Supplementary Submission No 215a

INQUIRY INTO 'ENERGY FROM WASTE' TECHNOLOGY

Organisation: Waste Management Association Australia

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WMAA

WASTE MANAGEMENT ASSOCIATION OF AUSTRALIA

SUMISSION TO THE NSW PARLIAMENTARY INQUIRY INTO EfW TECHNOLOGY

– extended Terms of Reference

WMAA NSW RESOURCE AND ENERGY RECOVERY WORKING GROUP

8 September 2017

SUBMISSION TO THE NSW PARLIAMENTARY INQUIRY INTO EfW TECHNOLOGY – *extended Terms of Reference*

i. The transport of all classifications of waste and recyclable materials out of New South Wales and the consequences for waste disposal, government revenue and environment programs, employment, roads and transport routes, and the environment

The issue of waste transportation to Queensland from southern states occurs as a result of a number of factors. It is important to note also that the transportation of waste into Queensland is not in fact illegal in most instances, including when transported by rail and or for a distance of less than 150 kilometres.

WMAA supports the application of the waste management hierarchy and the development of the circular economy in Australia. This development currently is being undermined by the lack of harmonisation of waste management regulation and enforcement between Australian states and territories.

Unlike most other states, Queensland does not currently have a landfill levy in place, following its repeal in 2012, which immediately saw the rate of recycling in that state drop by 15%. Coupled with factors such as the fact landfill is extremely cheap in Queensland due to the availability of multiple high-capacity sites (offering tipping fees for inert waste between $10 and $30 per tonne) has seen the reported transportation of 566,000 tonnes from interstate to Queensland in 2016 (although the figure is considered to be much higher). This was a 42% increase from the year before.

This interstate waste movement is undertaken with the aim of avoiding paying landfill levies, and hence gaining a commercial advantage. The practice undermines the waste management hierarchy and results in 20,000 additional truck movements each way onto the Pacific Highway, creating increased heavy vehicle traffic and congestion, along with additional fuel consumption and increased carbon emissions. It also creates an increased risk of accidents, waste spillages, contamination and environmental damage, whilst also imposing an unfair burden on the communities receiving the wastes.

Further, NSW recyclers have lost the opportunity to recover materials from that stream and the NSW government has lost levy revenue of between $40 and $70 million per annum. Finally the job multiplier effect of recycling is 9.2 per 10,000 tonnes compared with landfilling of 2.8, resulting in significant loss of opportunity to create new jobs in NSW.

WMAA appreciates the need to end the practice of long-haul transport of waste that is undertaken purely for commercial advantage. The practical reality is that while there remains a major price differential between different disposal points, and while it remains possible to access cheaper disposal points with little risk of regulatory intervention, there will remain a commercial incentive for the large-scale transport of waste. Most waste operators would much prefer to "do the right thing" but they need to remain competitive and viable. Regulators must ensure a level playing field to avert any race to the bottom.

The interstate movement is retrograde and undermines the many years of good work by the NSW EPA to promote and support resource recovery in NSW, whose recycling rates are far higher (65%) than that of Queensland (38%), based on the *Australian National Waste Report 2016*.

WMAA advocates for a consistent national approach to landfill levies – where the state liability for the landfill levy follows the waste, irrespective of where it is landfilled. The actual amount of the levy does not necessarily need to be consistent in every state or region.

At a minimum, all States and Territories should have a common waste tracking system in order that these issues can be better tracked and understood.

j. The prevalence and scale of illegal dumping across New South Wales and the actions of the NSW Environment Protection Authority to address it

It is WMAA's understanding that illegal dumping data is derived from a relatively small sample size of sixty three (63) councils (presumably prior to NSW council amalgamations) with no differential between regional and metropolitan councils given. Improving data capture facilitates a better understanding of the prevalence and scale of illegal dumping. This data capture could be undertaken by Regional Illegal Dumping (RID) Squads, equipped with geotechnical identification technology, financed from the landfill levy. The NSW EPA's strategy to address illegal dumping will need recalibration once the captured data is analysed. WMAA would support additional resourcing of RID squads from income raised by the landfill levy.

Another gap in the EPA's strategy includes a focus on reducing illegal dumping of five (5) illegal dumping material categories, but solutions are only provided for two (2) of these, being asbestos and 'problem wastes'. All five (5) categories need addressing.

Significant mitigation of illegal dumping could also occur through increased penalties. Current penalties are low - up to $7,500 for individuals and $15,000 for corporations. An obvious disincentive is in making the fine for each incidence of illegal dumping significantly greater than the cost of lawful disposal.

Another disincentive is through incorporation of the EPA's monitoring and reporting framework into law, enforceable for failures including for failing to meet key performance indicators listed in appendices to the framework.

The combination of clearer regulation, stronger penalties and the legal incorporation of the NSW EPA's monitoring and reporting framework will redirect resources from landfill.

> *k. The sustainability and impacts of the current waste and landfill regime on human and environmental health, including drinking water, soil contamination, fire hazards and emissions*

In WMAA's view, the waste management hierarchy should always be promoted, which means that landfill will be the last option of an extensive series of recovery options that feed into the circular economy. While landfill currently plays a major role in NSW, there has been progress against resource recovery targets (35% of all waste generated in NSW is disposed to landfill currently), and the trend is toward higher rates of landfill diversion. Ultimately, following the waste hierarchy, means that landfill becomes an 'option of last resort' that is reserved for the disposal of unavoidable residuals - modern sanitary landfills do have a role to play in the hierarchy.

Clear standards and regulatory enforcement is required of these sites in preventing harm to human health. The monitoring of this conformance strains the resources of an already extended EPA. More resourcing can be dedicated to the task and/or landfill operators can be asked to submit regular compliance reports, submitted on their behalf by an independent certifier, attesting that landfill standards are met.

A key component of these standards could be the incorporation of agreed industry best performance indicators to ensure the landfill operators continually improve the way they do business. One set of performance indicators could be around leachate treatment. As a result of the nature of leachate, standards should include requirements for rectification of legacy landfills, utilising levy funds if required.

The success of this proposed compliance framework is dependent on strong criminal prosecution for serious breach affecting human health and proportional financial penalty and correlating sanctions for minor transgressions. Building in a cycle of continual improvement guarantees a cultural shift from doing the bare minimum to a race to the top.

Again, it is critical, however, that the EPA is appropriately resourced and focused on regulating all operators, and especially the rouge operators that undermine the efforts of the sector as a whole. A common complaint by industry is that it often appears easier for NSW regulators to "crack down" on visible and legitimate operators, than it is to pursue and prosecute the illegitimate operators.

Finally, to assist in managing community impact, there should be clear mandated buffer zones for these facilities, that cannot be encroached, and also potentially enable multiple waste uses on site, given the challenge of managing ongoing demands for this infrastructure against community reluctance to have such infrastructure situated within certain development areas.