

Victorian Government response to the Parliament of Victoria's Inquiry into recycling and waste management

The Victorian Government welcomes the findings and associated recommendations from the Parliament of Victoria's *Inquiry into recycling and waste management* final report.

The Victorian Government recently launched *Recycling Victoria: a new economy*, a comprehensive 10-year policy and action plan supported by more than \$300 million in funding, to transform the waste management and recycling supply chain and begin Victoria's transition to a circular economy. The policy includes ambitious targets and a sweeping set of reforms and innovations to transform how Victoria's economy uses materials and designs out waste, while providing sustainable jobs and investment in the state's waste and recycling industry. These actions, backed by ground-breaking reforms to environment protection legislation, will help protect the community and our environment from hazardous waste and waste related pollution, while reducing the need for landfill and related emissions.

The inquiry's report offers useful commentary into the state of Victoria's waste and recycling system and contains a broad range of recommendations regarding how it could be improved. The inquiry's recommendations closely reflect the policy and actions detailed in *Recycling Victoria*.

Since 2015, the Victorian Government has committed record funding of over \$435 million to transform the waste and resource recovery sector and overhaul its approach to waste and recycling. Guided by Victoria's Waste and Resource Recovery Infrastructure Planning Framework, including the 30-year *Statewide Waste and Resource Recovery Infrastructure Plan*, the first of its kind in Australia, and the *Recycling Industry Strategic Plan (2018)*, this investment has contributed to an ambitious reform agenda to drive long-term improvements and innovations within the waste and recycling sector.

The Victorian Government provides this response to the inquiry and accepts 45 of the Committee's 46 recommendations in full, in part or in principle. The recommendations of the Committee complement the major long-term waste and recycling reform agenda that the Victorian Government has committed to.

Introduction

RECOMMENDATION 1: The Committee recommends that following a major incident where community members may be exposed to toxic smoke or other hazardous residues, the Department of Health and Human Services undertake public health testing in the affected suburbs and surrounding areas as required to ensure that there are no health impacts on local residents. Generalised results from these tests should be communicated to the community.

Response: Support in principle

Environment Protection Authority (EPA) Victoria and the Department of Health and Human Services will consider what types of approaches may be appropriate to meet the intent of this recommendation and have held preliminary discussions.

If EPA Victoria and the Department of Health and Human Services both consider that there were exposures and impacts from an incident, these would be assessed, and further action taken where appropriate. The way in which this would be done needs careful consideration to ensure a robust and proportionate response.

Should public health testing be carried out following a major incident, generalised results from these tests would be communicated to the community.

RECOMMENDATION 2: The Committee recommends that the Victorian Government run a publicity campaign to encourage metropolitan residents to download the VicEmergency app to supplement other communication methods. Information provided around incidents such as the Coolaroo, West Footscray and Campbellfield fires should include any specific health risks and details of where further information can be obtained.

Response: Support in full

The Department of Justice and Community Safety, in close consultation with Emergency Management Victoria and fire agencies, delivers the annual statewide Victorian Fire Season campaign. The campaign runs over several months and one of its primary calls to action is for audiences to 'download the VicEmergency app or visit emergency.vic.gov.au'. The Vic Emergency channel is currently advertised as 'all emergencies' which reflects the broad range of incidents captured.

RECOMMENDATION 3: That manifests be not only kept onsite, but it be mandatory that the businesses notify Environment Protection Authority Victoria (EPA) and all other authorities the exact details and quantities of all chemicals on site. This manifest should be online and available immediately to emergency services on multiple devices.

Response: Support in principle

The government is supportive of considering new measures to ensure that manifest information is kept current and accessible for EPA Victoria and all other authorities. It is

important that any proposed changes aim to minimise any potential administrative burden on duty holders, where possible.

Under the Dangerous Goods (Storage & Handling) Regulations 2012, premises which store and handle dangerous goods in quantities that exceed the specified "'manifest quantity' must ensure a manifest is kept on the premises in a place where it is readily accessible to the emergency services authority. The requirements of a manifest include general information, emergency contacts, specifics on the types and volumes of the dangerous goods on site, and a site plan of the premises.

Under the *Environment Protection Act 2017*, EPA Victoria retains broad power to attach conditions to sites requiring a permission, for example, an operating licence. This includes the ability to set conditions which may require the permission holder to report on compliance with the permission, as well as provide data and information to the Authority or the public. Sites which receive, store or treat flammable liquid waste chemicals under an EPA Victoria licence are already required to report quantities to EPA Victoria on a monthly basis.

EPA Victoria is also considering how best to enable the gathering of information in relation to sites storing and handling waste chemicals under the new legislative framework. This includes consideration of the use of permission conditions, as well as how relevant information should be accessed and shared with the public and other agencies.

RECOMMENDATION 4: The Committee recommends that the suspension of licences for the storage of industrial and chemical waste be imposed immediately to ensure that companies are required to bring their storage volumes within the terms of their licences before they are allowed to continue to trade and that penalties for non-compliance are imposed at the time of the suspension.

Response: Support in principle

EPA Victoria is currently developing its compliance and enforcement strategy to support the new *Environment Protection Act 2017* and regulations.

Under the Act, EPA Victoria retains the ability to suspend a permission under specified circumstances, including where there has been contravention of the Act or regulations. An exceedance of the storage limits specified in a licence would be reviewed in the context of the new strategy and all appropriate actions, including suspension will be considered.

