

EPA Victoria
Director of Policy and Regulation
GPO Box 4395
Melbourne Victoria 3001

Via email: sublegreform@epa.vic.gov.au

Dear Dr Wilkinson,

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 affiliate 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 *Environmental Protection Regulation - Exposure Draft*, the *Environment Protection Amendment Act 2018* and associated regulatory instruments.

1. Specific industry feedback

In regard to the regulations and act, the NWRIC on behalf of its members and affiliates provides the following feedback;

1.1 Licence periods. Section 72 (2) of the Environment Protection Amendment Act 2018 says;

(2) *An operating licence may not remain in Force—*

- in the case of an operating licence that specifies a waste management activity that is engaged in at a current or former landfill site, for a period of more than 99 years; or*
- in any other case, for a period of more than 20 years.*

The NWRIC believes environmental protection licences should not be shorter than a facility lifetime. This administrative burden makes it more difficult for proponents to secure financing for upgrades, and makes it more difficult to sell businesses holding assets. Reviews of licences should have a meaningful trigger, rather than arbitrary fixed time period.

1.2 Levy portability. In NSW and Queensland, landfill levies are charged based on where the waste is generated, rather than its final disposal point. This legal provision ensures there is no incentive to transport

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.

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waste to regional areas to avoid paying a higher levy.

For example, Moorabool Shire is not listed within the area covered by the Metropolitan Landfill Levy. It has the MBC Landfill which receives more than 70% of its waste from metro sources. We recommend the Victorian Government consider adopting 'levy portability' in Victoria.

1.3 Payment terms for landfill levies. The new regulations shorten the payment terms for landfill levies (from 90 days to 21 days). The NWRIC members consider this unhelpful, and request this remain 90 days, or a least a minimum of 60 days, as landfill operators are unlikely to have been paid by customers within 21 days.

It is inappropriate for the State Government to expect landfill operators to underwrite customer levies. This inhibits the business's cash flow, investment into upgrades, and increases the operator's costs to administer the levy on behalf of the State Government.

1.4 Declaration of Use. A 'Declaration of Use (DoU)' should not be necessary for 'clean fill' as proposed in Clause 64 Part 4(c)), as industry believe that this material does not pose sufficient risk to be considered 'industrial waste'.

Having a DoU every time clean fill is moved between facilities is highly impractical, and will impact the operations of many facilities, including quarries. We believe a more nuanced regulatory approach (removing clean fill as industrial waste) could mitigate risk, without causing business disruption.

1.5 Contaminants. The new regulations and associated regulatory instruments vastly increase the suite of contaminants that define a material as a waste. However, it is unclear in the regulations under what circumstances does waste becomes a resource.

The NWRIC requests that a resource recovery framework be included in the regulation that clearly specifies when a material is suitable for beneficial reuse. The material specifications adopted in the regulations should be consistent with other states such as NSW and Queensland.

Similarly, these specifications should be developed on a risk based approach to contaminants, rather than a presence based approach. Background levels, and reasonable assumptions about risk of harm must be taken into account. For example, the presence of safe trace concentrations of asbestos cannot be a reason to exclude material from beneficial reuse.

1.6 Clarity on tiers. The regulations define three tiers of regulations 'licencing', 'permits' and 'registrations'. The NWRIC requests that further details be added to the regulations on what activities fall within each category and why.

1.7 Cost of compliance - accredited consigner of waste. The NWRIC notes the new cost to be an 'accredited consigner of waste'. This cost should be reduced or free to create an incentive for better compliance. Further engagement is needed on behalf of regulators to improve access to this compliance information, and to transition existing staff.

2. Broader feedback on the intent of the regulations.

2.1 Recycling residuals. There is no provision for levy discounts for genuine recycling residuals. This is inconsistent with other States such as Queensland, NSW and South Australia. Where there is clear recognition that levy costs on residuals can impact the viability of certain sectors of the resource recovery industry. In particular, metal scrap processing, which is having to deal with increased amounts of plastic

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contaminates from cars and white goods, producing a floc that cannot be reused.

Without a levy discount on these recycling residuals the international competitiveness of Australia's scrap metal recycling exports is severely compromised. The NWRIC recommends the regulation include levy discounts for recycling residuals for scrap metal recycling as a minimum, with the ability for companies to apply for a levy discount for other recycling residuals. This application would of course include the appropriate financial and environmental justification.

2.2 Packaging targets. Packaging recovery targets are specified in section 95 (1). The NWRIC strongly recommends that the targets in the regulations for brand owners should be broadened to include (from 2025);

- Compliance with a 70% recovery rate,
- include 100% of packaging to be reusable, recyclable or compostable,
- 30% average recycled content across all packaging, and a
- phase out problem or single use plastic packaging.

For further information please contact NWRIC Secretary Alex Serpo (secretariat@nwrlic.com.au, 0417 932 303) in the first instance.

Yours sincerely,



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