WA
WRIWA is affiliated with the National Waste Recycling Industry Council (NWRIC) and has reported on the guidelines to NWRIC. There has been considerable interest and enquiries from our interstate affiliates in New South Wales, Victoria, South Australia, Queensland and the Australian Capital Territory.

WRIWA President Mike Harper will be presenting on the issue to the National Board to show that a collaborative approach can result in positive outcomes for the whole industry. Through the national organisation, it is hoped that this approach could be used in other States to facilitate a consistent national approach to recycling, which would then allow national messaging on recycling to occur.

6. INNOVATION
The key innovation was the recognition at a very early stage by the stakeholders that they collaboratively could positively influence the whole of the State’s kerbside recycling system. This approach brought together private and public sector organisations to achieve a positive outcome for the environment and community in Western Australia.

The success of this project was due to:
- a mutual commitment to collaboration
- the key decision makers involved from the outset
- strong leadership by key decision makers
- a strong motivating factor to drive collaboration.

WALGA has attempted on several different occasions to facilitate a consistent approach to recycling communications, however was not successful. It was the joint effort of the Waste Taskforce, MRF Operators, WALGA and Local Governments which has achieved this outcome.

7. COLLABORATION
These Guidelines, which target a reduction in contamination, and provide a basis for State wide education, have been achieved through a high level of collaboration. The collaboration from the Waste Taskforce, MRF Operators, WALGA and Local Government was essential in ensuring the rationale for the guidelines was understood by all and there was a clear commitment to updating communication material and furthering more engagement with the community.

Local Governments are now progressively updating their education materials and websites to reflect these new guidelines, and investing additional time and resources, into engaging with the community to reduce contamination.
### STATE-WIDE GUIDELINES FOR KERBSIDE RECYCLING IN WESTERN AUSTRALIA

<table>
<thead>
<tr>
<th>ACCEPTABLE IN RECYCLING BIN</th>
<th>KEEP IT OUT</th>
</tr>
</thead>
<tbody>
<tr>
<td>✔ Plastic bottles and containers, including ice cream containers, margarine tubs, shampoo, detergent and milk bottles</td>
<td>✗ Plastic bags, light plastic film and polystyrene</td>
</tr>
<tr>
<td>✔ Paper, <em>excluding</em> shredded paper but <em>including</em> newspaper, paper bags and envelopes</td>
<td>✗ Clothes or other textiles</td>
</tr>
<tr>
<td>✔ Cardboard boxes including beer cartons (flattened)</td>
<td>✗ Electronic waste and batteries, including car batteries</td>
</tr>
<tr>
<td>✔ Egg cartons</td>
<td>✗ Organics – garden waste and food waste</td>
</tr>
<tr>
<td>✔ Aluminium cans, including beer and soft drink cans, and coffee/Milo tins</td>
<td>✗ Gas bottles and aerosol cans</td>
</tr>
<tr>
<td>✔ Steel cans, including food tins, beer bottle tops and jar lids</td>
<td>✗ Nappies</td>
</tr>
<tr>
<td>✔ Glass bottles and jars, including beer bottles, coffee jars and wine bottles</td>
<td>✗ Ropes, cables, strapping and garden hose pipes</td>
</tr>
</tbody>
</table>

**NOTE:** All items for recycling should be clean, dry and empty with the lids removed.

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Based on the list developed by Tim Youe of Southern Metropolitan Regional Council in consultation with the other Material Recovery Facility operators in Western Australia: Cleanaway and SUEZ.
CONTAMINATION RATES IN KERBSIDE RECYCLING – RELATIONSHIP TO LOCAL GOVERNMENT EXPENDITURE ON HOUSEHOLD EDUCATION

Contamination of kerbside recycling with non-recyclable materials significantly reduces effective recovery of recyclables and increases the associated costs.

The data presented below has been collected by all three of the MRF owners in WA in relation to their respective recycling contracts with local government entities in order to provide a whole of state view.

Cleanaway WA and Suez WA are both WRIWA members but this research, along with the comments below, was compiled with the added assistance of Southern Metropolitan Council (SMRC) and the West Australian Local Government Association (WALGA) using currently available data for 22 Metropolitan Councils and 11 Rural Councils. (See Attachments 1 and 2)

Contamination Rates
1. A contamination rate of 8% or less is considered by the MRF operators to be acceptable.
2. Only 7 of the 22 metropolitan Local Government contracts (32%) are achieving this minimum level.
3. Only 2 of the 11 rural/regional contracts (20%) are achieving this minimum level.
4. Nine contracts have contamination rates over 18%.

Educational expenditure per household per annum (PHPA)
1. As the attached chart shows, there is a broad correlation between higher household education expenditure rates and lower recycling contamination rates.
2. Expenditure of at least $8.00 PHPA is considered to be effective for achieving low contamination levels.
3. Of the 22 metropolitan contracts, 8 (36%) have very low or low education expenditure PHPA.
4. Of the 11 regional/rural contracts, 4 (36%) have very low or low education expenditure PHPA.
There are complex factors that may affect the recycling contamination rates in a particular Local Government area. The relationship between education expenditure rates and recycling contamination rates depends not only on the amount spent but on the effectiveness of that expenditure. However without a minimum spend, good outcomes are unlikely.

One example of a Local Government Area where there has been consistent and ongoing waste education and community engagement is the City of Mandurah. In this LGA a waste education officer is employed by Cleanaway, through a partnership with the Council, and commencing in 2014 has undertaken a bin inspection and feedback program for all residents in Mandurah. As a consequence the contamination rate is between 7.5 - 8.5% based on recent audits.

While some local governments have actively engaged with industry, others have failed to acknowledge the severity of the current situation.

Western Australia is the only jurisdiction in Australia which has a consistent set of guidelines across the whole State for what can and cannot be accepted in kerbside recycling. The State Wide Guidelines for Kerbside Recycling were developed jointly by WALGA, SUEZ, Cleanaway, Southern Metropolitan Regional Council and WRIWA, and this initiative was recognised as ‘Highly Commended’ at the 2018 Infinity Awards. They provide a clear and comprehensive guide that can be adopted by all Local Governments (see attachment 3).
### Metropolitan Region

<table>
<thead>
<tr>
<th>LGA</th>
<th>Contamination Rate</th>
<th>Education Expenditure per Household</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>4.00%</td>
<td>Medium</td>
</tr>
<tr>
<td>2</td>
<td>6.00%</td>
<td>High</td>
</tr>
<tr>
<td>3</td>
<td>6.00%</td>
<td>Low</td>
</tr>
<tr>
<td>4</td>
<td>6.00%</td>
<td>Medium</td>
</tr>
<tr>
<td>5</td>
<td>6.00%</td>
<td>Very High</td>
</tr>
<tr>
<td>6</td>
<td>7.00%</td>
<td>Low</td>
</tr>
<tr>
<td>7</td>
<td>8.00%</td>
<td>High</td>
</tr>
<tr>
<td>8</td>
<td>8.00%</td>
<td>Medium</td>
</tr>
<tr>
<td>9</td>
<td>10.00%</td>
<td>High</td>
</tr>
<tr>
<td>10</td>
<td>10.00%</td>
<td>Low</td>
</tr>
<tr>
<td>11</td>
<td>11.00%</td>
<td>Medium</td>
</tr>
<tr>
<td>12</td>
<td>11.00%</td>
<td>Medium</td>
</tr>
<tr>
<td>13</td>
<td>11.50%</td>
<td>High</td>
</tr>
<tr>
<td>14</td>
<td>13.00%</td>
<td>High</td>
</tr>
<tr>
<td>15</td>
<td>13.00%</td>
<td>Medium</td>
</tr>
<tr>
<td>16</td>
<td>14.00%</td>
<td>High</td>
</tr>
<tr>
<td>17</td>
<td>14.00%</td>
<td>Low</td>
</tr>
<tr>
<td>18</td>
<td>15.00%</td>
<td>Low</td>
</tr>
<tr>
<td>19</td>
<td>15.00%</td>
<td>Very Low</td>
</tr>
<tr>
<td>20</td>
<td>15.60%</td>
<td>High</td>
</tr>
<tr>
<td>21</td>
<td>18.00%</td>
<td>Very Low</td>
</tr>
<tr>
<td>22</td>
<td>34.00%</td>
<td>Very Low</td>
</tr>
</tbody>
</table>

### Rural

<table>
<thead>
<tr>
<th>LGA</th>
<th>Contamination Rate</th>
<th>Education Expenditure per Household</th>
</tr>
</thead>
<tbody>
<tr>
<td>21</td>
<td>8.00%</td>
<td>Medium</td>
</tr>
<tr>
<td>22</td>
<td>8.00%</td>
<td>Very High</td>
</tr>
<tr>
<td>23</td>
<td>14.09%</td>
<td>High</td>
</tr>
<tr>
<td>24</td>
<td>15.00%</td>
<td>Low</td>
</tr>
<tr>
<td>25</td>
<td>25.17%</td>
<td>Med</td>
</tr>
<tr>
<td>26</td>
<td>27.40%</td>
<td>Med</td>
</tr>
<tr>
<td>27</td>
<td>30.60%</td>
<td>Med</td>
</tr>
<tr>
<td>28</td>
<td>37.50%</td>
<td>Med</td>
</tr>
<tr>
<td>29</td>
<td>41.51%</td>
<td>Low</td>
</tr>
<tr>
<td>30</td>
<td>45.00%</td>
<td>Very Low</td>
</tr>
<tr>
<td>31</td>
<td>52.23%</td>
<td>Low</td>
</tr>
</tbody>
</table>
Education Expenditure versus Contamination Rate

- Metropolitan
- Rural
## STATE WIDE GUIDELINES FOR KERBSIDE RECYCLING

**Acceptable in the Recycling Bin**

- Plastic bottles and containers, including ice cream containers, margarine tubs, shampoo, detergent and milk bottles
- Paper, excluding shredded paper but including newspaper, paper bags and envelopes
- Cardboard boxes including beer cartons (flattened)
- Aluminium Cans, including beer and soft drink cans and coffee and Milo tins
- Steel Cans, including food tins, beer bottle tops and jar lids
- Glass bottles and jars, including beer bottle, coffee jars and wine bottles

If it’s not one of the above - it doesn’t belong in the Recycling Bin.

**Keep it Out**

- Nappies
- Clothes/Textiles
- Organics - Garden Waste and Food Waste
- Electronic Waste and Batteries
- Gas bottles and aerosol cans
- Ropes, Cables and Garden Hose Pipes
- Plastic Bags and Light Film
- Bagged Material
- Car Batteries
- Large Metal Objects
- Polystyrene
- Bricks and Rubble
White Paper

REVIEW OF WASTE LEVIES IN AUSTRALIA

October 2019
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Contact Information

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and

Jennifer Hughes of Beatty Legal.
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   2.3 Victoria
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   2.6 Other jurisdictions.

3. Impacts and benefits of levies

4. Recommendations for reform
Executive Summary

Waste or landfill levies are a key regulatory tool used to improve recycling and fund environmental liabilities from waste generation. They have a significant effect on both the commercial environment of nearly every waste and recycling business, and community behaviour. They also generate significant funds for each jurisdiction. Therefore, carefully considered levy regulations nationwide are essential to advancing Australia towards a circular economy.

This white paper reviews the current status of waste/landfill levies across Australia. It examines by jurisdiction, how much the waste/landfill levies are, what waste types are levied, where and when do they apply, how they are administered, the amount of funds raised each year and how these funds are spent.

It also analyses the impacts and benefits of these levies on waste and recycling outcomes across Australia, identifies a number of issues that need to be addressed urgently and recommends three major actions to resolve these issues, ensuring levies achieve their goal of facilitating better waste and recycling outcomes.

The review does not include an in-depth analysis of the economic, environmental social effectiveness of the levies, price points or return on investment.

Waste/landfill levies were first introduced in 1971 by NSW at a $0.56 per tonne. Since then South Australia, Victoria, Western Australia and Queensland have introduced levies. In 2018-19 rates ranged in price from $0 to $250 with an estimated $1.13 billion raised. In 2019-20 this is expected to increase to $1.54 billion with the introduction of the waste levy in Queensland. This will equate to approximately $58 per capita per year, up from $39 per capita per year in 2018-19.

Of the $1.13 billion funds raised in 2018-19, an estimated $282 million or 25 per cent nationally was reinvested into activities relating to waste and recycling, state EPA’s or climate change (in the case of Victoria). At a state level the reinvestment rate of the levy ranged from 10.9 per cent in NSW, 25 per cent in WA, 66 per cent in Victoria to 73 per cent in South Australia.

