

TRANSCRIPT

LEGISLATIVE COUNCIL ENVIRONMENT AND PLANNING COMMITTEE

Inquiry into recycling and waste management

Melbourne—Wednesday, 6 November 2019

MEMBERS

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Mr Clifford Hayes—Deputy Chair

Mr Bruce Atkinson

Ms Melina Bath

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Mr Andy Meddick

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Ms Georgie Crozier

Dr Catherine Cumming

Mr David Davis

Mr Tim Quilty

WITNESSES

Mr Carl Muller, Interim CEO, and

Mr Matt Genever, Director Resource Recovery, Sustainability Victoria.

The CHAIR: Welcome to our next set of witnesses. We have got Mr Muller and Mr Genever. Thank you very much for coming back for the second time. I will just go through the formal stuff again. All evidence taken at this hearing is protected by parliamentary privilege as provided by the *Constitution Act 1975* and further subject to the provisions of the Legislative Council standing orders. Therefore the information you give here today is protected by law. However, any comment you make outside may not be protected. Any deliberately false evidence or misleading of the Committee may be considered a contempt of Parliament. All evidence is being recorded. You will be provided with a proof version of the transcript in the next few days. We have allocated about 5 minutes, if you can give us an update from last time you appeared. I notice you have been sitting in the background listening to your colleagues in the last few hours, so less repetition would be excellent, but I am looking forward really to you giving us an update—state-of-the-nation type, where we are at from last time and going forward. That would be great. Who would like to lead?

Mr MULLER: I will set us off. Thank you to all of you for having us back. I think the last person who was here was my predecessor, Stan Krpan—and Matt. Matt is here again to answer any questions and hopefully get into any clarifications. I will not talk about who we are because I think you have had all that already. So really what have we been up to since May, since we were last here? Really we have been focused on continuing to support the waste and resource recovery sector, really helping also work with the department on the circular economy policy, because that is really where we have got to get to.

Since our last appearance we have announced \$4.67 million worth for 13 projects for our Resource Recovery Infrastructure Fund. We have actually allocated over \$21 million to 65 projects since 2017, and those projects really have been around improving the collection, sorting, recycling and processing of materials—so trying to improve the system as a whole. Those projects to date are expected to create more than 450 jobs in Victoria and divert around 600 000 tonnes of material from landfill. That is the collective.

We are the lead agency for facilitating waste and resource recovery market development. To date we have allocated about \$4.1 million to our research development and demonstration work since 2016. Since we last met in October we have allocated another \$1.6 million to test and develop new markets for recovered materials. A couple of examples: there was one that we allocated to Deakin University; which was funded to test the methods to extract silicon from solar PV panels; another one was with Swinburne University, which has evaluated the use of glass, plastics and crushed concrete in railway substructure—so all useful as we go towards our Big Build.

We have obviously been busy as well with the e-waste ban continuing to improve the collection facilities across the state, those 122 storage facilities, and actually obviously rolling out our education campaign to support that ban. Recently we just closed our Bioenergy Infrastructure Fund project. We will be allocating \$750 000 to projects that recover food and organic waste to generate energy. Last week we hosted a successful Buy Recycled conference and expo. That is the first time we have really got Government procurers and industry that generate recycled content together to really try and drive that market pull, both to educate those who generate the products from recycled content but to also educate Government broadly so that when they are in their procurement discussions they actually know what the market can actually respond with. Obviously we have been doing a lot of work because the State Government is the biggest procurer of goods and services in the state, and really part of that conference was actually raising awareness within Government itself.

Since 2015–16, as you know, the Victorian Government has invested about \$141 million, just over \$140 million, in the resource recovery sector, and a large proportion has actually come to us to really drive that market improvement of infrastructure through to behaviour change.

Since we last met as well we have been continuing to deliver our Love Food Hate Waste campaign; the Take Your e-waste to a Better Place campaign—so that is helping the consumer understand what they should be

doing; as well as the plastic bags campaign, which was obviously launched back in October, and we have continued to drive that as well.

Another thing that is useful for you is that, really, I guess, it is still a challenge—the whole sector is in one, undeniably. It is a large sector that we are supporting. It is complex. We have seen some good roads. We have actually seen an improvement in our resource recovery percentage, so from 67 to 69. That was really primarily down to construction and demolition work, so it is actually reflecting the market itself. But that is a positive step in the right direction. We are still seeing challenges with the export restrictions that China has imposed. Right now we have seen a decline in paper and cardboard going overseas by about 23 per cent and mixed-use plastics reduced by 31 per cent overseas. It is likely that we are going to see a continued decline in exports as well.

