

**INQUIRY INTO PERFORMANCE OF THE NSW  
ENVIRONMENT PROTECTION AUTHORITY**

**Organisation:** Waste Contractors & Recyclers Association of NSW  
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[www.parliament.nsw.gov.au/committees](http://www.parliament.nsw.gov.au/committees)

## **Inquiry into the Performance of the NSW Environment Protection Authority**

### **Submission from Waste Contractors & Recyclers Association of NSW**

The Waste Contractors & Recyclers Association of NSW (WCRA) - which was established in 1948 - has 167 Members who own, operate or control an estimated 95% of the vehicles used in waste and recycling collections across NSW. These Members are also significant operators in many other parts of the waste sector and comprise a mixture of small, medium and large business organisations. Further, wherever a NSW Council contracts out its domestic waste management services, it does so currently to a WCRA Member.

1. Levy avoidance, illegal dumping, unsafe handling of asbestos containing materials, rogue waste tyre operators and unregulated transfer, transport, processing and landfill operations – are all examples of constantly recurring issues for which a permanent solution can't seem to be found. WCRA has made many

recommendations to the EPA to consider the reintroduction of licensing of all waste transporters to enable waste tracking to be more effectively undertaken. By way of example - the average skip truck is responsible for \$500,000 in revenue pa (say 80 cubic metres per week at \$120 per cubic metre). The average commercial rear loader truck is responsible for \$875,000 in revenue pa (say 75 tonnes per week at \$225 per tonne). Yet the operators of these waste vehicles are not required to hold an EPA transport license. Expecting a transporter (small business) to proactively obtain knowledge & updates from the EPA website is somewhat unrealistic and therefore the foundations of the waste management system are weaker than they could be. It is difficult to envisage how we can ever hope to achieve compliance with the objective of “the right waste, in the right place” without a properly regulated waste transport system. WCRA facilitates the ongoing upgrade of waste operator knowledge via its Annual Conference, regular Breakfast Briefings and advice for members from Hunt & Hunt Lawyers and McCabes Lawyers – however this cannot be a substitute for the direct regulator/operator relationship that a waste transport licence would establish.

2. We highlight the perverse effects of greatly differing levies between neighbouring jurisdictions. This issue has been flagged by WCRA on numerous occasions. With an annually increasing NSW waste levy and with the decision of the QLD Government to abandon the waste levy in that state, there has been a growing traffic of waste transport from NSW to cheaper disposal in QLD. In fact, some NSW landfills have become de-facto transfer stations, whereby waste is received and bulked-up for transport to QLD. These matters alone, if unaddressed, will only grow worse and have the capacity to significantly undermine the effectiveness of the NSW waste levy, the initiatives which are funded by it and the level playing field which legitimate waste processors need to operate their businesses viably.

3. The decision to increase the waste levy - by \$10 pa plus CPI for the following seven years - was made by the NSW Government on 11<sup>th</sup> November 2008. Although the waste levy is designed to encourage resource recovery, many WCRA Members have expressed the view that an ever increasing waste levy is bad for NSW business. The waste levy in its current form fails to address a number of anomalies and has some serious unintended consequences. For example: there is no allowance for bad debts, interstate disposal is effectively encouraged, the lack of viable recycling alternatives for some materials is simply ignored and there is a growing trend towards the international transfer of co-mingled materials (including waste residuals). Despite successive consideration by KPMG and the CIE, these matters have not been adequately addressed. In the absence of solutions to the above concerns, a number of WCRA Members are of the view that the NSW Government should give proper consideration to amending regulations to freeze the waste levy at the July 2014 rate and prioritise other means of encouraging waste recovery.
4. WCRA remains concerned that the proposed changes to the accounting for the waste levy will not deter NSW landfills and waste processing facilities from continuing to act as de-facto transfer stations for the transport of waste to cheaper interstate (and intra-state) jurisdictions. WCRA is concerned that the EPA may not have sufficient resources to enforce these regulations.
5. WCRA is also concerned that the EPA is not adequately resourced to deal with the current level of illegal activity in the waste industry. Following combined NSW Police & EPA raids on three waste businesses in early 2013, the Illegal Waste Disposal Act was passed. At the time, clean-up notices were issued and we were lead to believe

that there would be prosecutions. Delays due to resourcing shortcomings will only lead to an increase in confidence amongst the illegitimate operators.

6. WCRA highlights that a lowering of thresholds for depot licensing, an expansion of the waste levy requirements and effective enforcement of upgraded waste regulations will result in significantly increased work load for the EPA. In our estimation the single most important step in improving the performance of the NSW Environment Protection Authority is the provision of additional resources to enable the EPA to effectively regulate and deliver a level playing field.

Yours faithfully

Waste Contractors & Recyclers Association of NSW

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