Funds not reinvested were either retained in consolidated revenue (as in the case of NSW and WA) or retained in nominated funds such as Victoria’s Sustainability Fund, SA’s Green Industries Fund or SA’s Environment Protection Fund where some of the funds may be invested in various non-waste or recycling related environmental activities.

In 2019-20 it is estimated that of the $1.54 billion in funds raised, around $569 million or 37 per cent will be reinvested into waste and recycling activities. This increase can largely be attributed to the Queensland government’s commitment to reinvest over 70 per cent of the levy, with local councils receiving 105 per cent of their levy contribution.

On the positive side, levies have increased resource recovery and supported the development of local resource recovery businesses including material recovery facilities; processing facilities for plastics, paper, cardboard, glass, timber, organics; alternate waste treatment plants; and waste-to-energy facilities for fuel manufacture, thermal and electricity generation.

Levies have also funded waste and recycling initiatives. These range from state EPA and local government environmental compliance activities, community and business waste and recycling education campaigns, research and development, data collection, construction of new infrastructure by local government and private enterprise, to cleaning up waste and pollution generated from illegal actions.
On the negative side however, differentials in levies across regions and between states has created a levy avoidance industry, both legal and illegal resulting in potentially recyclable material ending up in landfill, and hazardous material being disposed of inappropriately. This has become big business particularly in NSW and WA due to the significant variability of levy rates for solid, hazardous and liquid wastes. It is estimated that between 1.5 million to three million tonnes of waste has been transported per annum either significant distances to landfills where levies do not apply, dumped into the environment, stockpiled or in the case of hazardous wastes hidden or mislabeled to reduce or avoid state levies.

Key learnings from this analysis are the vastly different approaches states and territories take to levies. From how much is charged between regions and states; what wastes are levied (i.e. solid, liquid, hazardous or prescribed) and how they are defined; where liability for the levy is charged; how the levy is administered and how levy funds are managed, reinvested into activities to improve the waste and recycling practices and reported on.

Of major concern is the lack of transparency in most jurisdictions of how much funds are collected per year, how and where they are invested in waste and recycling activities and assessment of the effectiveness of the investment in achieving waste and recycling strategies and targets.

The NWRIC believes there is an urgent need to reform the current state levy structures, pricing, administration and investment management. It is critical this reform is done in a nationally coordinated manner between all jurisdictions including the federal government to remove interstate inconsistencies that are clearly driving poor waste disposal behaviours, contrary to the objects of the levy to increase resource recovery and enhance environmental protection.

This change is essential to ensure the best return on investment of levy funds, and to deliver better waste management and resource outcomes that communities expect.

Specifically, the NWRIC recommends that state and territory governments together with the federal government:

1) Develop a National Levy Pricing Strategy through COAG that prevents the inappropriate disposal and movement of waste between regions and states and ensures the resource recovery industry remains viable and competitive by removing significant geographic levy differentials and providing recycling residual discounts or recycling rebates where justified.

2) Develop National Waste Levy Protocols for which wastes should be levied (i.e. solid, liquid, hazardous and prescribed), where the liability for the levy sits (i.e. at point of generation and is portable across regions and states), how far waste can be moved (i.e. proximity within or across states) and how the levy is administered (e.g. payments, bad debts).

3) Are more transparent and accountable for the total amount of levies collected by each jurisdiction by;

   • setting up a separate Levy Trust Account (similar to Victoria’s MILL Trust Account) where all levies are retained;
   • guaranteeing a minimum percentage of levies (suggested 50%) to be spent annually on activities to implement the jurisdiction’s waste avoidance and resource recovery strategies, resource recovery and remanufacturing industry development plans, market development initiatives and infrastructure plans; and
   • reporting annually on the total amount of levy funds collected and spent (including non-waste and recycling related expenditure) and outcomes achieved.
1. Introduction

Waste or landfill levies are a key regulatory tool used to improve recycling and fund environmental liabilities from waste generation. They have a significant effect on both the commercial environment of nearly every waste and recycling business and community behaviour. They also generate significant amounts of funds for each jurisdiction. Therefore, carefully considered levy regulations nationwide are essential to advancing Australia towards a circular economy.

They are usually levied at the gate of landfill facilities owned and / or operated by either the private sector and local government and remitted to State governments.

Waste/landfill levies were first introduced in 1971 by NSW at a $0.56/tonne. Since then South Australia, Victoria, Western Australia and Queensland have introduced levies.

In 2018-19 levy rates ranged in price from $0 to $250 with an estimated $1.13 billion raised. In 2019-20 this is expected to increase to $1.54 billion with the introduction of the waste levy in Queensland. This will equate to approximately $58 per capita per year, up from $39 per capita per year in 2018-19.

Of the $1.13 billion funds raised in 2018-19, an estimated $282 million or 25 per cent nationally was reinvested into activities relating to waste and recycling, state EPA’s or climate change (in the case of Victoria). At a state level the reinvestment rate of the levy ranged from 10.9 per cent in NSW, 25 per cent in WA, 66 per cent in Victoria to 73 per cent in South Australia.

Funds not reinvested were either retained in consolidated revenue (as in the case of NSW and WA) or retained in nominated funds such as Victoria’s Sustainability Fund, SA’s Green Industries Fund or SA’s Environment Protection Fund where some of the funds may be invested in various non-waste or recycling related environmental activities.

In 2019-20 it is estimated that of the $1.54 billion in funds raised around $568 million or 37 per cent will be reinvested into waste and recycling activities. This increase can largely be attributed to the Queensland government’s commitment to reinvest over 70 per cent of the levy, with local councils receiving 105 per cent of their levy contribution.

This white paper reviews the current status of waste/landfill levies across Australia. It examines by jurisdiction, how much the waste/landfill levies are, what waste types are levied, where and when do they apply, how they are administered, the amount of funds raised each year and how these funds are spent.

It also analyses the impacts and benefits of these levies on waste and recycling outcomes across Australia, identifies a number of issues that need to be addressed urgently, and recommends three major actions to resolve these issues, ensuring levies achieve their goal of facilitating better waste and recycling outcomes.

The review does not include an in-depth analysis of the economic, environmental social effectiveness of the levies, impacts of price points or return on investment.

1.1 How much material enters landfill every year?

The latest National Waste Audit for Australia reports that 21.7 million tonnes of material were sent to landfill in 2016/17¹ (these are the latest figures available). This is approximately 40% of the 54 million

tonnes generated (note this does not include waste ash from power stations). The breakdown by state is shown in Table 1.1.

**Table 1.1 - Materials to landfill 2016-17**

<table>
<thead>
<tr>
<th>State/Territory</th>
<th>Tonnes</th>
<th>Tonnes per capita</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW</td>
<td>7,101,000</td>
<td>0.9</td>
<td>33%</td>
</tr>
<tr>
<td>Queensland</td>
<td>6,124,000</td>
<td>1.2</td>
<td>28%</td>
</tr>
<tr>
<td>Victoria</td>
<td>4,245,000</td>
<td>0.67</td>
<td>20%</td>
</tr>
<tr>
<td>Western Australia</td>
<td>2,360,000</td>
<td>0.89</td>
<td>11%</td>
</tr>
<tr>
<td>South Australia</td>
<td>666,000</td>
<td>0.39</td>
<td>3%</td>
</tr>
<tr>
<td>ACT</td>
<td>474,000</td>
<td>1.14</td>
<td>2%</td>
</tr>
<tr>
<td>Tasmania</td>
<td>453,000</td>
<td>0.87</td>
<td>2%</td>
</tr>
<tr>
<td>Northern Territory</td>
<td>305,000</td>
<td>1.25</td>
<td>1%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>21,728,000</strong></td>
<td><strong>0.9</strong></td>
<td></td>
</tr>
</tbody>
</table>

**1.2 How has this changed over time?**

The volume of material to landfill has slowed over the last 10 years from 2007 to 2017 by an average fall of 1.4% per year. Translating to an annual average of 0.9 tonnes per capita. Meanwhile the mass of material being recycled has risen by a compound annual growth rate of 2.3%.

**Figure 1.1 - Materials to landfill** and recycling - 2007 to 2017

---

3 The landfill figures also include waste ash disposed of on mine sites
2. A national summary of levies

Waste levies currently apply in five States; NSW, Victoria, South Australia, Western Australia and Queensland. ACT and Tasmanian governments have indicated they are considering introducing levies. South Australia has recently decided to significantly increase its rates from mid 2019 and at the start of 2020. Victoria is currently reviewing its levy rates.

It is estimated in 2019-20 more than $1,541 million per year will be raised by these five States. This is equivalent to an average of $58 per capita, across all jurisdictions. This has increased by about $443 million from 2018-19 due to the introduction of the levy in Queensland.

Table 2.1 - Summary of 2019-20 waste levy rates for all types of waste (i.e. MSW, liquid hazardous) estimated revenue and expenditure

<table>
<thead>
<tr>
<th>State</th>
<th>Levy Rates* ($ / t)</th>
<th>Estimated Levies ($ m)</th>
<th>Estimated spending ($ m)</th>
<th>Revenue per capita**</th>
<th>Hypothecated to waste &amp; recycling activities5</th>
</tr>
</thead>
<tbody>
<tr>
<td>NSW6</td>
<td>$0 to $143</td>
<td>$771</td>
<td>$154.3</td>
<td>$100</td>
<td>19.9%</td>
</tr>
<tr>
<td>Queensland7</td>
<td>$0 to $155</td>
<td>$443</td>
<td>$343</td>
<td>$88</td>
<td>77%8</td>
</tr>
<tr>
<td>Victoria</td>
<td>$31 to $250</td>
<td>$239</td>
<td>$170</td>
<td>$34</td>
<td>72.4%9</td>
</tr>
<tr>
<td>South Australia</td>
<td>$55 to $110</td>
<td>$70</td>
<td>$50.8</td>
<td>$36</td>
<td>72.5%10</td>
</tr>
<tr>
<td>Western Australia</td>
<td>$0 to $70</td>
<td>$88</td>
<td>$22</td>
<td>$35</td>
<td>25%11</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>$1,541</td>
<td>~$569</td>
<td>$58</td>
<td>36.9%</td>
</tr>
</tbody>
</table>

* For nominated regions within NSW, Qld, and WA no waste levy applies

** Based on total population of each jurisdiction

---

5 Includes State EPA/agency funding.
6 The levy is used to fund the Waste Less Recycle More program, that started in 2014 and runs to 2021 an estimated $802 million over 9 years.
7 Introduced 1July 2019.
8 10% of the levies raised are returned to industry, and 105% of the levies raised by Local Government are returned. The mass of waste levied by local government is unknown by this whitepaper.
9 While a large percentage of the Victorian levy is returned to the Sustainability Fund, much of this money remains unspent.
10 The South Australian Waste Levy funds the EPA and GISA, but none is directly available to industry or Local Government.
11 Based on 15/16 figures from the Waste Authority.
Table 2.2 - Summary of future direction of waste levies in Australia

<table>
<thead>
<tr>
<th>Jurisdiction</th>
<th>Direction of levy</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACT</td>
<td>Proposed levy</td>
<td>ACT government currently considering a levy to be introduced in 2021.</td>
</tr>
<tr>
<td>NSW</td>
<td>Increasing by CPI</td>
<td>NSW levy currently increasing by CPI ongoing.</td>
</tr>
<tr>
<td>Queensland</td>
<td>Started 1 July 2019.</td>
<td>Starting at $75 per tonne, increasing $5 per year to $90 in four years 2022.</td>
</tr>
<tr>
<td>South Australia</td>
<td>Increasing</td>
<td>1 July 2019 $110 per tonne Increasing to $140 per tonne on 1 January 2020.</td>
</tr>
<tr>
<td>Victoria</td>
<td>Increasing by Treasurer's Rate, under review.</td>
<td>Victorian Government is currently reviewing the levy.</td>
</tr>
<tr>
<td>Western Australia</td>
<td>Stable</td>
<td>Stable, no announcements of a future levy change.</td>
</tr>
<tr>
<td>Tasmania</td>
<td>Proposed Levy</td>
<td>Tasmanian State Government considering a waste levy as part of its 2019 Draft Waste Action Plan, but no timeframe for implementation has been indicated.</td>
</tr>
</tbody>
</table>
2.1 New South Wales

2.1.1 Legal framework and history

In NSW, the Environment Protection Authority (NSW EPA) administers the waste levy. The current underpinning strategy for NSW Waste Levy is the NSW Waste and Resource Recovery Strategy 2014-21 released in December 2014. The strategy states that the purpose of the levy is “to increase recycling, to limit the need for new landfills, reduce landfill disposal and turn waste into valuable resources.”

