

# **Draft South Australian Waste Strategy 2020-2025 and Food waste strategy**

**Submission**

**September 2020**

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## Summary of recommendations

The Local Government Association of South Australia (LGA) makes the following recommendations in relation to the draft South Australia's Waste Strategy 2020-2025, *A Vision for a Circular Economy* (waste strategy) and draft Food Waste Strategy, *Valuing our Food Waste* (food waste strategy):

1. That all actions in the waste and food waste strategies be reviewed and prioritised identifying;
  - a) responsible parties;
  - b) how the action will be measured;
  - c) how the action will be evaluated;
  - d) the proposed timeframe for the action;
  - e) how accountability for actions will be achieved; and
  - f) possible opportunities for alignment of actions across different focus areas.
2. That the strategies acknowledge the impacts of the COVID-19 pandemic and identify opportunities to contribute to South Australia's economic recovery.
3. That the Department for Infrastructure and Transport, the Attorney-General's Department and the Planning Commission be named and identified as key partners in achieving the objectives, targets and priorities for actions in both strategies.
4. That state government collaborate with regional councils to identify and plan pathways (including investment in strategic infrastructure) that provide economically viable opportunities for councils to manage waste, recycling and resource recovery and contribute to the circular economy.
5. Climate change considerations should feature in both the waste strategy and food waste strategy and should align the benefits of a circular economy to SA's climate reduction target.
6. The waste strategy and food waste strategy more strongly emphasise the links between the circular economy and economic diversification and growth for South Australia, particularly for regional South Australia.
7. The waste strategy acknowledges the links between a circular economy, drought resilience and disaster resilience and provides commentary around the links to South Australia's Disaster Resilience Strategy and the National Disaster Risk Reduction Framework and South Australia's climate change policies and directions.
8. The waste strategy articulates the solid waste levy over each year of its five-year term by freezing the Solid Waste Levy.
9. The waste strategy commits to making at least half of the total solid waste levy paid by local government to be made available to councils for worthwhile waste, recycling and resource recovery initiatives.

10. The waste and food waste strategy should remove all actions pursuing legislative review for kerbside collection, specifically in relation to fortnightly organics and co-mingled recycling until the economic viability of this decision is justified with consideration given and actions occur relating to;
  - a) how legislative change will positively assist the transition towards a circular economy;
  - b) how national and state policy interventions will impact the composition of kerbside bins;
  - c) this impact of this legislative change on existing infrastructure;
  - d) strategic waste infrastructure and equipment development; and
  - e) onshore end markets for recyclable materials recovered through kerbside collection become more developed.
11. The waste and food waste strategies priority and proposed actions be amended to prioritise increasing flexibility in kerbside waste management service standards, type, size and frequency to drive increased diversion rates.
12. The waste strategy outlines how State government will support the development of a circular economy by applying circular economy principles to all stages of production and consumption by encouraging circular-use products (both recycled and recyclable) and by developing an accreditation system for these products and supporting investment in them.
13. That the waste strategy outlines state government's adoption of circular procurement targets in line with Action 4.4 of the National Waste Policy Action Plan.
14. That the waste and food waste strategies support the objectives of the Container Deposit Scheme being aligned with the transition towards a circular economy.
15. The waste and food waste strategies support section 66 of the Environment Protection Act 1993 (SA) be repealed or amended to allow for the inclusion of wine and spirit bottles in the Container Deposit Scheme.
16. The waste and food waste strategies be expanded to include both medium and high-density development areas as locations to pilot and evaluate models of alternative bin and collection systems.
17. The waste storage performance outcomes and deemed to satisfy/designated performance features in the Design in Urban Areas section of the draft Planning and Design Code be reviewed in consultation with local government and waste industry representatives to consider effective, efficient and safe waste management for medium to high density development.
18. The State Planning Commission, in consultation with local government and the waste industry, develop design standards for waste management and collection in the public realm.
19. The waste and food waste strategies emphasise the importance of integrated state government led education and awareness campaigns to support behaviour change to increase waste diversion from landfill.

# Introduction

## The Local Government Association of South Australia

The Local Government Association of South Australia (LGA) is the voice of local government in South Australia, representing all 68 councils across the state and the Anangu Pitjantjatjara Yankunytjatjara.

The South Australian *Local Government Act 1999* recognises the LGA as a public authority for the purpose of promoting and advancing the interests of local government. The LGA is also recognised in and has prescribed functions in 29 other South Australian Acts of Parliament. The LGA provides leadership, support, representation and advocacy relevant to the needs of our member councils.

The LGA is a strong advocate for policies that achieve better outcomes for councils and the communities they represent. As such, the LGA welcomes the opportunity to provide comments on the consultation draft *Waste Strategy 2020-2025, A Vision for a Circular Economy* (waste strategy) and the consultation draft *Food Waste Strategy Valuing our Food Waste* (food waste strategy).

This submission has been informed by consultation with our membership, previous LGA submissions, existing policy positions and advocacy initiatives developed through consultation with our members and their subsidiaries.

The LGA and its membership acknowledges and appreciates the thorough consultation Green Industries SA (GISA) has undertaken with the LGA and councils in relation to both of these draft strategies through communications and presentations to the sector on the draft strategies.

## Background

The waste, recycling and resource recovery sector in Australia has faced recent significant challenges resulting in increased scrutiny of the sector. These challenges are directly linked to new international environmental policy disrupting the status quo (China National Sword Policy), highlighting the existing flaws in the industry.

The LGA notes that all three spheres of government have been active in responding to these challenges and, given that waste management falls to local government to implement, the LGA has sought to ensure that the sector has a strong voice in all of these discussions.<sup>1</sup>

In December 2018 Environment Ministers agreed to the new National Waste Policy that is based on circular economy principles. The LGA agrees that South Australia must move towards the establishment of a circular economy and welcomes the alignment of this central principle with the waste strategy and food waste strategy.

The State Government may wish to consider how it can strongly align South Australia's Waste Strategy 2020-2025 with the actions provided for in the National Waste Policy Action Plan.

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<sup>1</sup> LGA Submission – Parliament of South Australia – Inquiry into the Recycling Industry < [https://www.lga.sa.gov.au/news-and-events/news/submissions?result\\_560035\\_result\\_page=1](https://www.lga.sa.gov.au/news-and-events/news/submissions?result_560035_result_page=1) >.

