

27 March 2026

Parliament of Victoria  
Legislative Council Economy and Infrastructure Committee  
Parliament House, Spring Street  
EAST MELBOURNE, VIC, 3002  
Via email: [wastetoenergyinquiry@parliament.vic.gov.au](mailto:wastetoenergyinquiry@parliament.vic.gov.au)

Dear Legislative Council Economy and Infrastructure Committee,

### **Submission to inquiry on development and expansion of waste-to-energy (WtE) infrastructure in Victoria**

Infrastructure Victoria welcomes the opportunity to provide a submission regarding the development and expansion of waste-to-energy (WtE) infrastructure in Victoria.

Infrastructure Victoria is an independent advisory body, established by the *Infrastructure Victoria Act 2015*, and has the functions of:

- preparing a 30-year infrastructure strategy for Victoria, which we review and update every 3 to 5 years
- advising the Victorian Government on specific infrastructure matters, and
- publishing research on infrastructure-related issues.

Infrastructure Victoria focuses on infrastructure policy and research that address the economic, social, and environmental needs of all Victorians.

In this submission we respond to the inquiry's terms of reference and introduce relevant insights from our work:

- [Advice on recycling and resource recovery infrastructure](#) (Infrastructure Victoria, 2020), and
- [Victoria's infrastructure strategy 2025–2055](#), (Infrastructure Victoria, 2025).

#### **Advice on recycling and resource recovery infrastructure**

In our 2020 [Advice on recycling and resource recovery infrastructure](#) we identified that waste-to-energy has an important role in Victoria's waste and recycling system. In the waste hierarchy, energy recovery is a better outcome than disposal to landfill. Waste-to-energy is preferable when materials that can be viably recycled have been removed, and the remaining waste is converted to energy rather than sent to landfill. It can support a circular economy.

Our 2020 advice recommended the Victorian Government develop a waste to energy policy and work to build social licence for residual waste to energy. The *Victorian waste to energy framework* was subsequently published in November 2021<sup>1</sup>.

## Victoria's infrastructure strategy 2025-2055

[Victoria's infrastructure strategy 2025–2055](#) was tabled in Parliament in November 2025. It includes two recommendations about waste and recycling that relate to this inquiry.

*[Prepare for more recycling and waste infrastructure](#): Identify and map locations for new recycling and waste infrastructure where it is needed and publish them in the next update to the Victorian recycling infrastructure plan.*

*[Set future waste levy prices and audit landfill](#): Publish waste levy rates for the next 5 years to provide investment certainty for waste and recycling infrastructure. Conduct a waste audit to document which materials go into landfill.*

### Alternative waste management options are needed

Victoria is estimated to produce over 200 million tonnes of waste each year by 2045.<sup>ii</sup> Landfills are the least sustainable way to manage waste and Victoria's landfills are filling up.<sup>iii</sup>

Victoria is expected to have landfill capacity until around 2039.<sup>iv</sup> However, some regions might reach capacity in the next 5 years such as Gippsland, Loddon Mallee and Goulburn.<sup>v</sup> Other landfills, such as in Ballarat, are filling up faster than expected.<sup>vi</sup> The Victorian Government will need to ensure alternative management options like waste-to-energy and recycling are in place before landfills fill up.

### Finding suitable sites for waste-to-energy is challenging

Victoria will need more waste and recycling infrastructure, including waste-to-energy. But finding suitable locations and securing local support for waste and recycling facilities is challenging.<sup>vii</sup> Communities often oppose these facilities because they are concerned about noise, odour, dust and their related health effects.<sup>viii</sup> Poorly managed existing facilities can heighten these worries.<sup>ix</sup>

Facilities need to be away from homes, schools and hospitals.<sup>x</sup> But if they are too far away, the extra transport costs can make them expensive to run.<sup>xi</sup> A balance must be struck between being close enough for the site to be financially feasible, but far enough to secure community support.<sup>xii</sup>

The current [Victorian recycling infrastructure plan](#) describes the type of places where new facilities might go, but it does not identify locations.<sup>xiii</sup> We recommended that the government identify and map these locations and publish them in the next update of the *Victorian recycling infrastructure plan*. This will enable appropriate buffers from sensitive uses and access to main transport routes.

