



WASTE CONTRACTORS &
RECYCLERS ASSOCIATION
OF N.S.W.

ANNUAL REPORT 2018/2019

12th November 2019

Waste Contractors and Recyclers Association of NSW
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Presidents Report, Mr Harry Wilson, Life Member



China's decision in early 2018 to close its import doors to low-grade recyclables from countries such as Australia has forced all levels of Government, and others, to re-think how the industry handles the nation's waste. Whilst this debate takes place, we continue on a daily basis collecting more and more material and the issues remain unresolved. Inadequate infrastructure to sort and process recyclable materials, warehoused stockpiles and resources that should be recovered being sent to landfill.

It is therefore not surprising (at least to industry) that there is a widespread concern about the continued impacts of China's National Sword policy, which has dramatically cut Australia's export of plastics, paper, metal and other waste materials to that market. In recent times the waste management & resource recovery sector has weathered a significant and unprecedented number of issues and challenges. These include -:

- Increased regulations leading to complexity and higher compliance costs;
- Increasing insurance premiums;
- Tightening of end product quality specifications, with decreasing end markets;
- Loss of kerbside materials to container deposit schemes (CDS);
- Decreasing revenues for commodities;
- A ban on the use of mixed waste organics outputs (MWO) as a soil conditioner;
- The introduction of minimum standards for C&D recycled products;
- Mixed plastics placed on the hazardous material list on the Basel convention; and
- A number of fires & accidents that have led to the formation of a WCRA WHS Group.

Despite these issues and challenges the simple fact is that recycling has never been as important to the Australian community as it is today. For most householders the practice of recycling via the bin with the yellow lid is their single biggest regular environmental contribution or initiative. And what drives many basic recycling programs is the need to conserve our finite, precious natural resources, to save limited landfill space and to save on costly disposal bills. As a result, it has never been more important for Australia's governments, at all levels, together with the waste and recycling sector to co-operatively solve these issues.

We have faced a number of unique regulatory challenges such as NSW EPA's ban on the application of MWO, the lack of a regulatory procedure to deal with unexpected asbestos finds in a C&D recycling facility, the highest waste levy in Australia (most of which goes to Treasury) and major question marks over whether our regulators (EPA, Safe Work and Sydney Water are suitably resourced). These issues do very little to create investor confidence in the waste sector.

2018 saw the continued consolidation of ownership across the industry with several WCRA Members acquired by larger operators (DATS and DADI by Bingo and Tox Free by Cleanaway). Cleanaway join forces with ResourceCo at Wetherill Park. Despite these consolidations, a number of new organisations have appeared on the scene, as the barriers to entry into the waste management sector are quite low (especially in general waste transport).

In our 71st year, WCRA continues to play a significant role in highlighting the issues which impact our Members' businesses, in making sure the position of the industry is delivered and understood by other stakeholders and in bringing the key parties together in search of solutions.

I thank our WCRA staff and Executive Members for their dedicated service and commend the 2019 WCRA Annual Report to you. Looking forward to 2020, we are optimistic that it will be a year of solutions, partnerships and progress.

Finance & Administration

WCRA exists to provide information, advice and support to its Members on a broad range of technical, regulatory, employment and industrial matters. The WCRA membership represents the majority of the waste and recycling transport and processing operators in NSW and ACT.

WCRA funds the services it provides to its Members through:

- Annual fees paid by the Members
- Charges for the provision of training services
- Profits from hosting industry events
- Government grants
- Commercial arrangements with corporate partners and sponsors

WCRA continues to be recognised as a well-managed industry association with a secure financial position.

Stirling Williams provides financial auditing services to WCRA and has approved the 2018/19 financial statements. The surplus of \$4,747 reflects that WCRA is using its income to fund additional services to Members (compliance material, standards, research into training, etc.)

Five-year historical comparison

Table 1

	2015	2016	2017	2018	2019
Net Surplus	\$ 99,914	\$ 84,289	\$ 44,685	\$ 77,865	\$ 4,747
Balance Sheet Net Assets	\$ 1,287,597	\$ 1,371,886	\$ 1,416,571	\$ 1,494,436	\$ 1,499,183

Key Ratios

Table 2

	2015	2016	2017	2018	2019
Current Ratio (Current Assets / Current Liabilities)	2.32	2.35	2.13	2.56	2.72
Total Asset Turnover Revenue / Total Assets	0.41	0.37	0.32	0.39	0.37
Return on Assets Net Surplus / Net Assets * 100	7.76	6.14	3.15	5.21	0.32

WCRA's 2018 AGM was held on 13th November at Dooleys, Lidcombe. Members were presented with an overview of the years activities by Mr Wilson (President) along with the audited accounts by Mr Roger Williams, Stirling Williams.

Financial statements for year ending 30 June 2018 were lodged with the Registered Organisations Commission and NSW Industrial Relations Commission in November and further letters were sent in December. The S269 certificate was issued. The Annual return for year ending 31 December 2018 was signed by WCRA's secretary Mr Brandstater and lodged with the Registered Organisations Commission.

WCRA is the oldest waste management industry association in Australia and one of the oldest in the world. Since 1948, WCRA has represented the NSW & ACT waste and recycling transporters and processing facility operators. WCRA is an independent association registered with the Industrial Relations Commission of NSW and Fair Work (Registered Organisations) 2009.

Our People

Members, Partners & Sponsors

The trend of consolidation for established players in the industry has continued in the last reporting year, although, it should be noted that there are some new smaller entrants to the sector. As in previous years, WCRA continues to support the majority of waste and recycling operators across NSW and the ACT.

Table 3

Members	2015	2016	2017	2018	2019
> 41 Revenue Earning Vehicles	9	7	7	6	8
7- 40 Revenue Earning Vehicles	44	39	40	40	42
< 6 Revenue Earning Vehicles	95	104	104	100	104
Associate Members	36	43	39	36	38
Total	184	193	190	182	192
Change on Prior year	7.1%	4.7%	-1.6%	-4.4%	5.2%

Staff & Support Services

WCRA offices and its services are available to Members via phone or in person Monday to Friday during business hours.

WCRA's current agreement with Transector expires on 30 June 2020 and is due to be reviewed by the President and Vice-President and then ratified by the Executive. Transector provides the services of Executive Director, Tony Khoury to the Association.

