December 9th 2019

*Northern Grampians Shire Council (NGSC) welcomes the opportunity to provide a submission to Infrastructure Victoria on the recycling and resource evidence based report.*

*Northern Grampians Shire Council is a small Local Government Municipality located approx 235 kilometres from our closest recycling processor and approx 180 kilometres from our closest Food Organics Garden Organics (FOGO) processor. Our various waste stream volumes are low and transport costs are high due to distances required to move products to the closest disposal sites.*

*Waste is our second highest spend through budget and every year the costs increase, even whilst the service remains at the same level.*

*NGSC is supportive of all efforts made to improve waste and resource management and to increase recycling in the State and look forward to the implementation of an integrated approach through the circular economy policy, findings and recommendations of the recent Parliamentary Inquiry into recycling and waste management.*

* ***Have we identified the right outcomes for Victoria to aim for?***

*An increase in recycling and organics diversion from landfill is an admirable target however this will require the support of the wider waste industry, supportive infrastructure and some financial support for Local Government to ensure the whole cost is not put back on the consumer.*

*Statewide education programs have not worked in the past due to lack of consistency between municipalities in what waste streams they collect , how they collect waste and recycling , the size of Municipal Garbage Bins (MGB’s) all the way down to the colour of the lids.*

*Whilst the introduction of Container Deposit Legislation (CDL) may be a partial solution to the recycling challenges that lay ahead, we believe the potential impact this may have on the financial security per likely reduction in valuable material volumes for Materials Recovery Facility (MRF) operators is not well understood.*

* ***Have we identified the most effective potential actions for the government to take?***

*A review of building standards for road and other infrastructure is a great starting point to create a market for a higher end use of recoverable materials, preferably the problematic materials. If the costs to transport these materials to regional areas is higher than virgin materials there is no real value to smaller Municipalities.*

*We agree that over investment in waste-to-energy infrastructure could be a disincentive to transitioning to a circular economy.*

*A Packaging crackdown would certainly have positive flow on effects within our region. Through engagement with our community one of the stand out comments is that the packaging waste is often difficult to dispose of. This has been a theme both from the business, retail and residential sectors.*

*Included in a packaging crackdown could be a stewardship program or legislated manufacturer whole of life responsibility for the product including packaging and acceptance of returned end of life goods.*

*Reviewing what types of packaging materials are able to be imported into Australia would be a good starting point, potentially reducing some of the “problematic” waste streams for disposal.*

*It may be difficult for Local Government to take a proactive approach, with a clear strategic direction for the recycling and resource recovery sector when there is not the required level of industry required to support this.*

* ***Which, if any, of the initiatives implemented in Wales would you like to see applied in Victoria?***

*The removal of biodegradable waste from landfill is absolutely necessary in our view. The United Kingdom have excellent models for the promotion of anaerobic digestion as a resource recovery technology. Perhaps our focus has been too reliant on regulating how waste is treated as opposed to where an appropriately treated product could be further utilised as a commodity or resource.*

*Our reading of the Wales initiatives is that this process was successful largely due to the implemented performance and evidence based funding incentives. This methodology may well be transferable to the Victorian market place.*

* ***What do you think of the market design opportunities proposed to improve waste sector outcomes and efficiency?***

*The use of taxation powers could be utilised to provide greater incentives for producers to reduce the amount of waste designed in products they create. The application of taxes on virgin materials should have a nationally consistent and integrated approach.*

* ***Where do you think the government should focus their efforts to increase recycling and resource recovery? (for example, through setting targets, promoting consistency or funding local councils?)***

*The Australian Government has the potential to significantly enhance consistency across jurisdictions by imposing a mandatory scheme that reflects global best practice through the Australian Packaging Covenant Organisation (APCO) and consideration could be given to ensuring mandatory participation.*

* ***Which materials or infrastructure types present the most opportunity in your region?***

*Bin audits in our shire (and region) have shown a significantly higher level of organics - up to 70%+ as compared to the State average (~39%).*

*Barriers for small Local Governments (LG’s) include the infrastructure costs involved in implementation of programs like FOGO kerbside collections and geographically responsible processing facilities. NGSC has been researching how to develop “Close to source” waste hubs for materials collected in our shire to reduce the need for it to be transported hundreds of kilometres to be processed, and then often re-transported back for end use.*

*Development of a pragmatic waste-to-energy policy that reflects the principles of the waste management hierarchy (i.e. energy recovery is preferable to landfill) could be considered, particularly for residual waste and low value recyclables or organics.*

*Between 1995 and 2014, a small local MRF operated in NGSC however it was eventually unable to compete against the inherent efficiencies of larger facilities. Subsidising or seed funding a “Social Enterprise” operating a MRF in a small regional area could be a mutually beneficial and sustainable model.*

*The landfill levy has not worked as an incentive, it has arguably created more motivation for people to dispose of waste illegally, especially construction waste. Consideration could be given to utilising the levy as an incentive by setting reduction targets for Municipal Waste that attract lower levies.*

* ***What is a legislative barrier or enabler that you have encountered when trying to use recycled materials?***

*Potential issues through Planning, like appropriate buffer zones, should be considered as part of the planning process for regional processing facilities.*

*We believe there are currently insufficient incentives for processors to set up in regional areas on a smaller scale. Whilst economies of scale are more easily realised across large regional areas, technology and innovative practices can make localised solutions practical, thus avoiding prohibitive and inefficient transport costs and their concomitant environmental impacts.*