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Ms Liesbet Spanjaard Executive Director, Education, Engagement and Programs NSW Environment Protection Authority 12 Darcy Street PARRAMATTA NSW 2150

By email as a PDF file to engagement@epa.nsw.gov.au

Copy by e mail to the Nominated Representatives of all WCRA Members

NSW EPA's Roadshow 2021

Dear Ms. Spanjaard,

In preparation for the NSW EPA's 2021 Roadshow, WCRA has been requested by Members to prepare a consolidated industry response to capture the key issues in relation to the EPA's regulation of licensed facilities.

This response includes the feedback we have received from our Members based on EPA/WCRA Member interactions throughout 2020. Accordingly, we respectfully request the EPA takes WCRA's feedback into consideration as part of the Roadshows.

Set out below is a summary of feedback from WCRA Members:

1. Consistent approach to licencing

WCRA Members have witnessed inconsistencies in the EPA's approach to applying licence conditions on regulated waste facilities. This is particularly the case between EPA Regions.

The licence assessment process would also benefit from being made more consistent and streamlined. A consistent approach to licensing will ensure licensed facilities are treated fairly and equally.

2. Certainty in regulation drives investment

WCRA Members are making unprecedented investments in collecting, sorting and processing waste from homes, businesses and construction sites. Despite this, a growing trend in regulatory uncertainty has the potential to halt innovation and investment.

We believe that the successful roll out of any regulatory strategy depends, in part, on its consistent delivery across the industry on which the policy or regulation is meant to be implemented. Despite this, our Members often witness sweeping regulatory changes that impact the way licenced facilities operate (for example, the ban on mixed waste organic material). Put simply, the EPA's ability to change regulatory standards, for example by revoking a Resource Recovery Order with a stroke of a pen, causes significant hesitation around private investment.

Accordingly, we request that the EPA provide greater certainty that the detailed rules, such as regulations, orders and exemptions, won't change in a substantial way without consultation and appropriate grace periods.

3. Collaborative approach to compliance

We believe industry and government should work together to achieve compliance. A one-size fits all traditional regulatory approach does not work – the EPA needs to work with industry, academia and the community to identify the right tools and approaches to address the particular risks, issues and challenges faced by the waste industry.

Members wish to pursue a collaborative approach with the EPA where appropriate in which the EPA provides support to the industry to comply. Other government departments, such as SafeWork, always try to work with industry to achieve continuous improvement. One way this could be fostered is through collaborative training and education between the EPA and WCRA.

4. Consistency in approach by EPA Officers

In recent years our Members have witnessed a high trend in EPA staff turnover. As a result of the high turnover, our Members are reporting having to satisfy changing standards between one EPA officer to the next.

Further, our Members often find that junior EPA officers do not understand the operational and commercial constraints that licensed facilities work within. In order to promote consistency, it is essential that EPA Officers are experienced and trained to detect real problems and assist our members with continuous improvement.

We understand that part of the EPA's training includes the review of the *Standards for Managing Construction Waste in NSW.* However, it is not until EPA staff have visited a licensed facility, do they begin to appreciate operational and commercial constraints and how our members go about managing waste in a practical, safe and environmentally friendly way. One way to improve consistency is to provide EPA Officer's with a better understanding of operational and commercial constraints of licensed facilities.

Our Members would be prepared to work with the EPA to provide junior compliance officers with the opportunity to inspect a waste facility as part of their training. This would help EPA Officers gain an understanding of the operational and commercial constraints licensees face, whilst also cultivated the much-needed rapport between the EPA and the industry.

5. The EPA's view of Industry

Many across the industry have formed the view that the NSW EPA appears to have lost touch with how to regulate to support good, legitimate waste management business operators. This issue was further highlighted in 2020 via a media release where the NSW Minister for the Environment the Hon. Mr Kean referred to 'dodgy individuals and organisations' in the waste sector. However, if the EPA is to be a true 'world-class regulator' and we are to achieve our resource recovery goals, then the EPA and the NSW Government needs to have an action plan for disrupting unlawful business models, without there being unintended impacts for legitimate operators.

Lastly, we request that the EPA release an up-to-date version of its organisational chart for 2021 (or that much of it which is known). We are after clarity as to who at the EPA manages resource recovery and confirmation that this person is not be part of the regulatory compliance team. This will assist to improve trust, transparency and increase industry understanding of how responsibilities are allocated within the EPA.

Yours faithfully,

Tony Khoury Executive Director