Table 2.3 – NSW levy legislation

<table>
<thead>
<tr>
<th>Legislation</th>
<th>Summary</th>
<th>Further information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Protection of the Environment Operations Act 1997 (POEO Act)</td>
<td>The legislation underpinning the waste levy and regulations of waste management in NSW.</td>
<td>A summary is available here</td>
</tr>
<tr>
<td>Protection of the Environment Operations (Waste) Regulation 2014</td>
<td>The regulations which define the value and application of waste levies.</td>
<td>A summary is available here</td>
</tr>
</tbody>
</table>

From 1 August 2015, NSW broadened the waste levy liability beyond just landfills to operators of all facilities required to hold a licence to recycle, process or store waste storage. These operators now incur a levy liability on all waste received at their facilities, but this liability is extinguished if the waste is sent off-site for lawful re-use or disposal.

Payment of the levy is triggered where:

- waste is stockpiled on-site for more than 12 months, unless the waste has been processed at the facility to a standard required by a resource recovery orders and exemptions,
- waste is stockpiled above lawful ‘threshold’ limits, or
- waste is transported offsite for unlawful disposal or unlawful reuse.

New South Wales has the highest levy in Australia, it has applied the longest period, and it has raised the most capital. The NSW levy is almost the most complex levy in regard to differential rates. NSW is one of only two States with a liquid waste levy, the other is South Australia.
2.1.2 Application of the levy and exemptions

Waste levies are applied differentially to different waste streams and within different geographic areas (see Table 2.4 below).

Reduced levies are available for:

- Virgin Excavated Natural Material (VENM),
- Trackable liquid wastes,
- Coal washery rejects, and
- Shredder floc.

There is also variance in the way the waste levy is paid, for example the liquid waste levy is due to be paid quarterly, while other landfill levies are due within 56 days.

NSW also provides for a number of levy exemptions. These include;

- Mixed waste organic outputs.
- Community service exemption (i.e. charities and not-for-profit groups performing a community service that involves the collection or receipt of waste).
- Disaster outbreaks, and
- Dredging spoil.

---

12 WCRA internal document courtesy of the NSW EPA.
2.1.3 Geographic application

The levy applies to the regulated area of NSW which has two areas, the Metro Levy Area (MLA) comprising Sydney metropolitan area, the Illawarra and Hunter regions and the Regional Levy Area (RLA) that includes the central and north coast local government areas to the Queensland border as well as the Blue Mountains, and Wollondilly local government areas.

NSW also applies the concept of levy portability, where the levy rates applies based on where the waste is generated, not where it is disposed.

2.1.4 Current and future levy rates

Table 2.4 below provides a summary of landfill levy rates for 2019-20. The NSW EPA has advised that the levy rate will only increase by CPI for the duration of existing waste strategy (until 2021).

Table 2.4 – Summary of NSW landfill levies 2019-20

<table>
<thead>
<tr>
<th>Levy</th>
<th>2019-20 (per tonne)</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metro Levy Area (MLA)</td>
<td>$143.60</td>
<td>Increasing by CPI*</td>
</tr>
<tr>
<td>Regional Levy Area (RLA)</td>
<td>$82.70</td>
<td>Increasing by CPI*</td>
</tr>
<tr>
<td>VENM MLA</td>
<td>$129.20</td>
<td>Increasing by CPI*</td>
</tr>
<tr>
<td>VENM RLA</td>
<td>$74.40</td>
<td>Increasing by CPI*</td>
</tr>
<tr>
<td>Shredder Floc MLA</td>
<td>$70.60</td>
<td>A time-based concession subject to review</td>
</tr>
<tr>
<td>Shredder Floc RLA</td>
<td>$40.65</td>
<td>A time-based concession subject to review¹³</td>
</tr>
<tr>
<td>Trackable Liquid Wastes</td>
<td>$76.90</td>
<td>Complex definition¹⁴</td>
</tr>
<tr>
<td>Coal Washery Rejects</td>
<td>$15.00</td>
<td>Stable</td>
</tr>
</tbody>
</table>

2.1.5 2018-19 Estimated NSW levies raised and hypothecated to waste and recycling activities

In 2018-19 an estimated $772 million¹⁵ was raised from the waste levy. Of this only $84.3 million (11.5%) was reinvested into the waste and recycling sector via the NSW Government’s Waste Less, Recycle More Initiative (see Table 2.5 and Table 2.6). There is no information available in the NSW Government budget papers on how the balance of the waste levy raised in 2018-19 of $643m (88.4%) was allocated across the rest of the NSW Budget.

The NSW Government launched the Waste Less, Recycle More initiative in 2014 and extended it in 2017 for a further four years through to 2021. For the period 2017-21 a total of $337 million has been allocated or $84.25 million per annum across a suite of programs (see Table 2.5 below).

---

¹³ Currently under review, the outcome is yet to be resolved.
¹⁴ For the definition of trackable liquid waste - see the NSW EPA website.
Table 2.5 - *Waste Less, Recycle More* Initiative funding 2017-21

<table>
<thead>
<tr>
<th>Program</th>
<th>$ m</th>
<th>Available to?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Government Waste &amp; Resource Recovery Program</td>
<td>$70</td>
<td>Local govt</td>
</tr>
<tr>
<td>Illegal dumping Prevention and Enforcement Fund</td>
<td>$65</td>
<td>State &amp; Local govt</td>
</tr>
<tr>
<td>Litter Prevention and Enforcement Fund</td>
<td>$30</td>
<td>State &amp; Local govt, Community</td>
</tr>
</tbody>
</table>

**INFRASTRUCTURE PROGRAMS**

<table>
<thead>
<tr>
<th>Program</th>
<th>$ m</th>
<th>Available to?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Systems for Household Problem Waste</td>
<td>$57</td>
<td>State &amp; Local govt</td>
</tr>
<tr>
<td>Waste &amp; Recycling Infrastructure Fund</td>
<td>$48</td>
<td>Industry &amp; Local govt</td>
</tr>
<tr>
<td>Organics Infrastructure</td>
<td>$35.5</td>
<td>Industry &amp; Local govt</td>
</tr>
<tr>
<td>Business Recycling Program</td>
<td>$22.5</td>
<td>Businesses</td>
</tr>
<tr>
<td>Recycling Innovation fund</td>
<td>$5</td>
<td>Industry &amp; Local govt</td>
</tr>
<tr>
<td>Heads of Asbestos Coordination Authorities Program</td>
<td>$4</td>
<td>State govt</td>
</tr>
</tbody>
</table>

| TOTAL                                                        | $337|                                  |

Table 2.6 – NSW estimated levy hypothecation by sector 2018-19

<table>
<thead>
<tr>
<th>To whom</th>
<th>Estimated* 2018-19 ($m)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>$11.1</td>
<td>0.13%</td>
</tr>
<tr>
<td>State Government</td>
<td>$18.7</td>
<td>2.4%</td>
</tr>
<tr>
<td>Businesses</td>
<td>$6.3</td>
<td>0.8%</td>
</tr>
<tr>
<td>Community</td>
<td>$2.5</td>
<td>0.3%</td>
</tr>
<tr>
<td>Local Government</td>
<td>$45.7</td>
<td>5.9%</td>
</tr>
<tr>
<td><strong>Total Hypothecation</strong></td>
<td><strong>$84.3</strong></td>
<td><strong>10.9%</strong></td>
</tr>
<tr>
<td>General Revenue</td>
<td>$687.7</td>
<td>89%</td>
</tr>
</tbody>
</table>

| TOTAL LEVY RAISED | $772                      |

* Allocations between sectors are an estimate based on the NSW EPA Waste Less, Recycle More program descriptions.
2.1.6 2019-20 Estimated NSW levy raised and hypothesized to waste and recycling activities

The NSW Government has estimated it will raise $771 million in 2019-20\textsuperscript{16}. Of this the NSW Government allocated the following funds to waste and recycling;\textsuperscript{17}

- $143.3 million for programs to support the Waste Less Recycle More initiative, improve waste management and resource recovery and manage contaminated land, PFAS (per- and polyfluoroalkyl substances), asbestos and high-risk hazardous waste and chemicals.
- $10 million to pilot initiatives to recycle and re-use materials in solar panels and battery systems.

Table 2.7 – NSW estimated levy hypothecation by sector 2019-20

<table>
<thead>
<tr>
<th>To whom</th>
<th>Estimated* 2019-20 ($ m)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry</td>
<td>$18.87</td>
<td>2.4%</td>
</tr>
<tr>
<td>State Government</td>
<td>$18.7</td>
<td>4.1%</td>
</tr>
<tr>
<td>Businesses</td>
<td>$6.3</td>
<td>1.4%</td>
</tr>
<tr>
<td>Community</td>
<td>$2.5</td>
<td>0.6%</td>
</tr>
<tr>
<td>Local Government</td>
<td>$45.7</td>
<td>10.1%</td>
</tr>
<tr>
<td>Battery &amp; PV Recycling</td>
<td>$10.0</td>
<td>1.3%</td>
</tr>
<tr>
<td><strong>Total Hypothecation</strong></td>
<td><strong>$153.3</strong></td>
<td><strong>19.9%</strong></td>
</tr>
<tr>
<td>General Revenue</td>
<td>$617</td>
<td>80.1%</td>
</tr>
<tr>
<td><strong>TOTAL LEVY RAISED</strong></td>
<td><strong>$771</strong></td>
<td></td>
</tr>
</tbody>
</table>

\textsuperscript{* It is assumed the allocation of funds between the Waste Less, Recycle More programs have not changed significantly}

2.2 Queensland

2.2.1 Legal framework and history

On 14 February 2019, Queensland Parliament passed amendments to the \textit{Waste Reduction and Recycling Act 2011} to introduce the waste levy commencing 1 July 2019 with the \textit{Waste Reduction and Recycling (Waste Levy) Amendment Regulation 2019} was gazette on 22 March 2019.

Queensland introduced a levy briefly in 2011, then repealed it. The new levy in Queensland applies from 1 July 2019.

\textsuperscript{17} The NSW 2019 Budget paper - Planning, Industry And Environment Cluster.
2.2.2 Application of the levy and exemptions

Waste residuals created by ‘legitimate’ resource recovery activities will receive a 50% discount provided the prescribed recycling efficiency is achieved. Go to Waste Reduction and Recycling (Waste Levy) Amendment Regulation 2019: Division 4 - Discounting Waste Levy for residual waste for specific details on each recycling process eligible for discounts.

There are also a number of exemptions, including:

1. Waste generated by natural disasters.
2. Wastes were disposal is required by regulation; such as asbestos and quarantine material.
3. Litter and illegally dumped material.
4. Waste received by charities as part of donations.
5. Treated dredge spoil.
6. Clean earth.
7. Wastewater that meets certain water quality criteria.
8. Alum sludge.

2.2.3 Current and Future Levy Rates

The levy rates for 2019-20 are:

- General waste: $75

---

18 Includes Municipal solid waste, commercial and industrial; construction and demolition.
Regulated waste: Category 1: $155
Regulated waste: Category 2: $105

These rates will each rise by $5 per tonne for the next two years.

2.2.4 Geographic application

The Queensland levy will apply to 38 of 77 Local Government areas. It will cover 90% of Queensland’s population. As in NSW the principle of levy portability applies where levies will be ‘portable’ outside the levy zones, meaning waste liability follows waste generated inside the levy zones if sent to a disposal site outside the levy zones (see Figure 2.4 below)

Figure 2.4 - Queensland levy zones and levy application

<table>
<thead>
<tr>
<th>Waste generated in</th>
<th>Waste disposed in</th>
<th>Levy applied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Levy zone</td>
<td>Levy zone</td>
<td>Levy zone rate applicable to waste type</td>
</tr>
<tr>
<td>Levy zone</td>
<td>Rest of Queensland</td>
<td>Levy zone rate applicable to waste type</td>
</tr>
<tr>
<td>Rest of Queensland</td>
<td>Levy zone</td>
<td>Levy zone rate applicable to waste type</td>
</tr>
<tr>
<td>Rest of Queensland</td>
<td>Rest of Queensland</td>
<td>None</td>
</tr>
<tr>
<td>Other states</td>
<td>Queensland</td>
<td>Levy zone rate applicable to waste type</td>
</tr>
</tbody>
</table>

2.2.5 2018-19 Estimated Queensland Levies raised and hypothecate to waste and recycling activities

No levy was raised in 2018-19. The government provided $5 million to local government to assist with waste disposal facility infrastructure upgrades prior to the introduction of the levy as part of the 2018-19 Local Government Levy Ready Grants Program.