Under the *Environment Protection Act 2017* and regulations, there are significant penalties for non-compliance with permission conditions and duties, including the cornerstone general environment duty and waste duties. Additional penalties, including imprisonment, may also be pursued for prohibited persons who receive and store hazardous chemical wastes or large volumes of industrial waste, or for repeat waste offenders.

Following feedback from Victorian businesses responding to the impacts of coronavirus, the Government announced its intention is to proclaim a commencement date of 1 July 2021 for the new laws, to provide duty holders with sufficient time to prepare.

EPA Victoria is continuing its regulatory oversight of high-risk sites across Victoria which pose a significant risk to the environment and human health, by responding to pollution reports, undertaking inspections and taking regulatory action where appropriate.

EPA Victoria is also working with WorkSafe Victoria, emergency service agencies, councils and other regulators to share information and coordinate regulatory activity to tackle waste crime offences.

RECOMMENDATION 5: The Government should facilitate the development of a more extensive market for stockpiled hazardous material.

Response: Support in principle

Under *Recycling Victoria*, the government is investing \$11.5 million in infrastructure to better manage hazardous waste. The initial focus of this investment is on increasing capacity to recycle solvents in Victoria. Solvents have been identified as a key hazardous waste stream present in discovered stockpiled material and contributing to toxic chemical warehouse fires. This investment will establish capacity to recycle solvents for reuse and reduce the risk of stockpiles of this hazardous waste.

This builds on previous government investment through the Hazwaste Fund program delivered by EPA Victoria (2008-2016). Under this program, \$18 million was invested in infrastructure and implementation; research, development and demonstration; and knowledge and capacity-building projects to better treat, reuse, recycle and recover hazardous wastes. The government is also continuing its support for e-waste infrastructure through work led by Sustainability Victoria. The government is supporting private investments that will build capacity and capability in Victoria to safely manage growing volumes of e-waste, which can present a hazard if not appropriately managed.

Any beneficiary of government funding for solvent recycling infrastructure will have to demonstrate that they have identified an appropriate end market for the recycled solvent and prove their business model and proposed infrastructure is safe and viable. The government is supportive of industry identifying such opportunities and will share information to support industry investment and development of markets for recycled materials.

Other hazardous wastes will be monitored and targeted in future interventions.

RECOMMENDATION 6: That the landfill levy in Victoria be adjusted to the extent that the incentive to transport waste materials from other jurisdictions, as well as the incentive to send material to landfill, is removed. The Victorian Government should work with the Commonwealth Government and relevant stakeholders including local government to harmonise the landfill levy nationally.

Response: Support in principle

Increases to landfill levies have been announced as part of Recycling Victoria. The Municipal and Industrial Landfill Levy for metropolitan household and business waste will shift to \$125.90 per tonne over the next three years. Proportional increases will be reflected at regional landfills. The Prescribed Industry Waste Category C rate will rise to ensure that it does not fall below the rates set for municipal and industrial waste.

Victoria currently has one of the lowest landfill levies for municipal and industrial waste in the country. The progressive increase in rates recognises the social, economic and environmental value of recycling. It will ensure that Victoria does not become a dumping ground for waste from other states, and reflects agreement reached by state and territory Treasurers to work towards the harmonisation of landfill levies. Changes to landfill levies have been considered in light of local conditions and needs.

Given the challenges faced by the Victorian economy in the face of the COVID-19 pandemic, the Victorian Government has decided to defer the planned changes in landfill levy rates for six months. This means the first change to landfill levy rates will now occur on 1 January 2021.

RECOMMENDATION 7: That the Victorian Government make clear through detailed guidelines about what the Sustainability Fund is for, who is able to access the Fund, how they access it and how are the Fund's outcomes measured.

Response: Support in full

The Victorian Government adheres to section 70 of the *Environment Protection Act 1970*, which requires guidelines to be in force that explain how the Minister for Energy, Environment and Climate Change and the Victorian Premier will exercise their powers in relation to the application of money from the Sustainability Fund.

The Sustainability Fund guidelines specify that funding should be directed to projects, programs, services or technologies that support:

- environmentally sustainable use of resources and best practice waste management to advance the social and economic development of Victoria; or
- community action or innovation in relation to greenhouse gas substance emissions reductions, or adaptation or adjustment to climate change in Victoria.

The Minister and Premier must seek advice from the Sustainability Fund Manager or the Sustainability Fund Committee before allocating fund money to a project. This is to ensure compliance of a project's proposal with the above legislated obligations, consistency with the fund's priority statement and other considerations such as value for money and environmental benefits. Fund monies can be allocated as strategic initiatives which align with the purpose and priorities of the fund and are delivered through government departments and statutory agencies. Strategic initiatives are generally approved through the state budget process and only receive funding once the Premier and Minister jointly agree to the allocation of monies from the fund. Grant allocations from the fund occur through programs that are delivered as part of strategic initiatives and are open to a wide range of incorporated or otherwise legally constituted entities. These include community groups, councils, non-government organisations and businesses.

A monitoring and evaluation framework for the Sustainability Fund has been developed during 2018 and 2019. The framework's outcomes and measures are now being embedded into funding agreements to evaluate the overall effectiveness of the fund and the individual projects supported by it. This will provide greater transparency on project outcomes and the overall value the fund provides.

