



15 July 2020

Project Manager
Waste Avoidance and Resource Recovery
Department of Water and Environmental Regulation
Locked Bag 10
JOONDALUP DC WA 6619

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

Re: Review of the waste levy

SUEZ welcomes the opportunity to contribute to the consultation on the DWER's Review of the Waste Levy and we value our involvement in the Waste Reform Advisory Group.

SUEZ is a global resource management leader. As experts in water and waste management, our team provides solutions that supply seven million Australians with safe drinking water and divert 1.2 million tonnes of waste from landfill every year.

In Western Australia, we have a significant investment in waste management infrastructure including our Materials Recycling Facility at Bibra Lake which recycles 115,000 tonnes of products per year, our highly engineered landfill and organic resource recovery facility at North Bannister and our Medical Solutions Centre in Welshpool.

As part of the Waste Strategy 2030, SUEZ supports the West Australian Government's commitment to review the scope and application of the waste levy, which will ensure the state continues to reduce the waste disposed to landfill whilst increasing resource recovery across the state.

Incentivising higher order resource recovery in the Australian waste industry will require the setting of an appropriate higher waste levy supported by a stable regulatory and planning environment. SUEZ also considers that a higher proportion of waste levies should be re-invested by the government in innovation, education and to stimulate the state's recycling industry.

The ideal solution would be a national, harmonised approach to waste levies that would deter the interstate transportation of waste. SUEZ encourages an ongoing dialogue with other jurisdictions to achieve this to ensure that the industry can appropriately plan and prepare for a potential levy increase.

In responding to DWER's consultation, SUEZ would like to raise the following issues requiring further investigation by the department.

- SUEZ believes an increase to the daily cover percentage allowance should be considered. The current 8% allowance does not adequately reflect the actual cover placement required to run a best practice landfill and maintain compliance with licence conditions.
- SUEZ would like to see further protections implemented for waste operators for bad debts where levy is remitted and not received.
- A variable levy application should be considered in light of the levy amount and not simply the percentage of levy in relation to the distance from the metropolitan area.
- SUEZ does not support waste levy being imposed on energy recovery. Energy recovery is higher up the waste hierarchy than landfill disposal. A levy on energy recovery could adversely impact current project costs and may disincentivise the development of innovative waste-to-energy technology and projects in Western Australia.

SUEZ's responses to some of the questions raised in the consultation paper are outlined below.

Issue	Chapter(s)	SUEZ response
General	1-3	<p>SUEZ supports the objectives of the Waste Strategy 2030, particularly where the waste levy is used as a price signal making landfill disposal more expensive and less attractive to waste generators and managers.</p> <p>SUEZ notes the importance of reinvestment of the waste levy into industry initiatives, including the development of infrastructure, new technology, as well as education programs and initiatives focused on raising awareness about recycling, waste reduction, and circular economy principles.</p> <p>Furthermore, a balance must be struck between incentivising industry to develop recycling opportunities and disincentivising unlawful activity to avoid levy payment.</p>
Effect of levy rate	4	<p>SUEZ firmly believes that the reinvestment of levy funds is required to support the recycling industry, particularly in a time of volatility in international commodity markets and the upcoming COAG export bans.</p> <p>This support must encompass the entire economic value chain and without government support and reinvestment of waste levy in initiatives to promote and support the use of recycled material, it will remain difficult and challenging to establish new facilities in response to domestic and international waste policy reform.</p> <p>With the introduction of the COAG Waste Export Ban, work is underway to coordinate waste management infrastructure at a national level, transforming the industry to increase the amount of waste material that stays in Australia to be recycled and reprocessed into new products. Ideally, over time we would see a greater levy harmonisation across states and territories to continue to promote investment in recycling infrastructure nation-wide.</p>
Setting future levy rates	5	<p>SUEZ is supportive of setting of a waste levy in advance which gradually increases over time. This could include a similar approach to that implemented in 2015 where increases were planned yearly over five years. This will assist with pricing for medium and long-term contracts, whilst providing confidence to the industry to support investment and innovation.</p>
Geographical area of the levy	6	<p>SUEZ supports encouraging and supporting resource recovery in regional areas of Western Australia, helping to achieve the Waste Strategy 2030 targets, whilst helping to develop the state's recycling capacity.</p> <p>SUEZ supports the use of differential levy rates across metropolitan and regional areas in Western Australia. The rates must be set at a rate that ensures linehaul of waste from metropolitan areas is discouraged.</p>
Waste management options to be levied	7	<p>SUEZ does not support waste levy being imposed on energy recovery. Energy recovery is higher up the waste hierarchy than landfill disposal. A levy on energy recovery could adversely impact existing project costs and may disincentivise the development and implementation of innovative</p>

		<p>technology and projects in Western Australia.</p> <p>SUEZ supports the draft definition of residuals being developed by DWER, which should include specific definitions on residuals including "better-practice source separation process", particularly for C&I sorting.</p> <p>SUEZ currently assesses the quality of the inbound stream and employs two sorting techniques: excavator picking of resources and hand sorting resource rich streams. We believe these are currently best practice maximising recovery and staff safety and that any product of this process should be classified as residuals.</p>
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SUEZ appreciates the opportunity to provide these comments. Should you require any further information, please don't hesitate to contact me or Laura Schwark, Head of Marketing & Corporate Affairs, [REDACTED]

Yours sincerely,

Craig Barker
State General Manager Western Australia
SUEZ