



Mr Jamie Merrick
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Dear Mr Merrick

Re: Draft review report Waste Management and Resource Recovery Strategy

Thank you for the opportunity to provide feedback on the *Draft review report Waste Management and Resource Recovery Strategy*. The Waste Management and Resource Recovery Association of Australia (WMRR) is the national peak body representing Australia's \$15.8 billion waste and resource recovery (WARR) industry. With more than 2,000 members from over 500 entities nationwide, we represent the breadth and depth of the sector, within business organisations, the three (3) tiers of government, universities, and NGOs.

It is WMRR's submission that a significant paradigm shift is urgently required in Queensland (as well as in the Strategy), to recognise the essential role of the WARR sector within a systems-based framework for material management. To develop this framework, the Queensland government needs to work more closely with all of industry to establish this thinking, with far greater policy emphasis being placed on creating a resource efficient Queensland community that values materials, reduces reliance on virgin materials, and works to mitigate carbon. The current Strategy is extremely linear in thinking and to date fails to capitalise on the real benefits that will be created for Queensland with the entire WARR sector playing a critical role in managing essential materials and creating real value for the environment, community and economy.

The National Waste Report 2022, states that Queensland will need to recover an additional two (2) million tonnes over the next seven (7) years to meet the 2030 target. It is unclear how Queensland's resource recovery targets in the absence of a significant shift towards investment in resource recovery infrastructure (including strategic planning) across all streams (not just MSW), establishing the correct economic settings, placing emphasis on market development and demand for secondary raw materials, including a strong emphasis on government procurement of recycled materials will be achieved. Missing the targets will affect the linked economic (jobs) and environmental (carbon mitigation) benefits and the Government's desire to achieve a circular economy- which requires far greater emphasis on generator responsibility and further utilisation of economic levers.

To date, Queensland's waste management and resource recovery efforts are only marginally ahead of the Northern Territory and Tasmania. Meeting the 2030 target of 80% resource recovery poses a significant challenge, given Queensland's consistently low resource recovery rate across all streams

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and the most recent data indicating that the 2025 targets will be missed for both the MSW and C&I streams. WMRR queries the claim that COVID-19 impacts were a contributor to missing these targets, and given the lack of substantiation reject the claim that the current strategy targets are correct but require more time for the actions to be bedded in. For example, the target of 80% diversion by 2030 will not be achieved by focusing on MSW which constitutes approximately 30% of the stream. Further, given that most of the Queensland's population and waste generation is concentrated in the south-east it is crucial to expand the focus of the CoMSEQ plan beyond MSW to address all streams.

WMRR strongly urges a rethink of the Strategy and approach taken to date by Government, noting that the current Strategy was developed concurrently with the landfill levy introduction. As part of reframing the Strategy, WMRR believes that it is vital that government reinforce the purpose of the levy, which was introduced as a mechanism to account for some of the negative externalities of landfill and to recognise the true value of material and recovery. The levy's purpose is also to change disposal behaviour as recycling and recovery become attractive alternatives relative to landfill. The approach by Queensland to date of subsidising MSW material to landfill has regrettably worked counter-intuitively to the economic incentives of the levy, making it cheaper to landfill, as well as inhibiting capital investment in recovery infrastructure, which will in turn continue to promote the lowest order of disposal (landfill) as the cheapest option in the waste management hierarchy.

Queensland now has the opportunity to use updated data and knowledge to rewrite the Strategy from a solid starting point, to develop evidence-based targets focusing on the entire waste and resource recovery system, all stakeholders and material types. Followed by clear and achievable actions. We urge government to capitalise on this opportunity.

WMRR's feedback can be found at **Annexure A**. Please contact the undersigned if you wish to further discuss WMRR's submission.

