



ANNUAL REPORT

8th November 2016

Members, Associates and Sponsors,

It is with great pleasure that I present the 2016 Annual Report of the Waste Contractors & Recyclers Association of NSW – on behalf of the WCRA Executive. 2016 represents our sixty-eighth year of service to the waste & recycling industry in NSW, making WCRA by far the oldest waste and recycling industry organisation in Australia.

However, in spite of our seniority we can truthfully say that WCRA is more relevant and more necessary to its Members today than ever before - due to the increasingly more complex, varied and highly regulated environment in which we operate.

There were a number of noteworthy items in the 2015/2016 year, including-:

- Progress towards a NSW Container Deposit Scheme;
- Introduction of The Scrap Metal Industry Bill (NSW) 2016;
- The development by WCRA of a Protocol for facilities to deal with Overloaded Waste Collection Vehicles;
- Failure by the NSW Government to enforce the regulations surrounding the long distance transport of general waste (the proximity principle); and
- Continued commitment by the NSW Government to the Waste Less, Recycle More initiative (with an extension to 2021).

Finance & Administration

WCRA is in a sound financial position. We are recognised as managing our finances prudently - and uniquely amongst Australian waste industry organisations, we own our own premises.

It is with a great deal of satisfaction that I am able to report to you that our audited Profit & Loss Statement for the year ending 30 June 2016 recorded a net surplus of \$84,289 and a Balance Sheet which details net assets of \$1,371,886. The Association's accounts have again been audited and signed-off by our Auditors, Stirling International. As a consequence, for the thirteenth consecutive year WCRA has not been required to Levy its Members to make ends meet. The following key ratios are strong indicators that the Association is in a very sound financial position.

	2013	2014	2015	2016
Current Ratio Current assets / current liabilities	1.81	2.05	2.32	2.35
Total Asset Turnover Revenue / Total Assets	0.50	0.45	0.41	0.37
Return on Assets Net Surplus / Net Assets x 100	17.07	11.41	7.76	6.14

Membership, Partners and Sponsors

As at 1st November 2016 the Association has 193 Members and we continue to represent the majority of waste management and recycling contractors in both NSW and the ACT. In almost all cases wherever a NSW Council contracts out its waste and/or recycling collection service, it is contracted to a WCRA Member.

Every month the Executive considers applications from prospective Members as well as resignations from those which have gone out of business, been acquired by another company or don't see value in maintaining their membership. Occasionally we also need to consider whether a particular organisation should be allowed to retain its membership. In October 2016 WCRA terminated the membership of Philip Foxman (major adverse ruling by the Land & Environment Court). Happily, overall membership numbers have continued to grow in recent years with WCRA now having increased membership by over 16% in the past 3 years.

	2013	2014	2015	2016
Members with > 41 revenue earning vehicles	8	9	9	7
Members with between 7 & 40 revenue earning vehicles	40	38	44	39
Members with 6 or fewer revenue earning vehicles	78	87	95	104
Associate Members	40	37	36	43
Total Number of Members	166	171	184	193
Annual Change in Members	+15.3%	+3.0%	+6.4%	+4.9%

WCRA continues to occupy its fully owned office premises at Suite 2, 12-16 Daniel Street Wetherill Park which provides value to Members & Sponsors for meetings, workshops and training sessions.

Since 1948 WCRA has proudly retained its independent identity, with dual registration at the Industrial Relations Commission of NSW and the Fair Work Commission in accordance with the Fair Work (Registered Organisations) Act 2009.

To accommodate the needs of our Members and to assist our Executive Director Tony Khoury in the management of WCRA, we have the following arrangements in place:

- Through a commercial agreement with Hunt & Hunt, Special Counsel Martin Dunne acts as employment relations advisor to WCRA and Members.
- Through McCabes Lawyers, Partner Maurice Baroni acts as advisor to WCRA on transport and chain of responsibility matters.
- Through a commercial agreement with G&B Lawyers, Principal Kim Glassborow acts as advisor to WCRA on environmental, transport, chain of responsibility, local government and other specified government matters.
- A retainer agreement with Lee Smith, Principal Möbius Environmental, for the provision of technical, government & public relations advice to WCRA.
- A retainer agreement with Peter Cochrane for the maintenance of WCRA's information technology and database needs.
- By agreement Luke Tabone contracts to WCRA on a permanent part-time basis to implement the findings of the November 2015 review of Member training needs and provides assistance on a range of projects.
- Nada Ruiz Diaz and Juliette Quagliata are contracted to WCRA on a permanent, part-time basis assisting with membership services, administration, marketing and book-keeping.

