



Waste and Resource Efficiency Enquiry  
Productivity Commission

16<sup>th</sup>, November, 2005

Dear Sir/Madam,

The Waste Management Association of Australia (WMAA) NSW Branch welcomes the opportunity to comment as part of the Productivity Commission's enquiry into Waste and Resource Efficiency. The NSW Branch of the Association has over 350 members drawn from the full spectrum of waste management and resource recovery activities. The Association is the premier association for waste professionals in the waste management and policy areas. Working Groups within the Association include: Landfill, Energy from Waste, Compost, Alternative Waste Technology (AWT), AWT Derived Organic Rich Fractions (AWTDORF), Strategic Planning and Implementation Working Group (SPIG), Waste Educators, Biosolids, Young Professionals, Waste Avoidance, Resource Recovery Industry, and Construction and Demolition.

The WMAA NSW Branch notes that the current inquiry covers resources associated with solid waste, including: municipal waste including household collections, electrical and consumer goods, commercial and industrial waste, and, construction and demolition wastes. But not hazardous wastes.

The Commission is to examine and report on current and potential resource efficiency in Australia, with particular regard to six significant areas. Some general areas with a high level of agreement have been discussed at our Branch Committee level and as such, we felt it appropriate to comment specifically to the headings of the Terms of Reference of the Commission which are as follows:

**1. The economic, environmental and social benefits and costs of optimal approaches for resource recovery and efficiency and waste management, taking into account different waste streams and waste related activities.**

Numerous quality studies have compiled describing how Australia compares on recycling, and on how various recycling collection methods rate<sup>1,2,3</sup>. The WMAA NSW Branch supports an integrated approach to waste management which efficiently handles different waste streams while promoting the waste hierarchy.

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<sup>1</sup> "Recycling – How Does Australia Compare?", Compiled by Nolan-ITU and Sponsored by Visy Recycling APRIL, 2002 Ref: 3045-07-01 NOLAN-ITU Pty Ltd

<sup>2</sup> "Getting More From Our Recycling Systems: Assessment of Domestic Waste and Recycling Systems", Published by Sustainability Programs Division DEC (NSW JRG-14) March 2004 Ref: 4096-03

<sup>3</sup> "Competitor Analysis: Paper & Cardboard Alternative Processing Industry", Nolan ITU report Ref: 4061-04



Waste treatment also leads to avoidance of generation of landfill gases and leachate. Greenhouse gas from waste is one of the six sectors, where human-induced emissions are reported by the Department of the Environment and Heritage, Australian Greenhouse Gas Office<sup>4</sup>. Consequently, waste recycling and treatment leads to lower Greenhouse gas production.

## **2. Institutional, regulatory and other factors which impede optimal resource efficiency and recovery, and optimal approaches to waste management, including barriers to the development of markets for recovered resources.**

A theme of the recent WMAA NSW State Waste Conference is that resource efficiency is not just about tonnes. Quality is an important consideration when collecting materials for recycling. More may actually mean less if contamination is not kept in check. Across Australia there is a trend to meet minimal market expectations rather than endeavour to achieve the greatest value for a recyclable. Adoption of higher value producing collection methods and better market analysis would encourage higher prices which may offset some obvious collection cost disadvantages.

A significant barrier is current regulations for putrescible and inert landfills. Such regulations set the minimal standard of disposal, but do nothing to directly encourage recycling and only little to promote waste treatment. The introduction of a landfill ban of untreated waste coupled with the use of Market Based Instruments and the introduction of EPR schemes for problematic consumer goods would promote resource efficiency.

## **3. The adequacy of current data on material flows, and relevant economic activity, and how data might be more efficiently collected and used to progress optimal approaches for waste management and resource efficiency and recovery.**

Useful and reliable data on recycling is essential in guiding decision making. This is important both at the strategic State and National level and in assessing comparative recycling collection schemes at local government level.

Some past examples of successful “data” programs include the publication in NSW, from 1993-96, of a title called the “Kerbside Quarterly” produced by the Waste Policy Section of the NSW EPA. This disseminated data collected on household recycling and provided local government feedback on its recycling performance at an individual Council level. The scope of this data allowed reliable assessments of recycling to be made and promoted the advancement of recycling through informed decision making. This particular program was driven by the “Rebate Scheme” offered to Councils for recycling. No similar program is currently operating.

## **4 .The impact of international trade and trade agreements on the level and disposal of waste in Australia.**

Some members have been frustrated by licensing and treaty requirements for export of recyclables to other countries. Materials of recognised value have been landfilled as a result.

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<sup>4</sup> AGO. 2003: National Greenhouse Gas Inventory – Waste – 2003.  
<http://www.greenhouse.gov.au/inventory/2003/facts/pubs/06.pdf>.



## **5. Strategies that could be adopted by government and industry to encourage optimal resource efficiency and recovery.**

The NSW Waste Avoidance and Resource Recovery Strategy 2003, sets out goals which are strongly supported by the WMAA NSW branch. The key things that need to happen in NSW waste / resource management activity to meet strategy goals includes the following:

### Policy

- Include milestones in the State strategy with year by year, material by material objectives
- Put in place economic drivers, this will require accurate modelling and impact assessment
- Facilitate infrastructure framework from a strategic analysis of NSW's requirements
- Reinvigorate the Local Government Waste Strategy and apply it
- Consider mandatory targets with penalties that will achieve The Strategy's goals
- Local Government assistance and accountability for target achievement
- Effective operation of new SEPP for waste infrastructure
- Net benefit assessment to be included in decision-making
- KPI that is not just landfill diversion or tonnage but also incorporates value
- Stability in Government agency arrangements;
- Competition in the private sector with a level playing field

### Economics

- Reward waste avoidance activities
- Establish the optimum level of the Waste Levy
- Evaluate market mechanisms to better reflect their full cost to the environment.
- More funds from landfill levy back into waste management activity and Encourage food and green waste back to soil
- More emphasis on market development for recycle

### Environmental

- Encourage food and green waste back to soil
- Energy from waste could be implemented before landfill disposal
- Greenhouse gas implications should be considered

### Social

- Community awareness, ownership, drive, support, and incentive need to go up
- Involve community in planning process
- People should be aware of the impacts of their actions and opportunities for better actions
- Coordinated and comprehensive awareness/behavioural campaigning at State level
- Understanding of implications of high-density living



## Technological

- Identify needs and work from them, rather than technology driven per se
- Design for reverse logistics
- Fit for purpose

**6. The Commission is also requested to report on: the effectiveness of performance indicators to measure efficiency of resource recovery practices; the effect of government and commercial procurement practices on optimal resource recovery; and the impacts of government support to production and recovery industries.**

In assisting to progress the NSW Waste Strategy's goals the Association sees a need for more frequent benchmarks. Milestones are not included in The Strategy and there is some lack of clarity about the roles and responsibilities to achieve the our goals.

Planning and infrastructure support for waste management are lacking and economic drivers seem to be limited. Although the waste levy has been partially successful, hypothecation of part of this levy back to fund waste strategy goals is strongly supported. The net benefits of such funding need to be analysed and the WMAA believes this can best be done on a project by project basis.

## Conclusion

The WMAA in NSW has a recently formed working group (SPIG) which is looking in detail at waste strategic and implementation issues. We expect this working group to produce detailed recommendations in the future.

Again, the WMAA NSW Branch would like to thank the Productivity Commission for the opportunity of presenting to its enquiry. If any issues require clarification of further discussion please do not hesitate to contact us, or myself directly on 02-92882234.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Tony Wilkins'.

Dr Tony Wilkins  
Chairman WMAA NSW Branch