

AWRE

24th August 2017



WASTE CONTRACTORS &
RECYCLERS ASSOCIATION
OF N.S.W

11 November 2008

- **NSW Government decided to increase the levy by \$10 per tonne + CPI (each year to 1st July 2015)**
- **As the waste levy increased, disposal prices also increased;**
- **These higher prices created more incentive for avoidance (legal, illegal & marginal)**
- **NSW regulations have not evolved or changed to ensure the proper collection of the waste levy**

The purpose of the waste levy

“The waste levy is an economic lever used in NSW to reduce waste to landfill and encourage recycling. By putting a price on landfill, it makes recycling more financially attractive.”

Quote from EPA to WCRA 30 May 2014

The waste levy was designed as

“An economic tool employed by the NSW Government to make recycling more attractive and encourage the NSW community to make the most of available resources which in turn improves our environment”

Quote from EPA to WCRA 11 June 2015

Waste Levy rates across NSW

Solid Waste

- Metropolitan Area \$138.20 per tonne
- Regional Regulated Area \$79.60
- Rural NSW – nil

Liquid Waste levy

- \$74 per tonne

Waste Levy – positive outcomes

- Waste Less Recycle More funding is approx. 17% levy -> \$845 million over 9 years to 2021

Diversion rates 2014/2015

- Municipal 66%
- C & I 63%
- C & D 76%

Targets 2021

70%

70%

80%

The waste levy was not designed to -:

- ✓ Provide a full levy rebate to landfills for the mining of landfilled material that was then transported to another landfill?**
- ✓ Allow landfills a full levy rebate by operating as de-facto transfer stations?**
- ✓ Allow waste transporters to collect the waste levy in their overall general pricing from waste generators & send waste for disposal at waste levy free landfills?**

Waste disposed of at NSW Landfills

- **2015/16 – estimated at 5,000,000 t**
- **At an average waste levy of \$110 per t**
- **Estimated waste levy revenue \$550 million to NSW Treasury in 2015/16**

Waste disposed at non-NSW Landfills

- **Industry estimates at least 60,000 t per month by road & rail for long distance disposal**
- **Waste levy of \$138.20 per tonne**
- **NSW waste levy avoided - \$8.3 million per month**
- **Annual loss of revenue to NSW e. \$100 million**
- **EPA online tracking of > 10t to interstate disposal from 1 March 2015**
- **Is everyone using the system correctly?**
- **If not, those who comply are at a disadvantage!**

Observations & issues

- **NSW is missing out on a potential waste levy \$'s**
- **In relation to the Proximity Principle & road transport, there has been limited visible regulatory action by EPA**
- **13 months after rail started, in December 2015 EPA advised rail operators of the need to obtain a depot license**
- **Those that send waste for long distance disposal, have a cost advantage over those that choose to dispose of waste locally**

Is there a problem with the NSW waste levy?

- **Allows long distance transport to lower tipping jurisdictions**
- **Encourages stockpiling of waste**

The waste industry needs-:

- **A level playing field.**
- **Regulations that provide certainty.**
- **A fair & competitive business environment.**
- **Regulations that can be enforced.**

How do we improve the system?

- Define recyclables &/or recoverable percentages;
- Re-define the Proximity Principle (national assistance will be required) to penalize waste loads transported over long distances;
- Enforce the NSW POEO regulatory requirement for rail yards to obtain depot license;
- Standards & recovery targets for facilities;
- Regulatory changes, for the levy to be paid by transfer stations & recycling facilities (only on an agreed estimated waste fraction)

NSW Waste Levy System

Allowing a collection of the levy with a transfer of money only when the levy is disposed of at a NSW landfill -:

- encourages stockpiling;
- encourages long distance transport; &
- in some cases it encourages illegal activity.

**As per NSW Waste
Regulations all waste
generators are responsible for
their waste until its ultimate
disposal.**

Question-:

**How many waste generators
actually know the ultimate
destination of their waste?**

Thanks

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