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12th December 2022

Waste Exports – Tyres, Paper & Cardboard Policy
Department of Climate Change, Energy, the Environment and Water
GPO Box 3090,
Canberra ACT 2601

Attention: Assistant Director Ms Lauren Neilson
By e mail as a PDF file to ExportWaste@dcceew.gov.au

Cc Mr David Jeffery, Director, Environment Protection Division | Waste Regulation and Stewardship Branch | Waste exports by e mail David.Jeffery@dcceew.gov.au

Cc Ms Alison Byrnes, Federal Member for Cunningham, Wollongong, NSW office, by e mail alison.byrnes.mp@aph.gov.au

Dear Lauren, David & Staff

We support the position in the letter from NWRIC dated 8th December 2022 (copy attached) that the proposed cost recovery taxes and levies on the export of recyclables be rejected.

For the record, our Association is the oldest association representing waste and recycling employers anywhere in the world. We have been continually registered with the NSW IRC since 7th May 1948 and are also registered under the Fair Work Act (Registered Organisations) 2009.

We have 213 Members across NSW & the ACT, many of whom are active in the collection and / or processing of recyclables. Wherever an NSW Council or the ACT Government contract out their kerbside services, they do so to one of our Members. Our Members also undertake the vast majority of recycling collections from the commercial & industrial sector.

As detailed in our opening, we reject the proposal by the Australian Government to introduce a tax or levy on the export of recyclables. Our reasoning for this strong opposition is as follows -:

• Our recycling commodity exports are already inclusive of higher Australian costs (wages, superannuation, workers comp., WHS, energy, waste levy, etc.)

- Our industry can ill afford to have the Government passing regulations that make our recycling commodities even more expensive in the international marketplace (higher price, lower international demand)
- And local demand for recycling inputs is limited, as a high percentage of the goods we
 consume in Australia are manufactured overseas (all along, this has been poorly
 understood by the Australian Government. To state this simply, if 60% of our finished
 goods are manufactured overseas, how can we be expected to find sustainable markets for
 100% of our recyclables in the 40% of goods that are manufactured in Australia?)
- If the Federal Government wants to recover costs, then send the bill to the NSW
 Government who already collect \$775 million in waste levy taxes of which ~85% is not
 hypothecated back to the waste & recycling sector. In these circumstances, where NSW is
 the most heavily taxed waste and recycling state in this part of the world, the Federal
 Government should not be imposing further costs on the recycling industry.
- There is a rapidly developing monopoly position across many parts of the Australian recycling market (glass recycling operations, plastics processing and paper/cardboard mills, where one competitor currently has excessive market control (over purchases and pricing). If the Australian Government passes these export regulations, many recyclers (including 100's of SMEs who are the backbone of this market) will have no alternative than to either accept the higher pricing or send recyclable material to landfill. These export tax & levy laws will make recycling more expensive, with recycling materials potentially being sent to landfill (which will be a cheaper option). This would be a perverse outcome for a Government who is intent on achieving better resource recovery outcomes.

Should you require any further details, please contact me via e mail to <u>tony@wcra.com.au</u> or call our office on 02 9604 7206.

Yours faithfully

Tony Khoury
Executive Director

Attach.