



20 October 2017

Committee Secretary
Senate Standing Committees on Environment and
Communications
PO Box 6100
Parliament House
Canberra ACT 2600
ec.sen@aph.gov.au

Ask for: Bill Millard
Phone: 9932 1096
Our Ref: A2708756

Dear Secretary,

Submission to the inquiry into the waste and recycling industry in Australia

I write in response to the Senate Inquiry into the waste and recycling industry in Australia including issues relating to landfill, markets for recycled waste and the role of the Australian Government in providing a coherent approach to the management of solid waste.

Council appreciates the opportunity to provide a submission and looks forward to hearing from the Australian Government on the steps taken to address the issues in the industry.

Attached is Council's response to the terms of reference of the Senate Inquiry.

If you would like to discuss this submission further, please contact Bill Millard, Director Strategic Development on _____ or email _____.

Yours sincerely,

Chris Eddy
Chief Executive Officer



Submission to the inquiry into the waste and recycling industry in Australia

Hobsons Bay City Council is situated on Port Phillip Bay, approximately between six and 20 kilometres south west of Melbourne's central business district. It covers an area of approximately 66 square kilometres. Hobsons Bay has more than 20 kilometres of bay frontage, quality residential areas, large expanses of environmentally significant open space and a range of major industrial complexes, which contribute significantly to the economy of Victoria. These features contribute to the City's culture, which is strongly linked to its maritime heritage, environment, industry and lifestyle. It is home to approximately 93,392 residents. There is one active privately owned solid waste landfill and some 15 closed putrescible landfills within the municipality.

Council's response to the terms of reference of the inquiry into the waste and recycling industry in Australia is summarised below.

a. the quantity of solid waste generated and the rate of diversion of solid waste for recycling

Since 2004, Hobsons Bay City Council has provided a fortnightly recycling and garden waste kerbside collection service to its community. Despite Council's best efforts in recycling education, the quantity of material placed into waste and recycling bins by the community is marginally increasing. In 2015-16 it rose by one per cent compared with previous years. Among the 79 Victorian councils, Hobsons Bay City Council is ranked in the top 25 with a recycling rate of 46 per cent (source: Sustainability Victoria, Victorian Local Government Annual Waste Service Report 2014-15).

It is important to avoid waste to landfill, followed by recycling, then resource recovery. The expansion of product stewardship programs including the introduction of legislation could also be one of many tools to achieve this. Exploring alternatives to landfill thus reducing the reliance on them will be essential.

b. the accreditation and management of landfills

Victorian environment and planning legislation governs the location, licensing and approvals. The Victorian Environment Protection Authority (EPA Victoria) have regulatory oversight of landfills. Hobsons Bay does not have any experience managing landfills but sometimes becomes involved in planning enforcement issues related to landfills operating in the municipality.

It is considered that councils should maintain their control via Planning Schemes on the siting of landfills. In addition EPA Victoria should become solely responsible for the control of pollution and amenity impacts caused by the siting, operation and closure of landfills via works approvals, licensing and abatement notices.

The Victorian Statewide Waste and Resource Recovery Plan defines where landfills are located. The Metropolitan Waste and Resource Recovery Implementation Plan encourages the development of new technologies capable of utilising waste from household garbage and allows for the development of alternative waste technology facilities, thus reducing reliance on landfills.

The community in Melbourne's west is concerned about the expansion of landfills in the area. Brimbank and Melton City Councils are opposed to EPA Victoria's works approval for Cleanaway to extend its Melbourne Regional Landfill at Ravenhall. Wyndham City Council has also applied for an EPA Victoria's works approval to



extend its landfill. The waste generated within our municipality is deposited at Wyndham City Council's landfill.

With the impending closure of the south east landfill catchment within the next 15 years Council is concerned that if landfill alternatives are not implemented in the south east that the waste from these areas will be transported across metropolitan Melbourne to landfills in the west further impacting these communities and the transport network.

c. the extent of illegal landfilling

Illegally dumped rubbish is mostly an issue in industrial locations in Hobsons Bay. Council collects approximately 1,000 tonnes or 400 car trailers worth of illegally dumped rubbish per year.

Council's programs to reduce illegal dumping include CCTV installed at illegal dumping hot spot sites, local laws response to residential dumping, providing a hard waste collection service and annual electronic waste recycling and household chemical collection events.

The availability of sufficient staff to address illegal landfilling is a critical barrier for Hobsons Bay. In partnership with Brimbank City Council, EPA Victoria will fund for 12 months an Officer for the Protection of the Local Environment (OPLE). This officer is expected to close any gap between councils and EPA Victoria's environmental management. More resources and training of staff are vital in responding to complaints and issues relating to illegal dumping.

The collection of construction and demolition waste (predominately from skip bin companies) is poorly controlled. Due to the small scale of infrastructure required to establish these types of operations, these companies tend to establish a site, collect and accept the wastes abandon the site, leaving the waste behind to become the landholder's or a council issue.

Council's power of entry is poor (requiring two days' notice) and once on site officers cannot order the activity to cease. Council's powers to stop the activity can only be exercised on application at the Victorian Civil and Administrative Tribunal (VCAT). This enforcement order application process can take months. While there is an interim enforcement order process this is not pursued as councils must commit to covering all costs incurred by all parties. Therefore a council's power of entry provisions to commercial and industrial sites and to stop illegal activity in the *Planning and Environment Act 1987* should be changed to match that of the EPA Victoria.

d. the role of landfill levies in determining the end destination of material, including the hypothecation of collected levies for enforcement and waste diversion purposes

Landfill levies play a role in waste diversion and determining the end destination of materials. They can deter waste generation but can result in increased illegal landfilling. To avoid illegal landfilling, it is important to establish appropriate systems and programs including enforcement actions and pre-sorting facilities prior to landfilling.

