

[REDACTED]

From: Charlie Bird [REDACTED]
Sent: Friday, 10 May 2019 12:05 PM
To: recyclinginquiry
Cc: Brett Jordan; Nathalie Cooke; Sarah Nicholas; Lisa van der Boon-Hood; Ron Janas
Subject: Submission to Parliamentary Inquiry into Recycling and Waste Management
Attachments: 190510_10 May 19_Letter_Recycling and Waste Management_M Baker-signed.pdf

Good afternoon,

Please see attached Alpine Shire Council's submission to the Parliamentary Inquiry into Recycling and Waste Management.

Regards,

Charlie Bird
Chief Executive Officer
[REDACTED]

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10 May 2019

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

Dear Mr Baker,

Re: Submission to Parliamentary Inquiry into Recycling and Waste Management

I refer to your letter dated 28 March 28, 2019 regarding the parliamentary inquiry into recycling and waste management. We wish to make a submission to the inquiry, for ease of reference we have numbered our responses in line with that letter.

- 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;*

As waste services are often classed as an essential service, it is important that the Federal and state governments ensure the system is robust, secure and affordable. It is also incumbent on them to ensure the system is environmentally responsible. As the waste hierarchy indicates, most attention should be invested in avoidance and recovery rather than disposal to landfill. These types of controls are well beyond council to influence on our own, hence state or federal government influence/legislation is required to mandate the supply chain to:

- reduce wasteful packaging, such as single use plastic packaging
- reduce volumes of industrial and commercial waste going to landfill by mandating recovery of materials
- mandating levels of recycled materials being used in new construction to create new markets for re-used products, i.e. glass fines instead of new sand.

In addition, to drive uptake of better outcomes, funding to councils is necessary, particularly to assist in getting new or very different technologies to establish in the waste recovery market.

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

The China National Sword Plan was not anticipated by most councils, including Alpine Shire Council. Our response however, could be classed as a proper response after the fact. We had in place an onus on our contractor to continue the collection service to all households and then (at their cost) ensure the product was processed. Our contractors did not supply into China, so whilst not directly impacted, they ultimately were impacted by other markets becoming flooded. We have been in discussions with our contractor regarding the challenges facing domestic Materials Recycling Facilities (MRFs) in light of the impacts of the China National Sword Plan including contamination minimisation, additional sorting costs and markets for materials collected. These discussions are ongoing. The reduction of inputs (changing consumer behaviour or packaging guidelines) and improved processing capabilities domestically are critical steps in providing longer terms sustainable management of comingled and other recyclable materials in light of the changing international market place. Involvement of Federal and state governments is required in these areas.

The China National Sword policy provided a lead time of some 18 months which was not understood well by councils or indeed, the multi-national waste contractors used by most councils. More direct communication from either (or both) levels of government would have assisted.

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 recycled

In part stockpiling is occurring due to the lack of markets for materials and the inability to process materials in a cost effective manner in Australia. The newly developed Waste Management Policy – Combustible Recycling and Waste Materials (CRWM), under the control of the EPA is in response to problems that have arisen due to the unsafe management of stockpiled materials. In view of the recent fires and stockpiles of various wastes, a greater focus by EPA on known (and likely) sites is required. Requiring actual recycling of all recyclable products is an ambitious goal and will only be attained if suitably supported by state or federal legislation.

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

The use of recycled materials is largely restricted due to a lack of local/regional or within-state processing. A local paper mill uses some recycled paper and cardboard, but little else is utilised. Again financial support (from the waste levy) for some start-up enterprise is warranted, particularly in regional areas where the cost of transporting materials becomes more prohibitive. An end to end approach needs to be adopted that considers not only the processing of recyclable materials but the

development of local markets for the end product. Federal and state governments can influence these local markets through establishing targets for or requirements for levels of use of recycled materials in Australia.

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

There are a number of uses of recycled materials in local manufacturing but also other purposes, e.g. glass fines used for pipe bedding material. Expanding the pool of businesses involved in the recycling industry has merit. Some of the \$500 million waste levy could be used to support business enterprises involved in the supply chain to create new products made from recycled materials.

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

The lack of transparency from private waste contractors has made it very difficult for councils to determine real costs. Hence the business modelling is also very difficult. Unless access to creditable data can be arranged, councils will have little option other than to accept the business modelling from the operators. It is safe to say, however, that the existing business model of recycling contractors exporting waste overseas is no longer feasible. The most environmentally and financially sustainable alternative to this model is to support the creation of new enterprises in local regions to manage the re-use of waste products locally. Councils have little ability to influence change in this area on their own. Federal and State Government need to take a lead to support the introduction of innovative solutions as a matter of urgency.

