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From: Jo-Anne Hewitt [REDACTED]
Sent: Friday, 10 May 2019 9:41 AM
To: recyclinginquiry
Subject: Submission to the Inquiry into Recycling and Waste Management
Attachments: Submission - Inquiry into Recycling and Waste management - May 2019.pdf

Good morning

Please find attached Mount Alexander Shire Council's submission to the Inquiry into Recycling and Waste Management.

If you have any questions please contact Phil Josipovic, Director Infrastructure and Development on 5471 1820.

Regards,

Jo-Anne

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Our reference: DOC/19/15334

9 April 2019

The Secretary
Environment and Planning Committee
Parliament House Spring Street
EAST MELBOURNE VIC 3002

Dear Secretary

Submission from Mount Alexander Shire Council - Inquiry into Recycling and Waste Management

Mount Alexander Shire Council (Council) appreciates the opportunity to provide feedback on the inquiry into Recycling and Waste Management.

Introduction

Mount Alexander Shire is located in central Victoria and comprises of several small towns and communities of national historic and environmental significance. The Shire covers an area of over 1,530 square kilometres and a population exceeding 18,000; which is distributed across five main township areas that include Castlemaine, Newstead, Maldon, Harcourt and Taradale.

The Shire has one tip, the last cell of which will be filled during this calendar year after which Council will move to a transfer station model. Mount Alexander Shire has had the worst of both worlds in relation to its tip: too small to achieve large scale economies whilst also incurring costly EPA fees and oversite because the tip is large enough to require tougher conditions. The estimated cost of capping our cells and rehabilitating them over the next 10 years is estimated at over \$3 million. Our waste management is a significant cost to our ratepayers even before the waste levy is extracted from them.

The Shire collaborated last year with the City of Greater Bendigo and Macedon Ranges to select a kerbside collection company. Each Council selected different providers of the service owing to local factors.

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Existing Waste and Resource Recovery Plans

It is Council's view that the recycling issue will not be solved by local government alone through contracting arrangements, but requires all level of governments working together to put in place the systems and regulations that will lead to a circular economy, in which materials are reused rather than dumped. Funds from the significant funds collected by local Councils from their rate payers and held by State Governments should be used to meet this objective.

The National Waste Policy (2018) outlines a framework for the development of a more circular economy and State Governments, including Victoria, are currently responding to this.

Council supports the five point plan put forward by the Waste Management and Resource Recovery Association of Australia, the national peak body for the Waste and Resource Recovery Industry:

1. Develop an Industry Development Fund specifically for the remanufacturing industry to enable a circular economy. \$1 billion per year could be funded from the landfill levies collected and kept by state governments (ToR 3)
2. Setting National Standards across all states - \$15 million per year for 5 years (ToR 4a and 4c)
3. Mandate procurement of recycled content goods based on the approved standards (ToR 4d)
4. Tax reform/GST remission on recycled goods (ToR 3c)
5. Mandate product stewardship schemes for identified priority materials (ToR 4a)

Council also supports the 15 point plan developed by the Municipal Association of Victoria.

Victorian Government

Action 1: Invest in recycling infrastructure and commit greater quantities of Sustainability Fund money to bolster sorting and processing capability in Victoria. We urgently need more capacity in our materials recovery facilities across the state. (ToR 3b)

Action 2: Fund and support market development and commit greater quantities of Sustainability Fund money to drive demand for recycled content. Support research and development to increase uptake of new uses for recycled materials. Set mandatory procurement targets for Australian recycled materials. (ToR 3c)

Action 3: Introduce a container deposit scheme. Commit to introducing container deposit legislation into parliament this year and work with the MAV and Councils to ensure it achieves the best outcome for the community. (ToR 4c)

Action 4: Bolster community education: Commit greater quantities of the Sustainability Fund money to develop a consistent state-wide community education campaign. (ToR 4f)

Action 5: Strengthen industry oversight / regulation: Recycling is considered an essential service by most, yet the few large operators we have in Victoria operate under a veil of secrecy. The State must improve transparency and accountability within the industry. Access to robust and credible data on market conditions, and costs and revenue within the recycling sector is essential to achieve best value for the community.(ToR 3a)

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Federal Government

Action 1: Mandate product stewardship by introducing mandatory product stewardship for all products that generate waste. Put clear and binding targets within the Product Stewardship Act to drive action by industry. This approach would align with the polluter-pays principle, incentivising designers and producers to take responsibility for the environmental impacts of their products.

Action 2: Tackle consumer packaging and in partnership with state and territory ministers, review the National Environment Protection (Used Packaging Materials) Measure 2011 to impose mandatory participation and binding obligations across the consumer packaging chain. As an interim measure, clarify obligations on industry so that it's easier to hold them to account.

Action 3: Strengthen the National Waste Policy and in partnership with state and territory ministers, adopt an action plan for the National Waste Policy that includes firm and ambitious targets and timelines that fast-track our transition to a circular economy.

Action 4: Regulate / ban production and importation of hard-to-recycle materials

Action 5: Standardise package labelling and certify use of recycled content Mandate adoption of the Australasian Recycling Label for all consumer packaging sold in Australia and adopt a certification system for recycled content in line with the US or European models.