## Local government role in waste, recycling, resource recovery and the circular economy

Local government, and by extension resident and business ratepayers, are a major stakeholder and investor in South Australia's waste and resource recovery industry. Councils have a key interest in waste reduction. The increased cost of providing waste management and recycling services has emerged as a significant challenge for the local government sector over the last 12-18 months, due to the insecure end markets for recyclables and increases to the solid waste levy.

In May 2018, an independent report commissioned by the LGA estimated that councils were facing increased costs of \$8.8 million per annum as a result of the implementation of the China National Sword Policy. It is likely that this amount would be even higher today as the flow on impacts of the policy are further compounded.

Separately, in July 2019, the State Government announced an unprecedented 40% increase in the solid waste levy which will cost councils an extra \$8.5 million in 2019/20. In total the solid waste levy will take \$42.5 million out of council budgets this year and put this into State Government funds. Councils are also facing additional costs by responding to increasing community expectations around ensuring the sustainability of waste management practices.

These increased cost pressures mean it is imperative that the cost to councils is taken into account in any further policy changes in the waste sector.

## LGA of SA submission

### About this submission

Given the strong alignment and connections between the two draft strategies and the interconnected nature of the responses received from our membership it was logical to produce one, cohesive submission on behalf of the local government sector in relation to both the draft waste and the draft food waste strategy.

### General feedback on strategies

The food waste strategy contains 38 proposed actions and the waste strategy identifies over 170 priority actions. While the LGA is supportive of the ambition, the achievability of these actions needs to be considered. Some of the proposed and priority actions described are aspirational, broad and not measurable. While the actions seek to take steps to improve waste management practices in South Australia, the wording could be changed to identify the responsible party for the nominated action, consider how the action will be evaluated and how accountability for that action will be achieved.

Given the impetus for development and change in this sector, prioritisation of the proposed and priority actions is necessary to guide and drive further change.

The LGA acknowledges that the strategies were drafted well before the implications of the COVID-19 pandemic were known and as such they are silent on the pandemic and the opportunities these strategies present to positively contribute to South Australia's economic recovery.

**Recommendation 1: That all actions in the waste and food waste strategies be reviewed and prioritised identifying;**

- g) responsible parties;**
- h) how the action will be measured;**
- i) how the action will be evaluated;**
- j) the proposed timeframe for the action;**
- k) how accountability for actions will be achieved; and**
- l) possible opportunities for alignment of actions across different focus areas.**

**Recommendation 2: That the strategies acknowledge the impacts of the COVID-19 pandemic and identify opportunities to contribute to South Australia's economic recovery.**

## Partnerships

Local government supports the partnership opportunity identified in the strategies to work with state and federal government and industry to achieve the objectives, targets and priorities for action.

Australia's waste and resource recovery industry are intrinsically linked to logistics<sup>2</sup> and the transition to a circular economy and the increased diversion of food waste from landfill will require a specific focus on strategic transport and infrastructure development, as identified in both draft strategies.

A transition towards a more circular economy also involves “*decoupling economic activity from the consumption of finite resources and designing waste out of the system.*”<sup>3</sup> Target four of the National Waste Policy Action Plan is to, “*Significantly increase the use of recycled content by governments and industry*”<sup>4</sup> which will not only reduce Australia's waste generation but assist in stabilising the waste sector by closing the loop on recycling.

The Department for Infrastructure and Transport and the Attorney's General Department (formally the Department for Planning Transport and Infrastructure) and the Planning Commission are key organisations to undertake this work as they are responsible for;

- a) developing specifications for government infrastructure (e.g. road specifications);
- b) undertaking major public infrastructure works in South Australia;
- c) developing the community planning and design standards; and
- d) coordinating key infrastructure across the state.

**Recommendation 3: That the Department for Infrastructure and Transport, the Attorney-General's Department and the Planning Commission be named and identified as key partners in achieving the objectives, targets and priorities for actions in both strategies.**

## Targets

Waste diversion has historically, and should continue to be, a key focus for South Australia. The target proposed in the draft strategy of zero avoidable waste to landfill by 2030 with the Municipal Solid Waste (MSW) target increasing to a 75% diversion rate is an ambitious endeavour necessary to encourage waste diversion across the state.

<sup>2</sup> Infrastructure Australia, *Australian Infrastructure Audit 2019* (13 August 2019) Chapter 5: Transport, page 355.

<sup>3</sup> Ellen MacArthur Foundation, “The Concept of a Circular Economy” < <https://www.ellenmacarthurfoundation.org/circular-economy/concept> >.

<sup>4</sup> National Waste Policy Action Plan (2019), target 4.

Traditionally in South Australia there has been a focus on maximising and improving waste diversion practices and the proposed targets in the draft strategy continue to support this work. The targets provided in the waste strategy are in alignment with 2015-2020 waste strategy. The 2015-2020 Waste Strategy mentioned a circular economy however, a circular economy is central to the proposed 2020-2025 Waste Strategy.

The draft waste strategy places particular emphasis on South Australia's transition to a circular economy. To achieve circularity, a holistic approach to the way waste is managed is required and avoidance of waste should be emphasised as the main focus.

Given this clear shift in focus for waste management and resource recovery it would be logical if the strategic targets developed also reflected and supported a more holistic approach to support the transition to a more circular economy. One opportunity to measure "circularity" is to place greater emphasis on the reduction of waste generated. This requires specific emphasis to be placed on the first stage of the waste hierarchy, waste avoidance.

## Regional considerations

The specific challenges regional and remote South Australian communities face with waste management including the combination of the tyranny of distance, lack of economies of scale, lack of strategic infrastructure and equipment and skill shortages are all barriers to providing waste, recycling and resource recovery services and to transition towards a circular economy.

Given that "*Regional councils have been disproportionately affected by policy and legislative changes to the Solid Waste Levy, even with assistance towards transport costs from state government*"<sup>5</sup> the LGA is supportive of the proposed target to maximise diversion to the extent practically and economically achievable.

On behalf of the LGA's South Australian Regional Organisation of Councils (SAROC) committee, and with additional funding and support from Green Industries SA, the Legatus Group (central local government region) is currently developing a draft SA Regional Waste and Resource Recovery Strategy for local government.

The aim of the Strategy is to help identify ways for regional councils to:

- participate in the circular economy;
- stimulate and coordinate investment in regional waste management solutions; and
- identify collaborative opportunities to increase efficiency and reduce costs.

There is opportunity for this strategy to be utilised as part of a foundational understanding for a pathway for future infrastructure and management system planning.