Mr Khoury, is supported by the following staff and specialist advisors:

Administration, Invoicing, Debtors, Creditors and Bookkeeping	Ann Maree Kopos
Reception, Marketing, Events & Office Management	Jamal Alameddine
Environmental Planning & Regulatory Affairs	Ross Fox (Fishburn Watson O'Brien)
Employment & Industrial Relations	Jay Clowes (Fishburn Watson O'Brien)
Projects	Glenn Caffyn
Training Delivery	Tony Khoury
IT and Maintenance Support	Peter Cochrane
Specialist advice & support across 2018/19	Jim Perry (now Veolia) Lee Smith (now Veolia) Jason Blackmore (now Sims Metal) Mark Pobje (now contracting)

WCRA Executive

The Members of the Executive at 30 June 2019 were:-

Harry Wilson	SMS Municipal Services	President
Susie McBurney	Remondis Pty Ltd	Vice President
Greg Turner	JR Richards & Sons	Treasurer
Jeff Brandstater	Brandster Services	Secretary
David Johnston	United Resource Management	Executive Member
Glenn Gauslaa	Viking Waste	Executive Member
Mark Falanga	Wastefree (Aust) Pty Ltd	Executive Member
David Harrison	Viscount Plastics (Australia) Pty Ltd	Executive Member
Mick Nicholson	JJ Richards & Sons Pty Ltd	Executive Member
Nathan Ung	Polytrade Recycling	Executive Member

The following movements of the Executive took place in 2018/2019:-

- Mark Taylor resigned from the Executive 31 August 2018 (transferred to Adelaide)
- Scott Bayliss did not seek re-election from 1 November 2018
- Mick Nicholson elected to the Executive on 1 November 2018
- Paul Tengdahl elected to the Executive on 1 November 2018 and resigned on 1 June 2019

Executive meetings are held on the second Tuesday of each month, except for January. The purpose and function of the Executive is particularised in the registered rules of the association. Executive meetings are open to all Members of the Association. Members can contribute to discussion and debate and raise points of general business. Voting is restricted to Executive Members.

Executive Members are drawn from the ranks and are the nominated representatives of Members. All are practising industry professionals with many years of experience and subject to heavy demands for their time. Sponsors are also invited to speak at meetings on matters of interest.

Meetings in the reporting year were well attended with a broad range of matters discussed and actioned. The overall attendance at Executive meetings stood at 66% for the financial year ending in June 2019 (this compares favourably with the minimum provision of 50% in the Rules).

Elections for positions on the Executive Committee are conducted every four years according to the Associations rules. Nominations for committee members were invited in September 2018. The Australian Electoral Commission supervised the process where 11 Members nominated for the 12 available positions. As a result, no election was required. The Australian Electoral Commission then supervised an election for senior positions on the Executive on 13th November 2018. Mr Wilson was nominated for the role of President with Ms McBurney nominated for Vice President. Mr Brandstater and Mr Turner were nominated for the positions of Treasurer and Secretary respectively. The Australian Electoral commission noted that nominees were not opposed, and each was awarded the role that they were nominated for. Election results were posted on the Association's website in November and the Registered Organisations Commission was formally notified.

Mr Tengdahl attended a training course approved by Registered Organisations Commission as a result of his election to the Executive. Mr Tengdahl then left Veolia in June 2019 and upon doing so he vacated his position on the Executive. The process of announcing the casual vacancy and calling for candidates commenced in June 2019. At the same time, as we are seeking nominations to fill this position, we will seek nominations for the vacant position from November 2018.

Sponsors

WCRA was generously supported by key industry associates. These organisations contributed essential funding for the Association as well as providing invaluable specialist advice, proposals and assistance to Members.

Wastedge.com	Waste Operations and Management Software
TWU Super	Superannuation
Tyres4U	Heavy vehicle tyres
CJD/Volvo/SDLG	Construction and Waste Management Plant and Equipment
Daimler Trucks Huntingwood	Mercedes Benz, Freightliner and Fuso Heavy Vehicles
Work Options	Injury Management
Arthur J Gallagher	Insurance Broking
Green Goanna – Shell	Oil Specialists
Bucher Municipal	Waste Industry Equipment

Our corporate Sponsors provide specialist expertise and options to our Members, together with essential funding for the services offered by WCRA.

On behalf of all Members, the Association acknowledges the support of its Sponsors and its gratitude to these organisations and their representatives.

Life Membership

Life membership is the highest honour that can be given to a member of the waste and recycling industry who is associated with WCRA. Life membership may be awarded to a member in recognition of outstanding service given to WCRA over a prolonged period.

The Executives, in accordance with the Guidelines for life Nomination for Life Membership, considers the following with regard to prospective Life Members:

- Must never have brought the Association or the industry into disrepute
- Must have consistently put the interests of the Association and the industry ahead of their personal and business interests in the discharge of WCRA duties and responsibilities
- Must have, through their involvement with WCRA, enhanced the operation and reputation of the Association and the industry.

The following former and present Members are Life Members of WCRA (unchanged from 2017 and 2018)

- Ron Horswell (deceased)
- Mike Creswell (deceased)
- Arthur Baker
- Bernadette Burns
- Terry Dene
- Mike Noble
- Barry Thomas
- Harry Wilson

WCRA stays in touch with our Life Members by inviting them to attend our events such as the Annual Dinner and the Retiree's Lunch.

Services

Industrial & Employment Relations

The Association continues to provide Industrial Relations support for all its Members. As well as providing key information about pay rates, leave, injured workers, HR, unfair dismissals, redundancy, public holidays etc. WCRA represented members in various industrial pay and conditions discussions and negotiations.

WCRA is a registered body of employers under the Fair Work Act 2009 (Registered Organisation's Act) and NSW Industrial Relations Act 1996. WCRA representatives are involved in negotiations with Trade Unions and assist government bodies such as the Fair Work Commission and the Fair Work Ombudsman with industrial matters affecting the waste management industry. WCRA is recognised as the peak employer association representing the interests of its Members in both NSW and the ACT.