2.2.6 2019-20 Estimated Queensland levies raised and hypothecated to waste and recycling activities

The Queensland Government estimates it will raise $443 million from the levy in its first year.19

Affected councils will receive a 105% rebate on their levy payments, the rebate being based on the tonnage disposed of in the previous financial year multiplied by the current levy rate. This rebate will reduce over time.20

---

20 Waste levy announced for Queensland to stem interstate dumping, Brisbane Times.
Queensland has also announced $33 million per year will be allocated from the levy to the ‘Resource Recovery Industry Development Program’ ($100 million over the first three years).

- This program is open to local government and industry.
- The funding will target three areas - Infrastructure or machinery up to $5 million on a dollar-for-dollar basis, incentives for the development of new large-scale facilities, and support for advanced feasibility studies for innovative resource recovery, recycling and waste management projects.

**Table 2.8 – Estimated Queensland levy hypothecation by sector 2019-20**

<table>
<thead>
<tr>
<th>To whom</th>
<th>Estimated 2019-20 ($m)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry &amp; Local Government*</td>
<td>$33.3</td>
<td>7%</td>
</tr>
<tr>
<td>Local Government</td>
<td>$310</td>
<td>70%</td>
</tr>
<tr>
<td>State Government</td>
<td>$0</td>
<td>0%</td>
</tr>
<tr>
<td><strong>Total Hypothecation</strong></td>
<td><strong>$343</strong></td>
<td><strong>77%</strong></td>
</tr>
<tr>
<td>General Revenue</td>
<td>$100</td>
<td>23%</td>
</tr>
<tr>
<td><strong>TOTAL LEVY RAISED</strong></td>
<td><strong>$443</strong></td>
<td></td>
</tr>
</tbody>
</table>

*Resource Recovery Industry Development Program is available to both industry and local government.

### 2.3 Victoria

#### 2.3.1 Legal framework and history

The Municipal and Industrial Landfill Levy (MILL) is collected by the Victorian EPA and was established in 1992, at $2 per tonne. At the time of writing, the Victoria waste levy waste levy was under review.

On 15 April 2013, the then Victorian Minister for Environment Ryan Smith released the new Victorian waste policy titled *Getting full value: the Victorian Waste and Resource Recovery Policy* (PDF). The policy sets out a vision for Victoria’s waste management and resource recovery over the next 30 years and strategic priorities for the next 10 years.

The Policy was developed in response to the Victorian Auditor General’s Office audit report in December 2011 which found that “ineffective planning, leadership and oversight have resulted in inadequate coordination of implementation and limited progress” in reducing municipal waste. Victoria’s previous waste policy, *Towards Zero Waste*, expired in 2014.

The policy describes that the vision for waste management in Victoria is to;

- Protect the environment and public health,

---

22 With authorial credit to Damon Jones from Norton Rose Fulbright.
- Maximise the productive value of resources, and,
- Minimise long term costs to households, industry and government.

The policy identifies the following four key objectives for the waste management and resource recovery system;
- Support Victoria’s economic prosperity,
- Function as one integrated state-wide waste system,
- Protect public health and preserve local amenity, and
- Contribute to environmental protection.

### Table 2.9 - Victorian levy legislation

<table>
<thead>
<tr>
<th>Document</th>
<th>Summary</th>
<th>Further information</th>
</tr>
</thead>
</table>
| Environment Protection Act 1970 | Part IX, Division 3 contains the provisions in relation to the application and payment of the levy.  
Part X, Division 6 establishes the General Landfill Levy Account and the Municipal and Industrial Levy Trust Account and sets out the criteria for payment of funds from those accounts. | [Available from the Victorian EPA](#)                        |

Unlike other States, the Victoria levy has graduated slowly and progressively. It has likely raised between $1 and $1.5 billion since inception. The Victoria levy is currently one of the lowest in Australia.

**Figure 2.5 - Victorian Municipal and Industrial Landfill Levy Rates since 2001-02**

![Changes in the Victorian Municipal and Industrial Landfill Levy rates](image)  

Note: Annual rate increases started in 2010–11. At that time, the industrial and municipal metropolitan rates became the same rate.  
Source: VAGO based on EPA data.
2.3.2 Application of the levy and exemptions

The Victorian State Government applies differential waste levies to;

- Municipal Waste,
- Industrial Waste and,
- Prescribed industrial waste.

There are no waste levy exemptions in Victoria, however, there are rebates for recycled wastes and cover materials (see sections 50SA, 50SAA and 50SAB of the Act).

2.3.3 Current and future levy rates

Table 2.10 – Summary of Victorian landfill levies 2019-20

<table>
<thead>
<tr>
<th>Levy</th>
<th>Fee Units</th>
<th>2019-20 $ / tonne</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metro Municipal</td>
<td>4.45</td>
<td>$65.90</td>
<td></td>
</tr>
<tr>
<td>Metro Industrial</td>
<td>4.45</td>
<td>$65.90</td>
<td>Currently under review.</td>
</tr>
<tr>
<td>Rural Municipal</td>
<td>2.23</td>
<td>$33.03</td>
<td></td>
</tr>
<tr>
<td>Rural Industrial</td>
<td>3.90</td>
<td>$57.76</td>
<td></td>
</tr>
</tbody>
</table>

The Department of Environment, Land, Water and Planning (DELWP) is currently reviewing the effectiveness of the waste levy. From 1 July 2020, Victoria will apply a new Environmental Protection Act and regulations, with public consultation currently taking place.

2.3.4 Geographic application

Landfill levies in Victoria are statewide and are differentiated by metro and rural waste, with a 50% discount applied in rural areas on municipal waste and approximately 13% for industrial waste.

2.3.5 The Municipal and Industrial Landfill Levy Trust Account and Sustainability Fund

Victoria pays its waste levy into the Municipal and Industrial Landfill Levy Trust Account. Figure 2.6 below shows how the funds are collected and then allocated across government agencies and the Sustainability Fund. The levy funds are distributed between the EPA, Sustainability Victoria, Waste Resource Recovery Regional Groups, Other Agencies and the Sustainability Fund.

The Sustainability Fund invests in activities that foster sustainable use of resources and best practices in waste management as well as community action or innovation to reduce greenhouse gas substance emissions or adaptation or adjustment to climate change in Victoria.

---

23 “The value of a fee unit is set by the Victorian treasurer each year” - Victoria EPA.
Figure 2.6 Allocation of Levy Funds Across Agencies and the Sustainability Fund

Flows from the MILL into the Sustainability Fund

MILL
Collected by EPA

MILL Trust Account
Managed by DELWP

MILL distributed to environmental agencies under section 70E(3) of the Act

EPA Section 70E(3)(a)
SV Section 70E(3)(b)
WRROs Section 70E(3)(c)
Other agencies Section 70E(3)(d)

Remaining balance after distribution to agencies

Sustainability Fund
Administered by DELWP

Source: VAGO

MILL Trust Account distribution

<table>
<thead>
<tr>
<th>2015/16 actual</th>
<th>2016/17 actual</th>
<th>2017/18 forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>MILL income</td>
<td>$201.0m</td>
<td>$215.3m</td>
</tr>
</tbody>
</table>

Residual amount, $126.1m
EPA, $42.4m
SV, $18.6m
WRROs, $9.2m
Other, $5.9m

Residual amount, $138.1m
EPA, $54.0m
SV, $20.0m
WRROs, $9.2m
Other, $3.7m

Residual amount, $84.3m
EPA, $77.6m
SV, $19.3m
WRROs, $9.5m
Other, $2.4m

Note: The increase in EPA’s distribution from 2016–17 to 2017–18 was a direct result of EPA reform funding initiatives. The amounts above are shown on an accruals basis. Amounts shown in Figures 1G and 1H differ as they are shown on a cash accounting basis. Source: VAGO based on DELWP data.
As shown in Figure 2.7 below the balance of the Sustainability Fund at the 31 December 2017 had grown to $562 million. The Department of Environment Land and Water Protection expects this to be $513 million by 30 June 2018. The majority of expenditure from the Sustainability Fund has been on activities to reduce greenhouse gas emissions and address climate change.

Figure 2.7 MILL income compared to Sustainability Fund expenditure and balance

![Graph showing MILL income compared with fund growth from 2009-10 to 2017-18.]

Source: VAGO.

2.3.4 2018-19 Estimated Victorian levies raised and hypothecated to waste and recycling activities.

The Municipal and Industrial Landfill Levy (MILL) raised an estimated $215 million in 2018-19. Unfortunately, determining how much of these funds were allocated to the waste and recycling activities for the same year was not possible.

However, for 2017-18 based on annual reports the MILL was distributed as outlined in Table 2.11 below. Approximately $106.5 million or 49.5% of levies raised was allocated to Government Agencies which contributed directly to the waste and recycling activities i.e. the EPA, Sustainability Victoria and Regional Waste Groups. A further $35 million was allocated from the Sustainability Fund to waste projects.

Table 2.11 – 2017-18 Estimated Victorian levy hypothecation to waste and recycling activities

<table>
<thead>
<tr>
<th>To whom</th>
<th>Estimated 2017-18 ($ m)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Government (EPA/SV/Regional Waste Groups)</td>
<td>~$106.5</td>
<td>49.5%</td>
</tr>
<tr>
<td>Sustainability Fund - Waste Projects</td>
<td>$35</td>
<td>16%</td>
</tr>
<tr>
<td><strong>Total Hypothecation</strong></td>
<td><strong>$141.5</strong></td>
<td><strong>66%</strong></td>
</tr>
<tr>
<td>Sustainability Fund</td>
<td>$73.5</td>
<td>34%</td>
</tr>
<tr>
<td><strong>TOTAL LEVY RAISED</strong></td>
<td><strong>$215</strong></td>
<td></td>
</tr>
</tbody>
</table>
2.3.5 2019-20 Estimated Victorian levy hypothecation to waste and recycling activities

The Victorian Government has forecast that the Municipal and Industrial Landfill Levy (MILL) will raise $239.2 million in 2019-20 of which an estimated $150 million (63%) will be spent on waste and recycling activities. See Table 2.12 for a breakdown of proposed allocations.

This includes the Victoria Government $34.9 million package of recycling reforms in the 2019 budget;24

- A key element of the package is a new $14.3 million Recycling Industry Development Fund, to enhance Victoria’s domestic remanufacturing capabilities. This funding will target secondary processing infrastructure for priority materials such as paper, cardboard and plastics.
- An additional $13.8 million program will provide incentives for new entrants to the Victorian recycling market, diversifying the sector and leading to more investment in equipment and infrastructure upgrades.

Table 2.12 – 2019-20 Estimated Victorian levy hypothecation to waste and recycling activities

<table>
<thead>
<tr>
<th>To whom</th>
<th>Estimated 2019-20 ($ m)</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Government</td>
<td>$23</td>
<td>9.6%</td>
</tr>
<tr>
<td>State Government (EPA/SV/Regional Waste Groups)</td>
<td>$130</td>
<td>54%</td>
</tr>
<tr>
<td>Sustainability Fund - Waste Projects (industry, local govt, other)</td>
<td>$20</td>
<td>8.3%</td>
</tr>
<tr>
<td><strong>Total Hypothecation</strong></td>
<td><strong>$170</strong></td>
<td><strong>72.4%</strong></td>
</tr>
<tr>
<td>Sustainability Fund</td>
<td>$66</td>
<td>27.6%</td>
</tr>
<tr>
<td><strong>TOTAL LEVY RAISED</strong></td>
<td><strong>$239</strong></td>
<td></td>
</tr>
</tbody>
</table>

2.4 South Australia

2.4.1 Legal framework and history

The Solid Waste Levy is raised under the *Environment Protection Act 1993*. The levy is collected by the Environment Protection Authority (EPA).

The waste levy was first introduced into South Australia for metropolitan landfills in 2003 and for regional landfills in 2007. Since that time, levies have been growing rapidly, and have risen in four distinct ‘blocks’.

1. 2003 to 2007; when the levy was around $10-11 per tonne.
2. 2008 to 2011; where it increased to around $23-26 per tonne, following a step change in 2008.

