

1. Use of the Waste Levy as an Economic Instrument

Need to consider the economic climate residents find themselves in whilst the country/world is navigating their way through the COVID-19 pandemic. In the last 4 months the economic outlook changed for many as they fell into hardship. Any increase of the Waste Levy or implementation of additional levies cannot be borne by seemingly “faceless” local governments, but in reality will be passed onto residents, the Mum’s and Dad’s of our community. The capacity to pay needs to be considered.

Consideration should be given to return to spending 100% of the Waste Levy on Waste related projects and create the infrastructure/markets for recycling/recycled products. Make it easy, attractive and affordable for Western Australians to recycling and the “stick” approach will not be necessary at all.

2. Consultation Questions

Chapter 2 - Objective of the waste levy

It has never been more important for custodians of the WARR account to plan strategically and work towards sustainability solutions for reuse and recycling in Western Australia than right now. It is not cost effective for Western Australia to share in recycling facilities over Eastern States as the cost of transport of waste products to Eastern States are unsustainable.

The levy’s purpose was stated as:

- *Influencing waste management practices, including reducing waste to landfill, by increasing the price of landfill disposal*

There is success with this aspect as landfills are focusing more on recycling in order to reduce levy liability. Subsidised programs such as Household Hazardous Waste & paint-back is contributing to motivate residents to drop off these items amongst others, especially when it is done at no charge to the resident.

- *Raising funds to support waste-related programs, which have the effect of reducing waste to landfill.*

More investment is needed in recycling infrastructure and programs that will create markets for recyclable products.

When focussing only on the “front end” of the waste process the “back end” is neglected and that is when stockpiling options are being pursued.

Chapter 3 - How the levy can help achieve the objectives of Waste Strategy 2030

By spending more than approximately 9% of the total Levy collected on programs/projects that will have a permanent long-term impact.

By completing and promoting a full life cycle and business case for promoted programs. Although not part of the scope of this consultation it needs to be noted that for example on the FOGO program the full business case should be developed and promoted and not just focus on the collection of FOGO without considering processing, the quality of the product and markets for this

product. In other words, the full life cycle, because that is what councils need to consider with implementation.

Chapter 4 - Rate of the levy

As stated before, levies is passed onto residents via their annual rates notices as well as through landfill usage fees. Levy rates and the increase in levy rates should not be based on or follow other States. WA is unique in its isolation and has to develop its own infrastructure and markets to deal with recyclables.

Levy increases will also lead to the increase of illegal dumping – a cost that will have to be borne by residents as well.

Chapter 5 - Setting future levy rates

A five year levy forecast should be the minimum as this could be used for financial planning. Large increases should be avoided to allow communities to adjust and plan new waste programs that could lead to diversion from landfill.

Chapter 6 - Geographical area of the levy

There is a distinct risk in applying the levy to landfills outside the metropolitan area. Smaller, remote communities will not be able to afford recycling infrastructure that may be available in the metropolitan area nor the transport cost to get their recyclable products to the nearest processing centre.

Measures are also needed to prevent levy avoidance by companies transporting waste from the metropolitan area to landfill outside of the metropolitan area where lower or no levy is paid.

Chapter 7 - Waste management options to be levied

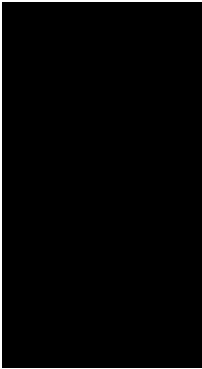
There is no support for the Levy to be applied to waste delivered to licensed premises such as material recovery facilities, green waste processing facilities and alternative waste treatment facilities.

Prior to the release of the Waste Strategy in February 2019, a number of Local Governments had already entered into long-term arrangements that committed their entire household municipal solid waste tonnages to proposed energy recovery facilities. The views of the WALGA consultation paper is supported and it must be noted that some contractual arrangements started as far back as 2013.

Chapter 8 - Other improvements to the waste levy

By itself a levy is not truly effective as an instrument for achieving waste reduction practices in either the commercial or private sector. If utilised in conjunction with other forms of management such as policies, industry best practice guidelines, awards and incentives it can then leverage a greater response to achieve a goal set by the Waste Strategy 2030.

Should the levy be the same across the sectors or should private industry (like the mining and construction industries) pay more as they are directly benefitting from the waste generating practices? Should local governments be given a lower rate or a different type of payment schedule? Should local government have an offset option instead of paying levy, can they offset it by introducing high-end recycling opportunities for the community?



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