



Department of Environment and Conservation

Our reference:
Your Reference: C2003/1363
Contact: 02 8837 6060

The General Manager
Adjudications Branch
Australian Competition and Consumer Commission
PO Box 1199
DICKSON ACT 2602

Attention: Ms Tania Mayrhofer

Dear Ms Mayrhofer

**RE: AUTHORISATION APPLICATION NO. A90886 LODGED BY THE COUNCILS
OF CAMDEN, CAMPBELLTOWN, LIVERPOOL, WINGECARRIBEE AND
WOLLONDILLY**

I refer to your letter of 16 June 2004 advising of the submission of the above application for authorisation under the Trade Practices Act and enclosing a copy of the application.

The Department of Environment and Conservation (DEC) was formed on 24 September 2003, combining the agencies of the NSW Environment Protection Authority, Resource NSW, the NSW National Parks and Wildlife Service and the Royal Botanic Gardens and Domain Trust.

The Department is interested in the environmental outcomes of this application and particularly its potential to contribute to the goals of resource recovery and reduction of waste disposed of to landfill. Importantly, the NSW Waste Avoidance and Resource Recovery Strategy recognises the role that alternative waste treatment (AWT) technologies will play in this process and DEC supports regional arrangements which will contribute to that outcome.

The Sustainability Programs Division of DEC has assumed responsibility for delivering the programs of the former Resource NSW. This includes the NSW *Waste Avoidance and Resource Recovery Strategy* adopted by the NSW Government in 2003.

The Strategy has four outcome areas:

- Preventing and avoiding waste
- Increased recovery and use of secondary resources
- Reducing toxic substances in products and materials
- Reducing litter and illegal dumping.

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Within the outcome area of increased recovery, the Strategy proposes that by 2014, there will be an increase in the recovery and utilisation of materials from the municipal waste stream from the current 26% level to 66%. This approximates an additional 700,000 tonnes per annum to be recovered from the amount disposed of to landfill by the municipal sector in the base year of 2000. Recovery targets are also established for the commercial and construction sectors.

In order to gain an increase of this level, action will need to take place in several areas. These will include improved recovery of recycled material such as paper and containers, increased separation and recovery of garden organic material, potentially the collection of some additional organic wastes with the garden organics stream and the treatment of the residual waste through one of a number of AWT technology systems.

It is anticipated that progress towards the target of 66% recovery will not be linear across the 12 years of the Strategy but will depend on a combination of gradual improvement of existing collection systems, the introduction of new materials processing facilities and the commissioning of AWT technology plants. There will also be improvements as markets for recovered materials change and as processing facilities for those materials expand.

The Department has been working with and assisting some groups of councils to develop and implement regional arrangements. A notable example includes the regional recycling processing contract for the Inner Sydney group of councils, which was the subject of a previous application to the Commission. DEC is also assisting the Macarthur group of councils, which is the subject of this application before the Commission.

The principal aims of such regional arrangements for the processing and marketing of this recovered material are improved environmental outcomes, reduced system costs, increased long term economic processing and market stability, increased transport efficiencies and reduced dependency on landfill as a disposal method.

To provide some guidance and to assist NSW councils consider options for AWT technology, the Department released the *Alternative Waste Treatment Technologies Assessment Handbook and Assessment Tool* in November 2003 along with an accompanying guide on the application of this technology. The guide indicates that a key pre-requisite for the successful procurement of AWT technology is providing a level of certainty both in terms of the long term participants and the quantity of material available to be processed.

The Department suggests that any authorisation which does not include a requirement for alternative waste treatment as an outcome should be for a limited period in respect of any landfill component. This would allow the option of improved recovery to be revisited as this technology becomes more established.

Should you require any additional information, or wish to discuss any aspect of this submission, please contact Tim Rogers, Executive Director, Sustainability Programs Division on 02 8837 6060.

Yours sincerely

LISA CORBYN
Director General