---

24 Victorian Budget 19/20 Overview.
3. 2012 to 2015; where, after a step change in 2012, it has risen by an annual average of 14% per year to $57 per tonne in 2017.
4. 2018-19 where the levy rose to $100 per tonne in the metro area, and then $110 per tonne from July 1 until Jan 1, 2020. From 1 Jan 2020 metro levies will be $140 per tonne and regional $70 per tonne.

Table 2.13 - South Australian levy legislation

<table>
<thead>
<tr>
<th>Document</th>
<th>Summary</th>
<th>Further information</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Environment Protection Act 1993</em></td>
<td>Provides the regulatory framework to protect South Australia’s environment, including land, air and water and contain the provisions requiring a ‘waste depot levy’ to be paid. This legislation was the result of the streamlined integration of six Acts of Parliament and the abolition of the associated statutory authorities.</td>
<td>From the South Australian EPA</td>
</tr>
<tr>
<td><em>Environment Protection Regulations 2009</em></td>
<td>The regulations which contain the detailed provisions in relation to the application of the waste levy.</td>
<td>A SA guide to waste levy regulations (via the EPA).</td>
</tr>
</tbody>
</table>

South Australia’s current waste strategy is *South Australia’s Waste Strategy 2015-2020*. The Strategy has three objectives:

- A resource efficient economy where the best or full value is secured from products and materials produced, consumed and recovered across the State;
- A stable and efficient market for investors through a clear policy framework providing a solid platform for investment decisions;
- A culture enabling the South Australian community, businesses and institutions to continue and strengthen their role in implementing zero waste strategies and programs locally, nationally and internationally.

The South Australian and Victorian levy are similar in value and approach. The South Australian levy has likely raised between $400 and $500 million since inception.

The South Australian Government has described that since 2003, $107 million has been spent from the Green Industry Fund on programs 'that have stimulated councils, businesses and the community to reduce, reuse, recycle and recover, thereby cutting the amount of waste going directly to landfill'.

---

22
2.4.2 Application of the levy and exemptions

South Australia does not impose differential levies on different waste types. However, it does offer some exemptions and discounts as below.

- There is currently no levy payable on waste fill material (formerly called ‘clean fill’).
- South Australians pay a levy on liquid wastes.
- A levy deduction is available in South Australia for scrap metal operators.
- There is also a substantial levy deduction available for asbestos disposal.25

2.4.3 Current and future levy rates

Table 2.14 – Summary of SA landfill levy rates 2019-20

<table>
<thead>
<tr>
<th>Levy</th>
<th>2019-20 ($ per tonne)</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Metro (Adelaide)</td>
<td>$110 (July-Dec 2019)</td>
<td>Increasing from $110 per tonne to $140 in the second half of 2019.</td>
</tr>
<tr>
<td></td>
<td>$140 (Jan 2020)</td>
<td></td>
</tr>
<tr>
<td>Regional</td>
<td>$70</td>
<td>Increasing from $55 per tonne in the second half of 2019.</td>
</tr>
</tbody>
</table>

25 Metropolitan Adelaide: $31 per tonne - non-metropolitan Adelaide: $15.50 per tonne.
2.4.4 Geographic application

South Australia divides levies into metro and rural, where the rural levy is half the metro levy.26

2.4.5 2018-19 Estimated South Australian levies raised and hypothecated into waste and recycling activities

In 2018-2019 year, the waste levy was expected to raise in the order of $50-$60 million, however the SA Treasury does not publish official figures of levies raised.

Of the levies raised in South Australia, 50% goes to the Green Industry Fund, 50% remains with the EPA, of which 45% funds general EPA activities and functions and the remaining 5% allocated to the ‘Environment Protection Fund’ established under the Environment Protection Act 1993.

Of the collected funds transferred to the Green Industry Fund, $18 million funded Green Industries SA (18-19), with the remainder at the discretion of the SA Minister. The Environment Protection Fund is used by the EPA to fund not waste specific activities including technical investigations and training, site/spill clean-up and litigation.

Table 2.15 – 2018-19 Estimated South Australian levy hypothecation to waste and recycling activities

<table>
<thead>
<tr>
<th>To whom</th>
<th>Estimated 2018-19 ($ m)27</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>SA EPA (45% to EPA, assumed half waste &amp; recycling activities)</td>
<td>$11.25</td>
<td>22.5%</td>
</tr>
<tr>
<td>Green Industries SA</td>
<td>$25</td>
<td>50%</td>
</tr>
<tr>
<td>Total Hypothecation</td>
<td>$36.25</td>
<td>84%</td>
</tr>
<tr>
<td>Environment Protection Fund</td>
<td>$2.5</td>
<td>5%</td>
</tr>
<tr>
<td>SA EPA (45% to EPA, assumed half waste &amp; recycling activities)</td>
<td>$11.25</td>
<td>22.5%</td>
</tr>
<tr>
<td><strong>TOTAL LEVY RAISED</strong></td>
<td><strong>$50</strong></td>
<td></td>
</tr>
</tbody>
</table>

2.4.6 2019-20 Estimated South Australia levies raised and hypothecated into waste and recycling activities

The solid waste levy in the metropolitan area on the 1 July 2019 increased to $110 per tonne and will further increase to $140 per tonne from 1 January 2020. These increases are estimated to raise an additional revenue of $14.8 million resulting in around $70 million raised in 2019-20. Note however, these are NWRIC estimates only and the actual revenue could vary up to 10% of the below values.

The 2019 South Australian budget28 includes the ‘Waste Modernisation and Transition Package’ of $12m over four years.

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26 See Waste Levy Guidelines from the South Australian EPA.
27 All values are approximate.
28 South Australian Budget overview 19-20.
- $10 million to assist councils and the waste management industry to transition and modernise following changes to international market conditions.
- $2 million will be provided to the Environment Protection Authority for compliance and audit activities and to review the container deposit scheme.

This is funded and administered by Green Industries South Australia.

**Table 2.16 – 2019-20 Estimated South Australian levy hypothecation to waste and recycling activities**

<table>
<thead>
<tr>
<th>To whom</th>
<th>Estimated 2019-20 ($)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>SA EPA (45% to EPA, assumed half waste &amp; recycling activities)</td>
<td>$15.75</td>
<td>22.5%</td>
</tr>
<tr>
<td>Green Industries SA</td>
<td>$35</td>
<td>50%</td>
</tr>
<tr>
<td><strong>Total Hypothecation</strong></td>
<td><strong>$50.75</strong></td>
<td><strong>72.5%</strong></td>
</tr>
<tr>
<td>Environment Protection Fund</td>
<td>$3.5</td>
<td>5%</td>
</tr>
<tr>
<td>SA EPA (45% to EPA, assumed half waste &amp; recycling activities)</td>
<td>$15.75</td>
<td>22.5%</td>
</tr>
<tr>
<td><strong>TOTAL LEVY RAISED</strong></td>
<td><strong>$70</strong></td>
<td></td>
</tr>
</tbody>
</table>

**2.5 Western Australia**

**2.5.1 Legal framework and History**

The waste levy was first introduced in Western Australian in 1998, through the *Environmental Protection (Landfill) Levy Act 1998*.

In the Second Reading Speech of the Act, it was outlined that money raised through the levy was only to be used to fund programs approved by the Minister relating to the management, reduction, re-use, recycling, monitoring or measurement of waste and administering the Fund. It was stated the levy was not to be used to fund “normal ongoing operations of the Department”.

Local Government’s support of the levy was conditional on the understanding that funds generated would only be used within the bounds of these specified restrictions. The levy was set at $3 per tonne for putrescible waste and $1 per cubic metre for inert wastes.

The WA Waste Authority published a study by Ph.D student Paul Schollum in 2010, looking to calculate the socially optimal value of landfill levies based on covering the environmental ‘externalities’ they create. This value was estimated at $32 per tonne across all streams (in 2010 dollars - equal to $36.30 in 2016 dollars).\(^{30}\)

The current State strategy is the *Waste Avoidance and Resource Recovery Strategy 2030*. In regard to the levy, this strategy says:

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\(^{29}\) All values are approximate.

\(^{30}\) The social optimum or the waste levy in WA - [available here](#).

25
“The waste levy will continue to play a key role by providing a disincentive to dispose of waste, and by generating revenue to fund programs which support the waste strategy. Reflecting this, a key foundation strategy is for the scope and application of the waste levy to be reviewed to ensure it meets the objectives of Waste Avoidance and Resource Recovery Strategy 2030, and to establish a schedule of future waste levy rates.”

Table 2.17 - Western Australian Levy Legislation

<table>
<thead>
<tr>
<th>Document</th>
<th>Summary</th>
<th>Further information</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Waste Avoidance and Resource Recovery Act 2007</em></td>
<td>The Waste Avoidance and Resource Recovery Act 2007 (WARR Act) is the principal legislation for waste management in Western Australia. It was reviewed in October 2015. Establishes the Waste Avoidance and Resource Recovery Account and prescribes the ways in which monies in that account are to be applied.</td>
<td><em>From the WA Waste Authority</em></td>
</tr>
<tr>
<td><em>Waste Avoidance and Resource Recovery Levy Act 2007</em></td>
<td>The legal framework behind the WA levy.</td>
<td><em>From the WA Waste Authority</em></td>
</tr>
<tr>
<td><em>Waste Avoidance and Resource Recovery Levy Regulations 2008</em></td>
<td>The regulations governing the administration of the levy.</td>
<td><em>From the WA Waste Authority</em></td>
</tr>
</tbody>
</table>

Unlike NSW, Victoria and South Australia, commercially significant levies are a relatively recent phenomenon in Western Australia. The West Australian levy has raised somewhere between $300 and $400 million since inception, with the vast majority of the capital in the last five years. WA Treasury provides a complete inventory of levies raised in the last decade.\(^\text{31}\)

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\(^{31}\) *Overview of State Taxes and Royalties 2018-19 - page 65.*
2.5.2 Application of the levy and exemptions

In WA levies are uniform across all streams. WA provides a number of landfill levies exemptions. These include exemptions for materials which are used on site for construction and cover along with materials generated in a disaster.

2.5.3 Current and future levy rates

The 2019-20 putrescible and inert waste levy is $70/tonne.

2.5.4 Geographic application

The waste levy in WA is metro wide.

2.5.5 2018-19 Estimated Western Australia levies raised and hypothecated to waste and recycling activities

In accordance with the Waste Avoidance and Resource Recovery Act 2007 (WARR Act), each year the Minister for Environment must allocate not less than 25% of the forecast levy amount to the WARR Account.

In 2018-19 WA raised $83m in landfill levy collections and paid $22 million into the Waste Avoidance & Resource Recovery Account as shown in Table 2.17

Therefore, based on $22 million being paid into the WARR Account it is assumed the levy receipts in WA were approximately $88 million in the 2018-19 and 2019-20 respectively.

Table 2.19 - 2018-19 Estimated Western Australia levy hypothecation to waste and recycling Activities

<table>
<thead>
<tr>
<th>To whom</th>
<th>Estimated 2018-19 ($m)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waste Avoidance &amp; Resource Recovery Account</td>
<td>$21</td>
<td>25%</td>
</tr>
<tr>
<td>Total Hypothecation</td>
<td>$21</td>
<td>25%</td>
</tr>
<tr>
<td>General Revenue</td>
<td>$67</td>
<td>75%</td>
</tr>
<tr>
<td>TOTAL LEVY RAISED</td>
<td>$88</td>
<td></td>
</tr>
</tbody>
</table>

2.5.6 2019-20 Estimated Western Australia levies raised and hypothecated into waste and recycling activities

It is estimated that $88 million will be raised from the levy in 2019-20 of which $22 million will be paid into the Waste Avoidance and Resource Recovery Account for investment into waste and recycling activities. The West Australian budget for 2019 also includes an allocation of $4.44 million to begin implementing the McGowan Government’s Container Deposit Scheme, which is expected to begin in 2020. It is unclear if this is additional allocation of levy funds or funded out of the $22 million paid into the Waste Avoidance and Resource Recovery Account.
Table 2.20 - 2019-20 Estimated Western Australia levy raised and hypothecated to waste and recycling activities

<table>
<thead>
<tr>
<th>To whom</th>
<th>Estimated 2019-20 ($m)</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waste Avoidance &amp; Resource Recovery Account</td>
<td>$22</td>
<td>25%</td>
</tr>
<tr>
<td><strong>Total Hypothecation</strong></td>
<td>$22</td>
<td>25%</td>
</tr>
<tr>
<td>General Revenue</td>
<td>$66</td>
<td>75%</td>
</tr>
<tr>
<td><strong>TOTAL LEVY RAISED</strong></td>
<td><strong>$88</strong></td>
<td></td>
</tr>
</tbody>
</table>

2.6 Other jurisdictions

2.6.2 Australian Capital Territory
The ACT government is currently considering introducing a levy by 2021.

2.6.1 Tasmania
The Tasmanian State Government is considering a waste levy as part of its 2019 Draft Waste Action Plan. No details of this proposal have been released.

