

## Response ID ANON-BMZD-WHEW-8

Submitted to Review of the waste levy  
Submitted on 2020-06-09 16:13:43

### Introduction

#### Your Details

1 What is your name?

Name:  
Western Metropolitan Regional Council

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.:  
Western Metropolitan Regional Council

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?

#### 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?

WMRC concurs with WALGAs statement that the Waste Levy is a blunt policy instrument where very little of the proceeds return to the Local Governments whose ratepayers fund it. WMRC Member Councils have limited ability to decrease the impact of the Waste Levy on their ratepayers; their only policy levers are moving from GO to a FOGO system, decreasing the size of residual waste bins and undertaking effective waste education. The WMRCs view is that a higher proportion of Waste Levy funds should be hypothecated to waste matters and directed to:

a. strategic waste management issues such as ensuring that waste infrastructure is optimally planned and used and that waste is efficiently transported and

- b. Local Governments as they move towards the targets of the Waste Strategy 2030. This is particularly important in the light of current market conditions depressing the recycling market and the investments required by Local Governments in successfully transitioning to a FOGO system.
- c. Support for processing and product marketing activities for recycled product

## Rate of the levy

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

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### 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?

### 3 Please provide information on potential impacts which may result from increasing the waste 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?

## 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?

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## 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?

### 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?

In the event of DWER extending the Levy area beyond the Metropolitan area, WMRC concurs with WALGA around 100% hypothecation, investment in transport and infrastructure and cost recovery and in addition considers that it would be inappropriate to apply these provisions to non-Metropolitan councils were they not also applied to Metropolitan councils.

### 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?

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

WMRC notes that the waste levy is a factor influencing Waste to Energy pricing. It is likely that any levy increase will be matched by the Waste to Energy operators thereby placing upward pressure on the price to Local Governments of any residual waste disposal. This would occur even if a levy were not placed directly on residual waste directed to a Waste to Energy facility.

Although the facilities' licence conditions state that only residual waste from a better practice source separation system (ie FOGO) may be accepted for Waste to Energy, there is an opportunity to apply a levy to a proportion of residual waste which has not been derived from such a system (or system in transition to Better Practice source separation).

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

In the light of all these points WMRC notes that a dramatic increase of the Waste Levy will place a almost entirely unavoidable and inordinate burden on Local Governments.

### 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?