



Waste Authority

DRAFT UNCONFIRMED MINUTES OF THE WASTE AUTHORITY MEETING

held on Wednesday 3 June 2009
Department of Environment and Conservation
11.00 pm – 5.30pm

Meeting No. 07/2009

1. WELCOME, APOLOGIES & INTRODUCTIONS

MEMBERS PRESENT

Mr Barry Carbon	Chairman (left meeting between 1.55pm – 3.10pm)
Ms Jan Grimoldby	Deputy Chair
Ms Carolyn Jakobsen	
Mr Marcus Geisler	
Prof Paul Hardisty	

ATTENDEES

Mr Robert Atkins	A/Deputy Director General – Environment, DEC (Delegate for Director General, DEC)	Left meeting between 1.55pm – 3.25pm. Attended between 11.30am – 12.30pm.
Mr Keiran McNamara	Director General, DEC	
Mr Bernard Ryan	A/Manager, Waste Management Branch	
Mr Michael Reid	A/Manager, Policy and Evaluation, DEC	
Ms Jill Lethlean	Manager, Programs, DEC	For items 9.7 – 12
Mr Tony Beeson	Manager, Waste Avoidance & Resource Recovery Account, DEC	
Ms Diane McKinnon	Executive Officer, Waste Authority	Minutes/Actions
Cr Doug Thompson	Chairman, Forum Of Regional Councils (FORC) (Chairman, Southern Metropolitan Regional Council)	For item 2 - 11.30am to 1.25pm
Cr Ron Ashplant	Councillor, City of Geraldton-Greenough	For item 2
Cr Rod Willox	Chairman, Mindarie Regional Council	For item 2
Cr Ron Hoffman	Chairman, Rivers Regional Council	For item 2
Mr Peter Schneider	A/Chief Executive Officer, Eastern Metropolitan Regional Council	For item 2
Mr Alex Sheridan	Chief Executive Officer, Rivers Regional Council	For item 2
Mr John Stevenson	Consultant Executive Support, FORC	For item 2
Mr Renato Fiore	Technical Support, FORC	For item 2

APOLOGIES

Mr Stuart Cowie	A/Director, Sustainability, DEC
Mr Stuart McAll	Chief Executive Officer, Southern Metropolitan Regional Council
Mayor Ron Norris	Chairman, Western Metropolitan Regional Council
Cr David Fardig	Chairman, Eastern Metropolitan Regional Council

The Chairman declared the meeting open at 11.30am and welcomed members, DEC officers and members of the Forum of Regional Councils (FORC) to the meeting.

2. MEETING WITH FORUM OF REGIONAL COUNCILS TO DISCUSS MATTERS OF MUTUAL INTEREST

The Authority had previously resolved to invite the Chair's and CEO's of the Forum of Regional Councils (FORC) member organisations to an Authority meeting to discuss matters of mutual interest, an agenda for which had been determined. The Chairman welcomed FORC representatives to the meeting and thanked them for providing their time to meet with the Authority.

Cr Doug Thompson, Chairman of FORC thanked the Waste Authority for the opportunity to meet and outlined FORC's goals to work jointly as partners; communicated FORC's vision for the waste management industry; outlined how FORC could help the Authority to fulfil its plans for waste management; and confirmed benefits of continued and regular dialogue. Key points from the presentation by FORC is summarised below:

- FORC outlined the need to establish a close relationship with the Authority and have regular dialogue.
- FORC conveyed its keenness to work effectively together to divert waste from landfill, manage waste streams to achieve environmental, social and economic benefits and meet expectations of communities in a sustainable way.
- FORC was of the view that the State Government will not be able to achieve its plans for 'Towards Zero Waste by 2020' by following the status quo. A significant shift in mindset is required by Government.
- FORC outlined what it could offer to assist the Authority / State Government to achieve a well managed, effective and sustainable waste management system in Western Australia and help achieve waste management goals.
- FORC outlined that it works closely with the Municipal Waste Advisory Council (MWAC), providing a voice specifically on issues unique to Regional Councils. MWAC represents collection and recycling activities of local governments. Both FORC and MWAC require close dialogue with the State Government (Waste Authority) on waste issues.
- FORC outlined 3 key components to enable a well managed and effective waste management system. They are: acknowledgement of waste management as an essential service; acknowledgement that planning for effective waste management systems (including development of best practice approaches) potentially conflicts with the government's regulatory role; and the need to develop an integrated system that includes metropolitan and non-metropolitan areas, public and private operators, and the total waste stream (not just MSW).
- Sought feedback from the Authority on where it stands on issues raised and how these could be worked on collaboratively. It outlined 7 key questions for discussion with the Authority.

The Chairman thanked Cr Thompson for his presentation. The Chairman included for the discussion, a briefing on recent government announcements regarding changes to the landfill levy and requested feedback on issues/contingencies as a result of the fire at the Southern Metropolitan Regional Council.

The Chairman invited the Director General, DEC, Mr Keiran McNamara to outline recent government announcements regarding the landfill levy. Mr McNamara informed that as part of the Government's annual budget process an economic audit procedure is undertaken which looks at a whole range of financial structures. This process resulted in a 300% increase in the landfill levy, resulting in an additional \$39 million in 2009/10 (it does not speculate about volumes of waste).

Mr McNamara informed that at the same time, DEC had its appropriation reduced by \$39 million, separate to the 3% efficiency dividend cuts, spread across 7 defined service areas of DEC. He outlined that this decision has necessitated two steps; regulatory mechanisms to enable the levy to be increased and machinery steps to achieve it from 1 July 2009.

Mr McNamara continued that the WARR Act currently hypothecates revenue for waste and recycling purposes, which is paid into the WARR Account and used solely for that purpose. He advised that Legislation will be amended to use funds for broader environmental purposes and informed that the Government is currently proceeding with drafting changes. Mr McNamara outlined that the Government is also proceeding with amendments to the Environment Protection Act around illegal dumping (currently outlined in the Litter Act) to increase fines for illegal dumping.

Mr McNamara advised of the Minister's commitment that the first \$13 million generated through the landfill levy would be put back into waste and recycling initiatives. He informed that policy around the Bill will outline that the Minister will have direction over the proportion of the total revenue to waste and recycling and other departmental functions.