2.6.2 Northern Territory
No waste levies are applied in the Northern Territory. Neither has the territory government proposed or opposed (on record) the implementation of a commercial levy.
3. Benefits of levies and opportunities for reform

3.1 Benefits

3.1.1 Increased resource recovery and reduced environmental impact of waste

Throughout Australia, levies have funded a vast array of activities that have aided the development of better waste management and resource recovery practices. This has included support for state and local governments to implement waste regulatory and compliance programs, community education, clean up and remediation of legacy waste stockpiles and poorly managed landfills. As well as co-fund infrastructure development with the private sector.

3.2.1 Increased competitiveness of resource recovery over landfill

The use of landfill levies has also enabled the development of commercial recycling businesses including material recycling facilities, alternative waste treatment plants and construction and demolition recycling. High levies have also enabled resource recovery activities such as fuel manufacture and energy recovery from waste materials. Without levies, these activities would not be commercially competitive against landfill. A reduction in levy prices would result in a number of recycling businesses no longer being commercially viable.

3.2 Opportunities for reform

3.2.1 Disharmonious levies drive levy avoidance and unnecessary waste movement

In a commercial market, organisations (private and local government) providing waste collection services will dispose of material at the lowest cost legal disposal point. This process is necessary to remain commercially competitive and to keep council rates down.

Unfortunately, the current differential in levies, between regions and States (see Table 3.1), has created artificially cheap and expensive landfill costs. This has resulted in the development of a levy avoidance industry where waste, some of which could be recovered is transported by truck and rail to cheaper landfills rather than being recycled.

The single largest example of this behaviour is between metro Sydney and South East Queensland, where more than one million tonnes per year of material has been flowing since the Queensland landfill levy was repealed in 2011. The implementation of a new levy in Queensland is believed to be having some impact, but will not stop, this material flow.

While the movement of waste from Sydney to south east Queensland is the single largest flow of waste to avoid or reduce levy costs, there are many other small examples of similar price differentials within and across State borders. Table 3.1 lists ten potential waste movements ranked from most to least profitable on the eastern half of Australia. These examples show where it would be profitable to move waste to areas of reduced or no levies, assuming landfills charge a similar gate price. All examples are legal waste movements, and all are interstate. This analysis does not assess whether landfill airspace is available in the final destination. The table also uses municipal waste levies only, for example it does not assess Prescribed Industrial Waste (Victoria) or other variable levies.
Table 3.1 - Potential waste movement due to differential levies in eastern Australia

<table>
<thead>
<tr>
<th>Sample Scenario</th>
<th>Levy differential</th>
<th>Distance (km)</th>
<th>Interstate transfer</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Echuca to Moama</td>
<td>$51.50</td>
<td>10</td>
<td>VIC to NSW</td>
</tr>
<tr>
<td>2 Sydney to Canberra(^{33})</td>
<td>$143.60</td>
<td>300</td>
<td>NSW to ACT</td>
</tr>
<tr>
<td>3 Byron Bay to Stanthorpe</td>
<td>$81.30</td>
<td>250</td>
<td>NSW to QLD</td>
</tr>
<tr>
<td>4 Melbourne to Moama</td>
<td>$64.20</td>
<td>220</td>
<td>VIC to NSW</td>
</tr>
<tr>
<td>5 Brisbane to Tenterfield</td>
<td>$75.00</td>
<td>275</td>
<td>QLD to NSW</td>
</tr>
<tr>
<td>6 Sydney to Stanthorpe</td>
<td>$143.60</td>
<td>720</td>
<td>NSW to Qld</td>
</tr>
<tr>
<td>7 Melbourne to Albury</td>
<td>$64.20</td>
<td>330</td>
<td>VIC to NSW</td>
</tr>
<tr>
<td>8 Sydney to Wangaratta</td>
<td>$108.98</td>
<td>620</td>
<td>NSW to VIC</td>
</tr>
<tr>
<td>9 Adelaide to Wentworth</td>
<td>$70.78</td>
<td>420</td>
<td>SA to VIC</td>
</tr>
<tr>
<td>10 Sydney to Brisbane</td>
<td>$66.20</td>
<td>920</td>
<td>NSW to QLD</td>
</tr>
</tbody>
</table>

A similar situation exists in Western Australia where construction and demolition waste in particular is being transported outside of the levy region.

There are a number of possible ways to prevent this problem; minimise price differentials between levies by adjusting levy prices to a point where it is not commercially advantageous; apply the levy proximity principle and/or apply the “levy portability” principle across State borders. This means that waste levies are charged based on where the waste is generated, rather than where it is put into landfill. Even if transported interstate.

Levy portability already applies in relation to the movement of waste within NSW and Queensland. However, in order for this solution to be effective, it must be applied at a national level. In this example, waste would either need to be remitted to the host state or the state of origin based on a reciprocal agreement between States or would be levied at the higher rate of the generating State in the receiving State.

3.2.2 Comparison of levies on waste types, discounts and exemptions

Across states, there is a varied approach as to what material receives a levy discount or exemption. Most notable of these are the much higher hazardous waste levies in Victoria and Queensland, along with the choice by NSW and SA to impose liquid waste levies, which are absent in other States.

\(^{33}\) In addition, Canberra to Woodlawn, which is not described here is 71km in distance.
### Table 3.2 – Comparison of waste type levies, discounts and exemptions

<table>
<thead>
<tr>
<th></th>
<th>Differential levy for hazardous waste?</th>
<th>Daily cover exemptions</th>
<th>Reduced levy for residuals?</th>
<th>Liquid waste levy</th>
<th>Differential levy for local councils and businesses?</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NSW</strong></td>
<td>No</td>
<td>Yes34</td>
<td>Scrap only</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>Victoria</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td><strong>Queensland</strong></td>
<td>Yes</td>
<td>No</td>
<td>Many</td>
<td>No</td>
<td>Effective35</td>
</tr>
<tr>
<td><strong>South Australia</strong></td>
<td>No</td>
<td>No</td>
<td>Scrap only</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>Western Australia</strong></td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

Differentiating levies by waste type can create an incentive for fraud by mislabeling waste. For example, Victoria’s new Environmental Regulations now specifically prohibit the dilution of waste to reach a lower hazard category.

High levies placed on hazardous materials can create a disincentive for appropriate disposal and can create unnecessary interstate transport to avoid high disposal costs.[3] Levies on asbestos can discourage its appropriate disposal and result in it being dumped or blended into loads.

Only some states put in place a liquid waste levy, and it is not clear if this levy encourages a resource recovery or waste reduction outcome.

Levy deductions are not universally available for daily cover. Daily cover is an important practice to ensure high quality landfill management. A reduced cost may assist and improve the management of some landfill sites.

#### 3.2.3 The impact of levies on the competitiveness of recycling exports

Levies are an effective regulatory tool to stimulate recycling when the cost of recycling is lower than the cost of landfill, there is a stable market for the recyclate, and businesses have appropriate and long-term sites to process the materials.

The total value of a recycling process can be expressed in simple terms as;

\[
\text{Economic value of recycling (}$/t) = ([VR] \times [R]) - ([1-R] \times [Dr])
\]

\[VR = \text{Average value of recovered materials; }$/t.\]

\[R = \text{Proportion of recyclable materials; 0 to 1.}\]

\[Dr = \text{Disposal cost of residuals; }$/t.\]

---

34 Implemented May 2019, as recycled fines with a 75% levy deduction.

35 As Local Governments in Queensland receive 105% of the levy as a rebate, local government owned or operated waste collection receives an ‘effective’ exemption on the levy.
Unfortunately, due to changing market conditions overseas, the average value of recovered materials (VR) such as the price of metals, plastics and paper, have been declining. Combine this with reduction in the proportion of recyclable materials, due to increased contamination, and increasing costs to dispose of residuals (Dr) the net economic value of recycling is dropping significantly and reducing the commercial viability of many recycling businesses.

This is especially true in the scrap metals market, where in the last two decades, the proportion of metal in motor vehicles and white goods has reduced significantly being replaced with lighter, but less recyclable plastic parts. This non-recyclable residual, known as shredder floc, can be as high as 40% of the weight of a vehicle.

Further, Australian scrap businesses compete with international scrap deals where the disposal cost is much lower, reducing the competitiveness of their exports. Without a competitive local production environment, metal shredding may move offshore with whole cars being exported for processing.

### 3.2.4 Ineffective levy administration

There are a number of anomalies in how the levy is collected and administered in each jurisdiction. This includes where the levy liability is incurred. In NSW levy liability goes beyond landfills to operators of all facilities required to hold a licence to recycle, process or store waste. In other states the liability is restricted to the landfill.

Another concern is the payment period for levy remittance to State Government is often shorter than the payment terms from customers. It also differs from 21 days to 28 days in some states, or even longer in other states. This places significant cash management issues on operators.

There is also no provision for the large transaction costs incurred by landfill operators to collect and administer the levy payments. Likewise, levies still apply to bad debts.

### 3.2.5 Distortionary levy hypothecation

Distortionary levy hypothecation occurs when the method of levy hypothecation gives one market competitor an advantage over another. Examples include providing grants to companies based on specific activities, such as recycling one material type. Industry suggest the best way to hypothecate levy money to the market is via initiatives carefully designed to not distort the market.

Subsidising local government owned recycling or waste businesses with levy receipts can also deter private sector investment into these assets. Without private sector investment into new waste and recycling infrastructure, the transition to a circular economy will be greatly slowed or stopped.
4. **Recommendations**

The NWRIC recommends the following reforms to enhance the benefits and reduce the negative impacts of levies across Australia.

4.1 **Develop a National Levy Pricing Strategy through COAG to prevent levy avoidance and ensure local and international competitiveness of the resource recovery sector**

Facilitated by the COAG process, States and Territories need to set levies relative to each other to encourage resource recovery and the safe disposal of hazardous wastes. The levies should be structured in a manner that does not encourage the development of a levy avoidance industry as has happened in NSW, Queensland and WA due to the significant price differentials between regions and states.

In developing the pricing strategy, current levies should not be reduced as this will have a negative impact on existing waste and recycling commercial businesses.

The pricing strategy should also take into consideration the provision where appropriate of levy discounts on recycling residuals and/or recycling rebates on recovered materials that meet agreed specifications. Specifically, for the scrap metal shredding industry where due to the increasing proportion of plastics in cars and white goods, the ability to compete on the international commodity market is significantly reduced and could result in the exporting of whole cars for processing.

The NWRIC recommends that any levy discount on recycling residual or recycling rebate on recovered materials be applied consistently across all states; that a levy discount on recycling residuals or recycling rebates on recovered materials only applied where there are agreed recycling performance requirements or recovered material specifications; that a levy discount on recycling residuals or recycling rebate on recovered materials should only be made available to those recycling activities that are either at a genuine competitive disadvantage, or where landfill disposal is the only disposal option for the residual generated from current best recycling practice, or where the recovered material is more expensive then the virgin material it is substituting.

Where possible recycling rebates on recovered materials should be funded by an extended producer responsibility scheme rather than the waste levy, as in the case of the Oil Stewardship Scheme.

4.2 **Develop National Waste Levy Protocols that ensure consistency across states and territories in the following areas**

- Definitions for which waste is and isn’t levied (e.g. solid, liquid, prescribed and hazardous).
- Where the liability for the levy sits i.e. at the point of generation and is portable across regions and jurisdictions.
- How far waste can be moved (i.e. proximity within or across jurisdictions) including the tracking and reporting on the movement of waste.
- How the levy is collected and administered by operators on behalf of governments including daily cover discounts, the payment period for levy remittance, levy on bad debts and recovery of transactional costs transactional costs for administering levy payments.