Local Government

Action 1: Collaborate for market expansion. Working with the Victorian government, investigate and support options to collaboratively procure kerbside recycling services with the aim of enhancing competition and attracting new investment in recycling in Victoria. (ToR 3c)

Action 2: Educate the community. Continue to develop and support delivery of community education that focuses on reducing waste and minimising contamination in recycling bins. Undertake regular bin audits to reduce contamination in kerbside recycling. (ToR 4)

Action 3: Buy recycled. Wherever feasible, support market development via procurement of recycled content, both for corporate operations, services and infrastructure programs. (ToR 4d)

Action 4: Explore stream separation. Working with industry, pilot collection services that separates glass from the rest of kerbside recycling to reduce contamination of material. (ToR3b)

Action 5: Advocate to and work with the federal and state governments to achieve the reforms outlined in the sections above. It is these tiers of government that have the powers to create a responsible and sustainable recycling system.

Specific additional responses to the Terms of Reference of the Inquiry into Recycling and Waste Management

Council offers the following comments, in addition to the above Waste and Resource Recovery advocacy plans.

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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;*

State Government has:

- Regulatory powers over waste sites
- Significant leverage through its own procurement, and the capacity to assist local governments to improve their procurement
- The capacity to deal with businesses at the head office level, rather than by site location as Local Councils must do.
- Significant funds derived from the waste levy.
- A stronger voice to influence the Federal Government than Local Governments have.

The Victorian Government should be using these levers for change in a powerful way to develop a far more robust, circular economy that also relieves councils and their rate payers of significant costs.

From a consumer confidence level it is important for consumers to have faith that what they put into the recycle bins is actually recycled. The power to make this happen is far more within the realm of State and Federal Governments rather than Local Governments. Having said that, Mount Alexander Shire Council would appreciate any help from the State Government in how it could play a more powerful role.

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

Australia has had many years to identify its waste problems, during which time other countries have taken significant steps in product stewardship and recycling requirements. China has been signalling its intent for some years, and the other countries to which we are now exporting our waste are doing the same. So no, the problem has not been dealt with. The limited financial assistance at the time the sword dropped was appreciated.

Council has been assured that the Victorian State Government has plans to deal with the crisis. Those plans have not been adequately conveyed to councils. Most of the dialogue appears to have been with the Waste and Resource Recovery Boards and very little passed onto councils directly.

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

- a. the need to avoid dangerous stockpiling and ensure recyclable waste is actually being recycle*

The recent fires and discovery of illegal waste sites indicates that the EPA needs to be better resourced to manage the industry better.

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b. the cleaning and sorting capabilities and the processing capabilities in Victoria and the potential to expand the local recycling industry;

Improving the sorting and processing of our recycle plants is important. Also very important is the need to look at ways of recovering the material. An important principle for local government, and for the development of a circular economy, is that local jobs are promoted where ever possible. The University of NSW's Centre for Sustainable Materials Research and Technology Centre is at the forefront of developing micro-factory technology that reforms most common waste into reusable high value materials.

c. how to better enable the use of recycled materials in local manufacturing;

At the State and Local Government level the best way is to improve procurement policies. Mount Alexander Shire Council would welcome any help to improve its procurement policies. The best way is to improve the products in the first place, which, as in other countries, is done through legislation at the National level. Council seeks leadership from the Victorian State Government to do this advocacy.

d. the existing business model and economic challenges facing the existing industry;

No comment

e. the quantifiable benefits, including job creation and greenhouse gas emissions reduction, of pursuing elements of a circular economy in Victoria;

No Comment

f. the existing Sustainability Fund and how it can be used to fund solutions to the waste crisis;

- Identify the best outcomes and develop business cases for the use of the fund to implement these outcomes.
- Keep Local Government engaged in this process.

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:

a. product stewardship;

It is important to understand that product stewardship is not just rules and regulations for how a product is managed once it is declared waste by its owners. Product stewardship involves looking at the entire life cycle, including all the materials and processes that lead to the product as well as its disposal. The life cycle approach requires Federal Government legislation, which has been managed by many other countries. Australia does not get the same quality other countries gain by their regulations. The Victorian State Government should play an active advocacy role.

b. container deposit schemes;

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Council also believes preventing litter whilst ensuring discarded beverage containers are recovered for their value is something Container Deposit Schemes have successfully managed to achieve. Victoria is the only mainland state that does not have a container deposit scheme. NSW introduced a Reverse Vending Machine scheme which, according to a December 2018 report by the Boomerang Alliance, in its first year recycled 1 billion articles and in the process:

- Increased recycling rates from 32% to 54%
- Increased the value of the recyclable material from \$110 per tonne to \$350 per tonne.

It is Council's view the Victorian State Government should be introducing a container refund system, based on the one introduced by NSW and taking into account the lessons learnt from that scheme. In recognition that developing a circular economy is a national business, agreements need to be made between the states and the Federal Government to address, with significant resourcing, the regulations and systems that need to be coherent across the nation.

c. banning single-use plastics;

Single use plastics are important in our food retailing. A considered approach will be needed to ensure that single use plastics are reduced where replaceable. Priorities may include:

- ensuring all plastics can be composted or otherwise treated
- that products are not comingled with single use plastics (eg, takeaway coffee cups) so that more products can be composted or recycled.

d. government procurement policies

No additional comments

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

No comments

6. *Any other related matters.*

There is a significant interest in burning waste or converting plastics to some form of fuel. It is important that burning of any products happens as the last step in the waste hierarchy.

In addition, the Municipal Association of Victoria (MAV) has been conducting a strong campaign for further action from the State and Federal Governments and it too has a proposed plan that outlines five actions for each of the three levels of Government. In addition, the MAV have distributed a draft copy of their submission to this inquiry, which Council strongly supports.

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Again, Council is appreciative of the opportunity to make a submission into this important inquiry, and as such do not request this submission be kept confidential.

Should you have any questions, please do not hesitate to contact me on [REDACTED]

Yours sincerely

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PHIL JOSIPOVIC
Director Infrastructure and Development