RECOMMENDATION 8: In light of the concerns raised by councils about the accessibility of the Sustainability Fund, the Committee recommends, in line with the Auditor-General's recommendations, that the Sustainability Fund be audited to ensure that the Fund is accessible and demonstrates which programs have achieved against their specified legislative objectives and been allocated accordingly.

Response: Support in full

The Victorian Government details all payments made from the Sustainability Fund in each Department of Environment, Land, Water and Planning annual report. The department's accounts and financial statements are subject to audit by the Victorian Auditor-General's Office. The government also releases a regular activities report for the Sustainability Fund. The report details the activities of the Sustainability Fund during the financial year, explains how the fund operates, how funds have been allocated during this period, and each of the programs that have been supported. The report includes case studies to highlight the fund's achievements over the past year and all the individual program grant recipients for the year.

The 2017-18 activity report also references a monitoring and evaluation framework. The Sustainability Fund's monitoring and evaluation framework has been developed in 2018 and 2019 to monitor and evaluate the overall effectiveness of the fund and the individual projects supported by it. This work commenced before the Victorian Auditor General's Office started to audit the management of the Sustainability Fund. The final audit report, *Managing the Municipal and Industrial Landfill Levy*, published in 2018, includes the recommendation to assess the achievements of the Sustainability Fund, ensuring funded programs clearly demonstrate the extent to which programs have contributed to their specified legislative objectives.

RECOMMENDATION 9: That a review of the sector and governance arrangements be undertaken to ensure that there are clear roles, responsibilities and accountabilities for various organisations within the waste management and recycling sector.

Response: Support in full

Roles, responsibilities and accountabilities of Victorian Government waste and resource recovery agencies will be considered and clarified as part of the development of a new waste and recycling Act and establishment of a new Waste Authority, as announced as part of *Recycling Victoria*. Existing roles, relationships and responsibilities will continue to apply until the new Act comes into force.

RECOMMENDATION 10: The Victorian Government should establish clear guidelines under an environmental planning framework to ensure policy certainty to address the issues that councils are experiencing.

Response: Support in principle

The *Coordinated Prevention and Response Framework* establishes and documents a cross-government coordination approach for the management of high-risk and hazardous waste sites, including those that store combustible recyclable and waste materials and those associated with criminal activity. To implement the Framework, the government will build the capability and capacity of agencies, including local councils.

The Government is also introducing new measures to reduce the likelihood of dangerous stockpiling, including the new *Environment Protection Act 2017*, which introduces a wide range of tools aimed at improving waste management practices, reducing risks, ensuring all reasonable steps are taken to consider alternatives to waste disposal and protecting the State from the significant costs of clean up.

Through *Recycling Victoria*, the Government is committed to considering new measures including the potential introduction of a levy for waste being stockpiled for long periods following a regulatory impact statement and industry consultation. These measures will remove the financial incentive to illegally stockpile waste rather than disposing of it correctly.

Municipal waste

RECOMMENDATION 11: That the Victorian Government provide funding and support for all Victorian councils statewide to introduce a separate bin for municipal glass recycling. The Victorian Government should also conduct a study of the costs and benefits associated with the introduction of a separate municipal glass recycling bin, and these should be disclosed.

Response: Support in principle

Recycling Victoria included the introduction of a separate bin or service for municipal glass recycling across all councils in recognition that glass is the main contaminant in other readily recyclable materials such as paper and plastic. \$129 million will support councils to transform the way households recycle. The Victorian Government will work with councils to ensure all councils introduce a separate glass bin or service by 2027. This will be complemented by the introduction of a Container Deposit Scheme to begin by 2023.

The Victorian Government will support councils as they work with their communities to determine how the new glass service will be implemented in different places. The reforms will be supported by statewide behaviour change initiatives to help households make good use of their new services.

The Victorian Government performed a thorough assessment of the costs and benefits of reforming Victoria's kerbside system, including introducing a new glass service and a container deposit scheme. These results informed the new kerbside reforms adopted in *Recycling Victoria*.

RECOMMENDATION 12: That the Victorian Government work in partnership with local councils to develop a standardised statewide system, appropriate to local needs, of food organics and garden organics services towards a goal of zero food organics and garden organics going to landfill.

Response: Support in full

The introduction of Food Organics and Garden Organics (FOGO) services across all local councils was part of the Victorian Government's announcement of \$129 million to transform the way households recycle. The Victorian Government will work with councils to ensure all Victorian households have access to a FOGO service by 2030. Through *Recycling Victoria*, the government has set an ambitious target to halve the volume of organic material going to landfill between 2020 and 2030, with an interim target of 20 per cent reduction by 2025.

RECOMMENDATION 13: That given that compost and soil conditioner made from food organics and garden organics may be used for agricultural purposes, in the interests of food safety, guidelines for its use should be clear and standards need to be published and enforced. Prior to the statewide rollout of the use of compost from food organics and garden organics for agricultural use, the Department of Health and Human Services should investigate relevant health risks.

Response: Support in full

Victorian laws require manufacturers and users of organic waste-derived products like compost to ensure their activities protect human health, the environment and biosecurity. The Victorian Government has established guidelines for the production of products from organic waste and their application to land, including important biosecurity considerations for agricultural uses. Government agencies including the Department of Environment, Land, Water and Planning, the Department of Jobs, Precincts and Regions, Sustainability Victoria and Environment Protection Authority Victoria continue to work together to understand ongoing human health, environmental and biosecurity risks associated with recycling organic waste. This will include considering the effects of expanded rollout of organic waste collections across Victoria and safe management of the additional waste collected.