The Waste Management Award 2010 review (AM2014/216) is scheduled every 4 years by the Fair Work Commission (as a part of a review of all modern awards). This review is the main way that modern awards are maintained as a fair and relevant safety net of terms and conditions. As part of the 2014 review the Commission asked interested parties to make submissions about how the review should be conducted and any changes to awards, they think should be made. This review has taken much longer than originally anticipated and we continue to monitor progress and developments.

Members are informed about award changes through the year including updates to the Waste Management Award 2010 and FWO Pay guide. Information about general employment law has been circulated as well as information about the family and domestic violence leave arrangements. WCRA representatives met with counterparts from the Transport Workers Union during October concerning the NSW Transport Industry Waste Collection & Recycling Contract Determination.

On 1 July 2018 the Fair Work Commission announced that the National Minimum Wage along with all Modern Award wage rates was to increase by 3.5% (1 July 2019 3% increase). Members were informed of these decisions.

Insurance and Workers Compensation

WCRA in collaboration with our sponsor Gallagher (Specialist Insurance Brokers) have provided Members with advice on a broad range of insurance matters. In the last few years there has been an increased number of fires at waste management facilities resulting in significant insurance premium increases.

Early in 2019 saw the retirement of Mr Russell Boucher, Gallagher Insurance's long-term advisor to WCRA and Members. Mr Wilson & Mr Khoury held a dinner in January to thank Mr Boucher.

The Association meets with icare (workers compensation insurer for NSW) on an as required basis. Icare held a series of Mental Health forums in 2018/19 and WCRA passed on the details to Members.

The Association worked extensively with Fire & Rescue NSW. Chief Superintendent, David Lewis and his team worked with the Association to develop Fire Safety Guidelines for NSW waste facilities. Fire & Rescue consulted with industry and WCRA distributed various draft versions of guidelines including a joint meeting with AORA and WMRR in December 2018. Amongst a number of concerns, Members raised the concern regarding the safety hazards of undercover storage of baled recyclables. The guidelines have now been finalised and distributed. The VWMA are developing a training and insurance package based on Victorian fire regulations and WCRA has met with VWMA to leverage off this wonderful initiative.

WCRA issued a questionnaire to Members, specifically relating to concerns with aerosol cans in recycling collections. Despite the concerns of WCRA, APCO and Planet Ark both have issued statements defending aerosol can recycling. Safe Work NSW was consulted by WCRA, but they were reluctant to intervene. As stated in 2018, the foremost concern of WCRA is the safety of workers and the community.

To assist Members manage risk in their organisations, a circular was sent to Members in January 2019 "Why waste trucks catch fire."

Training

WCRA offered Members a broad variety of highly industry focussed training courses dealing with contemporary issues affecting the waste management industry. In the delivery of these training services, WCRA has maintained a formal relationship with TAFE NSW Sydney Institute.

Training is a valuable and well utilised component of the Association's suite of services. Many Members rely on WCRA to provide high quality and industry tailored training for employees and contractors. Through its work in this area, WCRA makes a significant contribution to ensuring that safety, environmental standards and compliance are practiced at a high level of competence across the NSW and ACT sector.

Nationally accredited training courses covering Chain of Responsibility regulations and obligations, Fatigue Management regulations and Work Safely Near Overhead Wires were delivered throughout the year. Whilst most of these sessions were delivered at WCRA Wetherill Park, sessions were also delivered in Queanbeyan, Wollongong, Nowra, Tuncurry, Minto, Chipping Norton, Mascot, Marrickville, Arndell Park, Camellia, South Windsor, Toowong (QLD) and Townsville (QLD).

Despite the withdrawal of funding by EPA, WCRA continues to offer training in Waste & Resource Recovery. This matter was referred to the Minister for the Environment Hon. Matt Kean, and despite positive verbal assurances, it was a disappointing outcome for industry, that he supported EPA's position.

Course	Unit nos.	No. of sessions	No. of Attendees
Chain of Responsibility	TLIF0002	15	218
Fatigue Management	TLIF2010	5	29
Work Safely Near Overhead Wires	CPPWMT3063A	3	31
Incident Cause Analysis Method (ICAM)	RIIWHS301D BSBWVHS505B	3	53
Intro. to Waste & Resource Recovery	N/A	3	35



Chain of Responsibility training session led by Tony Khoury and delivered via TAFE at WCRA, in Wetherill Park. We would like to acknowledge the funding provided in 2018/19 by the NHVR that allowed WCRA to deliver 11 full sessions along with 10 Toolbox talk sessions at various Member sites across NSW.

WCRA working with Government

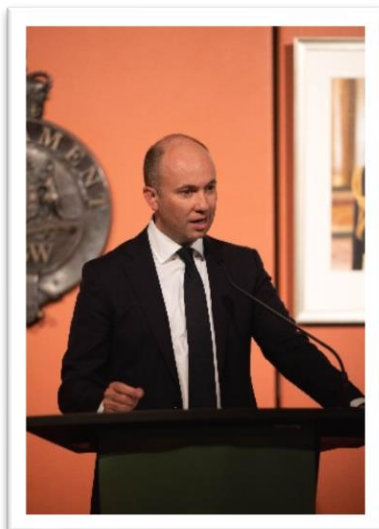


Parliamentary Secretary for the Environment, MP for Manly, Mr James Griffin visiting Polytrade Recycling in Rydalmere with WCRA Executive Member Nathan Ung & Tony Khoury. A broad range of issues were discussed with Mr Griffin including the current issues around recycling from the impacts of China Sword and the need for the EPA to re-convene the taskforce and discussion group that last met in mid-2018.

Federal Senate Inquiry

Following the release of the Senate Inquiry report into waste, recycling & resource recovery entitled 'Never waste a crisis: the waste & recycling industry in Australia' the report was sent to Members. In August 2018 WCRA representatives met with Senator Kristina Keneally in her Sydney office. The Senate Inquiry report received media coverage including on the ABC's 7.30 Report.

NSW Minister for Energy and the Environment



The Association met with the newly appointed the Hon. Matt Kean, MP NSW Minister for Energy and the Environment on Monday 6th May 2019. Amongst the issues discussed were:-

- The size of the industry (~10,000 fulltime workers, ~8,000 part-time, casual or contractors, contributions to the NSW economy of \$6 billion pa and annual waste levy collections of ~\$750 pa)
- WCRA Calendar of events to 30 June 2020
- NSW EPA issues including EPA Chair & CEO (Acting), NSW Inquiry into Energy from Waste and other waste matters (36 recommendations), Waste Less Recycle More, 20 Year Waste Strategy, China Sword, CDS, AWT matter, C & D standards, Review of Resource Recovery Orders for skip bin fines, funding for training, the need for an Asbestos Protocol and what does the Minister want from a relationship with WCRA?