It is important to note that we still recycle 86 per cent of the waste that we get locally, so only 14 per cent does go overseas, but those streams that do go overseas have been heavily impacted. So really the challenge is still to ensure we have got market capacity within the state to counter that restriction overseas. In closing, I am just here to answer any questions you may have, with Matt.

The CHAIR: I thought you were going to tell us you fixed all the problems.

Mr MULLER: I wish we had. We are trying.

The CHAIR: Matt, do you want to add anything?

Mr GENEVER: No. I am happy to answer some questions.

The CHAIR: Can I just fire the first question and go back to the sale of SKM to Cleanaway? I think you have touched on where we are at with recycling generally speaking. From the SKM fiasco—basically 30 councils, nearly 50 per cent of the market, and now we have got Cleanaway stepping in as a major player—what learning has come from that to avoid a similar collapse in the future? So what will be the learning and the advice?

Mr GENEVER: Thank you for the question, Chair. I think, going back to when we were originally here before you a couple of months ago, we spoke about this idea of shared responsibility. I have been in this sector for almost 20 years, and if I have learned anything over the last 18 months, it is just how important that shared responsibility is.

There was no single trigger, no single responsible player, for the global impact we have seen in recycling over the last two years. We know the industry has its role to play, and it certainly needs to improve its practices and remain on the right side of the regulations—and that is obviously a critical change in some of the regulations that EPA will have as of next year. We know that households need to do more. We need to be better at separating our waste. Around 20 per cent of things that go in the recycle bin should not be in there and are not recyclable. We know local government needs to do more to make sure that there is transparency in the contracts and they are managing those contracts effectively, and certainly we know that we have to continue to do more in investing in the right types of infrastructure and, most importantly, making sure that those domestic markets are there for the types of materials that we are collecting through our system. So there is no one single learning. It is just, I think, reinforcing that everyone in the chain has a role to play and we need to keep investing and playing our individual roles.

The CHAIR: So in order to achieve all that, do you see a role for State Government to intervene in the market or just let the market regulate itself and everybody doing their bits and pieces, or do you see that maybe the State needs to intervene, whether it is regulation, policy or common design? I will give you an example: one common lid. That would require the state to say, 'You've got to have one lid colour for your bins'. That is just an example. So do you see now a role for the State to step in and start intervening in the market and putting some regulations and standardisation throughout? I am not suggesting the State run the waste industry and own it—I am not going that far—but do you see a role for the State Government to intervene and have standards put in place so we do not have the blame game? Have you got any thoughts on that?

Mr GENEVER: Yes, most certainly. I think the answer is yes, and I think we are already seeing signs of that. Like in any market, particularly a market like this, we often get compared to the energy and the water

sectors that are heavily regulated under the ESC—and we know that the Essential Services Commission is preparing some advice to government at the moment. We are talking about an industry that has 1200 businesses all operating in a free market, so certainly there is absolutely scope for the state to look at the right settings to make sure that the safety of our communities is being protected and that we are maximising recovery of those materials. But equally we want to make sure that that innovation is there and that industry has the opportunity to provide that innovation to local government and to the community.

Certainly there are issues around consistency. That is not news. It is 20 years that we have been grappling with that, and I think there is definitely scope for a system that better reflects a standard or consistent view. One of the things we know is that when people are away from home, when they are on holidays or out and about, their recycling behaviours change. So we want to make sure that that system is as consistent as it can be to essentially make sure those behaviours are being replicated in the right way, no matter where you live or no matter where you holiday or no matter where you are.

Mr MEDDICK: There has been a lot of talk about the EPA levy, the Sustainability Fund, and how much is there and also a lot of talk around a container deposit scheme. I am not sure whether you are in favour of that or where you are on that. What I am curious about is: do you see, with that fund, a relationship or do you think that that fund should be used to establish a container deposit scheme initially and then to subsidise it going forward?

Mr MULLER: I think really the fund has certain criteria for what it can be used for. It can obviously be used for waste and resource recovery activities as well as those in climate change. So more broadly, if you look at the criteria, it could be accessed, I would believe, to be able to fund something should the Government choose to do that.

