

15 July 2020

Waste Levy Review
Department of Water and Environmental Regulation
Locked Bag 10,
JOONDALUP DC WA 6919

Via email: wastelevyreview.query@dwer.wa.gov.au

SUBJECT: REVIEW OF THE WASTE LEVY

Cement Concrete & Aggregates Australia (CCAA) welcomes the opportunity to provide a submission to the Department of Water and Environmental Regulation on their review of the waste levy consultation paper.

CCAA is the peak industry body for the heavy construction materials industry in Australia including the cement, pre-mixed concrete and extractive industries. Our members operate cement distribution facilities, concrete batching plants, hard rock quarries and sand and gravel extraction operations throughout Victoria. For your information, a list of CCAA Western Australia's members is provided in Appendix 1.

CCAA supports the establishment of a commercially viable circular economy where the incentive to recycle material by the removal of regulatory barriers is supported at the right time by the application of appropriate waste levies.

CCAA makes the following comments on the proposed Waste Levy:

- Seeking to broaden the range of the landfill levy and increase regulatory burden on industry without first addressing the current barriers to recycling and the acceptance of recycled materials will cause further hardship and put jobs at risk for an industry already struggling with unworkable regulatory framework.
- The Department's priority should be on developing and assisting markets for recycled materials and addressing the current substantial barriers restricting the acceptance of recycled materials **before** contemplating any changes to the Waste Levy and/or increasing the regulatory burden on industry.
- If a viable recycling industry is not achieved before the Waste Levy is increased, then industry will not have an alternative to disposing of material to landfill, as is the current practice, but at an increased cost.
- The Waste Levy should be set at a level that is reasonable to discourage unnecessary disposal in a landfill.
- All funds raised by the Waste Levy should be used by Government to promote the establishment of a circular economy, establishing markets for recycled material, supporting the establishment

of recycling infrastructure and lowering the regulatory barriers to achieve this. The Government risks this whole process being perceived by industry and the public as a revenue raising exercise if only a small proportion of the waste Levy is allocated to waste minimisation initiatives.

- Any increase in costs to industry will have to eventually be passed onto customers. As the cost of heavy construction materials, including concrete, sand and aggregate, consist of approximately 30 per cent of infrastructure costs, any increase in cost of these materials will lead to an increase in cost of government infrastructure and a decrease in housing affordability.
- Waste Levy should not be payable for material that is stockpiled, waiting to be processed into a usable product, especially inert material such as crushed concrete. This is required to deal with market fluctuations for the specific product that includes the recycled material.
- The Waste Levy should be applied to the whole state.

Western Australia's regulatory environment needs to be internationally competitive to continue to attract capital to invest into the state to ensure a sustainable and competitive heavy construction materials industry. This in turn facilitates Western Australia's productivity, housing affordability and lower infrastructure costs.

The provision of affordable heavy construction materials helps to facilitate the delivery of affordable infrastructure, contributing to the completion of Western Australia's infrastructure projects within budget.

There is no more important time than now for the construction sector, supported by an efficient heavy construction materials supply chain, to provide the engine to rebuild Western Australia's post COVID economy and create jobs.

Please do not hesitate to contact me to discuss any of these issues in more detail.

Yours sincerely

ROGER BUCKLEY






State Director Western Australia

APPENDIX 1

CEMENT CONCRETE & AGGREGATES AUSTRALIA

MEMBERSHIP

FOUNDATION MEMBERS

 <i>Adelaide Brighton Ltd</i>	 Boral Australia	 Cement Australia Pty Ltd
 Hanson Australia Pty Ltd	 Holcim (Australia) Pty Ltd	

WESTERN AUSTRALIA

ORDINARY MEMBERS

Flyash Australia Pty Ltd Fulton Hogan Industries Lime Industries Pty Ltd	Pilatti Bros Transport Ransberg Pty Ltd T/a WA Premix and WA Bluemetal Urban Resources Pty Ltd	
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ASSOCIATE MEMBERS

Concrete Colour Systems Concrete Waterproofing Manufacturing Pty Ltd T/a Xypex Australia	GCP Applied Technologies Sika Australia Pty Ltd Westrac	
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