

Item 3.2

Waste and the Circular Economy in NSW

File No: S051491

Minute by the Lord Mayor

To Council:

The City of Sydney local government area alone produces more than 5,500 tonnes of waste every day, of which the City directly manages less than 10 per cent. It is estimated that around 60 per cent of the total waste produced is already recycled, but this means more than 2,000 tonnes still goes to landfill each day, with no further opportunity for reuse, recycling or recovery for energy.

This landfill figure is likely to rise due to:

- China's more stringent rules around importing recyclable materials
- a lack of reprocessing facilities in NSW
- a weak regulatory framework around recycling and resource recovery, and
- a lack of competition in major waste and recycling service delivery.

The recent NSW Environment Protection Authority (EPA) decision to no longer allow mixed waste organic outputs to land has further exposed the industry to uncertainty around waste treatment. This leaves landfill, the worst option for the environment, as the only solution to a growing waste problem, and creates a significant risk of higher waste costs for Councils and ratepayers in future.

The City of Sydney is taking concerted action to meet our target of zero waste by 2030, we:

- will be introducing food and e-waste collection trials on the first of July this year;
- have developed new guidelines and an online tool to assist developers in designing better spaces for waste and recycling;
- have developed guidelines for reducing single use items at events and services; and
- have been working with corporate partners through the Better Buildings Partnership and the Sustainable Destination Partnership to encourage waste reduction.

But we cannot seriously begin to tackle the waste crisis without commitments from the NSW Government to transition our State towards circular economy.

For Sydney to be a world leading economy into the future, we must make this transition. We need long term thinking and leadership from the Government to decouple economic activity from the consumption of finite resources, and to design waste out of the system.

We also need significant and urgent investments into waste management and recycling facilities to manage the crisis in the short-term.

Local Government NSW figures show that, in 2016/17, the NSW Government collected \$726 million from local government, community, businesses and industry via the waste levy, but only committed to use \$72 million (or 10 per cent) on waste minimisation and recycling through its Waste Less Recycle More initiative in 2017/18.

Overall the NSW Government's Waste Less Recycle More initiative allocates \$801 million over eight years (2013-2021) to waste and recycling, however the waste levy collected over that same period will be over \$4.62 billion.

At a local government level, just 18 per cent of the \$300 million collected from the local government sector each year is reinvested in recycling and waste management.

The City's return on contribution to the waste levy is even smaller than this, we received just 11 per cent back in 2016/17 and this fell to 5 per cent in 2017/18.

Considerably greater investment is required to maintain existing recycling and recovery rates, and to move towards a circular economy.

Waste avoidance should always be the highest priority for our Governments. Reducing our reliance on single-use plastics in particular should be a focus, given the devastating impacts that plastic pollution is having on our planet, and on our oceans in particular.

All funds collected through the waste levy should be re-invested into waste management. This funding should be used to construct the facilities that the NSW EPA's Draft Waste and Resource Recovery Infrastructure Strategy identified as necessary for the Sydney region, such as Organics Recycling Facilities, and Packaging Material Recovery Facilities. Investment in dedicated textile reprocessing facilities is also needed.

Such facilities can provide substantial employment opportunities, the Waste Management Association of Australia claim that for every 10,000 tonnes of waste recycled, 9.2 jobs are created. These facilities can support job growth in regional areas that have good transport connections – such as inland rail connections.

The Government must use its significant purchasing power to specify re-used, repurposed and repairable goods, and materials with recycled content wherever possible in NSW Government contracts. This demand will stimulate investment in local reprocessing and re-manufacturing facilities in Australia, which will create job growth for skilled workers.

Metropolitan Sydney needs a thorough review of its waste transfer and treatment facilities, and a long term waste plan that identifies suitable areas for waste facility development. The development of new waste facilities can take up to ten years to deliver, which means they require a combination of long term regulatory certainty, financial certainty and clear planning pathways that extend beyond ten years. The EPA's website states that it expects to complete the *Draft Waste and Resource Recovery Infrastructure Strategy*, which it began consulting on in 2017, by the end of 2019. As the strategy only forecasts to 2021, it is not the long term waste plan that we need.

Sydney also needs strategic planning for waste at a metropolitan level that identifies and secures land for our existing and future waste treatment capacity requirements.

In NSW, the EPA is the environmental regulator and is responsible for promoting increased resource recovery, but it has limited ability to influence the strategic development and placement of waste or resource recovery treatment facilities.

As indicated in a recently released NSW Innovation and Productivity Council report, our state has research and industry strengths in the environmental goods and services sector. If the NSW Government were to send a clear signal that developing this sector was a strategic priority for our state, and support this with significant and sustained investment, it has strong potential for innovation-led growth, high-skilled jobs and exports.

Recommendation

It is resolved that Council call on all major political parties in NSW to commit to:

- (A) banning single-use plastics within the next Government term;
- (B) re-investing 100 per cent of the waste levy funding into long-term sustainable waste and resource management solutions;
- (C) urgently constructing the facilities that the NSW Environment Protection Authority's Draft Waste and Resource Recovery Infrastructure Strategy identified as necessary for the Sydney region, as well as dedicated textile reprocessing plants;
- (D) specifying the use of re-used, repurposed and repairable goods, and materials with recycled content wherever possible in NSW Government contracts;
- (E) conducting a thorough review of metropolitan Sydney's waste transfer and treatment, and develop a long term waste plan that identifies suitable areas for waste facilities; and
- (F) nominating a single lead organisation as responsible for delivery of metropolitan waste infrastructure.

COUNCILLOR CLOVER MOORE

Lord Mayor