***Recommendation 4: That state government collaborate with regional councils to identify and plan pathways (including investment in strategic infrastructure) that provide economically viable opportunities for councils to manage waste, recycling and resource recovery and contribute to the circular economy.***

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<sup>5</sup> Parliament of South Australia, Environment, Resources and Development Committee, *An Inquiry into the Recycling Industry*, (Tabled in the House of Assembly and ordered to be published 21 July 2020: Second Session, Fifty-Fourth Parliament) finding 9.

## Circular economy

The LGA supports the transition towards a circular economy as the focus of the waste strategy.<sup>6</sup> A circular economy (as far as practicable) presents the opportunity to not only stabilise the waste, recycling and resource recovery sector by reducing reliance on overseas commodity markets but also to create jobs, including jobs in regional and rural South Australia, and to provide South Australia with “*practical, on-ground action to address climate related impacts.*”<sup>7</sup>

South Australian waste and resource recovery infrastructure requires upgrades and transformation for the industry to successfully transition to a circular economy, insulate itself from market volatility and prepare for the pending export bans. The LGA welcomes the commitment of continued investment in resource recovery infrastructure to achieve these goals.<sup>8</sup>

### The circular economy and climate change

The inherent nature of a circular economy involves designing out waste from the system - decoupling economic activity from the consumption of finite resources.<sup>9</sup> A circular economy “*represents a systematic shift that builds long-term resilience, generates business and economic opportunities, and provides environmental and societal benefits.*”<sup>10</sup>

Australia’s weather and climate continues to change in response to a warming global climate<sup>11</sup> and “*South Australia will become hotter and drier, with more frequent and intense extreme weather events.*”<sup>12</sup> In response to this, South Australia has committed to cut greenhouse gas emissions to 50 per cent of 2005 levels by 2030 and for South Australia to be a net zero carbon emitter by 2050.<sup>13</sup>

Innovations to reduce emissions through the waste, recycling and resource recovery industry’s transition to a circular economy can play a critical role in achieving these targets in a financially and economically sustainable way.

A key focus for Australia and South Australia is building disaster resilience through increasing community resilience to extreme weather, environmental events and the impact of climate change. This has changed the way we prevent, prepare for, respond to and recover from emergencies.<sup>14</sup> Driven by national policy, building disaster resilience is the ability of South Australia “*...to survive, adapt and grow no matter what happens.*”<sup>15</sup>

The recent combination of drought, fire, floods and the impacts of the COVID-19 pandemic has seen South Australia enter into a period of economic stagnation, job insecurity, job loss and lack of work opportunities with South Australia currently experiencing the highest rates of unemployment in the nation.<sup>16</sup>

The waste strategy highlights that a circular economy has the potential to create as many as 25,700 local jobs by 2030<sup>17</sup> as well as contributing to a more resilient South Australian economy.

<sup>6</sup> LGA of SA, *Policy Manual*, 4.2.5.

<sup>7</sup> Department for Environment and Water, *Climate Smart South Australia* < <https://www.environment.sa.gov.au/topics/climate-change/climate-smart-sa> >.

<sup>8</sup> Green Industries SA, *A Vision for a Circular Economy, Waste Strategy 2020-2025 CONSULTATION DRAFT (2020)* page 59.

<sup>9</sup> Ellen MacArthur Foundation, “The Concept of a Circular Economy” < <https://www.ellenmacarthurfoundation.org/circular-economy/concept> >.

<sup>10</sup> Ellen MacArthur Foundation, “The Concept of a Circular Economy” < <https://www.ellenmacarthurfoundation.org/circular-economy/concept> >.

<sup>11</sup> LGA of SA, *Policy Manual*, 4.4.

<sup>12</sup> Government of South Australia, “South Australia’s Disaster Resilience Strategy 2019-2024”, Page 5.

<sup>13</sup> Department for Environment and Water, *Climate Smart South Australia* < <https://www.environment.sa.gov.au/topics/climate-change/south-australias-greenhouse-gas-emissions> >.

<sup>14</sup> Council of Australian Governments, *National Strategy for Disaster Resilience*, (2011) page 1.

<sup>15</sup> Government of South Australia, “South Australia’s Disaster Resilience Strategy 2019-2024”, Page 8.

<sup>16</sup> Australian Bureau of Statistics, “Labour Force Commentary” (June 2020) <

<https://www.abs.gov.au/ausstats/abs@.nsf/Previousproducts/6202.0Main%20Features2Jun%202020?opendocument&tabname=Summary&prodno=6202.0&issue=Jun%202020&num=&view=> >.

<sup>17</sup> Green Industries SA, *A Vision for a Circular Economy, Waste Strategy 2020-2025 CONSULTATION DRAFT (2020)* page 54.

The LGA acknowledges that there are strong links between the actions that build drought resilience and the actions that build disaster resilience (and visa-versa).<sup>18</sup> Namely, that economic diversification, especially in regional areas (beyond primary industries), assists to build community resilience to drought and disaster.<sup>19</sup>

The waste strategy should more strongly align the benefits of a circular economy, namely its connections to ecologically sustainable development,<sup>20</sup> its capacity to unlock innovation and economic opportunity and diversity, to the ability to build community resilience and adapt to the impacts of climate change.<sup>21</sup>

The LGA notes the potential economic benefits the circular economy presents to address the challenges South Australia (particularly regional and rural South Australia) face with out-migration and the “demographic deficit”.<sup>22</sup>

**Recommendation 5: Climate change considerations should feature in both the waste strategy and food waste strategy and should align the benefits of a circular economy to SA’s climate reduction target.**

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### **Opportunity spotlight: Building drought resilience through food and organics waste recovery**

On 28 September 2018, the former South Australian Primary Industries Minister Tim Whetstone MP made the declaration that South Australia was officially in drought. Recent information identifies many regions of South Australia in a similar or worse condition since September 2018<sup>23</sup> with around 70% of the state and more than 4,500 farming properties affected by drought.<sup>24</sup>

As of January 2020, 33 South Australian councils, which is almost half of all councils in South Australia, were determined to be “in drought” for the purposes of the federal government Drought Communities Program.<sup>25</sup>

It is commonly known that healthy soil holds more nutrients and water and results in healthier plants and crops.<sup>26</sup> Kerbside food and organics are collected, treated (to remove contaminants) and curated into rich fertile compost, soil and mulch products and are already being utilised by South Australia’s farmers and viticulturalists.<sup>27</sup>

Improving soil structure by utilising products developed from recovered kerbside food and organics is a strategic and practical option to build resilience to the impacts of drought and climate change.