Yours sincerely

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	<p>readiness within the facility network for these events that go beyond business-as-usual capacity. This is particularly true for infrastructure planning needs.</p> <p><u>Lack of targets/actions on waste to avoidance:</u> WMRR notes that although there is a clear target for avoidance, the Strategy lacks sufficient focus or clear measured actions to achieve this outcome. It is essential to prioritize targets/ actions higher up the waste management hierarchy and incentivise initiatives that aim to prevent waste creation in the first instance, including awareness campaigns, product design improvements, and promoting sustainable consumption practices. The department must also set measures and collect data on these actions, which must go beyond surveys focused on attitudes to future behavioural changes, the time for these has passed and action is urgently needed. The report even recognises the lack of measures and current data capture in this field. WMRR strongly advocates that this shortfall is addressed as a matter of priority.</p> <p><u>Waste levy:</u> The Queensland government's approach to the waste levy and council payments has regrettably hindered investment in the state's resource recovery infrastructure, and as mentioned above needs to be reframed to recognise the vital role the levy plays as an economic tool to attribute the true value to material and create a resource efficient state. In WMRR's view the current levy remains too low, and the slated \$10 increase per year fails to keep pace with current inflation, nor will it keep pace with the New South Wales levy rate (\$57.20 difference on July 1, 2023). The NSW levy will increase by \$10.61 (CPI 7%) on July 1 and will continue to outpace Queensland's annual \$10 increase. Inert landfill space in the Sydney basin will reach capacity in 2028, and without a material step change in Queensland's levy (i.e., parity with NSW), Queensland may find itself receiving growing volumes of inert waste crossing the border.</p> <p>WMRR recommends conducting a comprehensive analysis of the levy structure to ensure an appropriate price signal is set that encourages private sector capital investment in Queensland's WARR sector. Especially considering the significant increase in resource recovery infrastructure costs (the price of services and construction materials and delivery in some cases has increased by 30-50%), the private sector requires strong signals from government and confidence in the sector to invest funds that align with infrastructure asset lifecycles (20+ years).</p>
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Regrettably whilst well intended, the annual levy payments to councils are not incentivising avoidance or recovery behaviour, and if anything, act to inhibit investment by council in recovery infrastructure.

Although the levy is mentioned throughout the report no information has been provided on how these funds have been committed and the impact that this funding has had (e.g., number of tonnes diverted/recovered?). WMRR encourages DES to be more transparent with both its' reporting and requirements in relation to what is funded, why and how the contribution of these funds is involved in achieving the stated targets. Industry would also welcome transparency on the future level of investment beyond existing funding programs, as this relates to forward infrastructure planning and needs assessments across all streams.

Demand for recycled materials:

Queensland and Australia in general, have failed to date to recognise that secondary raw material (recycled material) can easily replace virgin materials and there are many great environmental and economic reasons for doing so (e.g., reduced energy demand and carbon impacts). As such we continue to see a chronic lack of market demand for recycled materials, with not enough emphasis by governments in creating both the market and regulatory settings to address this. Given the cost in collecting, sorting, and processing "waste materials" it is unreasonable to assume that the commercial considerations of virgin versus recycled materials will be the same. However, the consequence for Queensland not utilising recycled material is substantial – increased carbon emissions, additional energy, reduced jobs, and investment in manufacturing.

The Queensland government needs to implement initiatives that 'level the playing field', for example mandating the use of Australian recycled material and demonstrating leadership itself by preferencing recycled material in procurement policies. Green procurement by government must also include key actions such as enforceable procurement targets, across all levels of government, and if not utilised an explanation of why not. This can be achieved by acknowledging that landfill, the lowest order and least desirable waste management hierarchy outcome, cannot remain the cheapest option. 2030 targets and commitments to the Global Methane Pledge or the Green Games that are 'Carbon Positive', will not be achieved unless there are increased economic disincentives for landfill such as materially higher levies and/or carbon being charged at the gate. Similarly, to the energy transition, private capital will follow strong government regulation, commitment and long-term planning.