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

The China National Sword policy has forced all communities to reconsider how their waste (particularly recyclables) should be disposed of. On-shipping to foreign countries is not a sustainable solution. This means local solutions are necessary. Whilst economies of scale are important, there are opportunities in many regional areas for processing of recycling materials on a reduced scale. This is evident with the movement in the "energy from waste" industry, which is looking at smaller scale plants suited for larger regional areas. Again financial support from the state is required. Some examples include the Material Recovery Facilities in Albury/Wodonga, Wangaratta, Shepparton and Mildura, all of whom support local employment (in some cases for disability benefit recipients) and stimulate other economic benefits such as maintenance and equipment repair and supply from the local community.

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

The waste levy funds should be specifically allocated to waste issues as a matter of urgency and with transparency. We recommend those funds be used for:

- A State government task force made up of specialist waste industry experts, together with local government representatives, should be established. Other members should be sourced from Regional Cities Victoria (RCV) and the Municipal Association Victoria (MAV) with perhaps, one selected as an independent facilitator/chair. Alpine Shire Council waste officers are most willing to be part of this task force.
- Reporting to this task force, there should be a working group undertaking specialist research into overseas practice, with a focus on innovative solutions. With a need for international research, often beyond local government resourcing, the involvement of federal government staff is recommended.
- The majority of the fund should be made available to councils and private enterprises that wish to undertake major infrastructure changes. These changes could include upgrading and/or developing new regionally based recycling facilities and supporting industry that utilise/reuse reclaimed products, e.g. producing plastic products from recycled product. Funding approvals should be aligned to the achievement of an infrastructure network that best serves the state/national requirements and not result in a piecemeal approach to materials management and processing.
- Some funding should be provided to councils to introduce a food organics/garden organics system to reduce organic material going to landfill by some 47%, as has been demonstrated in north east Victoria over the past two years.

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;

The China National Sword policy has reinforced that we all need to better manage waste. Currently commercial waste, which accounts for a much larger amount to landfill than municipal waste, is not well managed. It is operated by private enterprise, with little council or government involvement. Being totally market driven can result in impacts to the environment in the interests of expediency or profit. There is also a lack of product stewardship programs. Problems also arise when products can enter the country without financially contributing towards a

“stewardship” program. This would require international agreement well beyond local government control.

Product stewardship programs in themselves assist in the recapture and management of materials but do not address the question of materials used in the products, and therefore do not contribute to reduction of input of materials in the market.

b. container deposit schemes;

The various current container deposit schemes in some Australian states are substandard and are in need of replacement with a nationally consistent scheme with better controls and transparency around its operation. Further ahead on the waste hierarchy, these types of containers should be “reused” not reprocessed. The implementation of a scheme, such as those in Europe (where a crate of empty drink bottles is returned to the sales store), will have more desirable outcomes. Federal legislation is necessary and supported.

c. banning single-use plastics;

Banning single use plastics in the supply chain is supported and a lead by government is strongly recommended.

d. government procurement policies

Government at all levels can influence behaviour by adopting suitable purchasing policy. Former government behaviours in vehicle procurement etc. helped maintain active vehicle manufacturing in the country. Such a procurement regime is supported, i.e. government policy to purchase a proportion of recycled product in government construction or other projects, would assist in the creation of a large enough market for products made from recycled materials to support new enterprises to enter the market.

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

The China National Sword policy has impacted across the whole world. This is an appropriate time for the highest levels of government to develop international policy and implement change.

6. any other related matters.

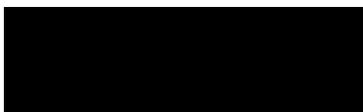
The current practice of aggregating waste and recycling contracts has partly led to the problems at SKM and other processors. With little or few alternatives, numerous councils chose to select a waste collection tenderer on price alone. In our case, council placed importance on both local economic benefit of having processing occurring in the region. Decentralization and increased numbers of storage and processing facilities is required and is well

beyond the ability of councils to influence. Federal and state Governments need to develop long term strategic plans to deliver an effective and efficient system and industry for the management of recyclable materials.

Conclusion

It is time to act and we urge the State Government to take bold steps and make long term decisions that will increase processing in Australia and in particular in regional Victoria. There are prime sites in larger regional areas awaiting development, if not for actual reprocessing, then for energy from waste alternatives. Alpine Shire Council would be keen to actively participate in any future State-wide task force that seeks to improve the holistic management of recycling and waste.

Yours faithfully



Charlie Bird

Chief Executive Officer