



SITA Australia Pty Ltd
ABN 70 002 902 650

Corporate Office

Level 3, 3 Rider Boulevard
Rhodes, Sydney
NSW 2138
Australia

PO Box 3500, Rhodes Waterside
Sydney
NSW 2138
Australia

Phone: +61 2 8754 0000

Fax: +61 2 8754 0199

Email: Australia@sita.com.au

23rd May 2008

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

Dear Secretary,

Please find enclosed SITA Environmental Solutions' response to the Senate Inquiry into The Management of Australia's Waste Streams.

This submission reflects our company's views on waste in Australia.

There have been a number of recent inquiries into waste in Australia particularly the recent Productivity Commission inquiry of 2007 and the NSW Parliamentary Inquiry of 2007.

Rather than duplicate the effort I attach the relevant SITA submissions to these inquiries and in the case of the NSW submission invite you to extrapolate the general principles nationally.

In summary;

- Australia does not have a national waste strategy and the last overarching policy framework was 1995. The country needs a coherent waste policy linking issues of climate change, waste targets, Extended Producer Responsibility, planning and infrastructure together.
- A key focus of waste policy must be the 15 million tonnes of greenhouse gas emissions the sector contributes to Australia's emissions profile.
- The single biggest contributor is Organic waste to landfill and a number of market based and regulatory instruments are available to limit organic waste disposal to landfill
- The waste industry can not only reduce its own emissions profile but through improved recycling rates could abate more than 35 MT of CO₂e emissions (refer attached Warnken report).

- Reducing Australia's emission profile through better waste management can be done at very low marginal cost, estimated at \$0 -\$30 per carbon tonne through three actions:
 - improved landfill gas capture on existing landfills
 - reducing the amount of organic waste disposed to landfill
 - significant improvements in Australia's recycling rates
- Market based instruments (MBI) and regulation drive waste and recycling reform in Australia. Unfortunately MBI implementation varies widely across the country. NSW imposes a \$46 per tonne landfill levy, Vic \$11, SA \$22, WA \$6, QLD \$0, Tas \$0 and NT \$0. The level of hypothecation of these funds also varies widely from 10% to 100%. This should be rationalised with higher levels of hypothecation directed towards delivery of national and state waste targets and strategies.
- Current State Landfill Diversion Targets are useful as guidelines but they need to be specific, achievable and measured annually. They should become mandatory.
- There is a lack of uniformity in the standard of operation of landfills particularly between rural and metro areas which undermines the credibility of this disposal method and creates a competitive disadvantage for the more professional operators
- Full cost accounting should be implemented for all landfill operations to ensure that all costs are incorporated into gate fees including post closure remediation, leachate control and gas extraction
- The waste levy is the most significant MBI at present and the recent increases proposed are welcomed
- The levy acts both as an economic driver and as a source of funds for waste infrastructure and reform programs. However hypothecation rates for the levy should be progressively increased to support the State Waste Strategy
- Landfill levies should be applied across regional as well as metro areas
- Waste planning needs major reform with key priorities being to define waste and resource recovery separately, to implement specific waste policies which create the right market and planning regime for resource recovery infrastructure
- EPR schemes are an important albeit small part of an integrated waste strategy (refer attached Green Capital .ppt presentation). They will never cover significant waste streams as the application of EPR is restricted to specific streams with a known generator and specific commodity type

I also attach a summary .ppt document showing the high rates of increase in waste generation and the lack of achievement of significant reductions in waste to landfill. These are based upon published EPA data.

They point to the need for significant government intervention into the waste market in Australia and the need for an overarching Federal strategy for waste.

I would appreciate the opportunity to brief the Inquiry in due course.

Yours Sincerely,



Mike Ritchie
National General Manager, Marketing & Communications