

Breakfast Briefing

13 March 2018



WASTE CONTRACTORS &
RECYCLERS ASSOCIATION
OF N.S.W

WELCOME

- Please switch mobile phones to silent
- No recording devices
- Emergency exits
- Rest rooms
- Briefing to commence at 7.55am
- Finish by latest 9:15am



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Minimum standards for managing construction and demolition waste in NSW

- Regulations to prevent landfills exhuming waste, sending mixed or unprocessed waste off-site;
- Abolish the proximity principle;
- Procedures for inspection/sorting/processing requirements
- Re-released by EPA in November 2017, submissions lodged December 2017
- EPA still reviewing submissions

Waste sector challenges in NSW

- NSW levy => higher prices, levy avoidance
- Transport of waste to interstate facilities
- Illegal dumping
- Tougher penalties, better enforcement
- EPA licensing – lower thresholds, stockpile limits, additional reporting, all adding cost to recyclers
- Lower commodity prices
- Lawful / practical resource recovery regulations
- Generators & transporters want lowest cost
- Rising prices => business pressures
- Contracts awarded on the basis of price

WCRA position -:

- Members want a level commercial playing field;
- Waste including recyclables should be managed in a safe, sustainable & environmentally sound manner;
- Regulations and proper practices need to be enforced by all regulators, the EPA, RMS, Police, ATO, SafeWork NSW, Councils, Health, etc.
- NSW Government (with more than \$600 m of waste levy to consolidated revenue) is well placed to intervene and assist in addressing issues that affect the waste management sector.

Ms Kim Glassborow G&B Lawyers

**Update on a range of EPA matters
Authorised Amounts
Resource Recovery Orders & Exemptions
Financial Assurances**



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**Is recycling in crisis?
A short presentation
by
Tony Khoury**

China Sword

- What are the impacts of China's ban on the importation of mixed plastics, paper, cardboard, etc. on the NSW recycling sector?
- The supply of recyclables from kerbside & the commercial sector
- The demand for these recyclables

Recycling markets

- Prices have collapsed
- Limited markets for baled products
- A revision of contamination levels in baled recycled products

China announces “Blue Sky 2018”

- 8th March 2018
- Blue Sky = thick layer of smog in urban China
- Customs crackdown on the smuggling of foreign waste, illegal gangs will be targeted
- 0.5% contamination rate will be enforced, including bales of unsorted mixed paper & plastics
- Further restrictions could be on the horizon

Recycling

- Dry recyclables to the bin with the yellow lid
- The bin is collected fortnightly
- Tipped off at a recycling facility
- Material is sorted & baled
- Manufactured into its basic material — plastic, glass, aluminium, metal, paper, cardboard, etc.

Reliance on China

- Many parts of the world including Australia were heavily reliant on the export of baled material to China

NSW domestic diversion 66% (2021 target 70%)



C & I diversion 63% (target 70%)



NSW Diversion

- Threat to achieving these targets from the recycling market collapse
- And confusion surrounds the impact on these diversion targets of an estimated million tonnes of NSW waste transported by road & rail to SE QLD landfills

NSW Waste Levy

Solid waste into NSW landfills

- Metropolitan levy area \$138.20 per tonne
- Regional levy area \$79.60
- Rest of NSW – zero

- QLD – zero

- Liquid Waste Levy \$74 per tonne

Fortnightly recycling



Kerbside recycling collections and processing / disposal options

- Householders across NSW place their bin (with the yellow lid) out for collection on the same designated day / time each fortnight;
- The cost of this collection is covered by householders (the money is collected by Councils via garbage rates);

Option 1 - the preferred option

- All collection trucks continue to tip off at the same designated recycling point (either a MRF or at a transfer station where the material is bulked up for transfer to a MRF).
- The material is then processed, sorted and baled for onforwarding to an end use recycling facility (either domestically or offshore).

Option 1 - continued

- Funding of the additional cost required to continue with this option, as the specification for recycled material is now higher
- Amount, duration & source of this funding
- Issues will need to be discussed, agreed & resolved between the parties (transporter, MRF & the Council)
- Some flexibility to safely stockpile to address fluctuating market demands (NSW Government)

Option 2 - not preferred but may be forced on the parties

- The collection truck is unable to tip off at the same designated recycling point because the MRF has reached its Authorised Amount limit
- Or the MRF will be unable to process material to meet the higher quality specification.
- There will be a need to consider what happens with this material?

Option 2 – continued

- Landfill (NSW or SE QLD?) **or**
- Divert the load to another MRF **or**
- Temporary storage awaiting further processing

Option 2 – continued

- Funding of the additional cost
- Amount, duration & source of this funding
- Relevance of the NSW waste levy
- These are issues that will need to be discussed, agreed & resolved between the parties (transporter, the MRF, the Council & the NSW Government)

Whatever the option?

Reminder

- Public confidence
- The importance of not undermining our 28 to 30 year investment in educating householders to recycle via the bin with the yellow lid

NSW EPA advice to facilities -:

- Contact your local EPA office, ASAP
- Commence discussions to safely store increased stocks of mixed paper commons (and/or other recyclables)
- If an increase in Authorised Amount is required, ensure you have a plan to justify & support this request
- Government financial assistance package, is the responsibility of the Minister

Additional advice to facilities-:

- If you haven't already done so, please ensure that your local Councils are informed of these difficulties.
- In relation to commercial recycling deliveries, if it is not-feasible to continue receiving these products, then promptly notify your clients (consideration should be given to other disposal options).

Advice to commercial transporters of recyclables

- It may be that a recycling centre (MRF) can no longer receive your product or the commercial terms have varied
- Price (cost), contamination rates or it maybe the MRF has reached the limit of their Authorised Amount
- Promptly & formally notify your clients (consideration may need to be given to other disposal options).