Land use planning can help support a circular economy by allocating appropriate sites for waste and recycling management.<sup>xiv</sup> The Victorian Government introduced a new buffer area overlay into the planning scheme to help manage conflict between different types of land use.<sup>xv</sup> Some wastewater treatment plants have an overlay, but it has rarely been used for waste and recycling sites.<sup>xvi</sup>

### Waste-to-energy projects need better investment certainty

Waste levies put a price on all waste that goes to landfill.<sup>xvii</sup> They can help boost recycling and recovery rates by making landfill cost more.<sup>xviii</sup> They can help make investment in waste-to-energy and advanced recycling infrastructure commercially viable.<sup>xix</sup> Publishing a schedule of future waste levy rates can encourage businesses to invest earlier by providing certainty on how expensive waste disposal in landfills will be in the future.<sup>xx</sup>

Victoria has several waste-to-energy facilities planned, but none have been built yet.<sup>xxi</sup> Waste-to-energy facilities are costly and take a long time to plan and build. They can take more than 10 years from planning to operation.<sup>xxii</sup> Businesses will only invest in waste-to-energy facilities if they are confident, they are commercially viable and they can reasonably expect to secure planning approvals. A coordinated and consistent approach to consultation on waste-to-energy facilities will give investors and communities confidence in the process. The Victorian Government raised the waste to energy cap to 2.5 million tonnes a year to attract more infrastructure investment.<sup>xxiii</sup> A published schedule of waste levy prices will help provide the long-term certainty investors need for project financing and development decisions.

The Victorian Government charges a waste levy and has committed to increasing the price over time.<sup>xxiv</sup> However, it has only published rates up to June 2027.<sup>xxv</sup> Our strategy recommends the government review the waste levy and set rates that can stimulate investment in new recycling and waste-to-energy infrastructure.<sup>xxvi</sup> The government should publish waste levy rates for the next 5 years to provide more certainty for businesses and investors. Certainty about waste levy rates can also help local governments plan and manage household and business waste. The government should work with neighbouring states to set rates that minimise the risk of illegal dumping or waste being sent interstate.<sup>xxvii</sup> It should support changes to the waste levy by educating landfill users about its purpose and how to comply. It should also conduct and support more enforcement activities that discourage illegal waste stockpiling and dumping.<sup>xxviii</sup>

### **Better data on what goes into landfill can help achieve a circular economy**

Waste audits help officials understand which materials go into landfill.<sup>xxix</sup> Audits can find missed opportunities to recycle more and provide a clearer picture of Victoria's waste and recycling infrastructure needs. Documenting what waste goes to landfill can identify the energy value of waste to help plan for waste-to-energy facilities, and any potential environmental and health issues.<sup>xxx</sup> The government last conducted a detailed waste audit in 2018.<sup>xxxi</sup> We recommended the government audit the waste going into Victoria's landfills again so it has reliable data.<sup>xxxii</sup> The government aims to divert 80% of waste from landfill by 2030. It has an interim target of 72% by 2025.<sup>xxxiii</sup> A recent review by the Auditor-General has highlighted that Victoria is not on track to meet these targets.<sup>xxxiv</sup> It called for better data to track progress towards a circular economy.<sup>xxxv</sup> Better data can help the community understand what happens to their waste and give them confidence that the government is planning for the facilities to manage it.

Thank you for the opportunity to provide a submission to this inquiry. If you would like to discuss any of the information in Infrastructure Victoria's submission, please contact me or Eloise Modun, Director of Research and Policy at [eloise.modun@infrastructurevictoria.com.au](mailto:eloise.modun@infrastructurevictoria.com.au).

Yours sincerely,



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