

Victorian Local Governance Association – Recyclable Waste

Key message:

The VLGA is disappointed with the lack of coordinated action by all levels of government to tackle waste management in the wake of the recent ban by China on low grade recyclable materials. Many councils are at crisis point, faced with the unenviable options of passing on costs to ratepayers or having their recyclable waste sent to landfill.

The VLGA remains committed to working with the other two tiers of government and other stakeholders to find a sustainable solution to waste management. We want to see urgent action and resources allocated to develop a holistic waste management policy for the benefit of all Australians.

Background

Prior to the ban, recycling companies picked up kerbside recycling for councils. They would sort material and sell them to overseas buyers and councils often received a share of their profits.

Earlier this year, China banned the importation of some types of recyclable waste.

Recycling companies now face three options: employ more people to ensure that higher grade material is sent to China, refuse to take the material, or increase their collection fees.

Councils have been forced to absorb or pass on increased costs to residents. The Victorian Government provided [\\$13 million](#) in council assistance until 30 June 2018, after which councils will be required to meet the increase in recycling costs.

VLGA response

The VLGA consulted with member councils on the issue of waste management. This has resulted in the [VLGA communique](#), which stated:

The current business model of exporting our waste is flawed and not sustainable. Councils would like to explore a range of options in tackling waste, they include:

- *Incentives and measures to support councils to work with residents to reduce waste, including reducing recyclable waste from households;*
- *Fast-track of roll out of organic recycling to reduce the amount of waste going to landfill;*
- *Increase capacity of local waste management initiatives such as regional waste to energy plants*

Councils cannot do this on their own. However, they are keen to work with the state government in exploring and implementing these options. To do so, the VLGA calls on the state government to use the accumulated fund from the Land Fill Levy to explore and implement sustainable solutions to waste management.

Landfill Levy and Sustainability Fund

Councils currently pay between [\\$30 and \\$60 per tonne](#) for the [Landfill Levy](#). This levy is designed to discourage and divert waste going into landfill. Money collected from the levy contributes to the Sustainability Fund to support “[businesses, local governments and communities through a range of waste management, recycling, resource efficiency and climate change programs](#)” Interest groups are actively lobbying the Victorian Government to re-think the way the Land Fill Levy and Sustainability Fund are used.

Waste to energy

Victoria generates about [12 million tonnes](#) of waste per annum, projected to increase to more than 20 million tonnes by 2046. A recent [report](#) into opportunities for waste to energy in Melbourne’s west indicated that there is broad support for waste to energy as an alternative to landfill in Melbourne, shared by industry, local government and community stakeholders.

Community and local government consultation emphasised the need for the Victorian Government to address issues of waste generation through improved education, reuse and increased recycling. Residual treatment such as waste to energy was referred to as

the last resort. Industry and local government highlighted the relative high cost of waste to energy (\$80-\$100 per tonne) as a critical barrier.

At present there are a limited number of waste to energy facilities in Australia, none of which are processing residual household waste at a considerable scale. There are a number of small to medium waste to energy facilities in Victoria.

Meeting of Environment Ministers

In early May, Commonwealth, state and territory environment ministers, and the President of the Australian Local Government Association agreed on measures to increase Australia's recycling ability and demand for recycled products, and to reduce waste generation. Importantly for local government,

Ministers agreed to:

- **Increase Australia's recycling capacity.** Ministers agreed to work together to expand and develop the recycling industry, in part to take the waste that would have gone to China.
- **Increase the demand for recycled products.** Ministers agreed to advocate for increased use of recycled materials in the goods that government and industry buy, such as paper, road materials, and construction materials.
- **Reduce the amount of waste generated** and make it easier for products to be recycled. Ministers endorsed a target of 100 percent of Australian packaging being recyclable, compostable or reusable by 2025 or earlier.
- **Encourage waste reduction strategies** through greater consumer awareness with industry leadership.
- **Review Australia's National Waste Policy** within a year to ensure that there is support for a sustainable recycling industry.

There were several other measures discussed at this meeting, including a request to the Clean Energy Finance Corporation and Australian Renewable Energy Agency to prioritise 'waste-to-energy' projects.

2018 Victorian and Commonwealth Budget

Disappointingly, there is only \$14.6 million investment over two years by the Victorian state government addressing the issue of waste management. The VLGA will continue to lobby on behalf of the sector to the state government leading up to the November state election.

In the most recent federal budget, no additional spending was allocated to address the issue of recyclable waste.

Where to from here?

The VLGA will continue to advocate on behalf of the local government sector to find a sustainable and holistic solution to waste management. This requires a whole of government approach including examining a range of factors including packaging generation, community education, waste diversion and recycling.

The VLGA will continue to work with key stakeholders and councils throughout this process.

For further information, or if you would like to contribute to VLGA's lobbying and advocacy efforts on this issue, please email vlga@vlga.org.au