Recycling Victoria contains measures to support market development for organic waste-derived products like compost. This will support ongoing development of standards and industry guidance under the new *Environment Protection Act 2017* and subordinate legislation. Input and advice from the Department of Health and Human Services will be sought in the course of this work, as appropriate.

RECOMMENDATION 14: That the Victorian Government provide additional funding to its statewide recycling education campaign to achieve additional public take up of municipal recycling and ensure correct recycling practice.

Response: Support in full

The Victorian Government released public messaging to support correct recycling practices during the COVID-19 outbreak, including social media content and information for recycling guides, newsletters, and frequently asked questions.

Broader statewide education and behaviour change programs were announced as part of *Recycling Victoria*. The programs will deliver consistent recycling and waste reduction messages across Victoria, helping households transition to these new recycling services. By encouraging waste avoidance and reusing, repairing and sharing products, the programs will also help households save money. The government will work with councils to deliver the programs.

RECOMMENDATION 15: That the Victorian Government ensure the statewide recycling education campaign is ongoing. Such a campaign should be similar to continuing public education campaigns such as those by the Transport Accident Commission and WorkSafe, which have achieved widespread public acceptance and influenced behavioural change.

Response: Support in principle

Local governments will need to deliver ongoing recycling education to help households make effective use of the new kerbside collection system. Statewide education and behaviour change campaigns to support this process were announced in the Recycling

Victoria policy and are in development. These programs have been funded over a four-year period and will be evaluated after they are rolled out to inform future decisions about education and behaviour change campaigns, including on recycling. See also response to recommendation 14.

RECOMMENDATION 16: That any statewide municipal recycling education campaign emphasises the importance of waste avoidance.

Response: Support in full

The Victorian government is committed to an ambitious target of reducing total waste generation by 15 per cent per person by 2030, and other related targets in the National Waste Policy. Waste avoidance is an important strategy to meet waste generation reduction targets and will be part of statewide education and behaviour change campaigns announced in the Recycling Victoria policy.

RECOMMENDATION 17: That the Victorian Government introduce a minimum statewide standard of municipal recycling capability across Victoria's local government areas to facilitate a statewide recycling education program that includes information about correct recycling practices.

Response: Support in full

The Victorian Government is investing in \$129 million of initiatives to support the reform of kerbside recycling. This includes introducing standardised recycling services across all local government areas through the roll out of four colour-coded bins (or equivalent services) to homes across the state to better sort waste, recyclables and organics.

The funding will support all councils to transition to the new household recycling system and assist with the costs of new bin infrastructure, including changeover of bin lids, or creating new drop-off facilities. It will also support a statewide education and behaviour change campaign, with tailored local messaging, to support households to use the new services correctly as they are rolled out.

To make sure our recycling system delivers services that are reliable, consistent and meet community expectations, the Victorian Government will also regulate waste as an essential service and establish a new dedicated waste and recycling Act.

RECOMMENDATION 18: That the Victorian Government provide funding to ensure all local councils are compliant with the Standards Australia policy on bin lid colours within 12 months.

Response: Support in full

The Victorian Government is investing in \$129 million of initiatives to support the reform of kerbside recycling, including the roll out of four colour-coded bins to homes across the state to better sort waste, recyclables and organics. The coordinated roll out of the new bins will start in 2021 and happen gradually – informed by the needs of local communities and

existing council contracts. This includes the introduction of a separate glass bin by 2027 and FOGO by 2030.

The Victorian Government will work with councils to roll out standardised bin lids: red for residual waste, yellow for commingled recycling, purple for glass recycling and light green for organic recycling. These colours represent the most appropriate set of bin lid colours for Victoria. The purple lid has been selected for the glass bin as this bin will receive glass of mixed colours and Standards Australia does not provide a standard bin lid colour for such a service.

RECOMMENDATION 19: That the Victorian Government implement a requirement for a third-party auditor for Victorian waste and resource recovery companies to ensure verification of resource recovery rates.

Response: Support in principle

RECOMMENDATION 20: That the Government, when considering the advice from the Essential Services Commission about the applicability of waste and resource recovery as an essential service, take into account the Committee's view that it should be made an essential service.

Response: Support in full

The following text responds to Recommendations 19 and 20.

To make sure our recycling system delivers services that are reliable and meet community expectations, the Victorian Government will regulate waste as an essential service and establish a new dedicated waste and recycling Act. The new Act will ensure waste and recycling services are reliable, consistent and meet community expectations. As part of this Act, the government will also establish a new dedicated waste authority in 2021 to better govern our state-wide waste and recycling system. It will focus on issues of market competition, service reliability, improved transparency and value for money for all Victorians. The functions and powers of the waste authority will be informed by consultation with industry, community and local government in 2020.

Regulating waste as an essential service ensures all Victorians get the same consistent and reliable standard of service – wherever they live. It will also strengthen the accountability of waste service providers and stabilise Victoria's recycling system in the long-term. This is part of several reforms designed to put an end to unethical operators and waste stockpiling and create a more resilient sector.

The government notes that the Essential Services Commission's advice does not call for specific declaration and regulation of waste and recycling services as essential under the *Essential Services Commission Act 2001*.

