


City of Canning

Submission to Waste Reform Consultation Papers

D20/46037



The following Submission was considered and endorsed by Council at the City of Canning's Ordinary Council Meeting held Tuesday, 16 June 2020.

CITY OF CANNING SUBMISSION TO WASTE REFORM CONSULTATION PAPERS

The City of Canning ('the City') appreciates the opportunity to provide feedback on the Department of Water and Environmental Regulation's ('the Department') release of the Waste Reform Consultation Papers '*Review of the Waste Levy*' and '*Closing the Loop: Waste Reforms for a Circular Economy*'.

'REVIEW OF THE WASTE LEVY' - CONSULTATION PAPER

The City's position on the paper is summarised below –

The City is of the view that the waste levy should be an important economic instrument in encouraging waste avoidance and diverting waste from landfill.

The City regards the funds collected through the waste levy to be a source of investment by Government to enable improved strategic waste management and resource recovery in Western Australia.

Although the waste levy is an important economic instrument in reducing waste sent to landfill, any increase(s) in the levy should be considered as one measure in a suite of measures to improve waste management within Western Australia.

The Department should ensure that their action interventions support and enable appropriate and complete markets and materials for resource recovery, in line with a circular economy approach.

Waste Levy Outcomes

The City considers the following to be key outcomes achieved by a waste levy:

- a) Waste avoidance is encouraged.
- b) Waste sent to landfill is reduced, as landfill disposal becomes economically less viable than recovery alternatives.
- c) A source of funding that should be fully reinvested to support and enable resource recovery infrastructure, technologies and initiatives that support outcomes relating to the State Waste Strategy 2030.
- d) Certainty and security of feedstocks for advanced technology are provided, through the redirection of waste away from landfill, with appropriate markets for these materials.

Waste Levy Rate and Schedule

The waste levy rate and any future increases should take into account the beneficial recovery and reuse opportunities that exist, and avoiding unintended consequences (such as stockpiling) that may arise if financially viable opportunities for recycling and recovery are not emerging.

Feedstocks need to be secured, supply chains arranged, a pipeline of works need to be established, and markets need to be developed to provide appropriate alternatives to landfill where possible.

Waste related investments require certainty, and a waste levy schedule providing a program of waste levy variations and over a 10 year timetable (aligning with long term financial planning) would provide Local Government and industry confidence to act and/or invest based on this schedule. However, this needs to be balanced with the rate of change occurring in the sector, and market circumstances which might occur before the end date of the schedule, which may allow for adjustments in waste levy variations if required.

Waste Management Options to be Levied

- Waste to Energy
In line with the objectives of the State Waste Strategy 2030 and the levy's purpose as stated in the *Waste Avoidance Resource and Recovery Act 2007*, the City does not support the application of the waste levy to Waste to Energy (WtE).

Applying the levy to WtE will change the economics of the project, which requires commercial stability and the commitment of long term capital. The contractual commitments entered into by participants prior to the release of the State Waste Strategy 2030 will require consideration by the Department in any decision to change the economics of WtE.

WtE is a legitimate solution to diversion from landfill by recovering energy from residual waste. The City is committed to investigating a best practice kerbside waste collection service as part of our Strategic Waste Management Plan. The City's commitment involved in sending its residual waste to WtE will provide one avenue for the City in achieving the State Waste Strategy 2030's objective of no more than 15% of waste sent to landfill by 2030.

Other Improvements to the Waste Levy

- Waste Levy Hypothecation – Degree and proportion of investment
Based on publically available information, the City understands only 25% of the waste levy is currently allocated to waste and resource recovery initiatives, which includes staffing and resourcing of the Department.

The City's support for the waste levy is predicated on 100% of the funds being returned to Local Government and industry to support further strategic waste management, progress towards a circular economy, resource recovery services and associated infrastructure. Funds should also be used to develop a local remanufacturing sector which would reduce the need to export recyclable commodities, in line with the pending export ban, and as part of a circular economy approach.

This will provide confidence and the market signal to invest in new waste management and recycling infrastructure and technology.

A thorough assessment process should be undertaken to ensure that waste levy funding is given to projects that will deliver effective outcomes that meet the objectives of the State Waste Strategy 2030.

‘CLOSING THE LOOP – WASTE REFORMS FOR A CIRCULAR ECONOMY’ - CONSULTATION PAPER

The creation of a circular economy in Western Australia requires significant progression of local recycling and improvements to material recovery, as well as a plan for complete and competitive markets for materials and resource recovery.

The City’s position on the paper is summarised below –

Chapter 7: Aligning the *Environmental Protection Act 1986* with waste avoidance and resource recovery objectives.