Mr HAYES: Just while we are talking about the fund, we were talking to DELWP before and they were saying that the fund has recently been committed to certain projects. I want to know how much of that fund is committed to mass education on recycling streams and waste separation, and do you see a role for the fund in that area? And how much of those resources could be channelled that way?

Mr MULLER: I would have to take some of the detail of that on notice, but obviously we have been funded as part of the education campaigns for the plastic bag ban as well as the e-waste. I believe the e-waste was \$1.5 million?

Mr GENEVER: Yes, that rings a bell.

Mr HAYES: This is for public education?

Mr MULLER: That is for public education. I could not answer the question—it is more of a question for DELWP—on what has been funded for more broadly around behaviour change, but certainly education and behaviour change is a core aspect of making sure the waste and resource recovery system works. It is a fundamental, so therefore you would assume that yes—

Mr HAYES: There is a lot of confusion in the community about what goes where and what should not go into—

Mr MULLER: That is right. And we do have some funding to look at improving recycling behaviour, so there is again some research that we have been conducting on: how can we reduce contamination rates with kerbside recycling? There will be a campaign going forward in the new year. Obviously we are waiting now on the circular economy policy and what the kerbside reform may look like.

Mr HAYES: Also, you are talking about material for recycling going overseas. What are the overseas markets? I thought they had really sort of diminished. Are there still markets overseas, and are we still trying to sell our materials overseas?

Mr GENEVER: Yes to both of those questions. Certainly the market has changed significantly. China were obviously the largest player and have now essentially closed their doors, but what we have seen is an uplift in demand from other nations. Vietnam in particular has increased significantly, South Korea as well, so there are

a number of nations that have taken up some of that volume. Certainly overall the volumes are down, not just for Victoria but nationally, and I think certainly our focus has been on and will continue to be on trying to invest in domestic markets so that we can make sure we have viable and sustainable end markets for all of the waste that we generate rather than opting for the export channel.

Mr HAYES: Are we selling unsorted waste overseas? Or are we separating materials before they are sold?

Mr GENEVER: It is a mix. Certainly the separation has increased, and that is a really positive sign. So it is great to see some of the investments that both the industry and Government have been making in the last couple of years starting to come to fruition. There is significantly better plastic sorting than we have seen in the past, and so you are seeing a mix of clean, separated baled materials, and also in some instances particularly mixed paper and cardboard and also some mixed plastics. That is really because some of those markets are very keen to receive that, the same way China has traditionally been very keen to receive it, to feed their own manufacturing industries.

Ms BATH: Thank you, gentlemen. Gentlemen, I am going back to e-waste, which has been my topic today. You mentioned that there are 122 storage facilities across Victoria. I am interested in how you are supporting local government with that. But also, it is not just the storage of it; it is the decomposition, recovery and then the markets to use that—recycle the individual components or chemicals or metals. And what are the impediments, and what is your role in some of the solution there?

Mr MULLER: I will do a bit of a first run and then I will let Matt fill in the details—just to say that of the 122 there are far more collection systems across the state; there are actually about 1000. All we have done is fund the government-owned transfer stations up to a certain standard, the Australian one, so they can actually collect safely and store the e-waste that is collected across the state, which is in train. Obviously there is a market for e-waste materials that can be recovered. For example, there is a social enterprise in Brooklyn that was recently a Premier's Sustainability Award recipient. They actually employ people to recover and break down materials, and those products are then broken down for the manufacturing sector. So our role at the moment is to still generate the market where we can, subject to funding that we receive going forward.

Mr GENEVER: Yes, that is right. I think certainly we do have a role. We see ourselves as a key player in the e-waste market. Carl pointed to, I think, some of the projects that we have got in terms of the recent research and development grants. We are very keen to invest in those businesses that are looking for new markets and new domestic opportunities to recycle e-waste. Similarly with our infrastructure as well, we have recently funded a number of projects through our Resource Recovery Infrastructure Fund that are really aimed at building additional capability and capacity to recycle e-waste in Victoria. We are working more systematically to try and make sure that the whole of Victoria has strong, stable markets for e-waste, and it is certainly an area of priority for us in current and future funding.

Ms BATH: In relation to when we have been hearing from various regions—so Gippsland in the west of Victoria, northern Victoria—we often hear how very proactive small councils can be and small industries can be. They are really, in many ways, going out of their way to try and create avenues for recycling and product development. But they also need help. So the question—you need to have your country hat on—is: what is Sustainability Victoria doing to support our country regions?