RECOMMENDATION 21: That the Victorian Government consider the introduction of a container deposit scheme to supplement improved municipal kerbside recycling services, including conducting a cost-benefit analysis and consideration of impacts on consumers and the environment

Response: Support in full

The Victorian Government committed to delivering a container deposit scheme in Victoria by 2022/23 as part of Recycling Victoria. The design of the scheme will be informed by a cost benefit analysis that considers impacts on consumers and benefits for the environment. The community and affected industries will be consulted about how a new container deposit scheme in Victoria will work.

RECOMMENDATION 22: That the Victorian Government monitor disposal rates of solar PV systems and support the establishment of domestic solar PV system recyclers, and advocate for a product stewardship scheme.

Response: Support in full

The Victorian Government is leading national work to investigate the suitability of a product stewardship scheme for photovoltaic (PV) panels. A national working group was formed in 2016 to work with the PV industry to develop a national management approach for PV panels. The working group has investigated life-cycle management options and has undertaken detailed analysis of end-of-life arisings and material flows analyses that will help inform an effective approach to better manage PV panels in Victoria.

To support the Victorian Government's e-waste to landfill ban, financial support to increase e-waste recycling in Victoria continues through the Resource Recovery Infrastructure Fund and Research, Development and Demonstration grant programs. The Victorian Government also provided an additional \$2 million under its E-waste Infrastructure grant program to support safe collection, storage and reprocessing of e-waste across the state.

RECOMMENDATION 23: That further work be undertaken by the Department of Environment, Land, Water and Planning to improve the capacity for multi-unit developments to collect, sort and recycle household waste, including, but not limited to, improvements in the planning process to facilitate this.

Response: Support in full

As part of the kerbside reforms in *Recycling Victoria*, the Victorian Government has committed to reviewing relevant existing guidelines, policies and regulation to make sure people living in diverse dwelling types, including multi-unit developments, have equitable access to best practice recycling. This may include, but is not limited to, reviewing planning standards on waste and recycling.

Sustainability Victoria published the *Guide to Waste and Recycling in Multi-unit developments* to improve waste management practices and increase recycling in multi-unit

developments. It has begun a review of the guide to include considerations around separate glass collections for new developments.

Waste Avoidance

RECOMMENDATION 24: That the Victorian Government require major supermarkets to reduce their use of single use plastics as a strategy for extending the shelf life of fresh fruit and vegetables, and to publicly report on these measures. Such arrangements may include, but not be limited to, consumers bringing their own containers to stores to purchase deli products and/or the reintroduction of washable and reusable milk bottles.

Response: Support in part

The Victorian Government continues to support major supermarkets in reducing unnecessary plastic packaging. Coles and Woolworths are represented on the Victorian Government's Plastic Pollution Reference Group, which works collaboratively across sectors to find suitable alternatives to single-use plastics.

The Victorian Government also supports the work of the Australian Packaging Covenant Organisation (APCO). APCO is working with brand owners to meet a range of packaging targets, including that 100 per cent of packaging be recyclable, reusable or compostable by 2025. This includes cases where plastic packaging is used to extend the shelf life of produce. The Victorian Government will also continue to support APCO's work to improve packaging labelling, making it clear which packaging can be recycled and how it can be collected.

While the Victorian Government supports initiatives to reduce problematic single-use plastics across the food and grocery supply chain, mandating that commercial entities publicly report against these measures is not supported without evidence that the costs to industry and government of such an approach are outweighed by the benefits. Voluntary actions can deliver significant progress in reforming a practice or behaviour. As part of the National Plastics Summit held in March 2020, a range of leading Australian brands and organisations made pledges to find innovative solutions to current plastic problems, and to phase out single-use plastics from their stores, services and operations.

The Victorian Government also supports programs already underway to reuse containers. In 2018, the Victorian Government provided Schultz Organic Dairy with \$49,015 to replace plastic bottles with returnable, reusable glass bottles. This program was funded through the Resource Recovery Infrastructure Fund that supports the development of infrastructure to build capability and capacity to recover high quality materials from collection, sorting, recycling and processing of valuable materials.

RECOMMENDATION 25: That the Victorian Government advocate to the Commonwealth Government for an enhanced national product stewardship scheme incorporating additional material streams, and establish defined pathways for durable goods.

Response: Support in full

The Victorian Government continues to support strong national product stewardship legislation to reduce waste and extend product lifecycles. Effective use of the legislation will also address product impacts, help manage potentially harmful elements and increase the recycling of materials. The government regularly advocates for greater use of the national *Product Stewardship Act 2011 (Cth)* including more active management of schemes by the Australian Government, development of new schemes that address product design as well as end-of-life disposal, and expansion of the National Television and Computer Recycling Scheme.

Victoria has played a strong role in developing national product stewardship schemes for tyres, batteries, e-waste and paint and is currently leading development of a product stewardship scheme for photovoltaic panels. Victoria supports the Australian Government's newly established framework to assess future priority material streams to be considered for stewardship action and strongly endorses the Product Impacts Management Strategy which brings consistency across all Australian jurisdictions.

RECOMMENDATION 26: That the Victorian Government work with the Commonwealth Government to consider the introduction of extended warranty requirements for products in order to promote principles of repair and reuse rather than use and disposal.

Response: Support in principle

The recently announced *Recycling Victoria* policy outlines a number of actions and initiatives to encourage greater product repair. This includes working with the Australian Government to make sure design for reuse and repair is emphasised as part of developing product stewardship schemes. The Victorian Government will also work with the Australian Government to support national action on right-to-repair legislation, and identify any Victorian legislative barriers to product repair.