The Chairman thanked Mr McNamara for providing the meeting with background to the increase in the landfill levy.

The Chairman informed that the Authority had been directed by the Minister and had therefore resolved out of session (and subsequently released via its minutes of 20 May 2009) to suspend its work on the previous landfill levy recommendations to the Governor with the exception of commitments made to the Joint Standing Committee on Delegated Legislation for minor amendments to the legislation. Consistent with the Minister's direction the Authority had also agreed to recommend to the Governor in Executive Council, through the Minister for Environment, a regulation to increase the landfill levy to \$28 per tonne for putrescible waste to landfill and \$12 per cubic metre for inert waste to landfill.

Cr Thompson provided an update on the situation at the Southern Metropolitan Regional Council (SMRC). He advised that as a result of the fire, the SMRC may need to divert recyclables to landfill in the short term. He outlined its contingency plan to open a secondary facility (run by private operators) as soon as possible. Licensing issues surrounding the re-opening of the proposed facility were discussed during the meeting. DEC confirmed that the facility did not require a license as it is already licensed under Part 5 of the EP Act.

Cr Thompson informed of some commercial recyclers increasing their prices to take the current overflow. He advised that the fire at the SMRC highlights a lack of stability of infrastructure in Western Australia, commenting that it takes just one major event or the closure of a landfill site, to place the industry in severe stress.

The Chairman advised that the lack of stability in infrastructure in Western Australia has been identified as a priority with the draft State Waste Strategy. He sought feedback from the SMRC on whether there was anything at an Authority / State Government level that could assist with the immediate issue.

Cr Thompson responded that collectively re-iterating the message that recycling is here to stay at an Authority, state and local government and regional council level would assist. This requires communication that conveys that the industry is in it for the long term and the need for householders to maintain current recycling regimes. He added that financial assistance in the immediate term would be of assistance to the recycling industry.

The Chairman advised that the Authority's first year was spent doing a large amount of administrative work, and the Authority's greater need now is to concentrate on bigger picture issues in conjunction with partners to move forward. He advised that FORC is clearly identified as one of these partners. He added that the consideration of amendments to the legislation will hopefully see a mechanism for revenues raised through the levy being locked into waste management areas. The Authority's expectation if the Government commits a certain amount of waste levy revenue for waste matters, will see a significant amount of funding allocated to big picture areas.

The Chairman outlined commitments made at the last Authority meeting, regarding the view that the downturn in recycling is an issue where the Authority may wish to be involved in the short term. He advised that this led to the Authority's support of a market support scheme and proposed funding of around \$1.25 million per quarter over the next five quarters to support the local recycling industry. The Chairman also informed of the Authority's support of a 3 year e-waste program in partnership with the Australian Information Industry Association (AIIA). He advised that the Authority/DEC will work with FORC and others in local government to make the market support scheme and e-waste recycling program progress quickly. The Chairman extended an invitation to FORC to determine what mechanisms would be favoured for them to interact with the Authority in this regard.

Cr Thompson provided comments relating to the vulnerability of some parts of the recycling industry and recognised that it is in the best interests long-term to sort out local infrastructure and viability. Other areas briefly discussed by Cr Thompson included community expectations and the need to have significant changes at a government level regarding product re-use to create commercially viable businesses.

In response to the invitation to interact with the Authority, Cr Thompson conveyed the need to have the right mix of profit/service motivated groups at the table for discussion and a carefully constructed agenda to enable a reasonable outcome for both groups.

Mr John Stevenson, FORC's Consultant Executive Support discussed resources of the Waste Authority and sought feedback on who FORC should liaise with to coordinate such discussions. The Chairman informed of his desire to sort out matters associated with servicing the Waste Authority prior to 1 July 2009. He informed of the rapid decline in the number of DEC waste management officers and the current situation being close to unworkable under the current regime. He briefly discussed Authority views of the need to separate the policy function from DEC's regulatory role.

DEC (Robert Atkins) referred to Section 16 of the WARR Act which outlined that the Minister must ensure that the Authority has sufficient services. He advised that under the current system, Mr Bernard Ryan, the A/Branch Manager of the Waste Management Branch is the current senior officer to support the Authority and as such, should be the first point of call for liaising with the Authority regarding FORC's interaction with the Authority. He advised that discussions are currently

underway regarding the establishment of an Office of the Waste Authority, which would be subject to Ministerial approval.

FORC conveyed its views that the Waste Authority should be made completely independent of other state agencies including the regulator, and have powers to set statutory technical standards for resource recovery facilities, implement the draft state waste strategy and set budgets required to successfully achieve these tasks.

The Chairman advised that the Authority's views on this matter had been conveyed in its submission to the recent Environment and Public Affairs Standing Committee *Inquiry into Municipal Waste Management* and separately to the Minister. There was general discussion that the removal of the hypothecation from the waste levy may not be the best outcome for either waste reduction objectives of the State or the department's standing in the community.

FORC and the Authority briefly discussed the consultation paper for the National Waste Strategy and agreed on the general approach that the Commonwealth should focus on what it can do at a national level to implement product stewardship etc.

The process for increasing the levy through regulation was briefly outlined. The Chairman advised that new rates would come into effect at the time of gazettal, if regulation changes are gazetted before 1 July 2009.

FORC outlined 7 key questions for the Authority and sought written feedback from the Authority on these. The Chairman advised that he would respond to the questions in writing based on the discussion at the meeting. He sought nominations/representatives from FORC to establish the working group discussed during the meeting.

It was agreed that the working group would assist and advise on the implementation of the market support scheme and e-waste program and possibly longer term policy and programs. The Chairman encouraged the group to meet soon to discuss the initial direction, with possible monthly meetings thereafter. FORC committed to advising of its representatives for this group following an opportunity for its members to discuss.

Cr Thompson thanked the Authority for the opportunity to meet and on behalf of FORC, appreciated the co-operative approach being taken by the Authority to engage discussion in areas of mutual interest. He looked forward to a positive working relationship ahead.