The City broadly supports the intent of strengthening and streamlining of the *Environmental Protection Act 1986* to include reference to the waste hierarchy, the circular economy and key resource and recovery objectives, and that key waste objectives are integrated into environmental protection legislation, in line with Option 2 set out in the Consultation Paper.

In proposing any legislative amendments, the Department will need to ensure the scope and implications for Local Government are clear, and clarification is needed to understand the exact intent of the amendments.

Chapter 8: Clarifying the application of the waste levy.

The City supports Option 2 in the Levy being applied to waste received at relevant premises and reducing levy avoidance by capturing waste materials being stockpiled. This position is subject to suitable definitions for stockpiling being developed.

More clarification is needed from the Department as to how this arrangement would work in a practical sense in a facility such as a Waste Transfer Station, where mixed loads are weighed on receipt (entry) into a Waste Transfer Station, but are then sorted and sent for resale, reuse, recycling or landfill. Challenges would be experienced by a facility such as a Waste Transfer Station in applying the levy to a mixed load received and weighed on entry.

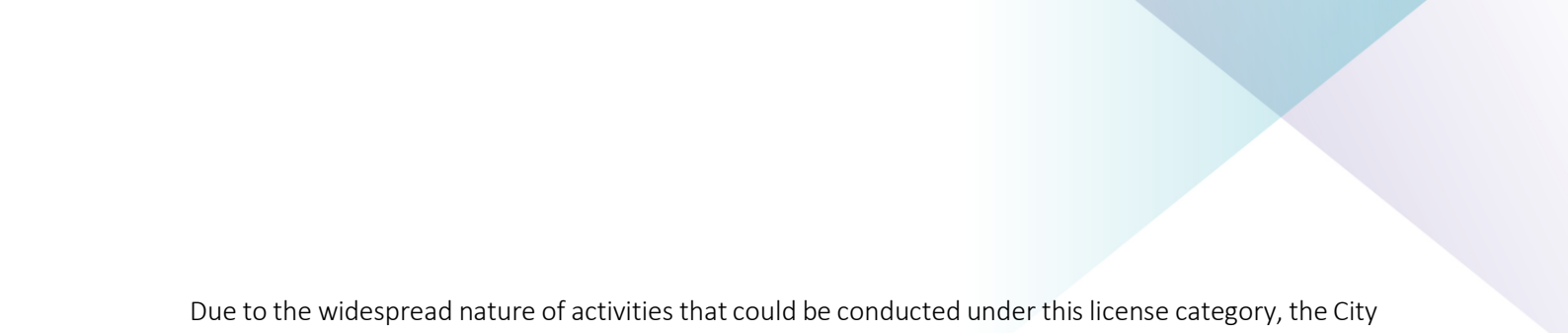
The City also requires more clarification on the administrative process involved in paying a levy on receipt at a waste facility, which is then later transported to a landfill facility for disposal where the waste levy would also be payable. The City seeks to understand the provisions for an exemption or rebate under this system. Careful consideration needs to be given to the application of a differential levy and how that might be administered in a streamlined way.

More clarification is needed from the Department on when materials are considered a waste (understanding this is out of scope for this particular Consultation Paper).

Chapter 10: Simplifying the solid waste licensing categories.

The City supports Option 3: Merging solid waste categories and used tyre storage into one category.

The City currently operates a Waste Transfer Station, licensed under Category 62 (solid waste depot). It has been proposed by the Department that the Waste Transfer Station’s license is amended to Category 61A (solid waste facility), as this current description more closely aligns with the activities of the Waste Transfer Station than Category 62. The City does recognise however that the terminology for both categories is outdated and irrelevant, where neither accurately describe the activities of a Waste Transfer Station.



Due to the widespread nature of activities that could be conducted under this license category, the City recommends that within the category of license, that controls and thresholds specific to the operation of that facility are put in place, rather than the category of license determining the particular controls. This can be covered under the development clear guidance that is aligned to the current planning and industry terminology.

Chapter 11: Minimising stockpiling at waste storage premises.

The City's view is this particular point can be addressed via the licensing system and via controls outlined in Chapter 8: Clarifying the application of the waste levy, and no legislative amendments are necessary.

Chapter 13: Improving solid waste reporting from waste facilities.

The City broadly supports the intent to improve solid waste reporting data and accuracy. However, the mass balance method proposed in the Consultation Paper does not detail that waste data regarding where the waste has been generated from will be captured.

The City's view is that the outcome of newly introduced reporting changes should be realised before a new reporting regime is introduced.

Chapter 14: Compliance and enforcement measures for waste.

The City broadly supports compliance measures to address unlawful waste disposal. Enforcement measures needed to be supported by appropriate resourcing to ensure enforcement action is carried out.