



February 2020

Submission to Victorian Government Inquiry into Recycling and Waste Management

From the Committee for Geelong Ltd

The Committee for Geelong (CfG) is pleased to lodge a submission to the Victorian Government Inquiry into Recycling and Waste Management. This Inquiry is an important part of how we manage and support our communities to be liveable and sustainable. The Inquiry has handed down its report in late November and this submission serves to support our engagement with Mr Meddick and comment on key areas of interest from the Committee for Geelong.

About the Committee for Geelong

The Committee for Geelong is an independent, member-based organisation that is guided by the following strategic objectives:

- to stimulate economic and social prosperity;
- to drive creativity, capability and liveability; and
- to deliver collective voice and leadership.

We work collaboratively with an authoritative group of stakeholders and influencers to deliver on our purpose of “Designing Our Best Future.” The word “designing” reflects Geelong’s designation as a UNESCO Creative City of Design and also informs CfG to take a ‘design-thinking’ approach to the development of strategy and taking action. “Our Best Future” promotes the vision for local ownership of our identity as a global city that is focused on strategic analysis and scenario planning for our long-term future.

Our members include local, national and international organisations and individuals who set aside commercial gain, sectoral interest and personal perspectives to provide a united voice on the issues facing the Geelong city-region. The CfG has a history of actively advocating to solve problems and confront challenges. We share one passion with our members – the vision of a Clever and Creative Geelong. As thought leaders, the CfG encourages innovation and debate around opportunities for Geelong.

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Engagement regarding the Inquiry

The Committee for Geelong hosted a member forum regarding the Recycling and Waste Management Inquiry on 17 November 2019 and invited Member for Western Victoria, Andy Meddick to present and take questions from our members. As part of this engagement, the Committee for Geelong and member organisation Corio Waste Management has met with Mr Meddick several times to discuss the issues in detail. On Mr Meddick's request, we are responding to the Inquiry's report.

Specific commentary on Recommendations via Inquiry into Recycling and Waste Management

The following provides an overview of our general feedback and the recommendations made and specific points of focus.

1. VCAT Decision to grant a planning permit to C & D Recycling

Introduction: Finding 1, 2

Finding 1: There is no reference to the role that VCAT has played in allowing operators such as David McAuliffe to stockpile large volumes of waste at Broderick Road in Lara. VCAT and the Supreme Court's role in the review of planning and environmental permits or licensing decisions should be limited to a procedural review of the application, not the morality of "recycling" or an assessment of technology. The consequences of VCAT or the Courts making decisions on the merits of an application is that regulatory agencies second guess themselves and make decisions that are inconsistent with their own guidelines and expectations, and more based on the likelihood and costs of an appeal.

Finding 2: In an attempt to resolve this issue, and also to address economic concerns around the cost of waste disposal, various government agencies, VCAT and the Courts have actually encouraged the stockpiling of waste by granting planning and environmental permits or licenses to facilities that did not have the capability or capacity to process waste in a safe and environmentally sound manner. This has inadvertently discouraged investment in best-practice technology and facilities.

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Sources: <http://www7.austlii.edu.au/cgi-bin/viewdoc/au/cases/vic/VCAT/2016/1207.html>

In particular [81] “Provided such industries operate within relevant regulatory requirements they should be supported to establish in locations such as the Industrial 2 Zone at Lara. We consider that on balance, there is a net community benefit in approving the recycling facility on the review site.” The Tribunal set aside the decision of the Responsible Authority (City of Greater Geelong) and granted a planning permit to McAuliffe, who had already breached planning, fire safety and environmental laws at the time this Decision was made by the Tribunal on 4 August. The permit was granted after the Tribunal proceeded with a site inspection on 15 July 2016.

<https://www.theage.com.au/national/victoria/lara-tip-operator-abandons-site-sets-sail-for-whitsundays-20180901-p5015z.html>

The sections of this article titled “A preventable mess” and “Final chapter”

Further example include the recent VCAT decision regarding Stacey’s Road, Lovely Banks

<http://www7.austlii.edu.au/cgi-bin/viewdoc/au/cases/vic/VCAT//2020/92.html>

2. Requirement for councils to tender out waste services (and requirement for in-house council bids to be evaluated against private sector bids)

Waste and resource recovery infrastructure: Recommendation 33, 34, 35

Recommendation 33: It is the responsibility of councils to establish their service needs and tender out the collection and disposal of municipal solid waste. The industry can work out economies of scale and infrastructure requirements that meet these needs.

Recommendation 34: It must be understood that moving away from traditional landfills towards alternative disposal methods will significantly increase the cost of waste disposal.

Recommendation 35: A similar scheme called “Green Star”, run by the Green Building Council Australia, incentivises the “minimisation of the amount of building waste that is disposed to

landfill” and is what led to Broderick Road in Lara Victoria. Victoria does not have the capacity to process large volumes of building waste, the market for recovered products is too small and many commercial builders are simply not prepared to pay for responsible waste disposal.