With the increasing cost for waste management to councils and the reducing availability of landfill space, it is vital for governments across Australia to put more investment into encouraging avoidance and supporting diversion.

The landfill levies collected must also be reinvested in the sector to strengthen and develop these systems and facilities. In Victoria the landfill levy as a market based



instrument fails to maximise recovery in the municipal waste sector, particularly for food waste, unless there are alternatives to landfill. Significant financial investment from the landfill levy to local government should be made available to reduce the burden on local government and its communities and provide financial support particularly for the innovators into new large-scale resource recovery initiatives.

The Victorian Government has been urged by metropolitan Melbourne councils to act on solutions to mitigate the effect of closure of the south east landfill catchment in Melbourne. It was highlighted that while the south east Melbourne catchment is in need of urgent response, it shouldn't be at the detriment of innovation in the north or west of Melbourne and should be supported through advice, guidance and funding assistance to establish alternative solutions to landfill.

In addition Council has also urged the Victorian Government to invest financially in solutions for local government by assisting innovation and reducing the reliance on landfill. These include food waste avoidance and recovery, and alternatives to landfill.

e. the role of different incentives and collection methods in determining the quality and quantity of material collected for recycling

It is acknowledged that different incentives and collection methods can impact the quality and quantity of material collected for recycling. A high landfill levy and commodity price can be a positive incentive to recyclers. Incentives can also be provided to recyclers who use or manufacture products locally. Providing incentives for source separation of commercial and industrial (C&I) and construction and demolition (C&D) waste could also facilitate the recycling process. Regional contracts for collecting high volume items including source separated C&D and C&I waste may also improve the quality and quantity of material collected for recycling.

f. the destination of material collected for recycling, including the extent of material reprocessing and the stockpiling of collected material

Council's contract with its recycling processor requires the contractor to report monthly on the quantity received and recycled. In 2016-17 9,500 tonnes of recyclables was collected in the municipality. Of this approximately four per cent was not recyclable and unfortunately ended up at landfill.

Council's tender required potential recycling processing contractors to specify the final destination of recyclables whether that be locally or internationally. It is beyond Council's capacity and resources to verify the end markets for the recyclables. It would be beneficial for the Australian Government to investigate regulatory mechanisms to require the recycling industry to annually declare the quantity of material recycled, the end destination of the materials and the types of products manufactured in Australia.

Stockpiling of collected material is a more recent occurrence in metropolitan Melbourne. Council has some sites within the municipality which are subject to planning enforcement where recyclables are being stored in bales without a planning permit.

The Victorian Government is leading a recycling taskforce which will target key recycling sites requiring extra management measures to ensure community safety. The Victorian Government has also implemented an interim waste management policy to require facilities to store materials in a manner that minimises risk to human health and the environment.



g. the current economic conditions in the industry, including the market for material collected for recycling

There is a significant variation in the contract pricing for recyclable materials collected from kerbside. While many councils in Victoria including Hobsons Bay receive a revenue for recyclable materials collected, many other states pay the recycler to get the material sorted and removed. There are very few contractors capable and engaged in this business, making it less competitive and leaves councils with limited options. Federal and State Governments should take steps to encourage investment in the industry and facilitate business competition to get better pricing for customers.

There are a number of factors affecting the local Materials Recovery Facility operators that collectively contribute to suppress the prices being offered to councils. Variation in global commodity prices and lack of demand from China are some of these factors. Strengthening and supporting the Australian recycling industry may reduce recyclers' reliance on external factors and thereby bring consistency in market conditions and material collected for recycling.

The Metropolitan Waste and Resource Recovery Group is researching the status of the kerbside recycling industry therefore this Victorian agency would be better placed to provide details on their findings later this year.

h. the transportation of solid waste across state boundaries

A national approach is needed to address this issue. A consistent landfill levy across Australia may discourage transporting solid waste across state boundaries.

Establishing a ministerial heads of agreement between states and territories for all interstate waste transport, similar to those established for toxic waste, would also be beneficial.

As stated earlier, Council is concerned about the impact of the closure of the south east landfill catchment in Melbourne within the next 15 years and the effect on transport and local communities in the west and north of Melbourne if landfill alternatives are not implemented in the south east. Where ever possible, the approach should be to avoid or minimise waste transport and manage waste locally.

i. the role of the Australian Government in providing a coherent, efficient and environmentally responsible approach to solid waste management, including by facilitating a federal approach

It is considered that the Australian Government can facilitate a national approach to provide a coherent, efficient and environmentally responsible approach to solid waste management. Providing strategic direction, establishing product stewardship legislations, facilitating large scale waste and resource recovery infrastructure, and simplifying and unifying waste levies are some possible examples.

A federal level umbrella body for EPAs across the states and territories would be able to coordinate responses to issues such as illegal landfilling, interstate waste transport issues and establish major waste and resource recovery facilities. This umbrella body could bring uniformity and consistency in landfill management, enforcement actions and input into land use planning for waste and resource recovery infrastructure across Australia.