

Hunter Joint Organisation

The Hon. Gabrielle Upton, MP
52 Martin Place
SYDNEY NSW 2000

23 June 2018

Dear Minister Upton

Regional Support for the implementation of the recommendations from the *Parliamentary Inquiry into Energy from Waste Technology* including a focus on the Circular Economy

The NSW Government's Legislative Council Portfolio Committee No.6 – Planning and Environment released the report of the 2017 *Inquiry into Energy from Waste Technology* on 7 March 2018. The Hunter Joint Organisation, and its 10 member Councils, fully support the findings of the Committee and request the NSW Government immediately act to implement the 36 recommendations made by the Committee.

The Hunter Joint Organisation of Councils comprises the following NSW Local Government Authorities:

- Cessnock City Council
- Dungog Shire Council
- Lake Macquarie City Council
- Maitland City Council
- Mid-Coast Council
- Muswellbrook Shire Council
- City of Newcastle
- Port Stephens Council
- Singleton Council
- Upper Hunter Shire Council

These Local Government Authorities collectively cover an area of 33,000 square kilometres and provide three-bin waste collection services to over 710,000 residents. They operate 17 waste management facilities, one AWT facility, various composting facilities and several community recycling facilities.

Collaboratively, the councils have developed the Hunter/Central Coast Waste Avoidance and Resource Recovery Strategy 2017-2021 (which also includes Central Coast Council). We are now actively working together to implement the strategy through the introduction of new systems, infrastructure and community engagement activities which should assist in reducing waste generation, and improving waste diversion from landfill in line with the NSW Waste Avoidance & Resource Recovery targets.

Since the commencement of the Strategy's implementation, the region has increased diversion of waste from landfill from approximately 38% in the baseline year, up to 44% of all domestic waste collected or received at landfill, despite seeing a significant population increase over the same period.

Most recently, the Joint Organisation has undertaken high level analysis of the recycling industry and infrastructure available in the region, and how this needs to be modified to address the current recycling crisis posed by the China National Sword Policy.

Given the significant issues facing the waste sector, including the China Sword Policy, Container Deposit Scheme, review of national Extended Producer Responsibility legislation and the significant

and ever continuing review and modification of NSW environmental and planning legislation, the Councils of the region have welcomed the findings and recommendations of the Standing Committee. They believe the implementation of the Committee's recommendations will greatly assist local government and the waste sector to design, structure and implement appropriate and necessary waste management systems that will be able to achieve the NSW waste diversion targets.

As stated, the councils of the region fully support the Committee's recommendations but in particular note that the following recommendations would provide significant assistance to local councils as they support their communities through the delivery of necessary waste diversion actions:

- ***Recommendation 1 - That the NSW Government ensure that all funds allocated to the Waste Less, Recycle More program be spent in accordance with the program.***

We support the "Waste Less, Recycle More" initiative and support the spending of allocated funds to the identified actions within that program.

- ***Recommendation 4 - That NSW Government hypothecate 100 per cent of the waste levy funds contributed by local councils back to these organisations to provide waste management services, including waste reduction, avoidance and re-use programs, and environmental programs and to encourage the development of innovative waste management technology***

We strongly support this recommendation. With 100% of Councils waste levy payments returned to Councils for investment in waste avoidance and minimisation measures, we believe sufficient investment would be available to make meaningful inroads into waste diversion, and create a sustainable circular economy that will insulate Councils and the State from external market influences like the China Green Sword Policy. The portion of the waste levy paid by Local Government should be apportioned back to individual Councils and not be used on other waste programs, or diverted to General Revenue.

- ***Recommendation 7 - That the NSW Government investigate options for reforming the waste levy grant system, including providing greater flexibility in the grant guidelines for waste management projects.***

We support reformation of the waste levy grant system that currently imposes unnecessary administrative burdens on local councils. Current administration and reporting processes for project approvals and acquittals require significant (and largely unnecessary) burdens on local councils.

- ***Recommendation 9 - That the NSW Government allocate additional resources to support the policing of illegal dumping.***

The Councils of the region currently host a Regional Illegal Dumping Squad. We would support any allocation of further funding that seeks to enhance or prolong our collaborative efforts in this regard.

- ***Recommendation 28 - That the NSW Environment Protection Authority regularly publish up-to-date waste data***

We support the publishing of waste data in a timely and efficient manner that will result in improved performance in the delivery of waste services. Currently data is released up to 2 years after collation and provides little value to the industry.