WCRA is the recipient of assistance from the following generous corporate Sponsors:

- Wastedge.com – waste operations & management software
- TWUSUPER – industry superannuation
- Tyres4U – heavy vehicle and passenger tyres
- Volvo Construction Equipment/CJD Equipment/SDLG – waste management equipment
- Allianz – workers compensation services
- FUSO Mitsubishi Truck & Bus – heavy vehicles
- Work Options – injury management specialists
- Arthur J Gallagher – insurance brokers
- Green Goanna - Shell industrial oils
- Bucher Municipal – equipment manufacturer & supplier

WCRA Executive

The function of the WCRA Executive is governed by the Registered Rules of WCRA which define the operations, membership and election process of the Executive.

The Australian Electoral Commission was appointed by the Fair Work Commission for Executive Member nominations on 14 September 2016 to fill 5 casual vacancies on the Executive. David Johnston, Nathan Ung, Susie McBurney, Mark Taylor and Mark Falanga were nominated and elected unopposed in October 2016.

We would like to acknowledge and thank John Kernahan, Scott Bond, Claudio Alcaino, Mick Nicholson and Ken Donley for their service to WCRA as Executive Members.

Throughout the year WCRA held regular Executive meetings on the second Tuesday of each month, with the exception of January. Executive Meetings are open to all Members and Sponsors to attend. All meetings in 2016 were well supported and a variety of issues were openly and frankly discussed. The average attendance by the Executive across the 2015/2016 year was 68%.

The 12 Executive Members as at 1st November, 2016 were the following:

Harry Wilson	SMS	President
Scott Bayliss	SUEZ	Secretary
Jeff Brandstater	Brandster Services	
Greg Turner	JR Richards & Sons	
Jesse Brown	Tox Free	
David Harrison	Viscount Plastics	
Glenn Gauslaa	G&S Waste	
David Johnston	United Resource Management	
Nathan Ung	Polytrade Recycling	
Susie McBurney	Remondis Pty Ltd	
Mark Taylor	Veolia	
Mark Falanga	Wastefree (Aust) Pty Ltd	

The positions of Vice-President and Treasurer will be determined via a ballot to be conducted by the Australian Electoral Commission on 8th November 2016. All Executive positions are for a 4 year term to 31st October 2018.

As in previous years, I would like to extend my personal thanks and appreciation to the Executive Members for the time they have provided to the Association in attending meetings and in the discussion and resolution of industry issues.

Industrial and Employment Relations

Advice available on industrial and employment relations issues is traditionally viewed by Members as one of the most important services provided by WCRA. During the past year, as always, we have provided assistance to Members in the resolution of IR issues and provided advice on a wide range of employment matters such as correct rates of pay, various types of leave allowances, wording of letters of appointment, claims of unfair dismissal, redundancy on loss of contract, the Waste Management Award, etc. As an area that is continually changing, WCRA explores the available options to ensure the ongoing financial viability of its Members' businesses.

WCRA is fortunate to have the experience of the Executive Director Tony Khoury and the specialist expertise of Martin Dunne from Hunt & Hunt to ensure our Members are well advised.

The key events in 2015/2016 year included-:

- The announcement of a 2.4% minimum wage increase by the Fair Work Commission (FWC) effective 1 July 2016; and
- The 4-yearly review of the Waste Management Award 2010 by the full bench of the FWC (this matter is still under progress in November 2016).

Insurance & Workers Compensation

WCRA maintains a number of strategic relationships with insurance and workers compensation specialists which enable us to provide up-to-date information to Members on these matters. During the course of the year we undertook discussions which included:

- Advice from Arthur J Gallagher on alternatives to EPA's financial assurance requirements;
- Advice from Allianz on NSW Workers Compensation premium reforms; and
- Advice from Work Options on injury management, return to work and the implications of drug and alcohol use in the workplace.

Work Health & Safety

WCRA again worked in a formal partnership with SafeWork NSW for the promotion of better WHS outcomes in the waste management industry. This included three formal meetings where a broad range of WHS issues affecting the industry and the approaches to resolve concerns relating to the unreasonable time restrictions placed on the industry by local government; the hazards associated with work near overhead wires; runners behind garbage trucks; national harmonised Workplace Health & Safety Legislation and the dangers associated with the disposal and compaction of aerosol cans.

