

Submitted to Review of the waste levy
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Introduction

Your Details

1 What is your name?

Name:

Jacqueline Scott

2 Do you want to remain anonymous?

No

3 What age-group are you in?

Not applicable (e.g. organisation)

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

6 Do your views officially represent those of an organisation?

Yes, I am authorised to submit feedback on behalf of an organisation

If yes, please specify the name of your organisation.:

City of South Perth

7 Which of the following best describes the group or person you represent?

Government body

If other, please specify.:

8 Are there specific parts of your submission that you want to keep confidential?

No

If yes, please outline which specific parts of your submission must be kept confidential and explain why:

Objective of the waste levy

1 Are there any beneficial outcomes that can be achieved by a levy beyond those identified in the objectives of Waste Strategy 2030?

The legislative purpose of the Levy is: -

- Influencing waste management practices, including reducing waste to landfill, by increasing the price of landfill disposal.
- Raising funds to support waste-related programs, which have the effect of reducing waste to landfill.

Currently only 25% of the levy is allocated waste related actions. All of the current levy should be applied to projects which reduce waste to landfill. As Waste to Energy achieves the purpose of reducing (almost eliminating waste to landfill) it should also qualify for some assistance from the levy fund, rather than be penalised.

How the levy can help achieve the objectives of Waste Strategy 2030

1 Are there any other strengths or weaknesses of a waste levy as an instrument for achieving the objectives of Waste Strategy 2030?

The levy should not be the sole instrument. State Government needs to lead in the development of industry that uses recycled products. Legislating for a circular economy outcome without a plan for a complete and competitive market is a significant risk to all involved.

Local Governments should be supported in designing their response to waste that is tailored to their own community, subject to achieving the macro objectives of the State Waste Strategy.

- 70% material recovery by 2025 and
- No more than 15% landfilled by 2030

Waste to Energy is a legitimate solution to diversion from landfill and should be allowed to develop without government influence on the market.

Rate of the levy

1 How has the waste levy benefitted or affected your waste business or operations?

The waste levy was effective in supporting the City's move to Waste to Energy. Changing Waste to Energy project economics is a significant risk for the City and its ongoing waste management efforts that are focussed on reducing waste to landfill. Major projects like the Waste to Energy plant require commercial stability for funders and operators to commit long term capital.

Millions of commercial investment dollars have been committed to Waste to Energy to allow the City together with RRC Councils and Canning to lead the way in landfill diversion. Changes to the levy that impact on the economics of Waste to Energy would be detrimental to the project and potentially impact on the landfill diversion targets the participants are seeking.

2 Can you advise of any recycling and waste diversion opportunities that would become viable if the waste levy was increased or applied in a different way? What rate of levy could be required to make these viable?

The levy is a valuable tool in diverting waste from landfill and as a driver to improved recycling outcomes. It could however have a significant detrimental impact on the City's waste management practices if extended to Waste to Energy, to which the City is now contractually committed. Any additional levy applying will divert funds away from the City's waste and resource management efforts potentially making a number of current measures fiscally nonviable.

The City of South Perth currently supports organics via the City Recycling Centre which takes organics free of charge, and residents are able to dispose of garden organics as required.

3 Please provide information on potential impacts which may result from increasing the waste levy.

If the levy is extended to Waste to Energy it would have a detrimental effect on the City of South's Perth's Waste and Resource Management decision making as there would be no or minimal funds remaining for the City's other waste and resource management measures, and existing measures could be cut in order to find the necessary funds to pay a levy.

4 If you knew when the waste levy was going to be varied, how would it affect your decisions about managing waste or related investments?

The City is already contractually committed to the Waste to Energy - the decision making has already been completed.

The Waste to Energy Contract was executed in 2015 with participants required to commit to minimum tonnes to successfully close the negotiations. At that time there was no conflict with the State Waste Strategy and the proposal significantly exceeded the targets set by the strategy.

Setting future levy rates

1 How might the Government best balance the need for responsiveness to emerging knowledge about best practice waste management with the benefits of providing the confidence about future waste levy rates?

By not imposing the levy on Waste to Energy. This late change in response to emerging technologies will have a detrimental impact on future emerging best practice waste management. Waste to Energy is established on a global scale and is an appropriate element in the waste management mix. New movers in the field will be discouraged if there is evidence of government action to dissuade effective alternative measures.

Geographical area of the levy

1 Are there opportunities for the recovery of regional waste that would be made more viable by a regional waste levy?

Not applicable to the City of South Perth however it should be noted that application of the Levy to licensed landfills outside the metropolitan area would prove to be a significant logistical and financial impost on Local Government landfill operators and potentially have severe environmental impacts. Levy application in these areas could increase the frequency of illegal dumping and provide a disincentive to the regionalisation of landfills.

2 Where are these opportunities most likely to be viable?

3 What rate of waste levy could be required to make them viable?

4 Under specific circumstances, it is possible that an expanded waste levy area could make evasion less financially attractive. How does the cost of transporting waste over long distances compare with the cost of the levy?

5 What other advantages or disadvantages could arise from a regional waste levy?

Waste management options to be levied

1 Waste Strategy 2030 proposes that by 2020, only residual waste will be used for energy recovery. How will this requirement affect your waste management operations?

Waste to Energy should be recognised as equivalent to composting as part of the overall solution to achieving the zero landfill objectives of the State Waste Strategy. Independent studies identify that Waste to Energy produces less greenhouse gases than composting, and there is the additional replacement of base load coal-fired electricity generation.

There must be a plan for a complete and competitive market to support source separation of Organics. The Market for recoverable organics is not yet established and the case for the 3rd bin is not economic or financial and it relies on sustainable waste management factors. LGA's do not have the luxury of ignoring the current fiscal limitations to decision making. Legislating for a circular economy outcome without this market is a significant risk to all involved.

Waste to Energy remains a valid financial and environmental response.

2 Would a waste levy on energy recovery have a different effect on your operations?

Yes it would have a detrimental effect.

The City of South Perth is now contractually committed to Waste to Energy. This commitment was progressed as a proactive response to the Waste Strategy 2020 and demonstrated the City's commitment to diverting waste from landfill. The Waste levy should NOT be applied to Waste to Energy as this would unethically penalise LGA's that were proactive about landfill avoidance and took bold measures to not only meet but to exceed the previous target. Diversion from Landfill remains a major objective and Waste to Energy is a legitimate part of the mix to address this.

Funds that would be better used on effective waste reduction and reuse strategies would now be diverted to the waste levy, where only 25% of funds are currently allocated to waste related actions.

3 Are there any other waste management options where applying a levy could help achieve the objective of Waste Strategy 2030?

Other improvements to the waste levy

1 What other changes to the design or implementation of the waste levy could help make it more effective or efficient in achieving the targets of Waste Strategy 2030?

There is an unsatisfactory level of funding made available by the State Government, under the current approach. Funding programs designed to encourage the adoption of certain waste management systems, must provide Local Government and Regional Councils with sufficient incentive and funds to do so, and also take due account of any pre-existing contractual obligations. Especially those entered into in good faith by Local Governments responding to the Waste Strategy targets and guidelines current at the time.

Applications should be straight forward to complete and deliver viable waste management solutions that facilitate social, environmental and economic outcomes. State Government funded programs that support waste management activities should:

1. Provide adequate funding and support
2. Reflect the targets and priorities within the Waste Strategy as well as recognising the historical development of these
3. Fully fund and acknowledge the life cycle costs and contractual obligations of infrastructure and services
4. Facilitate the development and implementation of Product Stewardship Schemes.

