

Waste Action Plan  
Policy and Business Branch  
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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 members<sup>1</sup> and state affiliates<sup>2</sup>, 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.

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.

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<sup>1</sup> 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.

<sup>2</sup> 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.

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?*

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<sup>3</sup> 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.

#### **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**

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<sup>3</sup> Persistent organic pollutants, including PFOS/FPAS, dioxins. Other common organic contaminants include solvents and fuel.

*How can governments, businesses and the community best support the development of the resource recovery industry in Tasmania?*

The NWRIC considers there are 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**

*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 portability<sup>4</sup> (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 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

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<sup>4</sup> Levy 'portability' means that levies are charged based on where waste is generated, rather than deposited into landfill.

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 than 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 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@nwrlic.com.au](mailto:secretariat@nwrlic.com.au), 0417 932 303) in the first instance.

Yours sincerely,



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