4.3 **More transparency and accountability by jurisdictions how much levies are raised, how they are spent and annual reporting**

With anywhere between 10% to 75% of levy funds invested back into activities to improve waste management and resource recovery there is an urgent need for jurisdictions to be more transparent on how much levy funds are collected and how they are spent each year.
Specifically, the NWRIC recommends that each jurisdiction should;

- maintain a separate waste levy trust account from which all levies collected are managed, similar to Victoria’s Municipal and Industrial Levy Trust Account where all levies are retained;

- the Trust Account should have clear rules on how the funds are to be allocated and reported on including objectives that link to the State’s waste avoidance, resource recovery and circular economy strategies and plans,

- levies raised are only invested in activities consistent with the Trust Account’s rules and objectives,

- guaranteeing a minimum percentage of levies (the NWRIC suggests 50%) be spent annually on activities to implement the jurisdiction’s waste avoidance and resource recovery strategies, resource recovery and remanufacturing industry development plans, market development initiatives and infrastructure plans;

- as a minimum each jurisdiction should make funds available to;
  - government departments for waste compliance and education activities,
  - local government for compliance, education, waste reduction and resource recovery activities, and
  - the private sector to advance development of infrastructure, resource recovery and safe treatment and disposal of hazardous materials.

- contribute up to 1% of annual collections to a National Resource Recovery / Product Stewardship Fund that must be matched by the Commonwealth.

The purpose of the fund would be to;

- develop, regulate and ensure compliance of national product stewardship schemes;
- coordinate and monitor the implementation of the national waste policy including facilitating ongoing collaboration across state, territory and local governments, and the waste and recycling sector;
- coordinate and monitor the implementation of the national food waste strategy,
- prepare the national waste report and national accounts

- report annually on the total amount of levy funds collected and spent (including non-waste and recycling related expenditure) and outcomes achieved.
Thank you very much for agreeing to grant Eat Well Tasmania, Local Government Association of Tasmania and the Tasmanian Way an extension to submit the attached for your consideration in developing the Waste Action Plan.

This submission summarises the themes and priorities that emerged at the recent *Shaping the Food and Waste System for the Circular Economy Forum on September 16*th* at Parliament House.*

As a next step to this submission we would welcome an opportunity to further support the Waste Action Plan development by:

1. Providing more detailed information and expertise relating to this submission as required,
2. Inviting the EPAs Waste Management Team to engage with the participants from the forum who have welcomed an opportunity to contribute their expertise,
3. Providing the EPA with a briefing on existing Tasmanian projects and activities that align with the Waste Action Plan, and
4. Acting as a connector through our networks to share the Waste Action Plan and support its implementation.

In the first instance if you have any questions about the submission, please come back to me.

Again thanks you for the extension and best wishes for the process going forward.

Kind regards, Leah

**Leah Galvin – State Manager**
**Eat Well Tasmania Inc**

[www.eatweleltas.org.au](http://www.eatweleltas.org.au)
SHAPING THE FOOD AND WASTE SYSTEMS FOR THE CIRCULAR ECONOMY EVENT - SUBMISSION TO THE WASTE ACTION PLAN DRAFT

Background

This submission shares key themes and relevant priorities from the recent *Tasmanian Way*¹ *Forum: Shaping the Food and Waste Systems for the Circular Economy* for consideration in developing the *Waste Action Plan*. The forum was held at Parliament House on Monday 16th September and was funded by the Climate Change Office, in the Department of Premier and Cabinet.

The forum was hosted by Eat Well Tasmania Inc (EWT)² and the Local Government Association of Tasmania (LGAT)³. Its purpose was to initiate a process to develop a state-wide plan to shape our food and waste systems for a circular economy in Tasmania and to position Tasmania as a global leader in the implementation of the United Nations 2030 Sustainable Development Goals.

There were 50 participants from across Tasmania at the forum. The sectors that attended the forum included local and state government, waste management, business owners and business development consultants, peak bodies, food growers and producers, public health professionals, community members, academics, members of Parliament, Environmental Non-Government Organisations, hospitality professionals, tourism and events managers, and economic and regional development professionals.

The goals for the day were to:

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¹ [https://www.tasmanianway.org/](https://www.tasmanianway.org/)
• Identify key priorities in our food and waste systems, including a preliminary set of measurable 2030 goals and targets, that support Climate Action 21, the Draft State Waste Action Plan and other relevant government priorities,
• Identify solutions in Tasmania that are advancing more sustainable food and waste systems, and
• Co-create a roadmap to coordinate greater action to deliver the goals and targets.

Following the forum, the notes from the discussions were transcribed verbatim and summarised thematically. Included in this submission is information from the forum which is relevant to the Draft Waste Action Plan focus areas and can inform the final Plan. (The complete report can be provided on request)

Forum participants noted that in the food and waste systems the following is required to achieve a circular economy:

• **Governance** – to connect/network, coordinate, provide leadership, engage across sectors (whole of food system – soil to plate), plan, and monitor progress,
• **Regulation, legislation and policy** – to drive investment, enable targets to be delivered, monitor outcomes,
• **Research** – to benchmark and audit, close knowledge gaps, inform planning and decisions, collaborations and action, and monitoring,
• **Industry** – support and resourcing to achieve diversification, scalable solutions, provide leadership, and increase value-adding,
• **Education** – to build knowledge and skills in the community and business around solutions at all levels and across the food system to support action,
• **Marketing and branding** – to develop messaging for the food and waste systems, promote projects and case studies, build trust and contribute to the culture of change,
• **Investment** – public, government business partnerships, business, local and state government across a variety of departments,
• **Local Government** – can be positioned as a leader, connector, regulator, monitoring/auditing, delivering scalable solutions for households and local business for food system waste management, delivering community and economic development; and
• **The Tasmanian Community** – are our partners, leaders, champions, informed and activated.

The forum participants acknowledge that in Tasmania we are already seeing real leadership in the food and waste systems.

**Examples of what we are already doing well in our food and waste systems in Tasmania includes:**

• Businesses, large and small, are providing leadership – for example, Forager Foods, Simplot, Willie Smiths and via the Business Resource Efficiency Program,
• Local businesses in hospitality, retail and festivals, farmers markets and events celebrating local and seasonal food,
• Many hospitality businesses are both managing their waste and increasing the use of local produce
• Growers adoption of zero waste policies and waste audits as well as integrating aboriginal culture and knowledge,
• At a community level there is strong engagement and activation in schools, workshops, and advocacy and action groups,

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4 Moving to a Circular Economy, Governance, Data, targets, and innovation networks, Infrastructure planning, Support for the Resource Recovery Industry, education and community engagement and State and National Policy and Regulatory settings.
• Local Government are leaders in organics waste management, urban agriculture and bylaws to manage plastic waste and several councils have commitments and targets to reduce waste e.g. Hobart City Council (single use plastic ban, zero waste to landfill 2030 strategy), FOGO collection initiated by Launceston City Council and being adopted by several other councils,
• We are seeing transitioning to compostable packaging across many businesses,
• Coordination and partnerships across sectors have emerged, and
• Our Tasmanian clean and green brand is very strong.

The forum participants proposed the following opportunities to better manage our food and waste systems.

• The continued introduction of FOGO by local governments and creating scaled composting for redirection to agriculture,
• The proposed waste levy in the Waste Action Plan to fund business and community to develop solutions,
• Strengthened policy leadership across government for waste reduction systems, greater local food procurement, incentives and/or regulation to drive action with clear long-term 2030 measurable targets (such as demonstrated in draft WAP),
• Transitions within agriculture/horticulture to sustainable practices that are productive and manage the environment,
• Supporting industry led market development that is responsive to capture waste and losses using technology and processing/value-adding, and local manufacturing of compostable packaging,
• Increased and coordinated education – targeting community and business to create champions, empower, build trust and embeds solutions,
• Governance for coordination and collaboration that is nimble, resourced, networked and communicates the issues,
• Integrate aboriginal food and practices in a modern system,
• Scale solutions that are working e.g. FOGO, reduce organics waste in food manufacturing and industry,
• Institutional procurement of locally produced food – including hospitals, aged care, prisons and schools,
• Research leadership in waste management and institutional local food procurement, as a food producer, and
• Learning from what others are doing overseas, other island communities.

Participants thought that the current roadblock to progress for better managing food and waste systems should be considered in developing the Final Waste Action Plan.

In brief, the roadblocks exist across our food and waste systems, enabled by a silos approach to issues, absent policy and regulation to drive change, inadequate infrastructure and scale in our solutions to date. Across the systems there are tensions and risks including:

• Lack of infrastructure to process our waste and contamination within the waste; difficulties in aggregating produce from small and medium scale producers,
• The true costs of not eating local food and having waste in our systems are externalised,
• Adequate resourcing to develop scaled solutions that are commercially viable,
• Data gaps which quantify the size of the issues and the opportunity,
- Tensions between planning, regulation, legislation and unintended policy consequences,
- Skills and knowledge in the community and business, and
- Community acceptance of solutions.

**Setting Targets**

At the forum the participants identified preliminary set of ambitious and measurable targets for the food and waste system, aligned with the Sustainable Development Goals for 2030. For some of the targets there is a range, reflecting the variety of perspectives at the forum.

**Waste Targets**

- Reduce on-farm losses – 75% of primary produce to reach market plus 15% to be captured for value-adding by 2030; up to 95% usage.
- Reduce household waste - 75% of food and organic waste to be composted; reduce overall household waste by 50% by 2030.
- Government institutions – 100% of food waste from government institutions to be captured and processed by 2021.
- 100% of organic and biowaste put back into the Tasmanian food system.
- Food system packaging – 100% is reused, composted or recycled by 2030.
- No new landfill by 2030.
- FOGO across all councils by 2023 or 2025 and focused on composting to improve soil health AND be redirected back into agriculture.

When adopting the circular economy approach to the food and waste systems, it is suggested in the National Food Waste Strategy⁵, to consider the entire food system and other outcomes which are desirable. Such as building resilience in the Tasmanian food system and considering the health and wellbeing impacts, which would be considered in a Health in All Policies approach⁶,⁷. As a proxy measure for resilience the participants set the following targets for locally produced food consumption within Tasmania.

**Local Food Consumption Targets**

- Double local food consumption by 2030.
- All Tasmanians to be food secure at a household level by 2030.
- 25% of urban planting in public spaces is edible by 2030.
- Improve food related health outcomes to within the top 5% of OECD by 2030.

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How will we achieve the food waste targets?

Across selected targets, the forum participants had discussions to consider in more detail how they could be achieved. A selection relevant to the Draft Waste Action Plan are below.

Ensure 100% of food system packaging is reused, composted or recycles by 2030

- Start with a packaging waste audit.
- Create harmonised regulation across local, state and federal governments for traceability and accountability.
- Use regulation to remove single use plastics.
- Ensure transparency about packaging claims.

Stakeholders – industry, manufacturers, retail, wholesalers/processors, and consumers.

100% of organic and biowaste put back into the food system

- Benchmarking/ data monitoring
- Research international solutions.
- Develop a plan; champions and leaders; scalable commercial solutions; regulation.
- Financial resourcing; underwriting.
- Capturing on farm losses, plus supply chain losses.
- Education on opportunity – producers, industry, community – all working collectively.
- Private sector partnerships.
- Identify suitable sites and commercial partners.

Stakeholders – food producers, processors, hospitality, industry partnerships, state and local government.

75% of food waste is redirected from landfill by 2030

- FOGO collection in all Local Government areas – food and organic waste is redirected to processing/composting and is commercially viable; directed to agriculture for food production to be located close by to use outputs.
- State Govt/UTas/TIA monitors and audits; legislates.
- Industry and household participation.
- Biodigesters creating renewable energy.
- By 2050 100% of food waste is redirected from landfill.

Stakeholders – State and Local Government, industry, households.

75% of produce must go past the farmgate for sale and additional 15% captured for value adding 2030

- Establish accredited labour force partnership between farmers and community to capture fruit and vegetables.
- Education – targeted at community and industry about opportunity.
- Diversify value-adding.
- Advocate for review of specs from retailers.
- Establish food hubs for aggregation and product development.
- Market research to explore new product options.

Stakeholder – Government/ Industry partnerships, ABARE 4.0, Brand Tasmania, TFGA, State Growth, DPIPWE.
What’s next?