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<sup>18</sup> Australian Disaster Resilience Knowledge Hub, *National Disaster Risk Reduction Framework* < <https://knowledge.aidr.org.au/resources/national-disaster-risk-reduction-framework/> >; Australian Disaster Resilience Knowledge Hub, *Australia’s National Strategy for Disaster Resilience* < <https://knowledge.aidr.org.au/resources/national-strategy-for-disaster-resilience/> >.

<sup>19</sup> LGA of SA Submission, *Developing a Commonwealth Strategy for Drought Preparedness and Resilience* (ECM 672018) February 2019, page 6.

<sup>20</sup> Green Industries SA, *A Vision for a Circular Economy, Waste Strategy 2020-2025 CONSULTATION DRAFT* (2020) page 43.

<sup>21</sup> Government of South Australia, *Directions for a Climate Smart South Australia*, pages 8 – 9.

<sup>22</sup> SA Centre for Economic Studies, *Evidence to Inform Local Government Advocacy for a Strategic Population Policy* (2018) page i.

*The demographic deficit is the reduction in the relative size of the working age population due to a combination of the aging population, slow population growth and net migration – this is linked to SA’s subdued economic performance.*

<sup>23</sup> LGA of SA Submission, *Developing a Commonwealth Strategy for Drought Preparedness and Resilience* (ECM 672018) February 2019, page 4.

<sup>11</sup> Australian Government Bureau of Meteorology, *Climate of the 2018-19 financial year* < <http://www.bom.gov.au/climate/updates/articles/a034.shtml>

<sup>24</sup> PIRSA, *Current Outlook*, (December 2019) < [https://pir.sa.gov.au/grants\\_and\\_assistance/drought\\_support/current\\_outlook](https://pir.sa.gov.au/grants_and_assistance/drought_support/current_outlook)>.

<sup>25</sup> Australian Government, *Drought Communities Program* < <https://www.regional.gov.au/regional/programs/drought-communities.aspx> >.

<sup>26</sup> The Conversation, *We need more carbon in our soil to help Australian farmers through drought*, < <https://theconversation.com/we-need-more-carbon-in-our-soil-to-help-australian-farmers-through-the-drought-102991>>.

<sup>27</sup> Which Bin SA, *What happens to the materials in your green bin?* < <https://www.whichbin.sa.gov.au/tips/what-happens-to-the-materials-in-your-green-bin> >.

## **Natural disasters and other disruptive events**

The connections the waste strategy has made between waste, recycling and resource recovery and natural disaster and other disruptive events<sup>28</sup> is important and timely given the recent bushfires and other environmental disasters faced by South Australia.

The specific and vital role that disaster waste management plays in an emergency response is well established given that disaster waste management “...affects every aspect of an emergency response as well as the long- term recovery of a disaster-affected area.”<sup>29</sup>

The LGA acknowledges that the draft strategies were likely drafted before the COVID-19 pandemic had a large global impact. Given this, the LGA recommends that the strategies be reviewed to consider the capability and opportunity that waste, recycling and resource recovery and the transition towards a more circular economy has to build community resilience, economic diversification and to assist in responding to the economic recovery of South Australia (as highlighted above).

**Recommendation 6: The waste strategy and food waste strategy more strongly emphasise the links between the circular economy and economic diversification and growth for South Australia, particularly for regional South Australia.**

**Recommendation 7: The waste strategy acknowledges the links between a circular economy, drought resilience and disaster resilience and provides commentary around the links to South Australia’s Disaster Resilience Strategy and the National Disaster Risk Reduction Framework and South Australia’s climate change policies and directions.**

## **Solid Waste Levy**

Landfill levies can be an effective tool to promote waste diversion where the majority of the revenue raised from the levy is reinvested into the waste and recycling sector, the levy is set at an optimal level<sup>30</sup> (so not to cause perverse outcomes like outweighing in-sector employment gains) and the future trajectory of the levy is set to provide market certainty for investment decisions.

Figure 1 (below) estimates that since 2016 the local government sector alone has contributed around \$170 million to State Government through the Solid Waste Levy.

Over this same time period Green Industry SA has reinvested around \$20 million of funding into projects that “build and improve waste, recycling and resource recovery infrastructure.”<sup>31</sup> This is only around 12% of the monies contributed by local government through the Solid Waste Levy.

More broadly, since its inception in 2003, it is likely that the South Australian Solid Waste Levy has raised between \$400 and \$500 million.<sup>32</sup> Of this revenue raised only around \$107 million has been spent from the Green Industries Fund on programs “that have stimulated councils, businesses and the community to reduce, reuse, recycle and recover, thereby cutting the amount of waste going directly to landfill.”<sup>33</sup>

<sup>28</sup> Green Industries SA, *A Vision for a Circular Economy, Waste Strategy 2020-2025 CONSULTATION DRAFT* (2020) page 74.

<sup>29</sup> Ibid.