WCRA looks forward to on-going positive dialogue with the Minister and his office. This will be vital, if we are to address the many issues facing our sector.

Other matters involving Government included:

- NSW Parliamentary Inquiry proposed W2E plant (plus other waste related matters), 36 recommendations, WCRA letter sent in response. Government's formal response tabled in Parliament on September 2018, Mr Khoury distributed copy to Executive.
- Media release, Department of Planning & Environment, April 2019, proposed W2E plant at Eastern Creek should be refused, application referred to Planning Commission for a final decision, which ultimately refused the proposal.
- A meeting with NSW Minister for the Environment in January 2019. WCRA was represented by Ms McBurney & Mr Khoury. WMRR CEO and ACOR President also attended. The key issues discussed were AWT ban, recycling matters & upcoming meeting of Federal and State Environment Ministers.
- Prior to the NSW election, the Greens released a policy proposing an increase to the waste levy by \$5 pa. In March 2019, WCRA sent a letter to the Greens highlighting our concerns.
- Labour also released a policy prior to the election entitled 'its plan for a war on waste'. The consensus from WCRA was that the Labour Party's policy was positive.
- WCRA Members feedback to WCRA is that industry is poorly represented on the Board of the EPA. This was discussed and agreed by WCRA Executive.
- The Australian Government has foreshadowed its intention to ban the export of materials. What this will cover and when it will come into effect are yet to be debated and determined.

Work Health and Safety – SafeWork NSW

- WCRA has discussed and agreed with Safe Work NSW the process required a for review of the Domestic Waste Code of Practice.
- A number of Safe Work NSW safety alerts were sent to Members throughout the year including safety concerns on tailgates on tippers (December 2018) and notification of fatalities at Camellia (June 2019) and Horsley Park (May 2019);
- The industry needs to take steps to prevent a repeat of these unfortunate, tragic deaths. As a result, WCRA is in the process of forming an industry reference group to review, monitor and address WHS issues across the waste management sector.
- The WCRA & Safe Work NSW partnership arrangement will soon celebrate its 10th anniversary, (the original agreement was signed on 8th December 2009).
- The issue of mental health and workplace well-being is an emerging concern that will also be addressed by the WCRA WHS industry reference group.

Transport for NSW / NHVR

- An exemption was requested by WCRA to allow for waste collection from areas marked "no standing" or "no stopping". The lack of progress has been slow and RMS preference is for Members to deal with the matter on a case-by-case-by-Council basis. The Minister & the Premier have been less than helpful. This concern was also referred to Stay Safe Inquiry. Mr Khoury has attempted to escalate the matter to Minister Pavey's office, the matter remains unresolved.
- WCRA was granted \$46,000 by the NHVR to deliver update training material and deliver Chain of Responsibility training workshops. With new regulations coming into effect in October 2018, the training proved to be very much in-demand and additional funding was provided by the NHVR to meet the additional demand.
- Mr Jason Blackmore attended a Heavy Vehicle Safety Strategy Workshop with NHVR, July 2018
- Also, in July 2018, changes to NSW Heavy Vehicle Registrations were advised to the Members.
- WRIQ is developing an NHVR endorsed national code for waste vehicle load compliance. WCRA is participating in this matter which has national importance.

NSW EPA / Department of Planning, Industry and the Environment (DPIE)

The relationship between WCRA and EPA is of critical importance to the effective operation of our industry and on occasions it continues to be challenging. WCRA has long advocated that a healthy dynamic waste management and resource recovery industry needs a strong, well-resourced, well-informed, politically independent & operationally transparent regulator to provide a level playing field for industry.

With the support of key EPA staff, Mark Gifford, Acting CEO and Carmen Dwyer, Executive Director, Waste Operations WCRA via Executive Director Tony Khoury has established a solid working relationship with the EPA. There have been many interactions between WCRA and EPA staff throughout 2018/19 and whilst we continue to have our differences, all discussions and interactions were conducted with a healthy professional respect. A feature of these discussions was the regular telephone conference between Mr Gifford and industry (WCRA, WMRR and ACOR).

WCRA continued to pursue EPA for a resolution to a broad range of issues such as Financial Assurances (an insurance option), NSW E Waste Definition, transport of baled cardboard (cover exemption) and a resolution to the ineffective Proximity Principle (long distance transport).

In November, we lodged a submission to EPA in response to the Draft NSW Circular Economy Policy where we highlighted the need for Government to mandate recycled glass content in road making materials.

In December, Members were advised that the EPA was to commence a landfill compliance audit program.

In May 2019, the EPA finalised the “Better Practice Guide for Resource Recovery in Residential Developments” and a copy was distributed to WCRA Members.

In May 2019 the NSW Government announced that the EPA’s responsibility for resource recovery would be transferred to the Department of Planning, Industry and the Environment (DPIE). WCRA has now met with DPIE staff to establish clarity over the role that this important department will play.

As mentioned elsewhere in this Report, agreement on a procedure or protocol to deal with an unexpected find of asbestos in a C&D recycling facility is no closer now than what it was in previous years.

In May 2019 EPA released the Minimum Standards for Managing C & D at waste processing facilities. Whilst these standards will create agreed procedures for inspection of incoming waste, they have added to the cost of operating a C&D recycling facility.

Throughout the year there were a number of EPA sessions and draft documents on the proposed 20-year waste strategy. WCRA attended several focus group sessions and was interviewed by several EPA appointed consultants. The development of this strategy is forecast for completion in early 2020.

The NSW Waste Levy rates for 2019/20 were advised by the EPA and to WCRA and Members -: solid waste metropolitan area \$143.60 per tonne (2018 \$141.20) and regional \$82.70 (2018 \$81.30).

The sudden announcement by the EPA in October 2018 that the processed outputs from AWT facilities are no longer able to be used on agricultural land and its use on forestry and mining land will also cease until further notice caused unease across the entire industry. The debate and the fallout from this decision continued throughout the year and there is genuine wide-spread industry concern that Resource Recovery Orders and Exemptions can be too easily changed and amended by the EPA. This matter also led to the EPA’s Acting Chair & CEO Ms Anissa Levy stepping down.