RESOLUTIONS OF DISCUSSION:

The Authority:

- 2.1 Agreed to establish a working group to assist in the implementation of the market support scheme and e-waste program and possibly longer term policy determinations and invited FORC to provide nominations/representatives for this group.**
- 2.2 Agreed to respond in writing to FORC, in response to its request for feedback on 7 key questions discussed during the meeting.**

3. CLOSE OF MEETING WITH FORC – 1.25PM

The meeting with FORC closed at 1.25pm.

The Chairman informed members that he would be departing the meeting with Mr Atkins at 1.55pm to attend a meeting with the Minister. Ms Grimoldby would be A/Chair during his absence.

4. DECLARATIONS OF INTEREST

Nil.

5. ANNOUNCEMENTS BY THE CHAIRMAN

5.1 Discussion with Member for Riverton

The Chairman advised that he would be seeking a meeting with Dr Mike Nahan, MLA (Member for Riverton) to discuss various waste views.

5.2 Remuneration for Chair / Deputy Chair

The Chairman informed members that both he and the Deputy Chair have had a 20% reduction to their remuneration. The Chairman advised that he has not received any communication from anyone on this, the payments had just reduced.

DEC informed that the WARR Act 2007 refers to an allowance being provided to the Chair and Deputy Chair for the first 12 months of the operation of the Authority. A request to extend this allowance was not progressed at this time due to the current review of salaries and remunerations on public Boards and Committees across government. DEC informed that advice in this regard was provided to the Minister's office and that it remains a matter between the Minister and the public service.

5.3 Good Governance for WA Public Sector Boards & Committees

The Chairman advised members of his recent attendance at a *Good Governance for WA Public Sector Boards and Committees* workshop. He advised that the program is a positive imitative and the workshop provided a good opportunity to meet with Chairs from other Boards and Committees across government with like interests. The Chairman circulated some material he received from the workshop to members for their interest during the meeting and refers members to the public sector website for additional information at (www.public.sector.wa.gov.au).

6. MINUTES OF THE PREVIOUS MEETING

RESOLUTIONS OF DISCUSSION:

6.1 The minutes of the Waste Authority meeting held on 6 May 2009 were confirmed as a true and accurate record of the meeting subject to minor amendments.

Moved: Ms Grimoldby
Seconded: Ms Jakobsen
CARRIED

7. REPORT ON ACTIONS FROM THE PREVIOUS MEETING

Members reviewed the actions from previous meetings. The status of actions listed were acknowledged and noted. The following items required clarification or an update on status during the meeting:

Actions from 6 May 2009 meeting:

7.2.5 Obtaining professional services for a Waste Authority Journalist/Media Officer. The Authority queried the development of a scope of works for the media officer. DEC advised that a draft has been prepared and agreed to forward it to the Chairman accordingly.

8.5.3 Development of template plan for local governments to utilise for requiring C&D waste management plans under the WARR Act. Ms Grimoldby advised that she had met with Mr John Woodhouse to discuss options and informed that it would appear that regulation would be the most effective mechanism for a system to require such plans.

7.1 Status on E-waste

The Chairman advised that he would like to move forward on commitments made to establish a three year e-waste program in partnership with the AIIA as determined at the last meeting. This includes the establishment of a Memorandum of Understanding (MoU) between the Authority and the AIIA.

DEC informed that the matter is being progressed, along with other tasks required by the Authority, but advised of the difficulty in progressing work simultaneously with limited staff resources. DEC advised of a lack of sufficiently senior level staff to progress much of the work required due to recent resignations and workload commitments of remaining staff.

The Authority discussed the need to establish various MoU's, including MoU's between the Waste Authority and the AIIA, WALGA and Strategic Partnership participants. Due to current DEC workload commitments, the Authority discussed the possibility of obtaining the services of a consultant to progress. It was noted that this work could be accommodated within the Chairman's approved discretionary budget allocation.

The Authority agreed to proceed with obtaining quotes for a consultant to prepare three MoU's as discussed and requested DEC to proceed with seeking quotes as soon as possible. It was agreed that the draft MoU's would be forwarded to all members for comment when available.

RESOLUTIONS OF DISCUSSION:

The Authority:

7.1.1 Noted the status of proceeding with the three year e-waste program in partnership with the AIIA.

7.1.2 Agreed to seek quotes for consultancy services to prepare three Memorandum of Understandings for the Waste Authority between 1) the AIIA, 2) WALGA and 3) Strategic Partnership participants and requested DEC to proceed with seeking quotes as soon as possible.

7.1.3 Noted that the draft MoU's would be circulated to members for comment when available.

7.2 Staff Resources 2009/10

Following on from the discussion at 7.1, the Authority discussed staff resource requirements for 2009/10.

The Chairman and Mr Atkins advised that they had not received advice from the Minister at this time in relation to approval of staff expenditure for 2008/09 for DEC. (*This advice was subsequently confirmed by the Minister following the meeting between the Minister, Mr Atkins and the Chairman.*)

The Chairman advised that he had discussed with DEC, staff functions and numbers. He advised that both he and DEC were currently in discussions concerning staff functions and numbers, with 25 positions being considered to sustain current business plan activities over the next 12 months. DEC advised that there is an urgent need to commence employing senior level policy officers to fulfill business plan requirements.

The establishment of an Office of the Waste Authority was briefly discussed, whereby senior level officers would represent the Authority fulltime. A Memorandum of Understanding between DEC and the Authority would be progressed by an external consultant once the Authority determines officer requirements for the Office of the Waste Authority and DEC staff numbers. DEC sought agreement from the Authority to fill vacant positions and provide advice on the types of officers required for the Office of the Waste Authority.

The Chairman advised that the new structure being progressed would see the current Waste Management Branch becoming the Waste Authority service branch. It would have 3 arms as proposed by the department.

The Authority noted DEC's concerns regarding a lack of staff resources and expressed its support in progressing the filling of positions as soon as possible. Members conveyed their support in moving forward to establish a good working relationship between DEC and the Authority.

The Authority discussed the establishment of a small team of Authority members/DEC officers to work through matters including roles/responsibilities, communications, retention of staff and working together to build on the relationship between the Authority and DEC. The Authority agreed that this approach would be both beneficial and timely.