The Victorian Government is also supporting communities and councils with a \$14.6 million grants program to support implementation of local actions including local repair initiatives, such as repair cafes.

RECOMMENDATION 27: That the Victorian Government works with the Commonwealth Government to make the Australian Packaging Covenant a mandatory product stewardship scheme.

Response: Support in principle

The Victorian Government continues to advocate for strong and where appropriate, mandatory national product stewardship schemes. The government collaborates with other Australian jurisdictions to ensure the national framework driving packaging sustainability, which includes the *National Environment Protection (Used Packaging Materials) Measure 2011* and the Australian Packaging Covenant, is effective and fit-for-purpose. Any changes to this framework must be subject to analysis and carefully designed to ensure that objectives are met and will create net community benefit.

RECOMMENDATION 28: That the Victorian Government works with the Commonwealth Government to introduce import requirements for products to contain packaging that is recyclable and/or contains recycled materials.

Response: Support in principle

In 2018, the Victorian Government and other Australian governments committed to work with the Australian Packaging Covenant Organisation (APCO) towards 100 per cent of packaging being recyclable, reusable or compostable in Australia by 2025. The principal driver for these efforts is the national packaging framework, which the Victorian Government continues to collaborate with the Australian Government and all state and territory jurisdictions to improve. Import requirements for packaging or packaged products may have a role in this framework, however any changes must be subject to analysis and carefully designed to ensure that objectives are met in a way that creates net community benefit.

RECOMMENDATION 29: That the Victorian Government work with industry to ensure manufacturers can meet their responsibilities in relation to the National Packaging Targets, including the reduction of virgin plastics.

Response: Support in full

The Victorian Government continues to collaborate with other Australian jurisdictions to ensure that Australia's packaging framework is applied consistently to drive improvements in the packaging supply chain. As part of this framework, APCO supports industry to meet the National Packaging Targets. Victoria's ambitious resource recovery targets and the national ban on waste exports mean that we must process and reuse more recycled materials locally.

Recycling Victoria includes initiatives such as the Business Innovation Centre to support innovation and to develop and promote standards, specifications and guidance materials for using recycled materials. Sustainability Victoria launched the Investment Support Grants – Packaging program in March 2020, to support organisations that use, produce or recycle packaging to enable them to transition to more circular economy business models, with grants of up to \$50,000 available.

RECOMMENDATION 30: That the Victorian Government play a key role in clarifying packaging claims to ensure they are not misleading through its statewide education initiatives.

Response: Support in principle

In order to support successful transition to reformed kerbside recycling services, and the commencement of a container deposit scheme in Victoria, the statewide education and behaviour change programs to be implemented through *Recycling Victoria* will be designed to provide clarity on correct recycling of common packaging types. The Victorian Government continues to support APCO's work to improve packaging labelling, including

promotion of the Australasian Recycling Label (ARL), which provides easy to understand instructions about how to correctly dispose of every part of a product's packaging, to facilitate more informed consumer decisions and correct disposal.

RECOMMENDATION 31: That the Victorian Government support widespread adoption of the Australasian Recycling Label in Victoria, including provision of assistance to smaller manufacturers to help them adjust.

Response: Support in full

The ARL provides easy to understand instructions about how to correctly dispose of every part of a product's packaging, to facilitate more informed consumer decisions and correct disposal. The Victorian Government continues to support APCO's work to improve packaging labelling, including promotion of the ARL. Given the national and international nature of product and packaging supply chains, labelling schemes are most effectively implemented at a national level to ensure consistency and to not disadvantage Victorian businesses, and to facilitate uptake by international supply chains.

Recycling Victoria includes business support grants to help business reduce waste and increase recycling in their daily operations, and a Business Innovation Centre to develop new, innovative technology and solutions to waste problems. These programs will, among other priorities, support businesses to achieve this recommendation.

Waste and resource recovery infrastructure

RECOMMENDATION 32: The Committee recommends the Victorian Government provide further support to develop more regional waste and resource recovery businesses, a reduction of transport costs and local processing of recyclable materials to support regional employment.

Response: Support in full

The Victorian Government is investing \$96.5 million to help local businesses give new life to old rubbish, including \$49.5 million to incentivise new recycling infrastructure, including in regional areas. This supports the goals of increased recycling and access to services across Victoria, such as through more widespread food and organics recycling. In addition, \$129 million of initiatives will support the reform of kerbside recycling, including the roll out of four colour-coded bins to homes across the state to better sort waste, recyclables and organics. The investment to reform the kerbside recycling system will support regional councils to tailor their services to suit local needs, create opportunities to sort and manage materials locally and support regional employment.

The government is also investing \$17 million to improve business productivity and reduce waste. This includes establishing a \$7 million Business Innovation Centre to support businesses to transition to a circular economy and a \$10 million business support grants program to help Victorian businesses, including regional businesses, improve their resource efficiency, reduce their waste to landfill, increase recycling and reduce business costs. The government will provide further opportunities for regional Victorian communities and councils to tailor circular economy initiatives to meet local needs and boost their economies through the \$14.6 million *Support Victorian Communities and Councils program*.

RECOMMENDATION 33: That the state's waste and resource recovery groups should include more detailed information in their required infrastructure schedules and should provide a more detailed analysis of their infrastructure needs.