The implications of the China Sword recycling decision continued to trouble the recycling sector. To support the sector, WCRA advocated for the EPA to reconvene the Stakeholder Group. These requests were not acted on by the EPA or the NSW Government and in February 2019, a communique was issued in an attempt to provide clarity on the EPA’s position on recycling. WCRA and Members were firmly of the view that more needs to be done and appointed Anne Prince Consulting to develop a strategy addressing AWT, CDS, MRF and recycling issues and a pathway forward.

Relationships

WMRR

Previously known as WMAA, now called the Waste Management and Resource Recovery Association. WCRA has a good working relationship with WMRR's NSW C&D Waste Group, chaired by Mr Terry Martin.

NWRIC

WCRA is the NSW and ACT Affiliate of the National Waste & Recycling Industry Council. Membership of the Council is restricted to organisations with national operations. Foundation Council members are: Cleanaway, Suez, Veolia, JJ Richards, Remondis, Resource Co, Sims, Solo and Alex Fraser Group. State and Territory Associations represented at Council meetings as observers are: WRIQ, WRINT, WRIWA, WRISA, VWMA and WCRA. Council meetings are held approximately every three months with venues alternating to different state capitals. WCRA NSW & ACT has been represented by Harry Wilson and Mark Falanga. Executive Officers meetings are held each month – either by teleconference or face-to-face meetings where Tony Khoury provides a short update on relevant NSW and ACT matters.

AORA

Australian Organics Recycling Association. WCRA collaborates with AORA on matters of joint interest including the NSW Guidelines for waste facilities (Fire + Rescue NSW).

VWMA

Victorian Waste Management Association. VMWA led by Executive Officer Mark Smith and WCRA continue to enjoy a close relationship and work together on a number of matters including insurance and training.

WRIQ

Waste Recycling Industry Queensland. WRIQ, led by CEO Rick Ralph and WCRA maintain a good working relationship, specifically in regard to representation on the National Waste & Recycling Industry. WRIQ is currently leading the national project on a code of practise for load management.

ALOA

Australian Landfill Owners Association. ALOA and WCRA continue to collaborate on matters of mutual benefit to our Members.

ACOR

Australian Council of Recycling. Is the peak national industry recycling association. WCRA continues to work with ACOR on matters of joint interest, in particular Project Yellow Sail (to reduce contamination in kerbside recycling), general recycling, AWT (MWOO ban) and discussions on accreditation for recycling facilities.

Boomerang Alliance

Comprises 49 national, state and local allies of environment and government organisations, focussed on the reduction of plastic packaging and waste. WCRA discusses relevant matters with Boomerang Alliance including CDS and unlawful waste disposal.

Other Organisations

WCRA collaborates and cooperates with a large number of organisations whose interests and expertise are relevant, including -:

- Civil Contractors Federation
- Asbestos Diseases Foundation
- Clean Up Australia
- Keep Australia Beautiful NSW
- Australian Packaging Covenant Organisation
- Institute of Public Works and Engineering
- Waste Recycling Industry South Australia
- Waste Recycling Industry Western Australia
- Fiji Waste Management & Resource Recovery Association

AWRE

Australian Waste and Recycling Expo was held in Darling Harbour on 29th and 30th August 2018 where Mr Khoury chaired a panel discussion on "the future of recycling in Australia". WCRA & AWRE continue to enjoy mutual support and promotion through an ongoing agreement which continues into 2019.

Groups

Within WCRA there are a number of single-sector, industry or regional sub-groups. Meetings and workshops for these groups are scheduled and facilitated by WCRA and reported in the WCRA Executive monthly meetings.

WCRA ACT

The ACT CDS scheme commenced in July 2018 providing for a 10c refund on eligible containers (ones that are commonly found in the litter stream). Initially there were 9 return points in operation, including 7 express points at Vinnies and Salvos shop fronts. The scheme is administered by “Exchange for Change”, with “Return it” as the scheme operator.

In April 2019 representatives from the ACT Government met with WCRA at Wetherill Park to discuss a possible ACT waste levy. Based on experience with the NSW waste levy, WCRA then provided detailed information to the ACT Government. Throughout the year there were a number of media reports speculating that a levy would be introduced. Whilst (officially) there still is no waste levy in the ACT, on 1 July 2019 there was a substantial increase in the gate fee for commercial waste at the Mugga Lane landfill. It is very likely that there will be a waste levy from 1 July 2020.

In May 2019 Members were informed that NHVR would take control of heavy vehicle compliance & enforcement across the ACT from July 2019.

WCRA assisted ACT Members to resolve issues pertaining to commercial fees for bins on ACT Government land. Following representations, Members were advised that historical amounts that couldn't be collected from customers could be written off.

At ACT Group meetings in October 2018 and February 2019, discussions took place on the CDS, the proposed Waste Activity Reporting, the proposed ACT Waste to Energy policy were presented to the Group and material from the ACT Government pertaining to waste education (guidance to minimise contamination).

Liquid & Hazardous Waste Group (formerly the Liquid Waste Group)

In mid-2019 the Executive decided to broaden the scope of this group to include hazardous waste issues.

Many specific issues affecting this group relate to Sydney Water (who regulate the disposal of grease trap waste and trade waste discharges). Amongst the issues referred to Sydney Water were a software issue that could have caused potential competition issues (fixed), reminder notices for missed scheduled services, potentially non-compliant operators & concerns relating to waste tracking (lawful disposal).

Members continue to be concerned that Sydney Water has inadequate resources to fulfil its regulatory oversight of the sector. WCRA is seeking a reassurance and to address these concerns by seeking a re-commitment from Sydney Water via our existing Code of Practice.

The EPA's waste levy on liquid waste was set at \$76.90 for 2019/20 (previously \$75.60). These funds are not hypothecated back for the benefit of the NSW liquid waste sector.

Looking ahead into the coming year, this sector will face a number of potential challenges including PFOS acceptance criteria at liquid treatment facilities, question marks over EPA's Resource Recovery Orders (treated grease trap waste) and a strategy to pressure the regulator (EPA) to enforce compliance with the NSW waste regulations for the lawful disposal of oil filters from mechanical workshops.