The Chairman requested DEC (Robert Atkins) to think about appropriate staff to involve in the discussion and then how to make it happen. It was considered that perhaps a pre-lunch session prior to the next meeting (1 July) may be the best option.

RESOLUTIONS OF DISCUSSION:

The Authority:

- 7.2.1 Noted that the Minister has approved staff expenditure in support of the 2008/09 work plan.**
- 7.2.2 Noted that a MoU between DEC and the Waste Authority is being progressed to establish the Office of the Waste Authority and the Waste Authority Service Unit as a matter of priority.**
- 7.2.3 Agreed that the filling of vacant positions to support 2008/09 business plan activities in accordance with DEC's staff resource proposal (approved by the Minister) should proceed as soon as possible.**
- 7.2.4 Agreed to establish a small team of Authority members/DEC officers to work through matters including roles/responsibilities, communications, retention of staff etc, to meet either prior to the next Authority meeting or earlier.**
- 7.2.5 Sought feedback from DEC (Robert Atkins) regarding appropriate staff to involve in the discussion identified at 7.2.4.**

8. OUT OF SESSION ITEMS

8.1 Changes to the WARR Levy Regulations 2008

The Minister for the Environment provided a letter to the Waste Authority dated 15 May 2009 seeking a recommendation from the Waste Authority (to the Governor in Executive Council), to increase the landfill levy to \$28 per tonne for putrescible waste to landfill and \$12 per cubic metre for inert waste to landfill. The Minister also asked that the Authority discontinue its current preparation of a Cabinet Submission and progress the matter associated with the definition of waste separately.

A *Resolution Without Meeting* was resolved by the Waste Authority on 20 May 2009, where the Waste Authority:

- 1) *Agreed to suspend, effective immediately, its work on the previous landfill levy recommendation to the Governor, with the exception of amendments to fulfil its previous written commitment to the Joint Standing Committee on Delegated Legislation; and*
- 2) *Agreed to recommend to the Governor in Executive Council, through the Minister for Environment, a regulation to increase the landfill levy to \$28 per tonne for putrescible waste to landfill and \$12 per cubic metre for inert waste to landfill.*

The Authority discussed a numbers of matters relevant to the draft amendments and the increase in the landfill levy. The Authority expressed concerns that the amendments fail to address matters raised by the Joint Standing Committee on Delegated Legislation and requested that these be incorporated within amendments as soon as possible.

The Waste Authority recognised that the increases announced in the budget would provide economic incentive to reduce the disposal of waste to landfill. However, it considered that the foreshadowed increases perhaps do not go far enough and that there is a need for a rigorous review of the efficacy on waste disposal behaviour from this change.

The Authority recognised the financial constraints imposed on departments by budgetary decisions and imperatives, but formed the view that removing the hypothecation from the waste levy may not be the best outcome for either the waste reduction objectives of the State or the department's standing in the community. If there was to be a change from full hypothecation, it considered that a fixed percentage of the total landfill levy being incorporated into legislation would be a favoured model to adopt (based on the South Australian model).

The Authority agreed that it would provide a letter to the Minister advising of its approval of the specific wording of draft amendments to WARR Levy Regulations provided by DEC, subject to the inclusion of matters raised by the Joint Standing Committee on Delegated Regulation. Members agreed that the letter should also include its views on the levy increase as discussed during the meeting. Ms Grimoldby undertook to prepare a draft letter for the Chairman's consideration.

RESOLUTIONS OF DISCUSSION:

The Authority:

- 8.1.1 Approved the specific wording supplied by DEC for draft amendments to WARR Levy Regulations 2008 to provide for a \$28 per tonne fee for putrescible waste to landfill and \$12 per cubic metre for inert waste to landfill, and agreed that this be progressed immediately.**

- 8.1.2 Expressed concern that the Authority's previous commitments made to the Joint Standing Committee on Delegated Legislation had not been incorporated within current draft amendments, and requested that these be included as soon as possible.**
- 8.1.3 Agreed to write to the Minister advising of its approval of draft regulation amendments; advise of further amendments required to fulfil the Authority's undertakings to the Joint Standing Committee on Delegated Legislation; and express views on the levy increase as discussed at the meeting.**

9. DECISION/DISCUSSION ITEMS

9.1 Discussion on recent government announcements – Oral item

The Authority had a closed discussion on recent government announcements between 11.00am – 11.30am between members only.

9.2 Implications of Legislative Changes for the Waste Strategy

The Authority discussed potential implications for the Draft Waste Strategy in light of proposed regulatory amendments to the WARR Act 2007, WARR Levy Act 2007 and WARR Levy Regulations 2008. The Authority was keen to ensure that the Strategy is not in conflict with proposed amendments to the legislation and discussed the need to review the document as a consequence.

RESOLUTIONS OF DISCUSSION:

The Authority:

- 9.2.1 Noted the information provided regarding implications for the Draft Waste Strategy in light of the proposed regulatory amendments to the WARR Act 2007, WARR Levy Act 2007 and the WARR Levy Regulations 2008.**
- 9.2.2 Agreed that it would provide recommendations regarding the setting of the Landfill Levy.**
- 9.2.3 Delegated to the Chairman and Deputy Chair, the making of any consequential amendments to the general wording of the Draft Waste Strategy.**

9.3 Landfill Levy Administration Policy 2006

The Authority referred to the former Board's *Landfill Levy Regulation Administration Policy 2006* and considered its adoption by the Authority for operation from 1 July 2009 onwards, following consideration of any changes to current WARR Levy Regulations. Members were provided with a copy of the landfill policy document at Attachment 1 of the briefing.

The document assists in the interpretation of the *Environmental Protection Amendment Regulations (No. 2) 1998* and relates to the *Environmental Protection (Landfill Levy) Act 1998* and *Part 9 of the Environmental Protection Regulations 1987*.

Members agreed that with the passage of the *WARR Act 2007* and the *WARR Levy Act 2007* and the attendant regulations, that there is a need to review the landfill policy document to ensure its relevance is ongoing. Members agreed that the Landfill Levy Regulation Administration Policy be reviewed as part of waste strategy consultations, and that issues regarding weighbridges should be considered as part of the review.

