

12 December 2014

ntep.consult@nt.gov.au

Northern Territory Environment Protection Authority
GPO Box 3675
Darwin
Northern Territory 0801

Dear Sir

The Australian Sustainable Business Group (ASBG) welcomes the opportunity to comment on NTs Review of the Waste Management and Pollution Control and The Litter Act.

The [Australian Sustainable Business Group](#) (ASBG) is a leading environment and energy business representative body that specializes in providing the latest information, including changes to environmental legislation, regulations and policy that may impact industry, business and other organisations. We operate in NSW and Queensland and have over 130 members comprising of Australia's largest manufacturing companies. Members were fully involved in the development of this submission and ASBG thanks them for their contribution.

ASBG strives to assist regulatory agencies to prepare more efficient regulatory process, with the outcome of achieving practical, efficient, low cost solutions to achieve high environmental outcomes.

This submission was prepared with the assistance of ASBG's Policy Reference Group and ASBG's members. Should you require further information, clarification or details on the submission please contact me on 02 9453 3348.

The issues focused on in this submission include:

- The Waste Hierarchy
- Improving Recycling and Reuse
- The Waste Levy
- Contaminated Land

Use of a Waste Hierarchy

Use of a Waste Hierarchy in legislation is of limited use. A waste hierarchy is a rule of thumb, not a rule of law. It is a guidance practice in which many examples can be found where for some wastes the hierarchy should not be strictly followed. Legislating a waste hierarchy will remove its flexibility as a general guide and many in Government and in the waste and consulting sector may enforce it literally.

Additionally, there are wide variations within Australia on the use and types of waste hierarchy. It seems each jurisdiction has its own version.

For example, the introduction of a new type of waste management practice which does not fit into the legislated hierarchy may require amendments to the hierarchy or that practice may be shunned. Energy from Waste (EfW) is commonly left off many hierarchies as is geological repository.

ASBG does not oppose the use of a waste hierarchy, but it should be in a policy or strategy document and referred to as a rule of thumb or general guidance for the management of wastes.

ASBG recommends that a waste hierarchy be only introduced as a policy or guideline, not in legislation.

Improving Waste Recycling

Improving recycling is best achieved by a waste focused Government body or agency dealing specifically with waste management.

A good example is South Australia's [Zero Waste SA](#), has achieved similar or better recycling rates than states with high waste levies, claiming 76.5% of all waste diversion from landfill in 2011-12. This was also the highest per capita recycling rate in Australia. The waste levy was \$35/t in 2012.

ASBG recommends to improve recycling the NT Government consider setting up a dedicated waste management section within EPA to promote and drive recycling and reuse.

The Waste Levy

While the levy is designed to deliver a diversion of waste its performance is poor compared to other jurisdictions, which have zero or much lower levy rates, for example in 2006–07¹:

- South Australia has the highest municipal diversion rate of 54%; NSW achieved 38% (SA had no waste levy at the time)
- Victoria had Australia's highest Commercial and Industrial waste diversion rate at (69%) where NSW has the lowest at 44%; Victoria had a levy rate of \$15/t and NSW had a levy rate of \$30.80/t.
- Construction and demolition waste in NSW was 67%, and South Australia achieved 79% with no levy.

Reasons for this are that other jurisdictions which use special waste agencies appear to have achieved better waste diversion performance outcomes and at much lower costs to businesses, industry and the public.

Other reasons the levy has not performed well considering its revenue, is its detrimental impact on the local recycling industry, in particular as paper, metal, glass and cardboard. The levy drives up these recycling industry costs. This occurs in two ways:

- 1) All recycling processes generate a waste stream to landfill. The levy has to be paid on this waste stream

¹ NSW Parliamentary Briefing Paper: [Waste: Comparative Data and Management Frameworks 2010](#)

- 2) As the levy rate increases so does the level of contamination in collected recycled feedstock. This is due to poorer quality material being presented to recyclers as a means to escape the higher landfill charges due to the levy. Costs of quality control and rejection then

Overall waste levies are a good means to raise Government revenue in an indirect manner. Local Government becomes a large collector of the levy, driving up rates. Industry and business commonly produce between 45 – 65% of the waste stream and are impacted by the waste levy.

In NSW which has the highest general levy currently at \$120.60/t rising to \$134/t has had to introduce additional regulations to deal with the market distortions caused by the levy. Many of these new administrative controls and reporting requirements impact directly on the recycling and resource recovery sectors. To prevent the large volume, estimated at 400,000 tpa of Sydney's waste being transported to Southern Queensland's landfills, a Proximity Principle restricting landfill use to within 150 kms of the point of generation of the waste.

The waste levy once introduced on the basis of supporting recycling, little of the funds are directed back to the waste sector. State Treasuries view waste levies as another means of collecting revenue. In NSW less than 18% of the waste levy money goes back to supporting recycling and waste management issues. In fact in NSW 18% is a recent high figure which for many years was less than 1%, and one year at zero.

Overall waste levies are good at raising Government revenue, but are poor at supporting waste management. Additionally, Governments find many other uses for the revenue that the levies raise which do not involve waste.

The NT Government and EPA needs to be mindful of the progress and process of waste levies, as they are in many cases another state tax which once introduced is very difficult to remove.

ASBG recommends against the introduction of a waste levy in the NT.

Contaminated Sites

Remediation of contaminated land is growing profession with its roots in the 1980s. It is an international profession with most western nations requiring the proper and effective remediation of land to specified standards.

Not having adequate legislation supporting this profession will cause future issues for the people of the NT. A key concern is the orphan sites which have been polluted and the polluters have left the NT or country. That land will remain unusable and unsellable until it has been assessed, remediated and audited. As a consequence the tax payers of NT will then foot the bill to minimise any pollutants which escape or cause environmental problems from that contaminated site.

It is a common thread in most jurisdictions to legally bind the polluter to the contamination, regardless if they have sold the site.

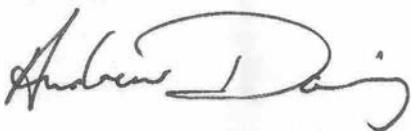
In Australia the *Assessment of Site Contamination NEPM* (ASC NEPM) is a key national legislation setting out how to assess contaminated land. The Amendment in 2013, brings the NEPM closer to current international standards and should be supported.

Use of a contaminated sites register will require legislation to enforce the disclosure of such contamination. Other jurisdictions have had some difficulty in defining what level of contamination is required to be reported, some are heavy handed. However, any land transaction should require pre-acquisition audits which will identify any site contamination. So such contamination does become found in the long run. The difficulty for the NT EPA is to identify high contaminated sites which are causing more environmental harm. If such sites are identified the NT EPA should be able to enforce or encourage voluntary remediation to a reasonable level within a reasonable time period.

ASBG recommends that contaminated sites legislation needs to be up graded in the NT to pick up the ASC NEPM and include other measures to manage problem contaminated sites and develop a register.

Should you require further details or additional explanations of the positions in this submission please contact me.

Yours Sincerely



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