C&D Waste Group (formerly the Skip, Dino, Hook Group)

Throughout the year the Group met several times to discuss and address a range of issues including -:

- An allowable asbestos limit or procedure for dealing with a rogue piece or two of asbestos in a C & D recycling facility. This group along with WMRR's C&D group have had numerous meetings with EPA in an attempt to address this matter. With a first draft having been produced in November 2011, however we seem to be no closer now to a resolution than we were in 2011;

- The Group continues to work closely with WMRR C&D Group and meets jointly from time to time presenting a united voice in response to (often ill-considered) Government regulatory proposals;
- In July 2018, the combined group met to discuss the development of the Load-restraint Compliance Guideline, the proposed Queensland Waste Levy, proposed NSW C&D Recycling Guidelines and the status of the Asbestos Protocol. Ross Fox (Fishburn Watson O'Brien) provided a short overview of implications for the Skip Fines Resource Recovery Exemption and recent EPA legal action which may represent precedents.
- In October, the group met with Greg Sheehy (EPA Director Waste Compliance) to discuss current EPA organisational structure, recent fines for temporary holding of waste bins being deemed to constitute illegal storage of waste, prosecutions relating to covering of asbestos containing materials in landfill and potential improvements in regulatory enforcement by the EPA.
- In May 2019, the EPA's new Standards for Managing Construction Waste in NSW were released. These Standards detail how an incoming load is to be inspected. Further sections include sorting, storage and transport. There is also a section on training. On behalf of Members WCRA wrote to the EPA on 9th May 2019 seeking clarification on sorting requirements, inspection points, storage, rejected loads, funding for asbestos detection equipment and the education of waste generators

Looking ahead into the coming year, this sector is facing a number of major issues including an EPA review of the Resource Orders and Exemptions for recovered fines and a continuation of the debate on a procedure for managing asbestos in recycling facilities.

Scrap Metal Group

Throughout 2018/19, the EPA considered a reduction (or possibly total removal) of the 50% waste levy concession on floc waste from 1 July 2019. This concession was a Waste Less Recycle More initiative was designed to encourage scrap metal recyclers to accept scrap from regional areas along with products that had a marginal scrap metal value (eg. fridges, washing machines, etc. that contain significant plastic, non-scrap metal parts). An additional benefit of this concession was that it removed incentives to transport floc waste residue to cheaper SE QLD landfills. WCRA is pleased to advise that at the date of this report, a successful resolution was reached by the Scrap Metal Group with NSW EPA.

Throughout the year, there were several fires at car wrecking yards across NSW. It was noted by Members and advised to Fire + Rescue NSW (and NSW EPA) that these yards are not be covered by the proposed NSW Fire Waste Guidelines. One such fire at a car wrecking yard in western Sydney had to be extinguished with access to bulk water tanks from a compliant neighbour (a WCRA Members' scrap metal yard).

In August 2018, WCRA followed up with EPA in relation to the proposed EPA minimum standards for scrap metal yards, we were informed that this matter is not a priority. NSW regulations pertaining to no cash payments for scrap metal continue in NSW, albeit with the Police no longer having a dedicated unit for the proper enforcement of these laws. Whilst the issue of lead-based paint on scrap metal for recycling was discussed by the group with NSW EPA and the matter resolved.



In June WCRA represented by Mr Wilson & Mr Khoury met Parliamentary Secretary for the Environment, MP for Manly Mr James Griffin, in his electoral office. Mr Griffin then visited Concrete Recyclers, Camellia with WCRA C & D Chair, Brent Lawson & Tony Khoury. Arising from this visit, Mr Griffin invited WCRA to formally write to him in relation to the need for a protocol or formal procedure to deal with a rogue piece or several pieces of asbestos in a C & D recycling facility.

The Issues We Address

NSW Container Deposit Scheme

The NSW CDS commenced operating in December 2017. It was reported to WCRA in June 2019 that an estimated 30 million containers per week pass through the CDS. A number of issues are of note-:

- To assist the parties to reach agreement on revenue sharing under MRF refund sharing protocol, WCRA has developed a proforma agreement. Whilst many Councils have agreed to revenue sharing, a number of Councils do not have a revenue sharing agreement which resulted in lost revenue of \$7.5 million in the 4 months ending March 2019;
- A number of Members with MRFs have requested that transfers of unprocessed recyclables (during seasonal peaks, breakdowns, upgrades, etc.) be eligible for credits under the MRF protocol. WCRA has attempted to negotiate with EPA for a resolution. Whilst Exchange for Change and the Ministerial Advisory Council have assisted WCRA, the matter remains unresolved.
- Several Members expressed concerns to WCRA that bin raiders are taking eligible CDS containers from kerbside bins. These concerns include public liability, personal injury, littering and loss of revenue. WCRA has referred the matter to NWRIC who are developing a national policy
- The issue of CDS refunds for commercial co-mingled materials remains unresolved.

Glass Recycling

As detailed in the 2018 annual report the issues surrounding glass recycling were referred by EPA to the China Sword Taskforce. We reiterate our comments from last year. This is a confusing concept since glass is not exported to any great extent and therefore not impacted in any way by the National Sword Policy.

WCRA representatives attended the NSW EPA Opportunities and Barriers for Recycled Crushed Glass Seminar on 24th June 2019 to determine current status of end uses for recycled glass. Several positive case studies were put forward by the EPA, but there was no discussion or commitment to a strategy to develop market demand for crushed recycled glass.

WCRA continues to lobby the NSW Government to mandate the prioritisation of recycled glass content in road-making materials.

Load Restraint Guidance for bin delivery crane trucks

This Guide and compliance documents were finalised, printed and distributed in August 2018 (including a copy to WRIQ whose Members have encountered similar difficulties in Queensland). This has resulted in an application to the NHVR by WRIQ to develop a national code for waste load management compliance.

Long Distance Transport of Waste

Despite the failure by EPA to enforce the Proximity Principle, it retains its place amongst NSW regulations. In July 2018 WCRA provided NSW EPA with an options paper on the waste levy. Also, in July WCRA met with representatives of Pacific National who are looking at ethical and sustainable business rail operations. Disappointingly, there were several major road accidents involving waste carted by long-haul trucks.