RESOLUTIONS OF DISCUSSION:

The Authority:

- 9.3.1 Adopted the *Landfill Levy Regulation Administration Policy 2006* (as published by the former Waste Management Board in 2006), for operation from 1 July 2009 onwards, as amended from time to time.**
- 9.3.2 Delegated to the Chairman and Deputy Chair responsibility for approving the final *Landfill Levy Regulation Administration Policy (2009)* subject to amendments dictated by changes to the relevant Acts and Regulations prior to 1 July 2009.**

9.4 Revised Financial Report – Third Quarter

The Authority discussed the revised financial report for the third quarter (the first nine months of the 2008/09 financial year) for the Waste Avoidance and Resource Recovery Account, provided at Attachment 1 of the briefing.

Members noted expenditure commitments in the areas of grants, sponsorship, partnership, local government, Waste Authority, Waste Strategy Implementation, other and staffing and associated on-costs. Members expressed some concern on the future ability to fund various programs and the possibility of some business plan activities ceasing.

Ms Grimoldby circulated to members during the meeting, a draft Waste Authority Budget based on income and expenditure for the 2009/10, 2010/11 and 2011/12 financial years. The Authority noted the draft format proposed for the three year budget and had a general discussion on its content.

RESOLUTIONS OF DISCUSSION:

The Authority:

- 9.4.1 Adopted the information provided in the Third Quarter Financial Report 2008/09 for the Waste Avoidance and Resource Recovery Account.**
- 9.4.2 Noted the draft format proposed for a three year Waste Authority budget for the period 2009/10 - 2011/12.**

9.5 SWIS & CGS Budget

DEC informed on the status of current rounds of the Strategic Waste Initiative Scheme (SWIS) and the Community Grants Scheme. DEC advised that 38 SWIS applications had been received. Community Grants Scheme applications were currently being assessed. Members noted that the number of applications received in the current round of SWIS, and the funding amount requested were significantly more than for previous rounds.

DEC advised that the increase in applicants is most likely due to the current global financial crisis and the impact this is having on the ability of many organisations to obtain finance for projects and programs, in turn making grant schemes more attractive. DEC informed that an increase in the allocation of moneys in order to maintain parity with the quantum of grants awarded under previous rounds of the scheme may be necessary. DEC advised that the assessment sub-committee will meet soon, in time to submit its recommendations for consideration of the Authority out-of-session by mid June, in time for likely announcements prior to the end of the financial year.

The Authority noted that the current round of SWIS had been enthusiastically responded to. Subject to sub-committee recommendations, the Authority agreed to seek the Minister's approval for additional funding for the grants program should it be required.

RESOLUTIONS OF DISCUSSION:

The Authority:

9.5.1 Noted the number of applications and funding amounts requested in the current round of SWIS were significantly more than for previous rounds.

9.5.2 Subject to recommendations of the grants assessment sub-committee, agreed to seek the approval of the Minister to increase funding for the grants program should it be required.

9.6 Development of model for short-term market support scheme

The Authority at its May meeting, approved the establishment of a short-term market support scheme for recovered resources and an allocation of up to \$1.25 million per quarter for the next 5 quarters (from 1 April 2009 to 30 June 2010) to fund the scheme.

DEC circulated a draft model for the market support scheme during the meeting. It included details on the objectives, key principles and elements of the scheme.

The draft model explained that assistance would only be provided where market prices were significantly below international long term average prices (5 – 10 years) in order to encourage entities to make proper provision for market fluctuations. The basis of the scheme is a payment per tonne on eligible material calculated per quarter, when the market price is below the floor price for that material during the quarter. The payment per tonne on eligible materials is calculated by the amount it is below the floor and a modifying factor ensures that payments to all entities on all materials does not exceed \$1.25 million per quarter.

The Authority noted the progress made on the development of the model. The Chairman thanked Mr Bernard Ryan and Mr Marcus Geisler for their efforts in progressing the draft model. The Authority noted and supported Mr Geisler providing advice on the development of the scheme and contributing to the working group to be established to finalise the market support scheme on behalf of the Authority. It was also noted that the working group would include representation from FORC and WALGA.

RESOLUTIONS OF DISCUSSION:

The Authority:

9.6.1 Noted the progress made on the development of a draft model for the market support scheme and supported the general direction.

9.6.2 Noted and supported Mr Geisler's participation on behalf of the Authority in providing advice on the development of the scheme and contributing to the working group to be established to finalise the scheme.

9.7 Incentives for Local Government to complete Annual Survey

DEC informed of the government requirement to collect data and maintain information on local government waste and recycling services for a number of purposes. The information is shared with local government associations (including WALGA and FORC). DEC advised of various incentives to encourage local government to complete the survey in a timely manner

The Authority discussed various incentive mechanisms. The Authority determined that local government should be advised that eligibility for any funding provided by the Authority would be based on the completion of the survey information on an annual basis. The requirement should also be included within local government waste plans.

RESOLUTIONS OF DISCUSSION:

The Authority:

9.7.1 Agreed to advise local government (through WALGA) that eligibility for any funding provided by the Authority would require the completion of survey forms on an annual basis.

9.7.2 Agreed to engage an independent auditor to review data supplied by local governments.

9.7.3 Supported further consideration of regulatory reform regarding waste data collection.

9.8 Review of Total Recycling Activity in WA – 2007/08

DEC informed that the review of total recycling activity in WA was not undertaken last year due to delays in approving the Authority's work plan. DEC proposed that the project now be undertaken to deliver two years reports. A draft scope of works was provided as part of the briefing.

DEC advised that the existing budget estimates KPI for waste is the percentage of waste diverted from landfill in the metropolitan area. It does not require reporting against the metropolitan area separate from the rest of the State, although the data could be collated in this way without too much difficulty. If other indicators with respect to waste performance and reporting are required, appropriate amendments to the scope of works for the contract should be able to accommodate this.

Members briefly discussed the possible inclusion of KPI's to incorporate GDP economic dimensions, including tonnes broken down by key streams, how much it costs to separate streams versus how much money is made.

The Authority agreed that it would consider additional KPI's for inclusion within the scope of works and advise DEC (Bernard Ryan) by Friday 5 June. The Authority agreed that the scope of works would be amended in consultation with the Chair, Deputy Chair and Deputy-Director General DEC.