We continued to promote the WCRA Workers Compensation Scheme with our Sponsor Allianz.

We continued to work with our Sponsor, Work Options, for Members to obtain better workplace safety & injury management advice including drug & alcohol policies, procedures, testing protocols, etc.

Functions & Events

WCRA again organised a series of popular and well attended industry events in 2015/2016 including:

- The Annual Luncheon for Retirees in February 2016 which attracted 16 attendees.
- Breakfast Briefing at Dickson, ACT, 9 February 2016 (A two year study to transform all waste generated and/or processed within the ACT, with a Waste Management and Resource Recovery Bill 2015)
- Breakfast Briefing at Lidcombe 8 March 2016 in combination with AORA (key issues in NSW glass recycling, key issues in NSW scrap metal recycling, improving the existing NSW waste

levy scheme). EPA also presented on financial assurances for waste facilities [a regulatory perspective], updates on POEO waste regulatory reforms & current EPA programs.

- An evening at Penrith Harness with Members and Sponsors on 31 March 2016; sponsorship of 8 races and dinner/drinks/networking for 91 Attendees.
- Industry Update and dinner, Wednesday 9 June 2016 at Kirribilli with support and sponsorship from NSW EPA and SafeWork NSW.
- Ron Horswell Memorial Golf Event, 26 August 2016, 88 players at Cabramatta Golf Course, with the winning team from Polytrade Recycling.
- Breakfast Briefing which is planned for 8 November 2016 with presentations from NSW EPA and the NSW Police.
- Annual Dinner planned for 25 November 2016 with a projected attendance of over 200.

Liquid Waste

The liquid waste discussion group meetings were well attended in 2016. Issues were brought to the attention of interested Members via the WCRA monthly general meeting and directly.

- Attendance at the Sydney Water Customer Forum on behalf of the group March 2016.
- Meetings of the Liquid Waste Discussion Group were held on 23 February 2016 and 1 September 2016
- A protocol for over-loaded liquid waste vehicles was developed by WCRA and distributed to Members on 30 June 2016.
- An MOU with Sydney Water for grease trap administration resources is being negotiated.
- At WCRA's request, Sydney Water is reviewing procedures and internal controls for the assignment of customers.
- City of Sydney presents an added range of operational and safety challenges with liquid transporters struggling to cope with closures in George Street and the implementation of increasing numbers of city bike lanes.

Construction & Demolition Waste Group (Skip Waste Group)

The key matter for this group has been the long promised and continually postponed delivery by NSW EPA of a formal agreement for a legally acceptable procedure of handling waste which inadvertently contains very small amounts of asbestos. This procedure has become known as The Asbestos Protocol. Discussions have been ongoing with NSW EPA since September 2011.

- WCRA has held regular joint meetings with the WMAA C&D group on C&D orders and exemptions, communicating common issues with the NSW EPA.
- SLR was appointed by the NSW EPA to undertake site assessments, July 2016.

As at the date of this report, the protocol is yet to be finalised.

Local Government

More than 95% of all local government contract collection work is undertaken by WCRA Members. However, this is not the only factor which makes Local Government decision making critical to the operational and viability of the Members' businesses. Every part of NSW is covered by a Local Council, special purpose Councils or the NSW Aboriginal Land Council.

Commercial waste and recycling collections, liquid collections and construction and demolition waste collections are all undertaken within Local Council Areas and often on or across Local Government controlled roads and footpaths.

In 2016, the NSW Government created 20 new councils through the merging of 44 existing councils governed by an Administrator until council elections on 9 September 2017. The impact to WCRA

Members will most likely be future larger contracts and tenders.

In supporting WCRA Members, WCRA has held discussions with both the Minister for Local Government, Paul Toole, and the Minister for Roads, Duncan Gay, to highlight concerns relating to local government time restrictions and restrictions on waste collection from no-standing and no-stopping areas.

In fact, the Minister for Local Government was the guest speaker at the June 2016 WCRA Industry Update where he outlined the planned changes and took questions from WCRA Members. The concerns raised by WCRA Members were instrumental in commencing this constructive dialogue.

Transport for NSW funded WCRA to develop a CDB Waste Collection Code of Practice. With consultation and input from Transport for NSW, City of Sydney Council, G&B Lawyers and WCRA Members, the draft code was presented at the Australasian Waste and Recycling Exhibition, August 2016. WCRA is in discussions with Transport for NSW to finalise & distribute this code.