- **Recommendation 29 - That the NSW Environment Protection Authority Waste and Resource Recovery Infrastructure Strategy provide guidance on matters including:**
 - **identifying appropriate precincts and locations, including buffer zones, for waste facilities**
 - **facilitating new infrastructure, particularly alternative waste management options and energy from waste plants**
 - **enabling the circular economy, including waste generator education, product stewardship, waste levies, market support initiatives and avoidance, reduction and re-use support subsidies**
 - **creating 'real markets' for secondary materials from waste.**

We strongly support a more strategic approach to the location of future waste infrastructure accompanied by a resourcing strategy to enable this. Further, we support the move towards a circular economy with a strong emphasis on extended producer responsibility.

- **Recommendation 30 - That the NSW Government investigate opportunities to enhance the collaborative powers of Regional Organisations of Councils to encourage investment in waste facilities, to be funded by the waste levy.**

We encourage a more strategic approach to investment in waste facilities through the waste levy at a regional level. The Hunter Joint Organisation is well placed functionally and politically to implement regional waste facilities with the support of the NSW Government and funding derived from the Waste Levy.

- **Recommendation 33 - That the NSW Environment Protection Authority provide additional support to local councils and resource recovery organisations to meet recycling targets and manage issues such as stream contamination, bureaucratic barriers, lack of product stewardship, and limited market opportunities.**

The NSW Government needs to show leadership and enact a whole of government approach to waste management. Whilst local government has a key role, it is at "the end of pipe", and the NSW Government has an integral role to assist and enact meaningful regulation and assistance for councils and communities to achieve the desired waste management behaviours.

- **Recommendation 34 - That the NSW Environment Protection Authority urgently investigate, identify and implement alternative solutions to the ban on the importation of recyclable plastics by China.**

We support the NSW Government taking a leadership role in this matter and thank the Minister for creating the National China Sword Policy Taskforce and appointing a representative of the Hunter region to the Local Government Advisory Committee.

- **Recommendation 35 - That the NSW Environment Protection Authority, in collaboration with stakeholders, investigate opportunities to embed zero waste strategies and the circular economy in New South Wales.**

We support the inclusion of a circular economy requirement into the waste management framework of NSW. Without meaningful support from the NSW Government, we will be unable to develop and implement a waste management system that is appropriately insulated from external market forces and fully taps into and helps create local markets and industries.

- **Recommendation 36 - That the NSW Government allocate additional resources to the NSW Environment Protection Authority to develop and implement Extended Producer Responsibility schemes.**

The implementation of the China National Sword Policy should be viewed as an opportunity for Australian regulators to push for Extended Producer Responsibility legislation and note that the Commonwealth *Product Stewardship Act 2011* is currently under review. There is sufficient evidence that indicates industry led approaches to product stewardship achieve limited success. A stronger regulatory approach is required to guarantee waste avoidance or effective management of waste through the supply chain.

We recommend the EPA seize this opportunity to work with other levels of government to find alternative solutions to the recycling dilemma facing Australian communities. Embedding a zero-waste strategy and the Circular Economy into state and national policy frameworks is critical to managing our future waste and resource recovery needs.

Hunter Joint Organisation Circular Economy Sub-Committee:

The Hunter Joint Organisation has recently formed a sub-committee to address issues and opportunities in regard to implementation of the Circular Economy.

A key theme in the Sub-Committee's terms of reference is the degree to which Circular Economy initiatives might be funded.

The program include development of a case to the NSW Government for the funding of any initiatives through access to s.88 Waste Levy income contributed by the region and / or through revised provisions relating to the calculation of council domestic waste service charges

We look forward to working with the State Government on this important opportunity.

The Hunter Joint Organisation respectfully requests that the State Government act to implement all the recommendations of the Standing Committee as a matter of urgency.

Should you require any further information please contact Roger Stephan, CEO Hunter Joint Organisation of Councils at ceo@ssalimited.com.au or 4978 4040.

Yours Sincerely

Cr. Bob Pynsent,
Chairperson
Hunter Joint Organisation

CC: Hon. Paul Green MLC, Committee Chair, Portfolio Committee No. 6 - Planning and Environment

CC: Anissa Levy, Acting Chair and CEO, NSW EPA