The Authority was supportive of calling quotes for the review of total recycling activity in WA for a 5 year term, based on an initial 3 year appointment, with scope to extend for a further 2 years. The Authority also agreed that suggestions for KPI's should be sought from the consultant.

RESOLUTIONS OF DISCUSSION:

The Authority:

9.8.1 Agreed to seek quotes to undertake a review of the total recycling activity in WA for a 5 year period, commencing 2007/08 for an initial 3 year term with the possibility of extension for a further 2 years.

9.8.2 Agreed to advise the A/Manager, Waste Management Branch of any additional KPI's for inclusion within the scope of works by Friday 5 June.

9.8.3 Noted that an out of session briefing would be circulated to members seeking approval of funds to support the survey of recycling activity in WA.

9.8.4 Noted that the scope of works would be amended in consultation with the Chair, Deputy Chair and Deputy-Director General DEC.

9.9 Sponsorship of the 2009 Waste & Recycle Conference

The Authority referred to a letter from the Convenor of the Waste and Recycle Conference 2009 Organising Committee, seeking gold sponsorship of the 2009 Conference and an Authority breakfast event. The Authority noted that the 2009 conference theme of '*The Business of Risk or just plain Risky Business*' was chosen to reflect the challenges faced by the waste management sector over the last year and the various ways of planning for and dealing with risk in the industry.

The Authority noted that the Waste and Recycle conference is the main event on the local waste management calendar, attracting over 300 delegates including representatives from the waste and recycle industry, local, state and federal governments' and the community sector. The conference is hosted through a joint venture between the Department of Environment and Conservation, the Waste Management Association of Australia and the Western Australian Local Government Association.

The Authority agreed to become a gold sponsor of the Waste and Recycle 2009 Conference, at a cost of \$13,500 plus GST and noted the benefits in doing so as outlined in the proposal. The Authority also noted that sponsorship of the event has been approved by the Minister in the Authority's supplementary 2009/10 work plan.

The Authority discussed the proposed Authority breakfast forum which would run within the conference week. The Authority agreed to host a forum discussion at the conference, but determined that this would best be suited to a Waste Strategy consultation forum, preferably held in the afternoon of Wednesday 16 September, rather than a breakfast session.

The Authority agreed that no further sponsorship proposals would be considered by the Authority until a comprehensive sponsorship policy is prepared by DEC for its consideration.

RESOLUTIONS OF DISCUSSION:

The Authority:

9.9.1 Agreed to become a gold sponsor of the Waste and Recycle 2009 Conference, at a cost of \$13,500 plus GST.

9.9.2 Agreed to host a Waste Strategy forum as part of the conference in the afternoon of 16 September 2009.

9.9.3 Agreed that no further sponsorship proposals would be considered by the Authority until a comprehensive sponsorship policy is prepared by DEC for its consideration.

9.10 Port Hedland Cash for Trash Program

Members referred to information distributed at the last meeting regarding a *Cash for Trash* pilot community collection program for glass, aluminium cans and litter in Port Hedland.

The Authority noted that 5 collection days has been conducted as part of the program, costing approximately \$6,000 in cash payments per collection day plus the cost of promotion and running the day. The pilot program is coordinated through the Care for Hedland Environmental Association with sponsorship from local businesses and organisations.

In considering possible support of the program, the Authority agreed to consider the proposal as part of the current Community Grants Scheme round, for assessment by the grants sub-committee.

RESOLUTION OF DISCUSSION:

The Authority:

9.10.1 Agreed to consider support for the Port Hedland *Cash for Trash Program* as part of the current Community Grants Scheme round.

9.11 Outcome of Glass Re-processing Expression of Interest

At its meeting in December 2008, the Waste Authority resolved to release a joint call for Expression on Interest (EOI) with the Product Stewardship Forum for the establishment of a glass reprocessing plant in WA. A copy of the EOI was provided at Attachment 1 of the briefing.

DEC informed that the EOI process has been run through the National Packaging Covenant funding process and that two strong applications were received. Applications have been assessed by the WA Jurisdictional Projects Group and will be assessed by the National Project Group in mid June. DEC informed that both groups have representatives from local government, industry and state government. A copy of the two proposals was provided at Attachments 2 and 3 of the briefing.

DEC informed that the Jurisdiction Project Group had found one of the proposals to be very comprehensive, identifying markets with good diversity and a variety of opportunities for material recovery facilities. The second application was considered much less comprehensive.

The Authority noted that funding required to support the establishment of a glass reprocessing plant in WA would be in the vicinity of \$3.9 million. \$1.9 million would comprise of funds from the National Packaging Covenant Industry Association and the other \$1.9 million would be sought from the Authority.

Members discussed the need to protect equity through the development of a comprehensive legal agreement that protects government investment and the need for a dissolution clause within the contract. It was agreed that the services of a commercial lawyer would be sought to develop a comprehensive legal agreement as required.

The Authority approved up to \$5,000 for travel expenses to cover a site visit to an applicants' existing plant as part of the assessment process. It was agreed that Mr Marcus Geisler would represent the Authority in this regard, along with Mr Bernard Ryan, DEC.

The Authority provided its in-principle support to fund up to \$1.9 million in support of the glass reprocessing EOI subject to the outcome of the site visit, the presentation of a final proposal at the July or August meeting and the development of a comprehensive legal agreement as required.

RESOLUTIONS OF DISCUSSION:

The Authority:

9.11.1 Noted and supported the Jurisdictional Project Group's recommendation for National Packaging Covenant Funding.

9.11.2 Supported Mr Geisler and Mr Ryan attending a site visit to an applicants' existing plant as part of the assessment project, and funding of up to \$5,000 to cover travel expenses.

9.11.3 Provided its in-principle support to fund up to \$1.9 million in support of glass reprocessing in WA, subject to the outcome of the site visit, the presentation of a final proposal to the July or August meeting and the development of a comprehensive legal agreement as required.

9.12 Carry-over request from the Centre of Excellence in Cleaner Production for unspent funds 2008/09

The Authority referred to an out-of-session request of 20 May regarding the carry over of unspent funds (from 2008/09) in relation to strategic partnership funding provided to the Centre of Excellence in Cleaner Production (CECP) and project priorities.