WCRA has been the industry leader in opposing the unsafe limitation of collection times in certain parts of various Local Government Areas. Both Maurice Baroni (McCabes Lawyers) and Kim Glassborow (G & B Lawyers) have given advice to WCRA on the potential legal and safety implications arising from Council restrictions. WCRA wrote to the Minister for Local Government, Paul Toole, 2 August 2016 regarding the unsafe limitation of collection times by Councils seeking his assistance with a positive resolution. Discussions with NSW EPA, SafeWork NSW, RMS, NSW Police, Councils and LGA are ongoing.

Media

WCRA monitors both industry and general media for articles of particular relevance to Members and our high-focus issues. On average approximately 5 media articles per month are brought to the attention of the WCRA Executive. WCRA also provides comment on topical matters where an industry view is sought (usually in print media).

EPA

WCRA enjoys a good working relationship with NSW EPA. Throughout 2015/2016 Senior EPA staff attended and presented at WCRA events and WCRA regularly is requested to assist EPA in the promotion of its waste diversion and environmental protection initiatives.

- WCRA has renewed its agreement with NSW EPA to promote and deliver waste and resource recovery facilities training for standard and advanced workshops in 2016/17. Course materials have been reviewed and updated with material designers currently developing concepts to provide the training program a modern layout and branding. Participation remains strong with attendees from WCRA Members, Local Government, Industry Consultants and non-Members.
- WCRA again participated in the promotion and judging of the NSW Green Globe Awards with presentations held 27 October 2016.
- WCRA has presented to EPA a proposal for financial assurance insurance through Arthur J Gallagher. If accepted, this would provide the financial assurances guarding against the potential for unscrupulous operators to walk away from sites - leaving environmental damage which requires clean-up or stockpiles of waste requiring disposal.
- WCRA supports the principle behind lower licensing thresholds for facilities, limits on road transport of waste and waste tracking requirements. WCRA continues to engage Government in ongoing dialogue which highlights the potential perverse effects if the regulations are not applied consistently and pragmatically. Strong enforcement is required to ensure a level playing field for reputable operators and has continued to work with the NSW

EPA and Government to ensure the manner in which the regulations are applied best reflects the desired outcome.

- The St Marys Recycling constitutional challenge questioning the validity of the proximity principle and the Waste Levy differences between States are challenges that the EPA has had to deal with in 2015/2016. This has recently resulted in EPA issuing a consultation paper entitled “Minimum standards for managing construction and demolition waste in NSW”.
- Members have had the opportunity to hear EPA clarification of regulations at briefings during 2016. Senior EPA staff will address a WCRA Breakfast Briefing on 8 November 2016.

Other Associations

WCRA is perceived in some parts of Government and the media to be a transport-contractor representative body whose interests are limited to NSW. Although this was WCRA’s historical basis, there is a need now for us to respond to national issues and issues which could be perceived to be the domain of other sectors of industry.

WCRA has well-developed relationships with a range of other waste and recycling-related industry organisations and NGOs. We recognise that our positions may not coincide on every issue however, where they do, a joint course of action will often be effective.

- **VWMA (Victorian Waste Management Association) & WRIQ (Waste Recycling Industry Association of Queensland)** in-principle agreement on working together co-operatively has been developed and signed by the parties.
- **AORA (Australian Organics Recycling Association)** - WCRA promoted its March 2016 Breakfast Briefing as a joint WCRA/AORA/WMAA initiative in order to avoid duplication of Government interface on critical issues.
- **WMAA (Waste Management Association of Australia)** - WCRA has undertaken joint initiatives with WMAA C&D Working Group in 2015 including:
 - Ongoing follow-up of the EPA Draft Asbestos Protocol
 - Briefings on the application of Authorised Amounts
 - Briefings on other aspects of the POEO Regulations 2014
- **Boomerang Alliance** - WCRA has had informal meetings with Boomerang Alliance on a number of issues of common interest during 2016. Representatives of Boomerang Alliance have attended and presented at WCRA events on several occasions. This improved working relationship has highlighted a growing level of mutual respect between WCRA and Green NGOs – which had not existed previously.
- In June 2016, WCRA was advised of a proposal for a national industry association, **WRRIA (Waste & Resource Recovery Industry Association)**. As at the date of this report, nothing has been agreed or finalised and WCRA continues to communicate with WRRIA on their proposal. Regrettably a number of major waste organisations have formed the view that resigning their WCRA membership would fast-track the development of a WRRIA. To date there is no substance to this view & we are optimistic that these Members will resume their WCRA membership in the not-too-distant future.