Weight Based Charging

Across the waste management industry there are several weighing systems that have NMI approval. The NMI have advised WCRA they are currently investigating the industry to ensure that customers billed by weight are via NMI approved systems. In WCRA's meetings with NMI they have advised that the waste industry was a significantly larger scale and more complex task than had been anticipated.

Standards Australia – MGBs and Mobile Bin Lifting Equipment

Following WCRA's success in 2018 to persuade Standards Australia to reinstate the Australian Standard for MGBs the Association has successfully negotiated for a review of this Standard along with an additional part for mobile bin lifters. This project has been supported by WCRA Members, Bucher Municipal, Superior Pak, Viscount, Mastec and Garwood. In addition, WCRA has obtained letters of support from NWRIC Affiliates and Safe Work NSW. The project is scheduled to commence in late 2019.

Media

WCRA continues to review the industry and general media articles of specific interest to WCRA Members. Across 2018/19, approximately 16 media articles per month were brought to the attention of the Executive. The key media themes across the year included:-

- Household recycling on the brink of collapse, including the impacts from China's ban on recyclables;
- Asian countries turning back loads of contaminated Australian recyclables;
- Waste vehicle and depot fatalities;
- Concerns about the waste management performance of the NSW Government;
- The NSW EPA's ban on the land application of MWOO;
- Firefighters battling fires at waste and recycling facilities;
- The operational & cost impacts of the NSW EPA's minimum standards for C&D recycling;
- The impacts of waste levies (Qld levy at \$75 / tonne commenced 30 June 2019)

Functions and Events

WCRA Annual Dinner and Awards night – November 2018

The very popular WCRA Annual Dinner was held on 30th November in The Barn at the new The William Inglis Hotel at Chipping Norton. 180 Attendees from across the industry enjoyed the evening where joint winners were announced for the President's Award JJ Richards (Pulp Master) and Remondis (Lake Macquarie), with the WHS Award winners Sims Recycling Solutions.

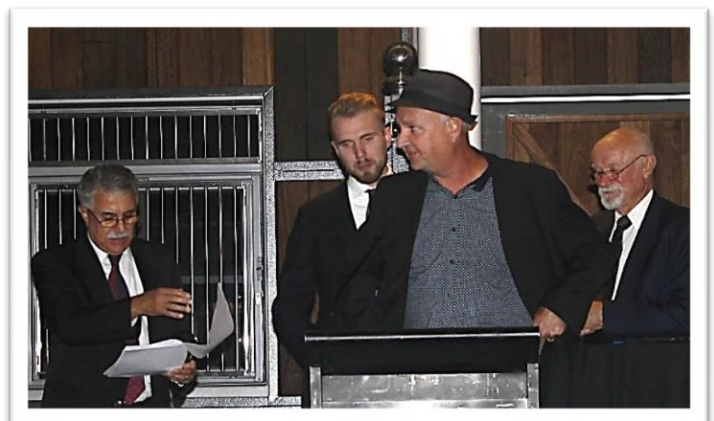


WCRA Vice President Ms Susie McBurney from Remondis accepting the President's Award at the WCRA Annual Dinner.

This award was sponsored by Gallagher Insurance Brokers.

Mark Hughes from Sims Recycling accepting the WHS Award at the WCRA Annual Dinner.

This award was sponsored by Work Options.



Industry Update Conference – June 2019

One hundred & thirty-eight delegates from seventy-five organisations attended the Industry Update Conference at the Kirribilli Club in June 2019. Headline presentations delivered the latest information interpretation and discussion across the critical issues currently faced by the waste management sector.



Mr Peter Bruce (CEO Exchange for Change - pictured) presented a review of the Container Deposit Scheme in NSW. Summary statistics describing the performance and achievements of the scheme were presented. Peter discussed the operation of Revenue Sharing Agreements under the scheme as well as reporting on work undertaken to resolve the issues associated with the transfer of product between MRFs.

Bioelektra presented on Advanced Recycling Technology for Shoalhaven City Council. Processing technology that will deliver ~96% recovery and repurposing of material from the municipal solid waste streams was described and its application in the Shoalhaven region detailed. Bioelektra will build, operate and transfer a Resource Recovery Facility (RRF) for twenty years under a contract with Council with the facility to be operational by January 2021.



Dr Mark Jackson (Jackson Environment and Planning) and Mr Ross Fox (Fishburn Watson O'Brien) jointly presented on Energy from Waste in the NSW Marketplace. The role of Energy from Waste in advanced economies around the world, barriers to development in NSW, and lessons from overseas and how these can assist proponents in NSW were considered in detail. A number of significant observations were made as a result of a study of overseas projects which will assist Energy from Waste proponents in NSW.

NSW Fire and Rescue's Chief Superintendent, David Lewis (pictured) delivered a presentation about progress on the FRNSW "Fires in Waste Facilities Guideline." David reported on his team's work with the waste management, its consideration of information provided to it by the industry and its progress on the delivery of a final guideline document for new facilities. David reported FRNSW was asked by NSW EPA to conduct joint inspections at 28 sites across NSW. He reported a high level of non-compliance with the National Construction Code in relation to fire.



Ms. Anne Prince (Anne Prince Consulting - pictured) closed the presentations sessions with a paper entitled "The state of recycling in NSW". "China Sword", CDS, glass reuse, mixed waste organic outputs, asbestos waste reforms, standards for managing construction waste in NSW and fires were discussed in terms of major impacts on business operations. These overlaid with recent elections and changes of State and Federal Government Environment Ministers and the numerous industry voices were synthesised with WCRA Members industry feedback to deliver a five-point plan for WCRA.

One hundred and ten attendees from the industry update then joined the Association for a networking drinks session followed by an evening meal. Mr Mark Gifford, Acting Chief Executive Officer, NSW EPA addressed the Dinner where he detailed the current re-structure of the EPA and DPIE along with plans for a 20-year waste strategy (Guests provided ideas to the EPA on the 20-year waste strategy).

Breakfast Briefings



The Hon. Penny Sharpe, Shadow Minister for the Environment presenting the NSW Labour Party's waste management policy at the WCRA Breakfast Briefing on 12th March 2019.