Response: Support in part

Victoria was the first Australian jurisdiction to develop a comprehensive framework that plans for waste and resource recovery infrastructure, the Victorian Recycling Infrastructure Plan (formerly known as the Statewide Waste and Resource Recovery Infrastructure Plan) and seven regional Waste and Resource Recovery Implementation Plans. The Victorian Government will build on this framework, including through the new waste and recycling Act, to ensure a consistent and meaningful approach to scheduling waste and recycling infrastructure. This will involve planning for all waste streams and undertaking contingency planning to address major system disruptions and forecasting how much residual (non-recyclable) waste we will have in the future, so that we have in place the infrastructure that we need.

Infrastructure Victoria's report on recycling and resource recovery infrastructure needs will inform the upcoming review of the Victorian Recycling Infrastructure Plan.

RECOMMENDATION 34: That the Victorian Government set a target of zero municipal residual waste being sent to landfill in Victoria by 2030.

Response: Support in principle

Through *Recycling Victoria*, the Victorian Government has set four ambitious new targets, supported by commitments in the policy, to reduce waste to landfill across all sectors in Victoria. The Victorian Government has set long-term targets to 2030 to divert 80 per cent of waste from landfill, cut total waste generation by 15 per cent per capita, and halve the volume of organic material going to landfill between 2020 and 2030.

These targets apply not just to municipal solid waste, but also to commercial and industrial and construction and demolition waste. Victoria's 80 per cent landfill diversion target aligns with the equivalent target agreed by all states and territories and the Australian Government as part of the National Waste Policy Action Plan. As such, the current target represents substantial ambition and aligns with effort committed by other states and territories. *Recycling Victoria* also commits to ensuring every Victorian household has access to food and garden organic waste recycling services by 2030. This will go a significant way towards reducing the quantity of municipal waste being sent to landfill by 2030.

RECOMMENDATION 35: That all building projects be required to lodge a disposal plan for all building waste with a high requirement for minimal waste to landfill.

Response: Support in principle

Through *Recycling Victoria*, the Victorian Government has set ambitious new targets to reduce waste to landfill across all sectors in Victoria. These targets will be met through a range of programs to be delivered in consultation with industry and community. Many of these programs are already underway, and will consider waste reduction from our construction and demolition sector.

RECOMMENDATION 36: That the Victorian Government expedite its process of hazardous waste infrastructure planning.

Response: Support in principle

The Victorian Government will include hazardous waste infrastructure as part of the upcoming review of the Victorian Recycling Infrastructure Plan (formerly known as the Statewide Waste and Resource Recovery Infrastructure Plan). Sustainability Victoria is currently undertaking detailed hazardous waste infrastructure capacity and need assessments as part of the planning process.

Energy from waste

RECOMMENDATION 37: That the Victorian Government implement energy from waste technologies in Victoria, in conjunction with a future circular economy policy, as an alternative to landfill for residual waste.

Response: Support in full

As outlined in *Recycling Victoria*, waste to energy technologies have a role to play in an integrated Victorian waste and resource recovery system. As Victoria shifts towards a circular economy, waste to energy facilities will divert waste that cannot be recycled from landfills and use it to create valuable energy. Generating energy from waste is better than sending waste to landfill, once valuable recyclable materials have been removed.

The Victorian Government will support appropriate waste to energy investment as part of a comprehensive industry and infrastructure development package. Support will be available for early entrants into Victoria's waste to energy market to expand this developing industry. Investment support will include grant or loan funding and investment facilitation to help proponents navigate regulatory and financial processes. The government will also fund research into safe end uses for waste to energy by-products like ash and digestate to create investment certainty for project proponents.

Recycling Victoria contains measures to ensure that we reduce, reuse and recycle waste in the first place before we resort to energy recovery. It also contains measures to ensure that short-term waste to energy investment does not undermine efforts to reduce waste generation and increase recycling in the long term. This includes placing a cap on the amount of residual waste that can be sent to waste to energy facilities in Victoria.

RECOMMENDATION 38: That the Victorian Government remain 'technology agnostic' when developing a policy statement on energy from waste. A policy statement should further emphasise the use of best practice technologies that minimise any impact on the environment and on public health.

Response: Support in principle

Recycling Victoria contains the Victorian Government's policy statement on the role of waste to energy in Victoria. The government recognises a role for waste to energy investment in Victoria, and supports waste to energy projects where they:

- meet best-practice environment protection requirements including air pollution controls
- reduce the amount of waste sent to landfill and do not displace reuse or recycling
- do not inhibit innovation in reuse or recycling of materials
- meet best-practice energy efficiency standards
- reduce greenhouse gas emissions compared to the waste and energy services they displace
- have sustainable business models that create jobs and economic development
- work with affected communities to demonstrate a social licence to operate.

Waste to energy facilities that can achieve these outcomes for residual waste - regardless of the technology they use - will help to meet Victoria's waste and recycling goals. *Recycling Victoria* also notes that there will be a particular need for biological waste to energy treatments, such as anaerobic digestion, as Victoria recovers more organic waste over time.

RECOMMENDATION 39: That the Victorian Government ensure that energy from waste projects are informed by regional requirements that take into consideration the long-term needs and capacities of local councils.

Response: Support in full

The Victorian Government will plan for waste to energy facilities as part of the Victorian Recycling Infrastructure Plan. This will include broader waste market planning to ensure Victoria has the right mix of infrastructure, in the right regions, to manage our waste.