Sources: <https://www.governmentnews.com.au/27042/>

<https://www.mrw.co.uk/latest/esa-backs-outsourcing-as-half-of-council-waste-contracts-up-for-grabs/10029896.article>

<https://environmentjournal.online/articles/councils-should-outsource-its-waste-and-recycling-services-says-report/>

3. Adjusting (increasing) the landfill levy in Victoria

Victorian Overview – Findings 3, 4, 5, 9, 10 : Recommendation 7, 8

Finding 3 and Finding 4: The excessively high levy in New South Wales has not resulted in higher recycling rates, led to more innovation or increased investment in advanced waste treatment technologies, in comparison with other states (Table 2.4). In fact, it could be argued that Western Australia, which has a \$70 per tonne waste levy, is investing more in advanced waste treatment technologies than any other state. How can this be explained if the objective of a waste or landfill levy is to reduce or avoid landfill disposal and increase recycling by encouraging investment in waste treatment? Further, the incentive for waste to be transported to Victoria from other states is caused by a differential levy in metropolitan and rural areas. For example, the levy for commercial and industrial waste in metropolitan New South Wales is \$143.60 per tonne in 2019-20 and \$82.70 in rural areas, whereas the comparable levy in rural Victoria is currently \$57.76 per tonne. This makes the long-distance transportation of waste from New South Wales to rural Victoria a more attractive option.

Finding 5: Waste collection companies, or more specifically their commercial and industrial customers, pay a much higher levy and contribute more to the Sustainability Fund than councils by a factor of approximately 3:1. The levy could be made more accessible to industry rather than councils. This could be in the form of capital grants, rebates or feed-in tariffs. It is also

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recommended that funding be allocated to the educational campaigns and awareness raising of recycling and waste management to help inform community expectations and behaviour.

Recommendation 7 and Recommendation 8: An audit must include a detailed accounting of who contributes to the Sustainability Fund (e.g., private sector, councils), how the Sustainability Funds outcomes are measured and what remedies are available to Victorian Government if expected outcomes are not met by industry or councils.

Finding 9: Makes no reference to businesses and the financial cost to the Victorian economy. The article “Let’s face it, recycling is a load of rubbish”, published in The Australian on October 3, 2017, provides opinions that have merit in relation to the issue of “community trust in councils and the recycling industry”. A link to the article can be found here:

<https://www.theaustralian.com.au/nation/politics/lets-face-it-recycling-is-just-a-load-of-old-rubbish/news-story/a987dbab72b4330a9f2f87718ec67f6e>

Finding 10: The cost of providing recycling services for councils will continue to increase as the real costs of dealing with recyclable waste products properly are established by industry.

Sources: <https://www.insidewaste.com.au/index.php/2019/06/19/sas-landfill-levy-hike-rires-some-in-industry-who-say-its-too-much-too-soon/>

<https://www.smh.com.au/environment/sustainability/nsw-waste-crisis-landfill-levy-gains-20190104-p50pp3.html>

<http://theconversation.com/the-recycling-crisis-in-australia-easy-solutions-to-a-hard-problem-95231>

<https://www.solidwastemag.com/feature/landfill-levies/>

4. A circular economy (setting minimum standards of recycled content within procurement targets for local councils)

Introduction

Recommendation 5: The government can play a role by requiring the use of waste materials or recycled products in infrastructure projects and road maintenance etc.

Sources: Mat Dickens, CEO Corio Waste Management:

“I own a tunnel composting facility in Shepparton that treats FOGO from kerbside collections in Shepparton, Moira, Benalla, Strathbogie, Queenscliff and Surf Coast. Despite my best efforts, none of these councils have ever purchased the compost we produce. The compost is high-quality and consistent and these councils purchase large quantities of compost and mulch for their day-to-day operations. This is one example of how the “circular economy” is not being met in practice.”

Municipal Waste - Recommendation 11, 13

Recommendation 11: Suggest that the Victorian Government immediately trial a container deposit scheme in a few metropolitan and rural municipalities to assess how it changes the composition of materials in co-mingled recycling bins. It may not be necessary to introduce a separate bin for glass recycling.

Recommendation 13: In addition, the Victorian Government should require councils to purchase compost and soil conditioner made from food organics and garden organics for urban amenity use (e.g., parks, gardens, recreation areas etc.).

Market Development – Recommendations 41, 43, 44, 45, 46

Recommendation 41: The final destination of material post-processing is the most important data to collect. It should be the responsibility of councils and waste and resource recovery groups to collect this data and report it to their communities.

Recommendation 43, Recommendation 44, Recommendation 45 and Recommendation 46: Many of the larger players in the industry already invest significantly into research and development of new uses for recycled products and they receive tax concessions for it. The CSIRO and universities



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receive federal government funding to do the same thing. The opportunities for the use of recycled products are well established – it is the sale of these products that is the challenge.

Councils should either be required to purchase recycled products or be provided with an incentive to do so – for example, a rebate per tonne of recycled product purchased.

Many thanks for the opportunity to submit this feedback.

If you have any questions, please feel free to contact the Committee for Geelong's CEO, Jennifer Cromarty, on Jennifer.cromarty@committeeforgeelong.com.au or T: 03 5227 8075.

Kind regards

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