At the same briefing Mr Ross Fox from Fishburn Watson O'Brien addressed delegates on managing legal risks when relying on NSW resource recovery orders and exemptions.

The 13th November 2018 breakfast briefing included a presentation from NSW EPA staff on the guidelines for recovering monetary benefits from environmental offenders, the proposed Guidelines for C&D waste facilities, as well as an update on the China Sword Recycling matter.

WCRA Golf Day



The Ron Horswell Memorial WCRA Golf Challenge was held on 17th August 2018 at Cabramatta. Twenty teams of Members, Sponsors and their Guests enjoyed a wonderful day and spectacular weather.

The four ball Ambrose format is a popular event, with the winning team captained by David Harrison from Viscount Plastics / SULO.

Retirees Luncheon

The annual luncheon for Retirees from across the waste management industry was held on 12th March 2019 at the Dooleys venue in Lidcombe. This is a very popular and well attended get-together.

Harness Racing, WCRA Sponsor's Night

This annual event was held at the Penrith Harness track on Thursday 14th March 2019 with 80 Members, Sponsors and their Guests. The 8 races were named after Sponsors of WCRA, who receive national publicity across the media, pubs, clubs and betting outlets.

TWUSUPER sponsored dinner

A big thankyou to TWUSUPER for sponsoring this WCRA dinner with WCRA Executive Members, VWMA Members & Guests, on 29th August 2018 at Darling Harbour. It is important to WCRA that we have a close relationship with our interstate associates, whilst TWUSUPER are continually looking for opportunities of promoting superannuation, planning and well-being options to Employers and Workers across the waste management sector.

WCRA premises

The premises owned by WCRA in Wetherill Park provides the Association and our Members with an excellent location for meetings, training and administration at no additional cost. The convenience of plentiful parking is an added advantage. WCRA is the only waste and recycling industry association in Australia to own its own premises.

WCRA's valued Sponsors

We would like to thank our generous Sponsors for their continued support of the Association. Sponsors assist us to provide better services to our Members and to the industry. When seeking a product or a service, we encourage Members to please support our Sponsors by requesting a proposal for their product or service offering.



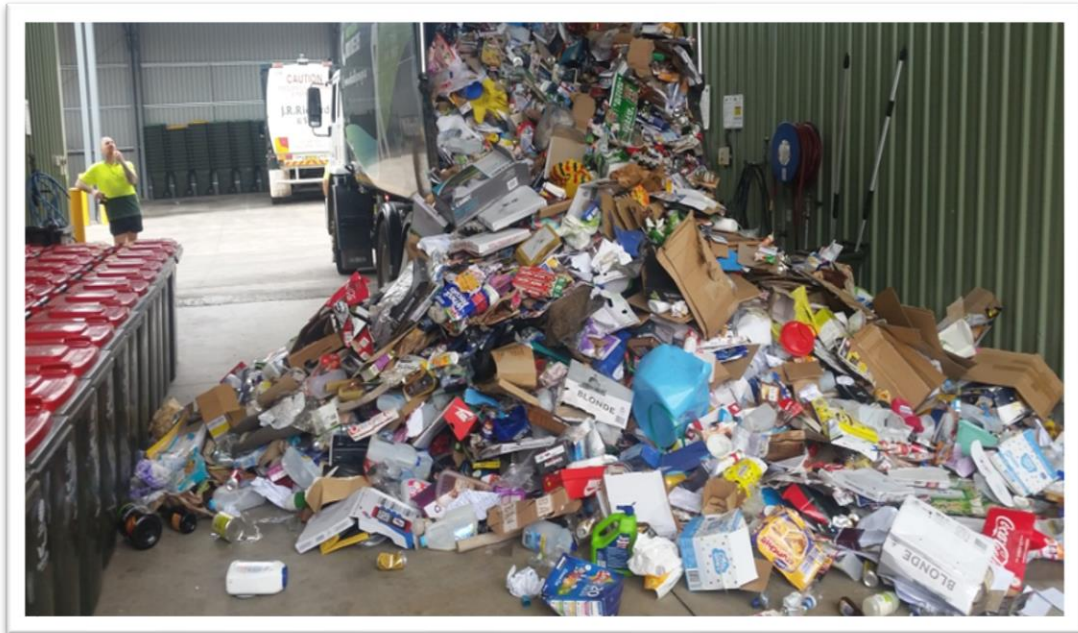
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Commercial and municipal dry co-mingled recycling represents a significant opportunity for the diversion of waste from landfill and the value-add opportunities that these materials provide.

However, the future of the recycling sector will be influenced and shaped by our Government regulators (at all levels), along with world-wide prices and commodity markets for recycled materials. At the date of this report the Federal Government was considering a range of bans on the export of recyclables. The nature and extent of these bans is currently under consideration. In the view of WCRA, before Government enacts any ban, we need a resolution to the issue of local markets for recyclables.

Members have expressed concerns to WCRA that the development of local demand and markets may take a number of years.

In the meantime, every day or every week or every fortnight the collection of materials continues.



A paddock in rural NSW that had Mixed Waste Organic Outputs ('MWOO') applied in accordance with the NSW EPA's Resource Recovery Orders and Exemptions. These Orders and Exemptions have now been revoked.

As stated elsewhere in this report, in October 2018 NSW EPA announced the banning of MWOO products for application on agricultural land, mine site rehabilitation and forestry sites.

In November 2018, the NSW Minister for the Environment, the Hon. Ms Gabrielle Upton stated "that the EPA made its decision to change these regulations based on extensive scientific evidence and the need to take a cautionary approach".

Many across the waste management sector have struggled to comprehend this decision with ACOR releasing a statement stating "the Minister has said he wants waste and resource recovery to be 'self-sustaining, affordable and reliable'. The EPA position on MWOO will put all of recycling into disarray, increase taxpayer costs, and send material to landfill or incineration. That is a bad result for NSW".

In the short-term the EPA and the NSW Government have implemented assistance measures such as waste levy relief, subsidised MWOO tipping costs to landfill and consultation sessions with the affected operators and local government.

At the date of this Report, some very important issues remain unaddressed such as assistance to the affected operators for loss of profits, accelerated capital write-offs, loss of green-credit entitlements, the issue of investor confidence and the significant impact of this decision on NSW's Waste Avoidance and Resource Recovery targets.