The Authority considered the carry over request, noting that an extension of up to four months (until the end of October 2009) would be required to complete reports. The Authority agreed to support the request to carry over unspent 2008/09 funds and agreed to extend the timeline to the end of October 2009, subject to the following:

- completion of a report on alternative waste technologies by the end of October 2009 that suffices the interest of MWAC and the two local councils highlighted during a discussion between the Chairman and CECP representatives.
- completed report to be considered favourable by the Forum of Regional Councils and the Authority.

RESOLUTION OF DISCUSSION:

The Authority:

9.12.1 Agreed to support CECP's request to carry over unspent 2008/09 funds to the end of October 2009, subject to the satisfactory completion of an alternative waste technologies report that suffices the interest of MWAC, FORC and the two local councils highlighted during a discussion between the Chairman and CECP representatives.

9.13 C&D Waste Management Plans

The Authority has previously identified the desirability of new construction and demolition (C&D) projects having a waste management plan to identify and pursue opportunities for increased diversion from landfill. The Authority was informed that the most effective mechanism to support this would be through regulation under the WARR Act.

DEC advised that there is a need to appoint an officer with a legal background to develop new regulations supporting C&D waste management plans and undertake WARR Act implementation tasks. DEC advised that its internal legal service officers were at capacity supporting whole of DEC legal work requirements and recommended the appointment of a temporary position for up to 6 months to work within the Waste Management Branch to undertake legal tasks required specifically relating to C&D waste management plans and WARR Act implementation tasks.

The Authority discussed both in-house and external options for contracting a legal professional to undertake works required. Members considered that the Authority required someone to undertake drafting instructions, develop a scope of works detailing requirements for C&D waste management plans and regulation incorporating data collection (as determined during the discussion at item 9.7 – Incentives for Local Government to complete Annual Survey). It considered whatever option would deliver the works sooner is preferable.

The Authority supported the works being undertaken by either the legal services branch of DEC or, depending on work commitments in this area, be contracted out externally. It was noted that once drafting instructions were signed off, these were provided to the Parliamentary Counsel Office to finalise.

The Authority agreed to seek the services of a legal professional (either internal or external) to be charged with two specific tasks including C&D waste management plans and regulation incorporating data collection. The Authority determined that specific works required for WARR Act implementation would be dealt with separately, as required.

RESOLUTIONS OF DISCUSSION:

The Authority:

- 9.13.1 Noted the information regarding the status of the development of a mechanism to promote waste management plans for construction and demolition projects.**
- 9.13.2 Agreed to fund a project to seek the services of a legal professional (either internal or external) to undertake two specific tasks including C&D waste management plans and regulation incorporating data collection.**
- 9.13.3 Agreed that specific works required for WARR Act implementation would be dealt with separately, as required.**

10. INFORMATION ITEMS

10.1 Outcome of Negotiations with Joint Standing Committee on Delegated Legislation

DEC informed on the outcomes of negotiations with the Joint Standing Committee on Delegated Legislation with respect to the WARR Regulations 2008 and the WARR Levy Regulations 2008. DEC advised that the Committee withdrew its motion of disallowance in respect to the two regulations due to a combination of reaching agreement that particular parts of existing Regulations were appropriate and undertaking to make some amendments to the Regulations.

This item refers to discussion at item 8.1 – Changes to WARR Levy Regulations, where the Authority agreed that it would provide a letter to the Minister advising of its approval of the draft amendments to WARR Levy Regulations subject to the inclusion of matters raised by the Joint Standing Committee on Delegated Regulation.

RESOLUTIONS OF DISCUSSION:

The Authority:

- 10.1.1 Noted the outcome from negotiations with the Joint Standing Committee on Delegated Legislation with respect to the WARR Regulations 2008 and the WARR Levy Regulations 2008.**
- 10.1.2 Agreed to provide advice to DEC in the development of drafting instructions to amend the Regulations.**

10.2 Status of Used Oil Recovery and Recycling in WA and progress of proposed 'lube to lube' plant

Members noted the outcomes of a meeting between Clough Consulting Services, Wren Oil, DEC and the Chairman of the Waste Authority held in late April at Attachment 1 of the briefing. The Chairman informed members of recent developments on the availability of storage facilities for used oil in WA since this meeting. He advised that the proposed building of a 'lube to lube' plant in

Bunbury has been delayed due to changes in joint venture arrangements as a consequence of the global financial crisis.

The Chairman informed members of correspondence received from Shell advising that it would cease its lease of storage tanks at its North Fremantle site (to Wren Oil) for storage of waste oil at the end of August 2009. He informed that the original arrangement with Wren Oil in 2005 was intended to provide temporary storage until BP Kwinana established capacity to accept the oil (which did not eventuate). Shell continued to make storage tanks available, but had always preferred not to store oil in favour of longer term solutions being found.

The Authority noted that there was currently no stockpile of used oil in Western Australia, but with the imminent loss of Shell tanks and export facility, there would not be an opportunity to export used oil until the Wren Oil facility at Bunbury is operational. Members discussed the urgent need to find alternative storage facilities prior to the end of August, the need to find alternative ways to use waste oil and noted export difficulties.

The Authority discussed the need for infrastructure within Western Australia for storage of used oil. The Authority agreed that DEC (Robert Atkins or his nominee) would meet with Wren Oil to discuss the current situation. It was also agreed that the Chairman and Robert Atkins (or his nominee) would contact BP and Verve Energy to discuss the availability of short term storage tanks.

RESOLUTIONS OF DISCUSSION:

The Authority:

10.2.1 Agreed that DEC (Robert Atkins or his nominee) would meet with Wren Oil to discuss the current situation.

10.2.2 Agreed that the Chairman and DEC (Robert Atkins or his nominee) would contact BP and Verve Energy to discuss the availability of short term storage tanks.

10.3 Update on Outcomes of the 18th Meeting of the Environment Protection Heritage Council (EHPH)

DEC informed of the outcomes of the 18th Meeting of the EPHC and provided members with a copy of the Communiqué, the EPHC discussion paper on the National Waste Policy, the Chairman's input into EPHC briefings and the Authority's submission on the National Waste Policy.