	<p><u>Missing material:</u></p> <p>An alarming estimated 1.6 million tonnes of waste material continues to be unaccounted for since the commencement of the levy. Even when accounting for alleged factors such as the impact of COVID-19. The Queensland Government should be transparent in the activities associated with identifying this gap compared to forecasts in the Queensland Waste and Resource Recovery Infrastructure Report prepared by Arcadis and released in 2019.</p> <p>WMRR also recommends examining the successful practices implemented in Victoria, where the responsibility for classifying and tracking waste lies with the waste generator (Part A of the tracking system, as well as legislative obligations), such an approach will enhance transparency and accountability throughout the waste management process.</p> <p>WMRR also calls for greater analysis of data and trends more generally in Queensland to provide stronger evidence led thinking and problem solving in order that sweeping statements such as “due to COVID-19” can be justified with evidence, as opposed to the current micro-management of data that facilities are collecting without any clear strategic purpose.</p> <p><u>Systems Thinking/ Support for Higher Order Behaviours</u></p> <p>The Strategy does not facilitate a systemic approach to managing material, nor establishing systems or infrastructure that would support this approach for example, support for re-use and repair systems. The Single Use Plastics bans were a real opportunity for government to look at funding behaviour change systems such as re-use infrastructure that would also be integral in Queensland becoming a resource efficient state rather than to pivot to other items that are potentially still single use (i.e., waste). The lack of systems thinking means policy developed tends to be reactive rather than proactive, and there is no clear future plan or higher order thinking that policy is able to be tested against.</p>
<p>Key findings</p> <p>Waste generation</p>	<p><u>Commercial and Industrial Material (C&I):</u></p> <p>There needs to be real targets and real investment focused on the C&I stream which is currently absent in the Strategy. There is a pressing need for government to have a greater understanding of the make-up and generation patterns of the C&I waste stream. WMRR suggests conducting an audit to gain these insights into the composition and characteristics of this stream. With the assistance of these findings and existing data (of the four already mentioned major streams of concern), targeted strategies must be developed to increase diversion rates and support infrastructure than can manage waste generated across</p>

<p>Household material</p>	<p>multiple streams, resulting in economies of scale for feedstock. At a minimum, the strategies should align with those implemented in NSW, where food waste collection from relevant commercial businesses has been mandated by 2025.</p> <p><u>Organics targets and funding:</u> Organics diversion requires a clear avoidance campaign delivered akin to <i>Love Food and Hate Waste</i> to minimise waste created at first instance and save householders these costs. The Strategy needs mandatory targets and adequate funding to drive progress. In this area WMRR is advised that even with 100% capital funding, the costs associated with organics management are projected to require additional rate payer income for councils to deliver this service.</p>
<p>Diversion from landfill</p>	<p>The lack of strategic facility planning and procurement across both LGAs and commercial and municipal streams are also contributing to these costs as councils at present are being forced to go it alone. Queensland is not only underestimating the costs of these services but also the benefits from strategic planning, developing sustainable products, reducing carbon emissions and creating employment. It has been almost five (5) years since the ARCADIS infrastructure report was completed and the Strategy could have enabled the above to be progressed and delivered.</p> <p><u>Construction and Demolition (C&D) regulatory regime:</u> The current C&D regulatory regime remains highly problematic. Issues such as the management of clean earth and the complexity of End of Waste (EoW) codes pose significant challenges for companies investing in waste and resource recovery management in Queensland. Industry continues to wait for the review on EoW framework and there remains a number of issues to be resolved from levy implementation in 2019. The approach taken to clean earth, EoW codes and waste classification in Queensland has taken a number of companies, that have recently invested in Queensland, by surprise given how cumbersome and uncertain it is.</p> <p>Queensland needs to again shift the paradigm towards product development from recycled material to enable cost competitive competition with virgin and facilitate circulation of material. As opposed to the current micromanagement and inconsistent approach. C&D waste also provide reliable and effective feedstocks to produce Sustainable Aviation Fuels, waste derived fuels, and energy recovery. These sectors align with the Queensland Energy and Jobs Plan.</p>

<p>Queensland Government projects and policy initiatives</p>	<p>important (as per the hierarchy) is the consumption and avoidance piece.</p> <p><u>Circular economy focus:</u> While the office’s name suggests a commitment to circularity, WMRR observes a lack of actions in the Strategy aimed at designing out waste and pollution. There is also no other published circular economy strategy from the Queensland Government, although it is understood that other departments are also progressing circular economy projects. It is crucial to establish a robust regulatory framework that goes beyond EoW codes, which are burdensome and slow. With a focus on higher order waste management hierarchy actions the government can support (across all levels of government and sectors) innovative solutions and sustainable design rather than focusing on end-of-life remediation.</p> <p>The Strategy actions also fails to target those who generate and create waste the focus is on the Queensland government and consumers. The data or lack thereof speaks volumes for the disconnect with the C&I waste stream. Businesses need to be included in the Strategy with actions that support better design and material selection (higher order waste management hierarchy) along with diversion and recycling.</p> <p><u>Strategic infrastructure plan:</u> The absence of a comprehensive strategic infrastructure plan is a significant gap in the current Strategy. Council-led planning alone cannot provide a holistic overview of Queensland's waste and resource recovery requirements. We strongly recommend the development of a strategic infrastructure plan that encompasses the entire state, facilitating coordinated and efficient infrastructure development.</p>
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