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1st December 2022 Mr. Alex Young Director CDS NSW EPA

By e mail as PDF file to <u>alex.young@epa.nsw.gov.au</u> Cc Mr Tony Chappel, CEO, NSW EPA Cc The Hon. Mr James Griffin, Minister for the Environment

Submission into the review of the NSW Return & Earn scheme

Dear Alex & EPA Staff

Thank you for meeting with us on 29th November 2022 and for the opportunity of providing a submission in relation to this review.

As detailed below, this submission is based on the various issues raised by Members.

- 1. Expanding the NSW CDS to provide for the inclusion of other container types may result in the diversion of recyclable materials from current recycling infrastructure.
 - Transporters and MRFs are generally paid on the incoming weight volume of recyclables.
 - These parties will have current contracts and will need to be compensated for any drop in incoming recycling tonnages.
 - Therefore, any amendments to the NSW Return & Earn scheme will potentially affect current contractual commitments.
 - The parties affected by these contracts may need to renegotiate their position and all announcements by the EPA and the NSW Government should be prefaced as being on *a change of law basis*.
- 2. We also strongly support the amendment to the regulations, which will extend the NSW MRF Protocol to include MRFs that only process commercial recyclables. This will correct a short-coming in the current regulations and allow for a level playing field with the MRF Protocol being open to all MRFs (MRFs that process C&I sourced recyclables along with municipal sourced recyclables have an unintended

advantage over MRFs that only process C&I sourced recyclables). As per your discussions with myself and our Member Waste Free (NSW), we re-iterate that this is a sensible resolution to an unintended problem, and it will promote better commercial resource recovery outcomes.

- Regional MRF members have raised concerns with WCRA and EPA over the cost and the distance to transport recyclable materials to markets and in some cases to very limited markets. Despite the material being classified as an eligible container, there's limited or no financial benefit to these regional MRFs.
- 4. Members have long expressed concerns to the EPA that local government have limited or no interest in using recycled glass in local infrastructure projects. As stated in many previous submissions by WCRA to the NSW EPA, there needs to be a mandate issued by the NSW Government for a minimum level of recycled glass content in all road base and aggregate purchases made by local government. And now that the CDS is being expanded to include more glass, the MRF Protocol only allows for MRFs to be paid once the material is recycled. Therefore, there is an even greater urgency for this matter to be acted on by the NSW Government.
- 5. Wine and spirit bottles should only be classified as eligible containers if they contain the 10c CDS refund symbol. To allow containers to be classified as eligible without the required marking will in our view undermine the integrity of the scheme and lead to possible confusion, errors and liability issues.
- 6. The original objective of the NSW CDS was a to reduce litter. Members have expressed concerns that wine & spirit bottles are not major contributors to litter. The simple fact is that these containers will merely bypass the bin with the yellow lid and over to a CDS depot or RVM.
- 7. The recycling truck will still travel the same number of kilometres, use the same amount of diesel and work the same number of hours in collecting the bin with the yellow lid. On the other hand, waste generators will be using fuel in their own private vehicles to drop off wine & spirit bottles to CDS redemption points. The cost/benefit analysis undertaken by Marsden Jacob touches on this issue, albeit in a very limited and somewhat abbreviated manner. The NSW EPA and/or the NSW Government have an environmental duty to the NSW community to undertake proper and detailed environmental assessment of these additional emissions.
- 8. The price of a wine and/or spirit bottle is quite high and its difficult to reconcile how a 10c refund will influence the disposal behaviour of such consumers. These containers are likely to remain in the bin with the yellow lid and therefore attract the *"bin raiders"* on collection night. Has the NSW EPA and/or the NSW Government undertaken a risk assessment on the public liability issues that may result from these unsafe activities.

Should you require any clarification, please contact the undersigned. Yours faithfully

Tony Khoury, Executive Director