

Inquiry into the Environment Protection Bill 2009 (Beverage Container Deposit and Recovery Scheme)

The Waste Contractors & Recyclers Association of NSW which represents waste management and recycling contractors in NSW is very much in favour of increasing the recovery rates of all recyclable items.

Recycling is a very beneficial and underrated way to help combat climate change, save water, natural resources and in most instances save money.

Recycling also prolongs the life of landfills, which reduces the costs associated in finding and starting new ones, usually further away from population centres.

It is our understanding that NSW has a higher recycling rate than several other states, and the NSW DECC waste levy is helping to increase these rates. Most councils have an MGB co-mingled recycling collection system, and if this was used more extensively it would go a long way to solving the current issue.

Whilst some shopping centres and commercial areas have embraced recycling there are many that have not, whilst other areas such as public events and business sectors could do a lot more to capture recyclables and use existing materials recovery facilities more fully.

The current domestic system of collecting commingled recyclables is highly efficient, and any new system would have to be managed very well in order to be environmentally sustainable. That is, more vehicles and infrastructure to collect containers through a second system would be a partial duplication and more than likely it would result in a net negative impact on the environment. However if we aim to better utilise the current collection and processing facilities then there would be further economies of scale and a win-win for Councils, ratepayers and the environment.

We believe that the main issues around Container Deposit Legislation (“CDL”) are:

1. There is a risk of duplication of current collection methods, which reduces economies of scale of existing domestic recycling collection.
2. Reduction of containers in the mix of domestic recyclables will most likely increase the cost of domestic recycling, as this saleable resource currently helps to offset the costs of collection and processing of recyclables.
3. There exists a mature, efficient and cost effective system for both the collection and processing of domestic recyclables. To dismantle this

system would have severe implications for the whole of the waste industry, from collection contractors and Material Recycling Facility (“MRF”) operators to the end processors.

Impact on operations in any given Local Government Area

Depending on the extent of any new legislation, and the way it impacts on resident behaviour, we could see a reduction in the volume of containers collected through the domestic system, which would affect the cost of the service.

For example, in 2007 the MRF at West Dapto processed more than 25,000 tonnes of recyclables.

Of this, around 8,600 tonnes was glass (beer & soft drink bottles and jars), and 90 tonnes was aluminium (mostly cans), almost 500 tonnes was PET (mostly soft drink bottles).

In short, if these items were to be mostly removed from the domestic system, costs would not be offset by revenue from the sale of these resources, and so charges to Councils would most likely be higher over time.