

Our reference : ED08/562
Contact : Tim Rogers (02) 9995-6495

The Secretary
Senate Standing Committee on
Environment, Communications and the Arts
PO Box 6100
Parliament House
CANBERRA ACT 2600

Dear Mr Palethorpe

NSW Submission to Inquiry into the management of Australia's waste streams


Please find attached information from the NSW Department of Environment and Climate Change (DECC) that may assist the Senate Standing Committee in its deliberations relating to the Terms of Reference for this Inquiry.

Many aspects of the Terms of Reference encompass issues that DECC addressed in its submission to the Productivity Commission Inquiry into Waste in 2006. I have attached this submission for the Committee's reference. In addition, the 2007 NSW Waste Avoidance and Resource Recovery Strategy is provided since it provides updated performance and waste data for NSW.

A number of additional points relating to the Committees Terms of Reference are also addressed briefly in Attachment 1.

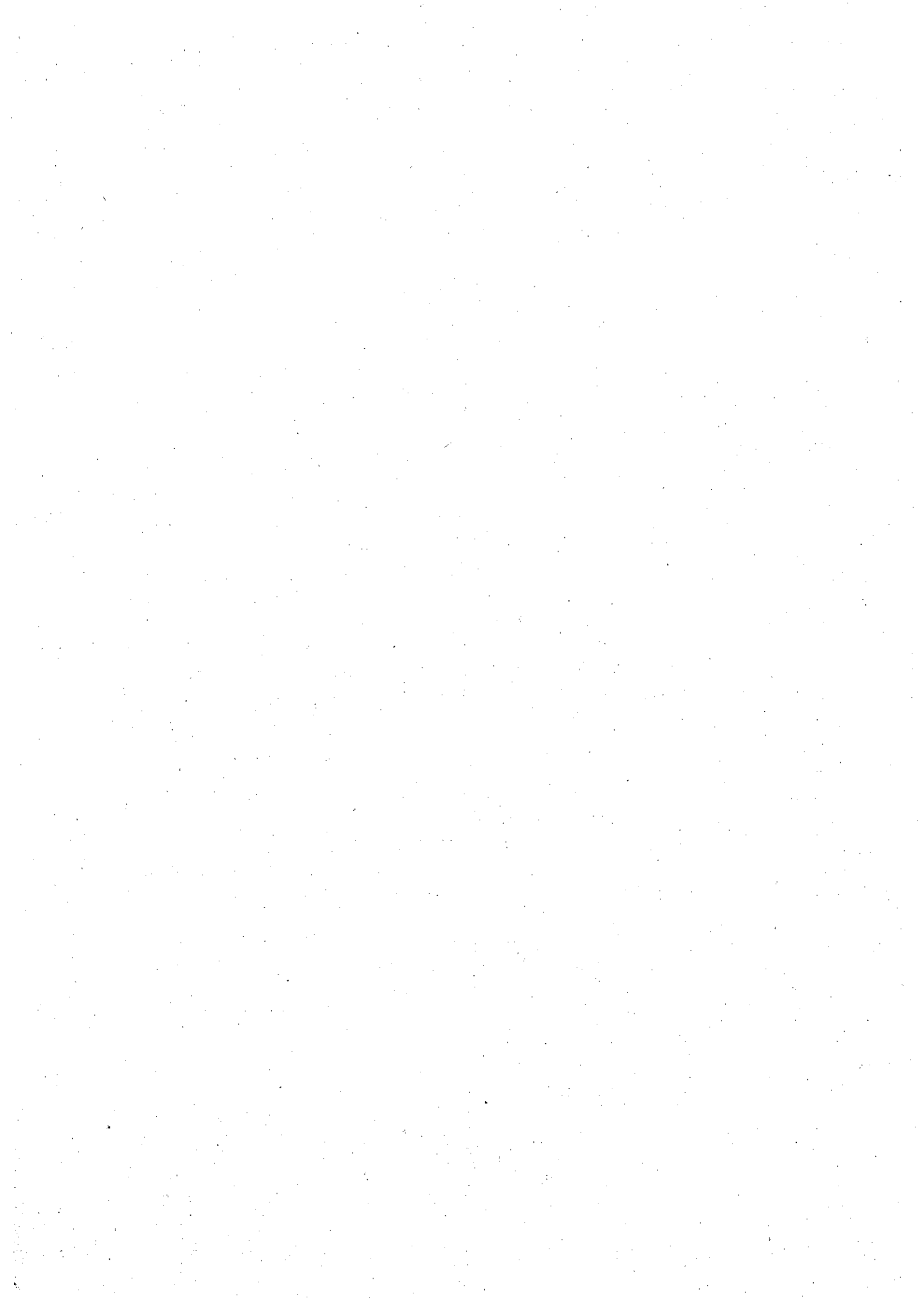
I look forward to the outcomes of this Inquiry. If you need to follow up on any of these issues, please contact Tim Rogers on (02) 9995 6495 or tim.rogers@environment.nsw.gov.au.

Yours sincerely

 16/5/08
SIMON A Y SMITH
Deputy Director General
Climate Change, Policy and Programs

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**Additional Comments on Committees Terms of Reference from Department of
Environment and Conservation**

TOR (b) effectiveness of existing strategies to reduce, recover or reuse waste from different waste streams

NSW Waste and Environment levy

Among the suite of educative, regulatory and policy tools used by the NSW Government to drive waste avoidance and resource recovery, the waste and environment levy (the levy) is a key economic instrument used to stimulate innovation and investment in the resource recovery and recycling industries.