SKM Coolaroo – July 2017



SKM Coolaroo Recycling Plant Fire

- The fire broke out on 13 July 2017
- It burned for 11 days
- At the height of the blaze, smoke plumes were observed across most of Melbourne
- Nearby residents had to evacuate their homes due to concerns about the impact of air quality on human health
- Insurance premiums across the waste sector rose by as much as 400%

Insurance & the waste sector

- Insurance underwriters will examine an individual organisation when considering offering a policy & the terms of coverage;
- They will also look at how our industry is trending, past experiences & losses (claims);
- Major incidents, volume of incidents, value of those incidents all impact insurance premiums
- The waste & recycling industry does not need any more major fires or major insurance incidents

What has NSW done?

1. EPA meeting on 7th February 2018, WCRA represented by TK & Greg Turner
2. 21st Feb. EPA announced an inspection campaign of waste facilities with a focus on fire risk
3. Meeting with Minister Upton on 5th March 2018 (each representative had 4 minutes)
4. Media statement, Minister Upton, 8th March -:
 - Apply to EPA for temporary increases in stock pile limits;
 - We need to develop local recycling markets
 - No reference to financial assistance

Solutions promoted by WCRA

- The NSW Government to establish a Task Force to support the ongoing collection of household recyclables (agree the Members of this Task Force and a series of meeting dates between now and 30 June 2018)

Solutions promoted by WCRA

- The NSW Government to encourage (facilitate) discussions between Councils, Collection Contractors & MRFs (contract re-negotiations to cover cost increases and possible landfilling of material that won't be recycled)
- The NSW Government to assist with funding short term additional costs to at least 30 June 2018

Solutions promoted by WCRA

- NSW Government to fast track payment of CDS funds to the MRFs

Solutions promoted by WCRA

- Consider funding for additional labour and/or capital improvements to produce material with lower levels of contamination (funding from either of the WLRM fund or from Council)

Solutions promoted by WCRA

- NSW EPA to consider an allowance for additional safe, temporary stockpiling of recovered materials (EPA to nominate a dedicated contact person {or a specialized unit} that industry will deal with)
- NSW EPA to consider an allowance for additional safe, temporary stockpiling of unprocessed materials (EPA to nominate a dedicated contact person {or a specialized unit} that industry will deal with)

Solutions promoted by WCRA

- NSW EPA relaxation of the waste levy on MRF residuals or material that cannot be recycled for disposal at NSW landfills (EPA to nominate a dedicated contact person {or a specialized unit} that industry will deal with)

Solutions promoted by WCRA

- Development of new domestic re-processing capacity for paper and plastic.

QUESTION

- Should the NSW Government use Waste Less Recycle More funding and call for tenders for the design, build & operation of a modern new MRF that will process & produce co-mingled dry recyclables with contamination levels that meet agreed acceptable specifications?

Solutions promoted by WCRA

- Revision of purchasing policies by all levels of government to increase domestic demand for recyclables;
- A starting point should be the NSW Government mandating the use of recycled glass in road-bases by RMS & Councils

Solutions promoted by WCRA

- The NSW Government to produce regular media releases, that accurately & promptly communicates an update of the recycling situation to all stakeholders.

Effective & sustainable recycling requires

- Efficient collection systems & equipment;
- On-going community education;
- Community & business support for recycling;
- MRFs that sort materials efficiently & with a minimum of contamination;
- Paper, cardboard & plastic should be well sorted, clean and contaminant-free;
- Recycling requires strong and stable markets for recycled materials; and
- Some degree of cost predictability for 5 to 10 year collection contracts.

Contamination (and hazards in recycling)

- Plastic bags
- Polystyrene
- Shredded paper
- Batteries
- LPG cylinders
- Asbestos
- Other non complying &/or hazardous items

It is more important than ever for householders to recycle correctly



Consideration for local government

Councils should discuss & consider a provision in their 2018 / 2019 budgets to cover the additional costs associated with maintaining an effective & sustainable recycling service

Questions or Comments?

Expert panel members

- **Anne Prince, A.Prince Consulting**
- **Kim Glassborow, G & B Lawyers**
 - **Greg Turner, JR Richards**
 - **Nathan Ung, Polytrade**
- **Lee Smith, Möbius environmental**

A big thankyou to our panel

WCRA training via TAFE

- **Chain of responsibility**
- **Fatigue management**
- **Overhead wires**
 - **Training delivery on-site or at WCRA**
 - **Start times / days by negotiation**
 - **Groups of up to 15**
 - **3.5 to 4 hours duration per session**
 - **\$2,700 / 15 = \$180 pp**

Waste & Resource Recovery Training

- **WCRA previously funded by NSW EPA**
- **Training was delivered to 1,392 Attendees at 61 NSW workshops from 2011 to 2017**
- **The training was described in 2015 in a formal review by the EPA's consultants as "a highly effective & much needed training program"**
- **This training is currently in limbo whilst EPA develops other options**

NSW Department of Industry (DOI)

- **DOI have also funded WCRA to deliver a series of 6 training workshops across NSW to assist workers better understand the CDS**
- **Funding has also been provided to assist 15 TAFE graduates to a pathway to employment in the NSW waste management sector**

LUCKY DOOR PRIZES

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A very nice bottle of red



\$50 Westfields voucher

**Thanks to all WCRA Members, Sponsors
& Stakeholders for your continued
support**

**WCRA Executive meeting in 10 minutes
Followed by WCRA Retirees' lunch**

www.wcra.com.au

Short term rental bikes



These bikes are common around sections of Sydney. However, they are a high risk item for metal recyclers. The locking mechanism on these bikes is battery operated. The batteries are unmarked and are easily prone to failure when the bike is crushed. They are a fire hazard in a recycling yard.