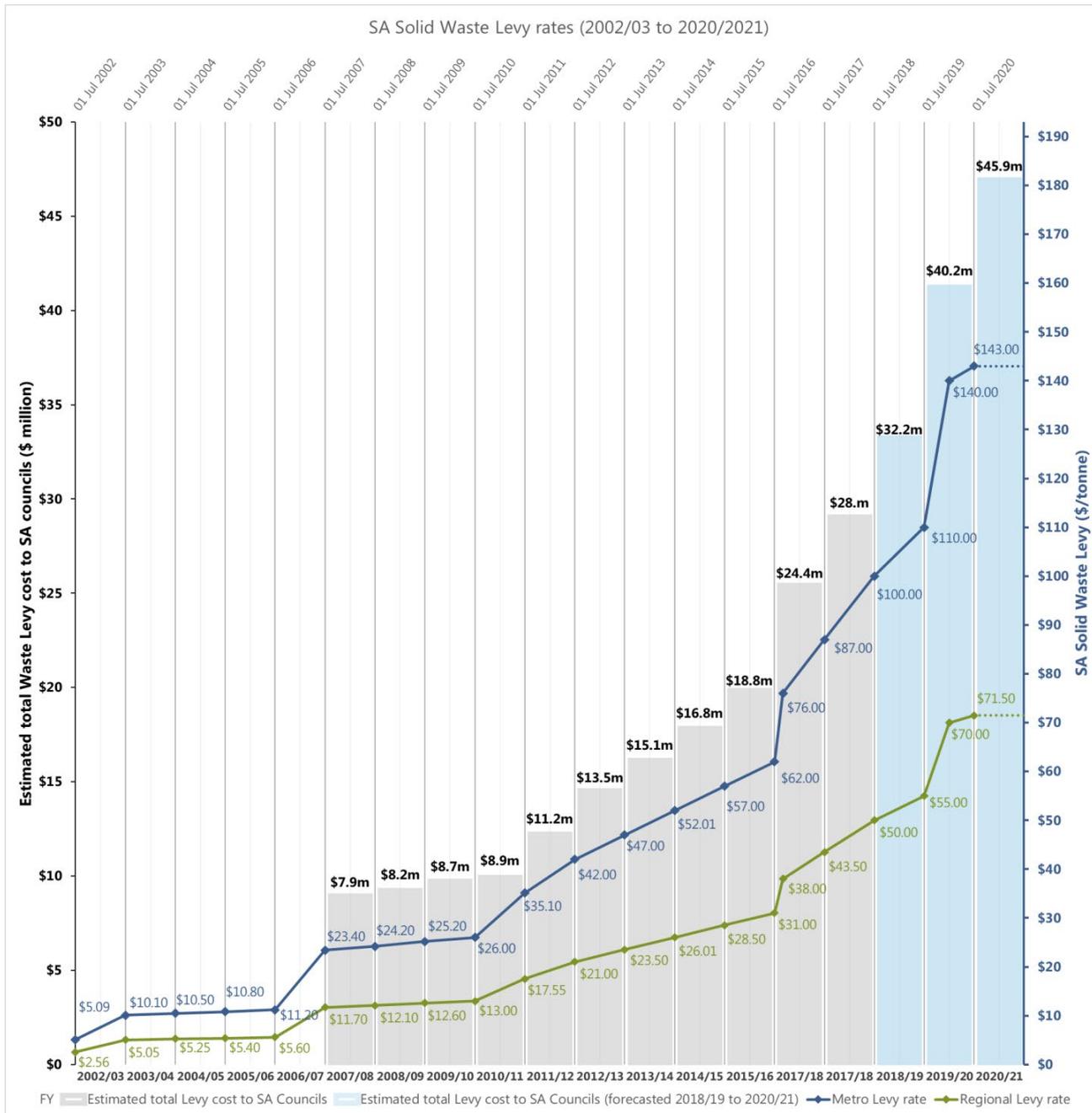
<sup>30</sup> LGA of SA, *Policy Manual, Solid Waste Levy*, 4.2.2.

<sup>31</sup> Green Industries SA, *Green Industries SA – funded projects* < <https://www.greenindustries.sa.gov.au/projects-funded> >.

<sup>32</sup> National Waste and Recycling Industry Council (NWRIC) *White Paper Review of Waste Levies* (9 October 2019) page 22.

<sup>33</sup> [4.97] [https://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Environment\\_and\\_Communications/WasteandRecycling/Report/c04](https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Environment_and_Communications/WasteandRecycling/Report/c04)

Figure 1: SA Solid Waste Levy Rates including the estimated and forecasted cost of the Solid Waste Levy to South Australian Councils



The current re-investment rate in the waste, recycling and resource recovery industry is insufficient for the industry to successfully transition towards a circular economy, respond to unstable international commodity markets by developing onshore market capability for recycle and to achieve the actions provided for in the National Waste Action plan, let alone the actions provided for in the two draft strategies.

The Solid Waste Levy is collected from council ratepayers with the expectation that a significant proportion will be re-invested into the waste and recycling industry. Over recent years investment in non-waste and recycling initiatives (such as energy and coastal management) has overshadowed waste and recycling investment.

The local government sector is committed to providing the community with a high level of service, while driving downward pressure on council rates.<sup>34</sup> The 2019 unforeseen increase to the solid waste levy placed unreasonable pressure on the waste, recycling and resource recovery industry during a time of existing market insecurity.

The unexpected increase to the waste levy directly impacted councils, in December 2019, as Northern Adelaide Waste Management Authority (NAWMA) increased its recycling processing fees due to a “*Significant downturn in the recycled paper and cardboard market, combined with increased operational costs due to the uplift in the State Government Solid Waste Levy*”.<sup>35</sup>

The Parliament of South Australia’s Environment, Resources and Development Committee in the recent inquiry into the Recycling Industry found that “*there is a lack of transparency and accountability around (long term) decision making for expenditure of the Solid Waste Levy*”<sup>36</sup> and recommended in collaboration with local government and other stakeholders that “*in the interests of transparency, develops and implements a long term (5-6 year) strategy for expenditure of the Solid Waste Levy that is consistent with shifting SA towards a circular economy*”.<sup>37</sup>

This lack of transparency and accountability in the decision-making process and the hypothecation of the solid waste levy is directly impacting communities and South Australia’s ability to efficiently and practically manage waste.

The LGA requests that the waste strategy provide councils and the waste industry with certainty and confidence for investment decisions by articulating the Solid Waste Levy amount over each year of its five-year term by freezing the Solid Waste Levy and committing to making at least half of the total levy paid by local government to be made available to councils for worthwhile waste, recycling and resource recovery initiatives.

***Recommendation 8: The waste strategy articulates the solid waste levy over each year of its five-year term by freezing the Solid Waste Levy.***

***Recommendation 9: The waste strategy commits to making at least half of the total solid waste levy paid by local government to be made available to councils for worthwhile waste, recycling and resource recovery initiatives.***

## Legislative considerations

As highlighted earlier, significant policy development has already occurred and is still currently underway in the waste, recycling and resource recovery space at both the national and state level.

In South Australia consultation is currently underway regarding Planning Reform, the Container Deposit Scheme (CDS) and banning the use of Single Use Plastics and nationally actions from the National Waste Policy Action plan are being undertaken including the looming waste export ban.

The impacts of these policy endeavours on waste management are still currently unknown, however it is likely that they will impact and change waste management systems and processes and eventually alter the composition of kerbside bins.

<sup>34</sup> LGA of SA, *Rate Capping* < <https://www.lga.sa.gov.au/sa-councils/local-government-in-sa/rate-capping> >.

<sup>35</sup> Copper Coast Council, Full Council Meeting, Appendices 1–24 inclusive (22 January 2020) < <https://www.coppercoast.sa.gov.au/council/agendas-and-minutes> >.

<sup>36</sup> Parliament of South Australia, Environment, Resources and Development Committee, *An Inquiry into the Recycling Industry*, (Tabled in the House of Assembly and ordered to be published 21 July 2020: Second Session, Fifty-Fourth Parliament), Finding 8.