Transport for NSW / Roads & Maritime Service

WCRA makes representation to NSW and Federal government transport bodies on an ongoing basis to ensure changing regulations do not adversely impact the effective and safe operation or the waste and recycling industry.

- WCRA continues to seek an exemption for waste removals from areas where “no-standing” or “no-stopping” signs are located.
- In conjunction with G&B Lawyers (Kim Glassborow), WCRA has developed an industry protocol for dealing with non-compliant, over-loaded, solid and liquid waste collection vehicles arriving at waste facilities.

WCRA Premises - Suite 2, 12-16 Daniel St., Wetherill Park

The balcony is in the process of being fitted with outdoor furniture, pot plants and a portable BBQ for smaller WCRA social functions. The increased functionality of the balcony will also serve as a breakout area for training events and smaller meetings during wet weather.

Training Services

WCRA conducted a review into the training WCRA offers Members. Members were overwhelmingly positive in their overall assessment and provided suggestions for broadening the current course offering, particularly in areas associated with legislative compliance, legislative change, court decisions and updated advice. WCRA is currently working with its training partners to continue to respond to Member needs.

TAFE Sydney Institute

WCRA continues to deliver training via an agreement with TAFE Sydney Institute. The following accredited training courses have been developed in conjunction with TAFE and are presented by WCRA:

- Chain of Responsibility
- Fatigue Management
- Work Safely near Overhead Wires
- Hazardous Chemicals – Workplace Safety Requirements

NSW EPA

WCRA presents training on behalf of NSW EPA under an agreement to 30 June 2017.

- Since 2011 WCRA has delivered 55 EPA training workshops with 1,297 participants.
- WCRA currently presents this Waste & Resource Recovery training as a standard module, an advanced module and a module specifically directed to charity workers.

Scrap Metal Industry Bill

The Scrap Metal Industry Bill was assented by NSW Parliament, September 2016. On commencement, the Act will provide increased regulation for the scrap metal industry through greater police powers and cashless transaction records. WCRA has met with representatives of NSW Police, Deputy Premier’s Office and the Department of Justice, committing to support regulations for a legitimate and lawful scrap metal industry. We are currently waiting to review the draft regulations.

NSW Container Deposit Scheme

With the CDS scheduled to commence on 1 July 2017, WCRA has made multiple representations to Government throughout the CDS consultation process. WCRA is supportive of a CDS that will complement, rather than compete with, the existing kerbside recycling systems and has been active in putting forward the views of its Members to support this aim.

In November 2015, a group representing the WCRA Executive attended a series of site visits in Adelaide. The Executive Members who participated all commented they had gained a good understanding of the manner in which the CDS operates in South Australia and they felt better

equipped to advise Members and the EPA on the potential issues associated with the proposed NSW Container Deposit Scheme.

As a member of the Resource Recovery Working Group established by the NSW Government, WCRA has been acknowledged as a key stakeholder to the scheme and continues to be a voice for the industry.

ACT regional discussion group

The WCRA Executive has provided industry representation within the Australian Capital Territory since 1 July 2015.

- WCRA made five submissions to the ACT Government on the following key issues;
 - portable LSL in the ACT for the waste sector;
 - bins on Government land
 - Waste Feasibility Study
- An Executive meeting was held in Canberra in February 2016
- The ACT Group met twice during the year (February & July 2016).

Life Membership

WCRA acknowledges the following Life Members for their service to the waste management industry and the Association.

- Arthur Baker
- Bernadette Byrnes
- Terry Dene
- Mike Noble
- Barry Thomas
- Harry Wilson

Closing comments from the WCRA President

Once again I would like to thank our Executive Director Mr Tony Khoury for his commitment to oversee and guide WCRA in this ongoing period of significant change. As I said at the outset of this report, we are operating in an increasingly more complex and highly regulated environment than ever before. It is due to the effort put in by Tony, his support personnel, the Members of the Executive and our advisors and partners that we are able to provide WCRA's membership with relevant and effective industry advice and direction.

Again, we look forward to the support of all Members, Sponsors and Partners in 2017 to make our industry safer, cleaner, more responsible, better respected and more profitable.

On behalf of the WCRA Executive, I wish all the WCRA family - our Members, Sponsors and Partners, their Workers and their families a safe and happy Christmas and a successful and prosperous year in 2017.

With best regards,

Harry Wilson,
President
Waste Contractors & Recyclers Association of NSW
8 November 2016