Mr GENEVER: It is a really good question. Certainly we recognise the unique challenges in regional Victoria, particularly things like the tyranny of distance and aggregating the types of volumes that are needed to make some of those collections attractive. What we try and do essentially is share the load and spread as much of our funding across regional Victoria as we can. If I cast my mind back to round 1 of the Resource Recovery Infrastructure Fund, in 2017 that was 100 per cent targeted at regional businesses and regional growth. Similarly with the e-waste funding for those collection points, more than 80 per cent of that funding flowed through into regional sites. So we are absolutely conscious of the need to invest in regional areas.

I think one of the opportunities that we are keen on continuing to look at through current and future funding is whether there are opportunities to establish regional hubs. So certainly this idea of regional areas trucking waste into Melbourne into larger facilities where that volume can be processed is completely fine, and that is really up to the market to decide what is most effective, but I think we have seen in the past regional Victoria playing a

really key role. The vast majority of our timber recycling—so recycled timber back into timber—happens around the Benalla and Wangaratta area. That has really been on the back of three businesses that have invested in that area. So we would like to see more models like that opening up. I think that is something we are going to look at over the next few years: where we can establish things like plastics recycling hubs and key recycling hubs in regional areas to drive better outcomes for regional councils.

Mr LIMBRICK: I would like to ask two questions on two different topics, if I may. Last time you were before the Committee we were talking about solar panels and e-waste, and at the time I had asked the Government about this and they said that you were tasked with looking at that. I am also aware that at the time we discussed that there were no markets for the solar panels. I am aware that there has been research done, as you mentioned before, into recycling the silicon components, which are the most difficult components to recycle. Could you just make some comments on what the pathways are to the commercial viability of this and what sort of time lines we are looking at for commercialisation of this technology? Because in the meantime they are just being stockpiled—is that correct?

Mr GENEVER: Certainly the options for recycling the silicon of solar panels at the moment, not just in Victoria but in Australia and indeed internationally, are somewhat limited. I will have to take the question on notice in terms of the specific example around silicon, but what I will say is that certainly we are continuing to lead national work on setting up or looking at options for establishing a viable product stewardship scheme for photovoltaic panels or systems. With that very much in mind, traditionally we—and by ‘we’ I mean the whole sector, not just Sustainability Victoria—have a tendency of waiting for a problem to be upon us before we start looking at solutions. We have been very proactive, and Victoria has been very proactive, in lobbying the Commonwealth Government on this issue as a result of work we did a couple of years ago to model likely e-waste generation in the next 20 years, and that is where the alarm bells started ringing for us in terms of that exponential growth in solar panels.

So we are actually ahead of the curve. And in terms of material being stockpiled, at the moment we are not seeing large volumes of material coming off households. They are made to last for 20 to 30 years, and most of them will last that 20 to 30 years. So we are somewhat ahead of the game, but we need to continue to work with the Commonwealth Government. They are about three years behind reviewing the *Product Stewardship Act*, and we are very keen to see that resolved so that there is a clearer pathway forward for PV stewardship in Australia. I believe that is part of the discussion at the next MEM meeting. So we are very dedicated to making sure that a PV product stewardship scheme keeps pushing forward so that those opportunities can be realised.

Mr LIMBRICK: So you are talking about some sort of levy on top of the sale of panels?

Mr GENEVER: Traditionally a product stewardship scheme, yes, essentially aims to apportion the costs and responsibilities for recycling more evenly across the supply chain. The typical model is that a levy is applied at the point of sale or a levy is applied at the manufacturer or importer, and all of those levy funds go into supporting a recycling scheme so that when it comes to the end of life those people and businesses that find themselves with that waste have a viable way of dealing with the material. That is right.

Mr LIMBRICK: That is interesting. It sounds like we are going to tax it and subsidise it.

One other question: with regard to the plastic bag bans, are you doing any monitoring of the effectiveness and possible consequences of this ban? We have seen in other jurisdictions, such as in California, that the plastic bag bans resulted in large greenhouse gas emission increases due to substitution of paper and cloth bags, which have far higher energy requirements than the HDPE bags. Also, in the local jurisdiction we have seen from the retailers association that all their members were switching to compliant bags, which basically means thicker plastic or paper. I have seen in my own travels since the ban has come in that what a lot of retailers are doing is still giving away bags, but they are thicker and they have the word ‘re-usable’ on them. And they have a cost, but the cost is rebated if you purchase over a certain amount and the rebate level seems to be set at a level that pretty much every purchase would qualify for it. So do you have any comments on that? Is there any monitoring of the effectiveness of this that is going on?