<sup>37</sup> *Ibid*, Recommendation 4(c).

The *Environment Protection (Waste to Resources) Policy 2010 (SA)* provides that all metropolitan councils in South Australia are required to “...provide a weekly general kerbside waste collection service (other than for recyclable waste or vegetative matter) in respect of residential premises within its area.”<sup>38</sup>

Innovative waste diversion practices interstate and overseas demonstrate that flexibility in collection services and types reduces the amount of waste sent to landfill.<sup>39</sup> Some metropolitan councils have found the requirements in the *Environment Protection (Waste to Resources) Policy 2010 (SA)* as a barrier to delivering innovative waste diversion practices where the current arrangement makes endeavours cost prohibitive and increases logistical difficulties.

Altering legislation can be a time-consuming process. Given the impacts of current reform endeavours on waste management are currently unknown, it is not strategically sound to pursue more permanent legislative endeavours that will likely result in perverse outcomes for waste management in South Australia by creating an additional barrier to increasing waste diversion rates from landfill.

The LGA notes that the waste strategy states the following priority actions for Municipal solid waste;

- “Increase material diversion rates through provision of harmonised bin-based collection services and frequency of service across metropolitan Adelaide, including the regulatory introduction of minimum service standards for organics and recyclable collections.”<sup>40</sup>
- “Introduce mandatory minimum fortnightly collections for kerbside collected recyclables and organics in all councils.”<sup>41</sup>
- “Improve flexibility for councils relating to the frequency of collections and variable price charging for residual household waste.”<sup>42</sup>
- “Support new technology for residential and mixed-se developments (for example, vacuum systems and cross-development and precinct infrastructure).”<sup>43</sup>

The above priority actions are contradictory; how can precinct-based collections and more flexibility for councils in the frequency of collections practically occur if there is legislated, harmonised bin-based collection services and frequency?

Similarly, the food waste strategy provides the following contradictory proposed actions in relation to household kerbside collections;<sup>44</sup>

3. *Work with councils to pilot more frequent collection of household organics bins.*
4. *As part of a legislative review process, consider legislative proposals to harmonise council collection systems and introduce a minimum service across all metropolitan Adelaide councils: fortnightly collection of co-mingled recyclables and fortnightly collection of organics, including food waste.*
5. *Pilot and evaluate models of alternative bin and collection systems for high-density dwellings where little or no garden waste is generated.*

<sup>38</sup> *Environment Protection (Waste to Resources) Policy 2010 (SA)* s 10(2).

<sup>39</sup> Green Industries SA, *Valuing our Food Waste: South Australia’s strategy to reduce and divert household and business food waste CONSULTATION DRAFT* (2020), page 17.

<sup>40</sup> Green Industries SA, *A Vision for a Circular Economy, Waste Strategy 2020-2025 CONSULTATION DRAFT* (2020), page 67.

<sup>41</sup> *Ibid.*

<sup>42</sup> *Ibid.*

<sup>43</sup> *Ibid* page 68.

<sup>44</sup> Green Industries SA, *Valuing our Food Waste: South Australia’s strategy to reduce and divert household and business food waste CONSULTATION DRAFT* (2020), page 39.

A “one-size-fits-all” approach is not appropriate to allow for high waste management services, especially given municipal diversion rates in 2020 fell short of the 2015-2020 diversion target by more than 10%. Flexibility in size, frequency and service standards to allow for high performance waste management systems that maximise diversion rates should be based on demographics of council areas, data, consultation with the community, infrastructure and equipment available and an understanding of the communities needs and behaviour (behaviour change).

Due to close links to South Australian resident and business communities, local government is best placed to make decisions in relation to kerbside collection, with support from the State Government. Councils are well positioned to make cost efficient decisions that accurately capture logistical impacts and consider other impacts, for example the impacts of waste collection services on amenities (e.g. bins cluttering roadsides) and the impact on infrastructure (impact of collection trucks on roads).<sup>45</sup>

This is particularly relevant for regional councils where legislated fortnightly collections of kerbside recycling and organics would further undermine the economic viability of kerbside collection. As discussed earlier in this paper, waste management is currently cost prohibitive for regional councils where the tyranny of distance and achieving economies of scale present significant challenges.

South Australia’s current waste infrastructure and equipment (particularly in regional areas) is not in a position to be able to process and recover these additional resources nor are the requisite end markets for these materials once they have been recovered sufficiently developed to justify the economic viability of this legislative change.

This legislative reform endeavour for fortnightly comingled and organics recycling will create perverse outcomes and be detrimental to South Australia’s transition towards a circular economy. Given that Australia and South Australia are currently in the process of significant policy transition in relation to waste and recycling, South Australia is in the preliminary phases of the circular economy and the nation is facing an economic recession resulting from the global COVID-19 pandemic, legislative flexibility is required to enable communities to pursue the most effective, efficient and economically viable pathway to a circular economy.

Considering the information highlighted above and the information from the waste and food waste strategies clearly indicating that flexibility is required to increase waste diversion from landfill, the LGA recommends that the waste strategy and food waste strategy do not pursue further restrictive legislative requirements for kerbside waste and recycling collection as they will result in perverse outcomes that will hinder South Australia’s transition towards a circular economy.

The focus of legislative review should not be to introduce mandatory minimum collection requirements for kerbside waste, organics or co-mingled recycling restricting councils’ ability to transition towards a circular economy. Rather the focus of any legislative review actions should be increasing flexibility for councils.

***Recommendation 10: The waste and food waste strategy should remove all actions pursuing legislative review for kerbside collection, specifically in relation to fortnightly organics and co-mingled recycling, until the economic viability of this decision is justified with consideration given and actions occur relating to;***

- a) how legislative change will positively assist the transition towards a circular economy;***
- b) how national and state policy interventions will impact the composition of kerbside bins;***
- c) the impact of this legislative change on existing infrastructure;***
- d) strategic waste infrastructure and equipment development; and***
- e) onshore end markets for recyclable materials recovered through kerbside collection become more developed.***

<sup>45</sup> Infrastructure Australia, *Australian Infrastructure Audit 2019* (13 August 2019) Chapter 5: Transport, page 359.

**Recommendation 11: The waste and food waste strategies priority and proposed actions be amended to prioritise increasing flexibility in kerbside waste management service standards, type, size and frequency to drive increased diversion rates.**

## Product stewardship and product accreditation schemes

### Encourage circular-use products

The LGA acknowledges the biggest opportunity to tackle Australia's waste and resource recovery problem is at the front-end of the process through good design that focuses on what is being produced and consumed with thought being turned to the materials used and how those materials can be reused/recovered so they can continue circulating through the economy.