The Authority noted that a consultant has been appointed by the Commonwealth to study what State's do differently on a regulatory basis, with a view to facilitate efficiency and harmonise waste at a National level.

Mr Atkins informed that the EPHC resolved that WA would no longer be co-chairing the process for investigating a national measure to manage packaging waste. NSW has taken over this role.

RESOLUTION OF DISCUSSION:

The Authority:

10.3.1 Noted the outcomes of the 18th Meeting of the Environment Protection and Heritage Council.

10.4 **Joint Standing Committee Inquiry into Municipal Waste Management in WA**

The Authority noted the 16th Report of the Standing Committee on Environment and Public Affairs entitled *Municipal Waste Management in Western Australia* of May 2009. A full copy of the report was provided to members via email on 20 May and provided at Attachment 1 of the briefing.

Members agreed that the Report was an outstanding effort by the Standing Committee given their time commitments. It was noted that the Leader of the Government or the Minister (if a member of Council) is required to report the Government's response to the Report within 4 months from the date of tabling.

RESOLUTION OF DISCUSSION:

The Authority:

10.4.1 Noted the 16th Report of the Standing Committee on Environment and Public Affairs – *Municipal Waste Management in Western Australia* of May 2009.

11. **CORRESPONDENCE FOR INFORMATION**

11.1 **Strategic Waste Initiatives Scheme & Community Grants Scheme – Final Reports**

The Authority noted the listing of completed and terminated projects from the following organisations, as provided at Attachment 1 of the briefing:

Final Reports Received for Completed Projects:

- **Amcor Recycling Australasia – Recycle at Work (SWIS 2004, \$400,000 plus GST).** The grant was provided over a three year period for research, planning and delivery of a coordinated recycling at work program for small to medium enterprises (SME's) in the metropolitan area. The report outlines that over 2,800 SME's were approached about recycling during the campaign, with more than 500 making long term commitments to the program and hundreds more making workplace changes without signing up. The program supported road shows across Perth and offered a free advice line and website.
- **Karridale Progress Association – Karridale Kids Care (CGS 2008, \$3,704 plus GST).** The grant provided for the purchase of bright attractive recycling bins at the Karridale Hall for locals to use, and refillable water bottles for children to encourage the minimisation of plastic containers. The Association organised a day where younger and older generations met at the Hall to exchange ideas about how to look after their environment, including recycling.
- **Origins Centre Inc – Waste Management at Origins (CGS 2007, \$2,500 plus GST).** The grant supported the purchase of six large recycling bins to separate waste on site, two compost bins and two worm farms for organic waste. The purchase of the bins has reduced the amount of refuse being taken to the local transfer depot and increased the amount of waste re-used and processed on site. The grant also supported the development of signage and information pamphlets and the purchase of a trailer to house recycling bins for ease of transport.
- **Dale and Associates – Encouraging the Golf Industry to take Strategic Waste Initiatives (SWIS 2005, \$85,474 plus GST).** The project promoted improved prevention, recovery and disposal initiatives of golf industry waste in metropolitan golf clubs. It included soil amendment field trials on four Perth golf clubs and a sustainability survey of major golf clubs in country WA (38).

Project Termination:

- **Youth Media Society of WA – The Bite’s Waste Management Project (CGS 2007, \$9,795 plus GST).** The project included a 14 week radio program (Groove 101.7FM) aimed at the Perth youth community to increase awareness, promotion, image and education of waste management issues across the WA community. The radio station unfortunately ran into licensing and financial troubles in early 2008 and closed down. A preliminary cheque was forwarded in July 2007, with remaining funds of \$5,753.50 being returned into the WARR Account.

RESOLUTIONS OF DISCUSSION:

The Authority:

11.1.1 Noted the final evaluation project reports received for completed projects from the following organisations:

- **Amcor Recycling Australasia – Recycle at Work (SWIS 2004);**
- **Karridale Progress Association – Karridale Kids Care (CGS 2008);**
- **Origins Centre Inc – Waste Management at Origins (CGS 2007); and**
- **Dale and Associates – Encouraging the Golf Industry to take Strategic Waste Initiatives (SWIS 2005).**

11.1.2 Noted the project termination of a CGS 2007 grant for the Youth Media Society of WA for the Bite’s Waste Management Project.

11.2 Correspondence – Waste Authority/Ministerial

The Authority noted the list of incoming and outgoing correspondence outlined in the briefing and discussed some items of correspondence.

In relation to correspondence received from the Director General DEC advising of amendments to the Landfill Waste Classification and Waste Definitions 1996 (as amended), the Chairman sought clarification from DEC on whether the letter is intended to inform of amendments or seeking input from the Authority. Mr Atkins advised that he was unaware of the letter and would confirm its intent once he has had an opportunity to review. The Chairman advised that if DEC was updating regulations in this regard, it should include definitions for acid sulphate soils.

The Chairman briefly discussed correspondence received from the Chairman of the Western Australian Planning Commission regarding the potential for the metropolitan region to expand. The Chairman advised that he has been invited to meet with the Commission Chairman, Mr Gary Prattley to discuss the general approach being taken to identify future urban areas. He advised that he would seek to meet with Mr Prattley soon.

RESOLUTIONS OF DISCUSSION:

The Authority:

11.2.1 Noted the list of incoming and outgoing correspondence outlined in the briefing.

11.2.2 Sought feedback from DEC (Robert Atkins) on the intent of the letter from DEC regarding amendments to the Landfill Waste Classification and Waste Definitions 1996 (as amended).

11.2.3 Noted that the Chairman would seek a meeting with the Chairman of the Western Australian Planning Commission to discuss the identification of future urban areas.

12. CLOSE

The meeting closed at. 5.30pm.

13. NEXT MEETING

The next scheduled meeting of the Waste Authority will be held on 1 July 2009 at DEC's Atrium Office commencing at 12.00 noon. Professor Hardisty advised that he would be unable to attend the July meeting due to being overseas and tendered his apology.

APPROVED / APPROVED WITH AMENDMENT



Barry Carbon, Chairman
WASTE AUTHORITY

17June 2009