As a next step to this submission we would welcome an opportunity to further support the *Waste Action Plan* development by:

1. Providing more detailed information and expertise relating to this submission as required,
2. Inviting the EPAs Waste Management Team to engage with the participants from the forum who have welcomed an opportunity to contribute their expertise,
3. Providing the EPA with a briefing on existing Tasmanian projects and activities that align with the *Waste Action Plan*, and
4. Acting as a connector through our networks to share the Waste Action Plan and support its implementation.
Dear Sir/Madam,

RE: PUBLIC FEEDBACK FOR THE TASMANIAN DRAFT WASTE ACTION PLAN

I am a resident of Hobart, and a postgraduate student enrolled in my KGA581 Environmental Impact Assessment at the University of Tasmania. I wish to give feedback with regards to the Draft Waste Action Plan as proposed by your department.

Waste Levy
The state-wide waste levy proposed for industry, businesses and residents across Tasmania is certainly a good move in policymaking with regards to encouraging waste reduction. I am aware that this waste disposal tax levies a tax on all commercial and industrial interests doing business in the city, along with residents to pay for refuse disposal.\(^1\)

Assuming that it is to "share the burden," this flat tax will be assessed to all businesses and residents regardless of the actual amount refuse they produce. Unfortunately, all companies will dislike this tax, particularly small business owners who feel that a flat tax structure may be unfair.

\(^1\) Department of Primary Industries, Parks, Water and Environment (DPIPWE), Draft Waste Action Plan – Consultation Draft, June 2019, 8.
Additionally, a tax levy for waste may also be unfair towards business owners and residents who are already committed to zero-waste output. Consider a method that taxes on the individual business or residence based on waste output rather than a flat tax levy. There may be issues with regards to assessing waste output for businesses and residences. Estimations of waste output for the type of business or household size can be used to assess the appropriate tax levy. Zero to minimal waste businesses and residences can apply for tax exemptions in this case. However, this risks a subjection to abuse as they might under-declare actual waste amounts.

In my opinion, a waste levy may make businesses and households consider reducing their waste output, but it may be an unfair tax to others.

**Container Refund Scheme**
The proposed container refund scheme for Tasmania is certainly a welcome move. Research had demonstrated that the key to a successful refund scheme is the convenience to consumer participation in performing the required refund tasks.\(^2\) If the task is convenient, then there will be a rapid rate of consumer behavioural adaptation for recycling.\(^3\) Note that in the research that I had cited was carried out in Michigan, United States - where the majority of the population are blue-collar workers\(^4\), which will reflect a similar demographic of Tasmania. It is observed that once consumers are used to container returns, the percentage of them finding recycling to be a convenient task will increase.

One reason is that consumers will develop an efficient behavioural repertoire akin to learning a skill.\(^5\) Therefore, councils or government departments may expect complaints or a slow adaptation to the refund scheme initially but will eventually find acceptance to be widespread once the scheme gains traction.

Penalties should apply for businesses or manufacturers that do not comply with the scheme.


\(^3\) Ibid.

\(^4\) Ibid, 58.

\(^5\) Ibid, 57.
Waste Reduction and Resource Recovery Targets

1. Tackling Waste Generation

The targets proposed in the Draft Waste Action Plan are certainly ones that are reasonable and achievable. I have a few suggestions that will aid in the reduction of waste and also assist in the Tasmanian government achieving the goals outlined in the Plan.

If the government wishes to reduce waste generated in Tasmania by 5% by 2025, and 10% by 2030, then it needs to consider the subsequent point beneath that goal in the Plan. If the government is to ensure 100% of packaging is reusable, recyclable or compostable, then it will result in most manufacturers and businesses switching packaging materials to ones made of reclaimed waste products or biodegradable ingredients. However, this is only going to continue to generate waste – it is only changing the material make-up of the waste from unrecyclable to ones that are compostable or recoverable.

As I had recently attended a class with Councillor Bill Harvey as a guest speaker, he made an excellent analogy which I will repurpose for this letter. Imagine an overflowing bathtub (our waste situation), instead of addressing the waste generation (the running tap); we are simply using a mop to wipe the bathroom floor continually. By making packaging to ones that are recyclable or compostable, it is only a solution that beckons a bigger bathtub, instead of addressing the running tap.

Therefore with the above analogy, I hope there will be some reconsideration with regards to this goal and shift the outlook towards tackling waste generation instead of waste solutions.

2. Addressing Littering

Although Tasmania has improved significantly in terms of littering incidences per a national survey conducted in 2014, it is still above the national average index for litter per square kilometre. According to the Plan, there is a goal stated for Tasmania to achieve the lowest

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6 DPIPWE, above n 1, 10.
incidence of littering in the country by 2023.\(^8\) To achieve this target in 3 years will be considered as a confident target set by the department.

I will propose a few suggestions to reduce litter and combat litterbugs by following a model that Singapore has taken:

- Increase in penalties and enforcement.
  - As of 2019, the fine for littering in Tasmania sits at $336 for a single item of personal litter, $3,360 for less than 55 litres in litter volume and $8,400 for amounts exceeding 55 litres.\(^9\) An increase in penalties will act as a deterring to litterbugs. Additionally, working with Tasmania Police, there should be an increase in enforcement officers spotting litterbugs, focusing on areas that had a high incidence of littering rates and complaints.
  - Singapore, known internationally for pristine streets and the heavy-handed approach to penalising litterbugs, uses a conviction-based approach to fine individuals caught littering.\(^10\) The current penalty-unit based approach for Tasmania is considered too lenient, akin to a ‘slap on the wrist’. The penalties for littering in Singapore currently stands at:
    - In the case of a first conviction, $2,000
    - Second conviction, $4,000
    - Third or subsequent conviction, $10,000
  - Furthermore in Singapore, the Court, by which the individual is convicted by, ‘is expedient with a view to his reformation and the protection of the environment and environmental public health’ that the individual is required to perform corrective work order to the cleaning of any premises under the supervision of a supervision officer.\(^11\)
    - Corrective Work Orders are effective as a deterrence to the public for littering as it relies on a shaming approach on offenders by having them to

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\(^8\) DPIWPE, above n 1, 10.
\(^9\) Litter Act 2007 (Tas) s 9(1)(a)-(c)
\(^10\) Environmental Public Health Act (Singapore, cap 95, 2002 rev ed) s 21.
\(^11\) Ibid, s 21A(1).
don brightly-coloured hi-vis vests and pick up litter in areas with high pedestrian traffic.\textsuperscript{12}

- The Tasmanian government can consider a more stringent approach such as the above penalties to combat littering. After all, evidence have shown that it worked well in Singapore. Along with the size of Singapore being comparable to Greater Hobart, enforcement should be easy to carry out in the metro or highly populated areas in Tasmania.

- Community Volunteer Scheme

  - A Singaporean government initiative launched in 2013. Volunteers from civic groups such as the Singaporean Environment Council joined the volunteer corps and successfully engaged 830 litterbugs to persuade them to dispose of their litter properly. The volunteers can take down particulars of litterbugs and provide to the authorities if they refuse to comply with requests for their litter to be picked up. Additionally, the Singaporean government is considering giving these volunteer corps the power to fine litterbugs, but this may be open for abuse.\textsuperscript{13}

  - The government of Tasmania can consider this approach and form a volunteer corp such as this and invite individuals from groups such as WildCare Tasmania, The Wilderness Society and Tasmania Parks and Wildlife Service volunteers.

Increase Public Waste Disposal Bins
Along with the above suggestions for heavier penalties, increased enforcement and community work orders, there is a need for more waste disposal bins in metro areas such as Hobart and Launceston.

New waste bins should be ones that are separated categorically; food waste and organics, general waste and co-mingled recyclables — upgrading existing bins to ones that have a receptacle for food waste and organics.


\textsuperscript{13} Carolyn Khew, ‘Current measures against littering in Singapore’, \textit{The Straits Times} (online) 10 February 2015 \url{https://www.straitstimes.com/singapore/environment/current-measures-against-littering-in-singapore}
The goal stated in the Plan is to reduce the volume of organic waste sent to the landfill by 25% by 2025 and 50% by 2030. With the additional bins for food waste, and initiatives to encourage composting and waste pre-sorting, the government, in turn, will be able to ‘give back’ to the community such as providing compost to farmers in need, supplying it to community gardens, and using it to fertilise new and existing public greenery and parks.

**Biofuel Energy from Food Waste**

Annually, the global population generates about 1.3 billion metric tons of food waste. The population of Australia disposes of 2.29 million metric tons of food to the landfill annually, leading to an emission of 11 million tons of greenhouse gases from biogenic degradation. Anaerobic digestion, composting and direct fermentation processes are common approaches at present for processing food waste and producing useful end products such as biogas, fertilisers and industrially significant acids and alcohols while yet necessitating minimal energy input. Food waste, naturally rich in sugars, proteins, lipids, vitamins and minerals, can turn into raw materials for the production of high-value chemicals, bio-oil and polymers by microorganisms.

Following the goals of the Plan, the government should try developing a small biofuel plant or processor utilising the food waste from local towns or suburbs to generate electricity or produce gas for home and business use. Not only will the establishment of a plant to process organic waste into biofuels provide jobs, but the local community can also benefit from the end products resulting from the conversion of food waste.

If a small plant is not feasible, councils can be delegated to install a small ‘digester-power generator’ for food waste and the resulting electricity fed back into the power grid akin to solar panels. If electricity production is not feasible, perhaps the resulting fertiliser and compost can be put to good use.

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14 DPIPWE, above n 1, 10.
16 Ibid.
17 Ibid.
18 Ibid, 6352.
Conclusion
I hope that your department takes serious consideration of my suggestions laid out above and hopefully implement in the revised *Waste Action Plan*. Perhaps relook into tackling ‘ways to eliminate waste’ to ‘ways to stop generating waste’. Policymaking with the idea of a ‘zero-waste goal’ will be much more practicable and enables much more long-term vision than the creation of more waste (i.e. replacing current waste with recyclable/compostable waste).

There needs to be a heavy-handed approach to deal with litterbugs if not, it will only cost the government much more to clean up litter and the resulting environmental damage in the long run. As with waste generation, it is dealing with the problem at the source that will be a favourable start.

Lastly, DPIPWE needs to work with the government to increase waste pre-sorting awareness, increase enforcement, and increase public awareness with regards to the waste situation within Tasmania. Incentive driven programmes such as the Container Refund Scheme will spur the public to take the initiative to recycle and reuse more. Motivating elements such as a waste statistics digital display board or leaderboard for different local government areas or suburbs in prominent areas will also give an incentive for the public to do their part in helping to reduce waste and get their suburb/LGA up on the leaderboard.

Thank you for your time to read through my suggestions and comments for the *Draft Waste Action Plan*. If there are any further questions, do kindly contact me at @utas.edu.au, or .

I look forward to hearing from your department.

Warmest regards,

Andy Low
Brad,

As discussed please find below our initial comments on the proposed state-wide levy. We would like to see some recognition of the problems faced by remote Councils in the Waste Strategy.

**Draft Waste Action Plan Concerns – West Coast Council**

The West Coast Council is concerned that the draft waste action plan does not properly consider the disadvantages faced by remote Council’s, especially in relation to the statewide waste level, and the indication that it will be used to develop statewide infrastructure.

The development of improved whole-of-life infrastructure and statewide waste management activities certainly offers the ability for increased services and improved efficiencies, and a Waste Levy is an appropriate way to fund these services. However, as with many state-wide services, there is a risk that they will be of little value to remote areas and will only be able to be accessed at considerable cost. The cost for us of transporting waste for recycling is significant under current arrangements it costs us a significant amount per-annum to transport our recyclables and tiers, costs not borne by rate-payers closer to regional or State-wide facilities. The cost of transport makes recycling a very expensive option for us at present and recycling more will add to this transport cost. This means that the State-Wide levy, imposed on us will likely be an unfair burden to our rate-payers due to the remoteness of the area and the cost of transporting waste to State-Wide services. Our rate payers will be hit twice, with the added cost of the waste level and with the added cost of transporting waste to facilities designed to service the State, but considerably distant to us.

It is our expectation that the administration of the State-Wide levy will include consideration of transport costs to State-Wide or regional facilities and be therefore that there would be an offset of the level based on the transport costs. This would ensure equality of treatment for our ratepayers such that they are not further disadvantaged by their remoteness.

Alternatively, there could be some agreement to ensure that any State-wide facilities are provided on an “at landfill or waste transfer station gate” basis, meaning that the State-Wide body covers the cost of transport from our waste transfer sites to the State-Wide facility from the landfill levy.

Failure to consider these issues will add considerable financial pressure to those living in remote areas but asking them to fund facilities that transport costs mean that they cannot economically access.

Kind regards,

David Midson

GENERAL MANAGER
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