Local government has historically been responsible for the "back-end" of the process, namely kerbside collection and disposal. More recently local government has extended this responsibility to include leveraging its procurement capacity to buy back goods and products that contain recyclables, through the LGA Buying it Back Pilot project (adoption of circular procurement targets).<sup>46</sup>

The waste strategy currently provides for advocacy related actions to promote and support the development of product stewardship and other accreditation schemes. The LGA supports state government working together with local government, industry and the Australian Packaging Covenant Organisation (APCO) to achieve 2025 target to achieve "100% of Australian packaging as reusable, recyclable or compostable"<sup>47</sup> as a viable method to discourage "linear use products" (take, make and dispose extractive industrial model design products) and promote "circular use products" (products designed and manufactured to be reused, repaired and recycled).

NSW has proposed a similar objective to "design out waste" as it can assist in reducing waste generation noting that it can be "...introduced by industry or government in a similar way to requirement for product safety and consumer health, such as nutritional labelling, that encourages producers to carry out appropriate product testing and development."<sup>48</sup>

The LGA recognises that the South Australian government has more capacity and responsibility in this space that extends beyond advocacy and the strategies should reflect this.

Action item 4.4 of the National Waste Policy Action Plan requires all governments to "devise specific procurement targets across all government procurement..." State government adoption of procurement targets and considerations for circular-use products or goods sends a strong signal to the market, encouraging industry led transparency that supports the industry led development of a voluntary scheme for the accreditation of circular use products and materials.

An accreditation scheme could consider all aspects of product development and include requirements at all stages (design, manufacture, distribution, sale, collection) to achieve accreditation. The system would make it easy for consumers to choose circular use products over linear.

This endeavour would not only reduce waste generation, it would strengthen the fundamental premise of recycling, namely, that there is a use for the recovered material after it goes through a manufacturing process.

<sup>46</sup> < <https://www.lga.sa.gov.au/sa-councils/part-of-your-everyday/waste-management> >.

<sup>47</sup> Meeting of Environment Ministers, Meeting Communique from the Seventh Meeting of Environment Ministers, *Agreed Statement 27 April 2018 Melbourne* < <https://www.environment.gov.au/system/files/pages/4f59b654-53aa-43df-b9d1-b21f9caa500c/files/mem7-agreed-statement.pdf> >.

<sup>48</sup> NSW Government, *Cleaning Up Our Act: The Future for Waste and Resource Recovery in NSW*, page 15.

**Recommendation 12: The waste strategy outlines how State Government will support the development of a circular economy by applying circular economy principles to all stages of production and consumption by encouraging circular-use products (both recycled and recyclable) and by developing an accreditation system for these products and supporting investment in them.**

**Recommendation 13: That the waste strategy outlines State Government's adoption of circular procurement targets in line with Action 4.4 of the National Waste Policy Action Plan.**

## Container Deposit Scheme

The Container Deposit Scheme (CDS) in South Australia is a well-established service within the South Australian community.

While the CDS was initially established as a litter reduction measure, its purpose has shifted from solely a litter control measure to now support resource recovery and recycling<sup>49</sup> as well as supporting public health objectives.

The CDS has been highly successful at improving resource recovery rates in SA and reducing litter and the LGA supports the continuation and expansion of the scheme.

The CDS has undergone two major changes in its 43-year tenure; expanding the containers covered to include flavoured milk, juice and water and the refund amount increasing from 5 cents to 10 cents.

Objectives of the scheme should be shifted from being solely litter reduction to focus on the circular economy and how it can be used to maximise resource recovery of high quality, source separated beverage containers (commodities). NSW has proposed a similar objective for its Container Deposit System and is considering how the NSW scheme can be further optimised to increase rates of waste recovery.<sup>50</sup>

In South Australia there is significant opportunity in expanding the scheme to maximise the recovery of glass. There is an oversupply of low-quality glass cullet in Australia, resulting in low prices and generally making recycling uneconomic, unless glass is down-cycled into crushed glass for use in civil works.<sup>51</sup>

The South Australian community and economy has changed significantly in 40 years from when the CDS was first introduced, having established itself as an international wine destination. There is now a *"much greater demand by the wine industry in South Australia for green glass so sometimes cullet needs to be shipped from other capitals to Adelaide."*<sup>52</sup>

The Australian government through consultation with industry has identified that glass recovered through container deposit schemes is preferred over glass collected through municipal solid waste collection because it is *"generally cleaner and more suitable for food grade applications."*<sup>53</sup>

Councils have identified a clear opportunity for South Australia in expanding the CDS to include wine and spirit bottles that will support industry respond to the demand of the wine industry and reduce the contamination of the other commodities (crushed glass) in the yellow co-mingled kerbside bin.

**Recommendation 14: That the waste and food waste strategies support the objectives of the Container Deposit Scheme being aligned with the transition towards a circular economy.**

<sup>49</sup> Green Industries SA (2019) *Single-use Plastics and the Container Deposit Scheme*, page 17.

<sup>50</sup> NSW Government, *Cleaning Up Our Act: The Future for Waste and Resource Recovery in NSW*, page 15.

<sup>51</sup> Australian Government, Water and the Environment, *Phasing out Exports of Waste Plastic, Paper, Glass and Tyres* (2020), page 26.

<sup>52</sup> Australian Government Department of Environment and Energy, *Assessment of Australian recycling infrastructure – Glass Packaging* (November 2019) page 11.

<sup>53</sup> Australian Government, Water and the Environment, *Phasing out Exports of Waste Plastic, Paper, Glass and Tyres* (2020), page 25.

***Recommendation 15: The waste and food waste strategies support section 66 of the Environment Protection Act 1993 (SA) be repealed or amended to allow for the inclusion of wine and spirit bottles in the Container Deposit Scheme.***

## **Planning, design and legislative arrangements for waste collection**

The LGA acknowledges the specific challenges associated with waste collection in medium and high-density areas and welcomes the proposed actions to “*pilot and evaluate models of alternative bin and collection systems for high density dwellings...*”<sup>54</sup>.

