



Submission
No 33



Lake Macquarie
Red: 3/4/06.

30 March 2006

The Committee Manager
Standing Committee on Public Works
Parliament House
Macquarie Street
SYDNEY NSW 2000

Our Ref: F2004/06989
Your Ref: PWC
ABN 81 065 027 868

Dear Sir / Madam

SUBJECT: STANDING COMMITTEE ON PUBLIC WORKS INQUIRY INTO MUNICIPAL WASTE MANAGEMENT IN NSW

Thank you for your letter of 30 January 2006 inviting submissions to the inquiry into Municipal Waste Management in New South Wales.

I forward the following for the Committee's consideration.

Landfill and levy issues impacting on municipal waste.

I raise a number of concerns in regard to the new Waste and Environment Levy announced by Premier Morris lemma on 29 November 2005.

1. The revenue generated by the levy is based on the quantity of waste being landfilled yet it appears only a small percentage of revenue generated will be available for future waste minimisation and management initiatives. The majority of the revenue raised by the new waste and environment levy will be used for non-waste management related activities. The revenue generated by the waste levy should be hypothecated fully into waste management initiatives. Funding for non-waste management related activities should be sourced by other means.
2. Administration of the waste levy is time consuming and problematic, from a landfill operators perspective, under the current Protection of the Environment Operations (Waste) Regulation 2005.
3. The waste levy should act as an incentive for waste avoidance and resource recovery. The Waste levy, as it is currently administered, actually acts as a disincentive for effective resource recovery and improved environmental outcomes in some cases.
4. Licensed landfill sites are disadvantaged in that they are unable to utilise any of the processed waste on their site for beneficial purposes without attracting the waste levy. The current regulations require processed materials to be removed from the landfill site to claim an exemption or rebate.
5. The application of landfill licence conditions, which impact upon waste levy contributions, appears to be inequitable. Most waste facilities are required under licence to apply daily landfill cover and hence pay respective waste levy contributions.

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From 1 July 2006 rebates and exemptions for such operational purposes cease to exist.

6. Formal advice from the Department of Environment and Conservation regarding proposed changes to the waste levy rates and their implementation is often provided with insufficient time for councils to consider in their annual budget process. Local government operated landfills do not have the ability to change landfill prices overnight in response to changes in legislation which may impact upon their annual budget.
7. Details of how the recycling rebates payable to councils under the new Waste and Environment Levy have not been provided to councils.
8. Rebate pool eligibility criteria for 2007/08 and onwards have not yet been developed.

Use of new waste technology to manage municipal waste.

The State Government's Waste Avoidance and Resource Recovery Strategy encourages increased recovery and reuse of secondary resources. The Waste and Environment Levy is designed to make waste avoidance and recycling cheaper than landfilling. In response to this Lake Macquarie City Council, together with Cessnock, Maitland and Newcastle Councils are currently negotiating with Thiess Services Pty Ltd to design, construct and operate an alternative waste technology (AWT) facility.

The proposed AWT facility will accept up to 160,000 tonnes per annum of municipal solid waste from the four member councils. The technology will extract resources from the waste stream including organics, recoverable plastics, ferrous and non-ferrous metals, and generate electricity. The AWT will reduce the amount of municipal solid waste to landfill by approx 60%.

The State Government has an important role in the development and ongoing operations of such AWT facilities, including:

1. Providing certainty in regard to the application of the Waste and Environment Levy and any other existing or proposed legislation governing AWT operations. In particular that the Waste and Environment Levy will be applied only to rejects and residuals from the facility as they are disposed of at a licensed landfill.
2. Providing financial assistance (via the revenue generated by the Waste and Environment Levy) to proponents of AWT facilities in recognition of the additional cost imposed on host communities and corresponding environmental benefits achieved by AWT facilities.
3. The development of standards for the outputs from AWT's.
4. Assisting proponents of such technology through their respective development consent processes.
5. Speed up the process of reducing toxic substances in products and materials as identified in the State Government's Waste Avoidance and Resource Recovery Strategy.

6. Providing services that will improve the composition of the municipal solid waste stream for processing, including:
- a) Continuing and improving upon the "Household Chemical CleanOut" program.
 - b) Providing support to enable the continuance and improvement of services such as "drumMUSTER", "ChemClear" and "MobileMuster".
 - c) Enforce Extended Producer Responsibility legislation for the mandatory industry management of undesirable materials in the waste stream such as computer components, electrical items, waste oil, unwanted paint, tyres, medical wastes, sharps and syringes, batteries, smoke detectors, treated timbers etc.

I look forward to receiving the findings of the inquiry into Municipal Waste Management in New South Wales.

Should you require further information, please contact me on 4921 0561.

Yours faithfully



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