The levy is collected by landfills on behalf of the NSW Government from waste generators. It is paid on each tonne of waste generated across the greater Sydney region. The levy makes disposal to landfill more expensive relative to alternatives and encourages the return of resources back into the productive economy of NSW.

NSW has seen a significant increase in resource recovery technologies and infrastructure over the last 10 years. Industry has been highly supportive of the levy's contribution to making investment in resource recovery financially viable.

The levy encourages innovation and helps people to think of alternatives to landfilling, by making resource recovery more competitive with landfilling. NSW industries and councils are currently leading Australia in investment in alternative waste treatment technologies. The levy provides the economic framework to make these technologies viable. In addition to the two alternative waste treatment plants for mixed municipal waste that are already operating in the Greater Sydney Region, DECC is aware of seven proposals for new alternative waste technology facilities currently being constructed or in planning. Two of these are anticipated to commence operations during 2008/09 and more are expected in the future. This is a positive move towards a sustainable community, reducing waste to landfill, decreasing greenhouse gas emissions and replacing virgin resources with recycled product.

TOR (c) potential new strategies to reduce, recover or reuse waste from different waste streams

An integrated approach to waste linking it in with broader issues such as reducing our ecological footprint and tackling climate change

It is timely to connect single environmental issues such as waste within a broader sustainability context, including the contribution that each one can make to greenhouse gas abatement and climate change.

Waste issues remain a key component of this debate. Reducing consumption, waste avoidance, increased recycling, improved product design and less disposal are all key components that can contribute to our overall sustainability, including climate change. However, business, local governments, government agencies and the broader community

are all seeking a more holistic approach and NSW is adapting many of its programs to deliver this. See also TOR (e) below.

Resource Recovery Exemptions framework

On 28 April 2008 the NSW Government introduced a new and innovative regulatory mechanism (POEO (Waste) Regulation 2005) to drive further reuse of waste and waste derived substances in land and thermal applications. This mechanism enables waste or waste derived materials to be released from the waste regulatory framework where those materials are assessed as being low risk and 'fit for purpose' in land and thermal applications.

This is another example of the Government's use of its policy tools to provide those pursuing genuine resource recovery opportunities a chance to establish their bona-fides in the market. This approach also provides a consistent regulatory target for businesses in resource recovery to aim for.

TOR (d) the economic, environmental and social benefits and costs of such strategies

Resource Recovery Exemptions framework

The Resource Recovery Exemptions framework ensures that only waste fit for purpose is used in land and thermal applications and contaminated material is managed appropriately to avoid adverse environmental and human health impact.

The NSW Government has worked in collaboration with industry to develop this framework, recognising resource recovery and alternative energy are two substantial ways of reducing the NSW carbon footprint. This mechanism also provides certainty for those that wish to market or use waste derived materials, and will ultimately see more resources being recovered and less going to landfill. The economic, environmental and social benefits of such strategies are significant.

TOR (e) policy priorities to maximise the efficiency and efficacy of efforts to reduce, recover or reuse waste from different waste streams

The recent reforms maximise the NSW Governments efforts by providing the policy and regulatory framework to help reduce, recover and reuse waste.

Reducing the amount of biodegradable waste going to landfill will deliver direct climate change benefits from limiting the methane that would be produced when such waste breaks down in landfills. Landfills account for 90% of the waste sector's emissions due to the generation of methane from the decomposition of biodegradable wastes. Currently NSW landfills emit approximately 5.4Mt of CO₂e per annum which is projected to increase to approximately 6.1Mt by 2050 without intervention.

The waste sector is well placed to offer substantial opportunities for low-cost, near-term abatement of emissions. Implementing measures that ensure that waste does not end up in landfill to begin with need to be considered in addition to gas capture. These measures

dovetail with the current NSW waste hierarchy that prioritises waste avoidance and resource recovery over disposal.

TOR (f) consideration of the Drink Container Recycling Bill 2008

The Committee should note that at its April 2008 meeting, the Environment Protection and Heritage Council (EPHC) agreed to work being undertaken to conduct an assessment of potential options for national measures to tackle packaging, including container deposits, to address resource efficiency, environmental impacts and the reduction of litter from packaging wastes such as beverage containers.

For some time, NSW and other states have supported a national approach, agreed with industry, to deal with all packaging, including paper, cardboard, food and drink containers and distribution packaging. In 2005, all Governments around Australia signed the National Packaging Covenant which runs until 2010. A 65% packaging recycling target was set for 2010 as well as other targets.

But in entering into this agreement, governments made it clear to industry that if the Covenant does not deliver, they would be looking at other options to manage packaging. EPHC is also awaiting for the results of a mid-term review of the Covenant, due at the end of 2008. This review will give all jurisdictions a clear picture of whether the Covenant is working. However, to ensure we are well prepared, NSW supported the additional investigation into packaging mentioned above. This will include investigation of the merits of a national container deposit system, taking into account the South Australian experience and also the results of investigations in Western Australia and Tasmania including the merits of container deposit systems. Earlier work undertaken by NSW and referred to EPHC in 2002 is also available.