RECOMMENDATION 40: That the Victorian Government develop a strong regulatory framework around environment and public health outcomes for any energy from waste technologies adopted in Victoria, including in relation to monitoring and reporting on air emissions. Further, clarity would need to be provided around hazardous waste disposal of by-products and residues.

Response: Support in full

EPA Victoria already requires proposed waste to energy facilities in Victoria to meet strict, international best-practice environmental standards when designing, constructing and operating facilities. This includes restrictions on management of incoming waste, emissions to air and solid by-products from waste to energy processes. These controls will become even stronger under the new *Environment Protection Act 2017*.

Recycling some by-products from waste to energy processes is common practice internationally, and is considered suitable in certain circumstances under Victoria's waste hierarchy, which prioritises recycling above disposal. Recycling Victoria commits to further research to investigate the properties of waste to energy by-products and how they should be managed in Victoria's regulatory framework.

Market development

RECOMMENDATION 41: That the Victorian Government work to improve data capture, monitoring and integrity in relation to recycling rates, markets for recyclables and the impacts of market development initiatives.

Response: Support in full

Through Recycling Victoria, the Victorian Government has committed to expanding Victoria's waste data systems. This includes establishing a framework for monitoring progress towards the circular economy, introducing a new waste and recycling data system and continuing to provide public waste and recycling market intelligence reporting. This work is underway and due to come into effect in 2020. New provisions under the *Environment Protection Act 2017* will also enable improved collection of data on waste movements, supporting this work.

RECOMMENDATION 42: That the Victorian Government set targets for the expansion of the recycling market.

Response: Support in principle

The Victorian Government recognises the importance of strong domestic markets for recyclable materials. Through *Recycling Victoria*, the Victorian Government is investing \$96.5 million to expand Victoria's processing and manufacturing industry, create more products from recyclable materials and get more value from waste by making it available for end-market uses like recycled plastic in railway sleepers or recycled glass in footpaths. The government is also investing \$129 million in initiatives to support the reform of kerbside recycling which will encourage greater separation of waste at source, recover more materials, preserve their value and provide high quality material streams for Victoria's recycling industry.

The Victorian Government will also demonstrate public leadership in recycling through a new Recycled First program from 2020 to boost the use of recycled and reused materials in construction projects and build new requirements into future projects under the Major Transport Infrastructure Authority. Through Recycling First, companies interested in delivering major transport infrastructure projects will be required to demonstrate how they will prioritise recycled and reused materials while maintaining compliance and quality standards.

Beyond these initiatives, Recycling Victoria's ambitious targets – especially the target to divert 80 per cent of waste from landfill by 2030 – will feed more recyclable materials into an expanded domestic recycling market.

RECOMMENDATION 43: That the Victorian Government provide significant investment into research and development of new uses for key recycled materials.

Response: Support in full

RECOMMENDATION 44: That the Victorian Government provide support to manufacturers to streamline the testing and standards development processes for products containing recycled materials, particularly for key products that are likely to see increased demand as a result of government procurement policies.

Response: Support in full

The following text responds to Recommendations 43 and 44.

As part of *Recycling Victoria*, the Victorian Government is investing \$30 million in a Recycling Markets Acceleration package to make Victoria a leader in recycling innovation – creating new products from recycled materials like glass, plastic, organic waste, electronic waste, concrete, brick and rubber. The package will expand the government's existing innovation programs to encourage researchers and businesses to collaborate to make new products from recycled materials. This package will support not only the identification and testing of new products that contain recycled materials, but also support the development and promotion of standards, specifications and guidance materials for using recycled materials in commercial, industrial and construction settings.

RECOMMENDATION 45: That the Victorian Government introduce recycled content requirements for state and local government procurement and an obligation for agencies to publicly report on compliance with these requirements.

Response: Support in principle

As large buyers of goods and services, the Victorian Government can help create strong markets for recycled materials. The Victorian Government, through the Major Transport Infrastructure Authority will adopt a new Recycled First program to increase the use of recycled materials in major transport projects. The program will encourage use of recycled and reused materials that meet existing standards for road and rail projects over brand new materials. Sustainability Victoria will also continue to support local governments to use more recycled content in infrastructure works under Recycling Victoria.

The Victorian Government's Social Procurement Framework requires government buyers to consider opportunities to deliver social and environmental outcomes in every procurement activity. This includes considering using products made from recycled content in major infrastructure projects where appropriate.

The framework is already being applied in many current projects. For example, more than 200,000 tonnes of recycled materials have been identified to be used as part of upgrades to the M80 Ring Road, Monash Freeway and South Gippsland Highway.

RECOMMENDATION 46: That the Victorian Government introduce minimum recycled content requirements for new packaging produced in Victoria.

Response: Support in principle

APCO's baseline report on packaging consumption recycling data for 2017–18 found that the 2025 National Packaging Target for 30 per cent recycled content levels in packaging on the market in Australia had already been met. APCO have now increased this target to 50 per cent by 2025, identifying strategies to strengthen end markets for recycled content packaging as the core driver to achieve this.

Sustainability Victoria's Investment Support Grants – Packaging will support organisations that use, produce or recycle packaging to transition to more circular economy business models such as manufacturing recycled content, with grants of up to \$50,000 available.

In line with the coordinated national approach, and as articulated in the National Packaging Targets, mandated minimum recycled content requirements for packaging are not being considered at this time.