



Parliamentary Budget Office - Election Policy Costing

NSW Parliament • Parliament House, Macquarie Street Sydney NSW 2000

Referred By: Australian Labor Party
Date Referred: 1/02/2019

Proposal No: A319
Date Published: 18/03/2019

Proposal Title: Plan for Waste

Cluster: Planning and Environment

General Government Sector Impacts

	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000	4 year Total \$'000
Expenses (ex. depreciation)	-	75	76	77	228
Depreciation	-	-	-	-	-
Less: Offsets	-	-	-	-	-
Revenue	-	-	-	-	-
Net Operating Balance:	-	(75)	(76)	(77)	(228)

Capital Expenditure	-	-	-	-	-
Capital Offsets	-	-	-	-	-
Net Capital Expenditure:	-	-	-	-	-

Net Lending/(Borrowing):	-	(75)	(76)	(77)	(228)
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Total State Sector Impacts

Net Lending/(Borrowing):	-	(75)	(76)	(77)	(228)
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Notes and costing assumptions

This policy is to implement a range of waste management reforms from 1 July 2019. The total cost of these reforms is estimated at \$0.2 million over the forward estimates. The policy is as follows:

Banning single use plastic bags

The Department of Planning and Environment (DPE) advised that the introduction of a ban on plastic bags in NSW would require new legislation or amendment of the *Protection of the Environment Operations Act 1997* or the *Waste Avoidance and Resource Recovery Act 2001*. DPE has estimated that implementing this would have one-off costs of \$0.3 million in 2019-20. The PBO considers it unlikely the costs would be as high as this estimate, and has excluded them from the costing.

Independent Chair of the Environmental Protection Authority (EPA) board

The policy proposes to appoint a part-time independent chairperson to the EPA board. The annual remuneration for the current acting EPA Chair (also the acting Chief Executive Officer) is set in accordance with the Classification and Remuneration Framework (the Framework) for NSW Government Boards and Committees (Group D, Level 5). This is because the position is a full-time role and is charged with the responsibility of managing and controlling the affairs of the EPA e.g. carrying out decisions of the Board or the Minister responsible for the *Protection of the Environment Operations Act 1997* (POEA Act).

Notes and costing assumptions continued:

The policy proposes a part-time appointee to the role under Group E, Level 4 of the Framework. The Framework states that the remuneration of the Chairperson under this classification would be between \$50,001 to \$85,000. The PBO estimates that the total remuneration including salary related on-costs to be \$75,000 in 2019-20, plus 2.5% escalation (consistent with the NSW Public Sector Wages Policy 2011) for the forward estimates. The PBO assumes that the relevant legislative changes will be made to change the role description and remuneration.

Establishing a Recycling and Waste Council and a new advisory body on 'energy from waste'

The policy proposes the establishment of a Recycling and Waste Council comprising of 10 to 15 members, which would hold occasional meetings. The policy also proposes the establishment of an expert advisory body on energy from waste to be chaired by the NSW Chief Scientist and Engineer. The policy also states that any allowances and incidental expenses for members would be met from within existing resources of the Planning and Environment cluster. The total amount is estimated to be less than less than \$2,000 per annum based on the *NSW Treasury Circular on Meal, Travelling and other Allowances*, and the PBO considers it feasible for the cluster to absorb these costs.