Mr MULLER: I think if you look at the ban itself, we have obviously gone for the highest impact—which was the single-use, the thin, below 35-micron thickness. A large number of bags are produced across Australia

every year—about 4 billion if I remember rightly, about 10 million a day. The monitoring of how it is going: obviously that will be going forward in the coming years. Right now EPA is obviously responsible for the legislative implementation of that ban. I think will be interesting to see, if you look at the life cycle of those different products that you are talking about, whether other material streams or a change to the scheme may be required in later years. That will be something that we will be, as a collective across the whole of government, looking at downstream.

Dr RATNAM: Thanks very much for your submissions and the work that has been done to date. You talked about an increase in the amount that has been recovered, which is good news, from 67 to 69 per cent. I think the last time you were here I was asking about what your aspiration was, and I think it was around 71 per cent. I do not know what the time line is, but given that we are moving to 71 per cent quite quickly now, when will the target be increased from 71 per cent? And what should we be aiming for, I guess? What should the State of Victoria be aiming for so we can push the whole market forward?

Mr GENEVER: That is a really good question, and thank you for the question. It is certainly one that we will have to defer to DELWP. It is essentially up to the Government in terms of what target gets set. We essentially get the fun part of hopefully delivering on that target, but what I will say more broadly is that you are absolutely right: it is fantastic to see that whilst—and I think we lose this in some of the noise—there is no doubt that parts of our recycling sector have really struggled in the last few years, equally there are parts of our recycling sector that are doing very well on the back of both industry and government investment. I think we are seeing that uplift particularly in the recovery of construction and demolition waste.

And what is really pleasing to SV is seeing our collective work on recovery of glass really starting to pay dividends and seeing large volumes of recycled glass being fed back into the market by companies like Alex Fraser and Downer Group and repurposed into Victorian Government Big Build projects. Seeing that closed loop and that impact on the upward movement of the recycling rate in Victoria is a really positive sign, notwithstanding the fact that we have certainly got plenty more work to do.

Dr RATNAM: Great. So on that question of targets, it sounds like there are frameworks, there are strategies, that have been put in place which are resulting in some increase, which is good to see. What is stopping SV or the Government more broadly setting some quite clear procurement targets—so X percentage of Government infrastructure builds will include recycled material? That has been talked about a lot during the course of the last few months. We have been asking councils the same question. What stops you putting that number? We are hearing that the lack of a market is stymying investment. The industry is saying, ‘Help us create that market. The Government is a huge procurer. We can get going, we’ll expand and we’ll use private industry funds to do it’. So what is stopping a number?

Mr GENEVER: I will answer it in two parts. There is certainly nothing stopping the activity, and it is not on hold at the moment, as I said. We are seeing Government projects starting to clearly send a signal to the market that they want to be seeing prices for recycled materials, and that is being led by MTIA and in particular Major Road Projects Victoria, MRPV. So that is already starting to stimulate the type of growth that we want to see. Again, in terms of targets being set, that is the question for Government, but what I will say is that we need to be careful not to set up counterproductive outcomes or perverse outcomes as a result of number-based targets. So whilst we definitely want to see strong commitment from Government and preferencing from Government for these materials, we just need to be careful that we are not lugging recycled glass sand from Laverton down to Wonthaggi to meet the requirement of a target where you are less than 2 kilometres away from a virgin sand quarry. Equally it might make less sense to truck that material to the other side of the city from Wonthaggi where Alex Fraser’s Laverton glass plant is only a couple of kilometres away. So I think it is about the balance. We want to see strong commitments and a strong lead from Government, and we are starting to see that, which is positive. We just need to be careful that whatever that commitment is, it is considering the broader objective rather than perhaps being a very blunt measure that might have the wrong outcome in some instances.

Dr RATNAM: Do we have monitoring data of where that is heading? What levels of recycled content, for example, in Government procurement are we seeing? Is it 5 per cent, is it 10 per cent? Are we tracking that at all to see if it is going up or down? I am just thinking if the aim is to increase without a target, how do we know we are increasing, and how are we monitoring it?

