

# **Inquiry into Recycling and Waste Management**

## **Submission - May 2019**

### **Introduction**

Macedon Ranges Shire Council (MRSC) welcomes the opportunity to provide a submission in response to the Victorian Parliament Environment and Planning Committee's inquiry into recycling and waste management. MRSC provides essential waste and recycling services and infrastructure to its community of approximately 48,000 residents and, along with the other 78 local councils across the state plays a key role in Victoria's waste and recycling system. Local councils alone cannot solve the issues we currently face in the waste and resource recovery sector and it will take commitment from all tiers of government to transform our neglected and out-dated system into a system that meets current and future demands. MRSC considers this inquiry to be both timely and much needed.

This submission seeks to address each of the six discussion points outlined in the terms of reference document where relevant.

### **TOR 1. The responsibility of the Victorian government to establish and maintain a coherent, efficient and environmentally responsible approach to solid waste management across the state, including assistance to local councils**

The Victorian government has a vital role to play in ensuring that the state has a fully functional and cohesive solution to waste management and resource recovery that is not vulnerable to offshore markets and political influences.

Key areas of support required by local councils include:

- A highly visible state-wide waste education campaign(s) providing clear and consistent messaging to the community on recycling and waste management including:
  - o what is expected of individual households in terms of managing their waste
  - o education on waste minimisation and how to be less 'wasteful'
  - o transparency regarding what happens to waste and recyclables
  - o reassurance that their efforts to recycle are not futile

- Creation of strong, local markets for recycled materials through a continued focus on market development for recycled products
- Support for local government to improve their ability to assess and increase the use of recovered/ recycled materials, and reduce waste production in tendered contracts
- Urgent investment in resource recovery infrastructure across the State to ensure that single points of failure don't bring the system to a standstill
- Less reliance on under-resourced Waste & Resource Recovery Groups (WRRGs) and councils to implement the recommendations of the State-wide Waste and Resource Recovery Infrastructure Plan (SWRRIP), it should be driven and implemented by the state government to ensure cohesive and consistent delivery is achieved
- Timely and open communication to local councils on significant issues, such as the SKM facility closure, so there is sufficient time to prepare and action necessary contingencies.

## **TOR 2. Whether the China National Sword policy was anticipated and responded to properly**

The Government was not well prepared for issues such as the China National Sword Policy, State and Federal governments had the greatest potential to mitigate impacts such a policy was likely to have on our recycling industry. It is unclear what actions were taken by the Federal government to respond to China's decision, however it is evident that any action taken has not been effective. Although the State government has provided some financial support to councils effected by the China National Sword Policy, the lack of competition in the recycling sector, and appropriate storage until new markets could be determined for recovered resources, should have been anticipated prior to the Environment Protection Authority's (EPA) closure of SKM, which resulted in further costs to council and undermined the communities confidence that their recycling efforts would have no alternatives than to go to landfill.

The EPA could perhaps have shown greater foresight when managing the SKM situation. Better communication and understanding of the impacts could have reduced the effects the facility closures had on councils and the wider community.

Following China's decision there is a strong likelihood that other countries will follow suit, banning the import of low grade material, and we urge government to better prepare to mitigate any further impacts this may have on our recycling sector in the near future. The State government needs to take immediate and urgent action to ensure contingency measures are in place in the event of any future recycling capacity issues. The Government should consider using some of the Sustainability Fund, or committing other funds, to invest in growing the recycling sector with additional infrastructure.

**TOR 3. Identifying short and long-term solutions to the recycling and waste management system crisis, taking into account:**

- 1. the need to avoid dangerous stockpiling and ensure recyclable waste is actually being recycled**
- 2. the cleaning and sorting capabilities and the processing capabilities in Victoria and the potential to expand the local recycling industry**
- 3. how to better enable the use of recycled materials in local manufacturing;**
- 4. the existing business model and economic challenges facing the existing industry;**
- 5. the quantifiable benefits, including job creation and greenhouse gas emissions reduction, of pursuing elements of a circular economy in Victoria;**
- 6. the existing Sustainability Fund and how it can be used to fund solutions to the waste crisis.**

The existing business model of sending poor grade mixed recyclable offshore is not sustainable and will lead to further stockpiling of material and potential facility closures if not addressed immediately.

It is evident following the recent temporary closure of SKM's sorting facilities that there is an urgent need for increased sorting and processing capacity in Victoria. The state government needs to act quickly on implementing the SWRRIP to provide adequate capacity into the future.

Improving the quality of recyclable materials will be essential in enabling the development of local end markets for materials. Improved quality, achieved through either reduced

contamination or improved source separation would result in a higher value product with greater potential for reprocessing into marketable product.

Local councils including Macedon Ranges Shire Council are exploring ways to improve the quality of recyclables through increased community awareness of contamination issues and initiatives such as separate kerbside glass collections. Coordinated leadership from the state government would provide much needed support for these initiatives and assure the community that councils are not acting alone to address what is a state-wide problem.

The Sustainability Fund (more than \$500 million currently held) is a significant resource which has a vast potential to address these issues. The fund, generated through the Municipal and Industrial Landfill Levy, could be better utilised and invested back into the waste and resource recovery sector as was intended. Some of the issues that have prompted this urgent inquiry into recycling and waste management could have been avoided if funds had been invested in infrastructure, education and market development over the past two decades.

**TOR 4. Strategies to reduce waste generation and better manage all waste such as soft plastics, compostable paper and pulp, and commercial waste, including, but not limited to:**

- 1. product stewardship;**
- 2. container deposit schemes;**
- 3. banning single-use plastics;**
- 4. government procurement policies**

There is no one-size-fits-all solution to the waste issues we face and a combination of strategies will be necessary including all of the above. Product stewardship programs are vital to ensure that manufacturers and producers take greater responsibility for the whole life-cycle of their products. They should include a wider range of materials that are currently hard to recycle or have no end market as a waste material. Mandatory product stewardship schemes and better labelling of products and packaging to include the recycled content and means of recycling would assist.

Container deposit schemes have achieved some success in the states that have implemented them however need to be considered in conjunction with other initiatives

including greater source separation of recyclables at the kerbside and exploring reduced and other forms of packaging.

Banning of single use plastics ideally needs to be driven by all tiers of government with buy-in from industry for maximum impact. Phasing out of single use plastic bags has been implemented with some success at a local level however there is much more that can be done to reduce plastic packaging and other single use plastics through use of alternative materials and reducing excessive packaging.

State Government assistance to councils in the area of procurement would help to grow the industry for recycled and recovered products. Assistance both in drafting procurement policies and procedures, and providing education to staff in how to apply them, would be beneficial in increasing their ability to assess and increase the use of recovered/ recycled materials in tendered contracts. Templates that could be used across councils would simplify and standardise this process.

**TOR 5. Relevant reviews, inquiries and reports into the waste and recycling industry in other Australian jurisdictions and internationally**

MRSC refers to the submission made by The Municipal Association of Victoria to this inquiry for suggested resources of interest to the Parliamentary Committee.

**TOR 6. Any other related matters**

N/A