This proposed action aligns with considerations made in the Australian Infrastructure Audit<sup>55</sup> (Infrastructure Audit) where it was noted that:

*“Developers of multi-story residential and commercial buildings are reluctant to lose floor space in order to provide truck access to underground storage, so bins clutter roadsides on collection day and pose amenity and safety hazards.”*<sup>56</sup>

The Infrastructure Audit further acknowledged that Australia is “*one of the largest waste producers per capita, but our waste management is often poorly planned.*”<sup>57</sup> This is true in South Australia, and major cities across Australia, where urban density has increased, and the size of waste storage decreased and access for waste collection has become increasingly challenging.

The LGA considers waste reduction and management an integral feature of sustainable communities and notes that it will become an increasing issue for all South Australians, particularly in areas with increasing densities as a result of new or infill development.

The LGA has been undertaking significant consultation with the local government sector, the State Planning Commission and the Department for Planning, Transport and Infrastructure (DPTI) (now the Attorney General’s Department) in relation to the new Planning and Design Code. Waste management has been considered in these discussions and included in LGA submissions to the Minister for Planning, State Planning Commission and the Department for Planning, Transport and Infrastructure.<sup>58</sup>

Through this consultation it has been established that in order to improve efficiencies and reduce the pressure on state and local government infrastructure, the draft Code must include more comprehensive waste management and collection policies for medium to high density development areas that go beyond simple quantitative area requirements.

Further, increased densities, where infill development has been a contributing factor, have placed additional pressure on services and infrastructure including kerbside collection that is also manifesting in conflict and poor outcomes relating to traffic management, carparking, stormwater management, loss of trees, provision of open space, privacy, overshadowing and design quality.

Medium to high density areas require additional design assessment consideration for waste management to ensure a coordinated and strategic approach to that maximises efficient and effective waste management to reduce amenity and safety hazards on collection day and maximise resource recovery from waste.

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<sup>54</sup> Green Industries SA, South Australia’s strategy to reduce and divert household and business food waste CONSULTATION DRAFT”, (2020) Proposed action 5, page 19.

<sup>55</sup> Australian Government, Infrastructure Australia, *Australian Infrastructure Audit 2019: Transport*, 5.144 Transporting, storing and making the most of our waste, page 355 – 362.

<sup>56</sup> Ibid page 359.

<sup>57</sup> Ibid page 355.

<sup>58</sup> LGA of SA, “LGA Submission – Planning and Design Code – Phase 3” (February 2020) < <https://www.lga.sa.gov.au/news-and-events/news/submissions> >.

It is acknowledged that changes to plastics legislation may result in there being an increased take up of compostable packaging, which will require (amongst many things) an increase of Food and Organic Waste bins in public spaces.

Section 69(1) of the *Planning, Development and Infrastructure Act*<sup>59</sup> enables the State Planning Commission to prepare design standards that relate to the public realm or infrastructure, including provision of waste services.

***Recommendation 16: The waste and food waste strategies be expanded to include both medium and high density development areas as locations to pilot and evaluate models of alternative bin and collection systems.***

***Recommendation 17: The waste storage performance outcomes and deemed to satisfy/designated performance features in the Design in Urban Areas section of the draft Planning and Design Code be reviewed in consultation with local government and waste industry representatives to consider effective, efficient and safe waste management for medium to high density development.***

***Recommendation 18: The State Planning Commission, in consultation with local government and the waste industry, develop design standards for waste management and collection in the public realm.***

## Behaviour change – education and awareness

Councils are highly motivated to reduce contamination rates and increase diversion rates. To successfully achieve these endeavours significant community behaviour change needs to occur. To achieve this education and awareness is viewed as imperative.

The Which Bin? Campaign<sup>60</sup> is an example of a successful state-wide waste campaign that was developed by Green Industries SA in consultation with local government and relevant stakeholders aimed at increasing waste diversion from landfill. A state-wide campaign has the potential to expose high proportions of the South Australian public to one clear message that can produce positive results and change.

Explaining the reason why the community should be recycling and better explaining the whole picture of what happens to that item once it goes in the bin. For example, “after you put food scraps in your kitchen caddy or lawn clippings in your organics bin, your bin is collected by your council, sorted and bought by a vineyard (or someone similar) to help improve nutrients in soil.”

***Recommendation 19: The waste and food waste strategies emphasise the importance of integrated state government led education and awareness campaigns to support behaviour change to increase waste diversion from landfill.***

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<sup>59</sup> 2016 (SA).

<sup>60</sup> Green Industries SA, “Which Bin” < <https://www.whichbin.sa.gov.au/> >.

## Standardisation of bin lid colours

The waste strategy identifies the broader quantitative action to make “*all kerbside bins to be compliant with Australian Standard AS 4123.5-2008 Mobile waste containers as soon as practicable before 2030.*”<sup>61</sup>

Australian Standard AS 4123.5-2008 *Mobile waste containers* provides (amongst other things) the standard for bin lid colours – yellow for comingled recycling, green for garden organics and red for general waste.

Currently all metropolitan councils have recycling bins with yellow lids and have options for a green food and organics bin.<sup>62</sup> The only difference amongst metropolitan councils regarding kerbside bin lid colour is the general waste bin.

Given that the general waste bin (waste going to landfill) is not the focus of either waste strategy or for the community when considering waste diversion, it is unclear why the strategy places specific focus on this action. The strategies are focused on increasing the recovery of recyclables through the yellow comingled recycling bin and increasing the recovery of organics and food waste through the green bin.

The waste strategy or food waste strategy does not explain how changing the general waste bin lid colours will increase diversion rates. Altering bin lid colours will be time restrictive and costly activity for councils which will not deliver any measurable changes in behaviour or diversion rates.

It is unclear why the strategy provides a key action focusing on altering the bin lids for general waste, when all other actions focus on diversion through the other two bins. Education campaigns that increase community understanding should focus on why there is a need to recycle and what goes into the yellow and green bin, with the general waste bin as a last option. These endeavours will not be hindered by the existing bin lid colours as there is clear uniformity of bin lid colours within any given council area/community, and for comingled recycling and food and organic waste bins.

## Conclusion

The LGA welcomes the opportunity to provide feedback to the draft food waste and waste strategies.

South Australia has always been a national leader in waste and recycling and the transition towards a circular economy and the actions provided for in both of these strategies combined with the wide range of reform and other activities being undertaken at all levels of government, provide South Australia with further opportunity to take the lead and achieve positive change for our community.

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<sup>61</sup> Ibid page 48.

<sup>62</sup> Green Industries SA (2019) *Adelaide Metropolitan Area Kerbside Waste Performance Report 2016-17* page 27.



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