Mr GENEVER: You are absolutely right. We do not have data on that at the moment, and that is an issue that is being taken on, again, by those infrastructure agencies. The MTIA have a new program called ‘ecologic’, which is being led out of MTIA, and I would encourage you to talk to them if you have not already. One of the key things on their list is essentially getting better data on what is currently being used. The challenge at the moment is essentially if you have a product that meets a specification, there is no need to track that at the moment. So if you are building an extension to the M80 and you have specified X tonnes of sand that meets Y specification, you do not really care whether it is coming from over here or a recycled alternative. So traditionally we have not captured that data because all the project manager wants to make sure of is that he or she has enough volume to feed the project. So we need to get better at that. We know industry collects data, and that is why we know there is an increase. We cannot quantify that increase in percentage terms. We know from our responses to our annual recycling survey that we are seeing increases in the volume of recycled material being used in these projects, and collectively across Government we know we need to start collecting that data and aggregating that data so we can report on what that progress exactly looks like.

Dr RATNAM: Great. You talked about how we need to maintain this emphasis on shared responsibility, and I agree that the way the system is being set up there are lots of players. It is one of the reasons I think it is both a strength and a weakness—it can be shared but also it is vulnerable. So my question, related to that, is: where then does the accountability lie? We have heard a lot about the fact that the responsibilities and the regulation and the governance and the targets and the aims and the ambitions are all split between so many different Government agencies, for one, then industry players, then councils, then individuals. Acknowledging that everyone will have a role to play, do you have any advice on where we can see greater accountability in the system so when things go wrong we know whereabouts to go and can start fixing them? I think the SKM issue really highlighted the fact that it just fell through the gaps in a way, and everyone said, ‘Well, it wasn’t my full responsibility, so I didn’t anticipate it coming’. So do you have any kind of thoughts or comments on accountability and how we can increase accountability in the system?

Mr MULLER: I think if you think of the upcoming circular economy policy, that will be very clear on roles and responsibilities, targets and measures et cetera. I think as the lead agency DELWP is really the steward of the whole system and the delivery of that policy with all the different players involved with it. But as long as we are clear on what that looks like, I think that actually then the roles and responsibilities and how the system works is actually relatively simple. I think it is just being clear on the policy itself and then how everything plays and then just delivering to that. Have you got anything else to say?

Mr GENEVER: The only thing I will add is I think from our perspective obviously the accountability discussion is one that again will be had by Government with a big ‘G’. But for us one of our learnings is, again, how important data is, and we have been the stewards and the agency responsible for collecting waste and resource recovery data. Our data certainly needs improvement, and one of the things that we are looking forward to hopefully in the new circular economy policy is better tools for collection of data so that we can feed that back to both local government, industry and central government so that those signs are being probably more proactively monitored. I think that is certainly a focus for us.

The CHAIR: We are running ahead of schedule.

Dr RATNAM: I have got a couple more questions if we have got time.

The CHAIR: What I was going to suggest was if we probably have a couple more questions and maybe have a 5-minute break between now and the next witness.

Ms TAYLOR: I was just wondering, and I hope I have not already heard it: you know with all the TVs and whitegoods coming from overseas—because we are a small market and we get a segment of it; I do not know how they dissect up what goes to Europe and what comes to Australia, and I understand we do not have volumes of scale relative to other countries—what sort of power and mechanisms do we have to control the packaging and the mechanisms as it comes here? And at a state level, because in my mind you would think it would need to be at a national level. So I just wondered about that.

Mr MULLER: It is at the national level.

Mr GENEVER: Yes, I would agree. Certainly it would be very difficult at a state level because not only does material come into the port of Melbourne but it also crosses state boundaries, so it would be very difficult to enforce packaging requirements at a state level. It should be done at a commonwealth level, and it should be done through the national *Product Stewardship Act* and similar instruments of that nature. There actually is a precedent there—not to do with waste, but if you look at MEPS, which is the Minimum Energy Performance Standards, it is a huge success story which started in Victoria and is now a national program that essentially said: if you want to sell any sort of whitegood—and I think it started with fridges and freezers, from memory and it has now extended to TVs and a whole range of things—you need to declare what the energy rating is, so the star rating. What that did is it meant that consumers could get a view on what was coming in but equally it allowed the Government—the Federal Government—to set limits. It said, ‘Now that we’ve made you declare all this, any clothes dryer or appliance less than 2 stars in this category we do not want to see on the shelves in Australia’. So there are mechanisms that may be looked at in the future, but it is certainly something that should be driven by the Commonwealth.

Mr HAYES: Could I just ask: on that, are you saying that when that star rating was introduced it does not matter if it is a cheaper or more accessible product—if it does not meet the star rating, then it is not available? Wouldn’t you say that a similar sort of thinking could be applied to including recycled material into government requirements? I know you are saying, ‘If you could get virgin sand cheaper and closer, you should be able to use it’, but if you make it discretionary, then surely people will go, ‘Look, it is too hard for me to use recycled material; I’ve got that virgin material just next door to me’. Without making these requirements and procurement fairly strict, aren’t we going to see them sort of watered down? Whereas if you do say it has got to be 3 stars, or if you do set a standard, isn’t it a good idea to abide by it?

Mr GENEVER: Certainly, and I am not in any way saying Government should not be strict. If Government chooses to make some sort of commitment or target around the use of recycled content in its spend, I am not saying by any means that it need not be strict. I think it is just about being careful about setting percentage targets, for instance, or outright targets, given, again, the discussion we had before about the lack of data on which to measure some of that at the moment. I think there are ways that Government could be strict, so to speak, by saying, ‘You need to prove to us why you have chosen not to use this recycled alternative, and there needs to be good reason for that’, without necessarily saying it has to be a percentage target.

The other thing I will say is there are already great systems in place that give a star rating for infrastructure. There is ISCA, which is the Infrastructure Sustainability Council of Australia and NABERS and other certification schemes like that that actually allow you to get more stars if you use additional recycled content. So there are certainly some of those things already in place.

Dr RATNAM: Just one last question: we have heard over the last few months evidence before the Committee concerning information about waste incineration, combustion particularly. We asked the EPA and DELWP some questions this morning as well. I wanted to know what your role was in providing some advice and what your thoughts on that are. We might need a new toxic hazardous materials facility in Victoria, given the volume of ash material that we produce and the number of proposals of incineration going ahead. Have you all been considered in that discussion? Are we going to have a new toxic facility? How is that ash going to be treated? How is the community going to be assured that its safety will be managed, both with fly ash, which is very toxic material, but also making sure that dioxins and furans do not end up in our food chain? One of the issues is around monitoring the impacts of this ash by-product that will happen. Have you had discussions? Are you doing any of that work in terms of analysis and policy advice for the waste incineration policy that I think is being developed at the moment? I have not heard a lot about it, but what are your thoughts on Victoria’s move towards incineration given these concerns that have been raised?

Mr GENEVER: That is a big question; Cesar wants us to give short answers. We certainly have a role, and we are certainly part of the discussion. Our role is very clearly around making sure that Victoria has an appropriate plan for infrastructure in the state, and it was great to see Gayle from WMRR talk about that. We have such a plan: the SWRRIP, the Statewide Waste and Resource Recovery Infrastructure Plan, which provides a 30-year horizon for waste and resource recovery infrastructure, and certainly waste to energy is factored as part of that long-term plan for residual waste where no other viable recovery remains an option.

In terms of hazardous waste, one of the things we are looking at for the next iteration of that document will be incorporating better long-term planning for hazardous waste facilities. Whether that involves another facility is a question I cannot answer and am happy to take on notice. I think that is a question that will need to evolve over many years as opposed to being one that we can answer immediately. It really depends on what types of facilities emerge in Victoria and what some of their outputs are.

Some of the work we are doing specific to your question: we run a market development program, our market development activity for recovered materials. One of the things we are looking at at the moment with a relatively modest amount of funding is things like precedent for the re-use of safe ash—so not the highly-toxic fly ash but the bottom ash—in things like brickmaking and concrete works that we see quite commonly overseas. So we are looking at that as part of our longer-term market development plan. But I think the broader answer is development of this type of technology, like any type of large-scale waste management infrastructure, whether it be a landfill or otherwise, needs to factor in all of those things. EPA will be very cognisant of any of the monitoring risks and monitoring requirements and will be very strict on that. In terms of the community engagement, that is absolutely really key to making sure that the community is aware of what this type of infrastructure does and that it feels confident that it is being managed appropriately for the long term.

The CHAIR: On that note, thank you both for your contributions. A copy of the transcript will be sent to you shortly. If there are any questions that you have taken on notice—you had a few, I think—

Mr GENEVER: A couple, yes.

The CHAIR: Friday is the deadline if you are able to meet that.

Mr GENEVER: Sure.

The CHAIR: That would be great because the report will be ready to be published in about three weeks time, so we are running out of time. Again, thank you very much, and we appreciate your good work.

Witnesses withdrew.