



MEDIA RELEASE

BILLIONS IN GOVT WASTE LEVIES, BUT LESS THAN 10% SPENT ON RECYCLING INFRASTRUCTURE

Around 8% of the \$2.6 billion collected in the last two years from Australians is reinvested by governments in recycling infrastructure and technology, according to a new analysis by the Australian Council of Recycling (ACOR), the peak body for the resource recovery industry.

Findings from the initial, desk-top analysis include:

- **In 2018 and 2019, a total of \$446,093,088 million in waste, recycling and resource recovery grants funding** was given or pledged by Australian State and Federal governments (excluding materially insignificant funding packages from Tasmania and Northern Territory).
- This expenditure compares to **\$2.67 billion collected in waste levies by mainland State governments** over 18/19 and 19/20 financial years (according to the National Waste and Recycling Industry Council Levies White Paper). Eg, **16.7%**.
- Of the \$446.1m given or pledged in funding, **50.5% (\$225.3m) was allocated to infrastructure-related initiatives and reprocessing-related initiatives** (as opposed to funding for aspects such as collection or education). This also represents around **8% of the collected waste levies**. Less than \$100m of the \$225m has actually been given to recipients to date.
- Of the \$225.3m in funding allocated to infrastructure or reprocessing, **12.3% (\$27.7m) was specifically directed at plastics** (although the actual figure is likely to be higher as some funding is multi-material).

“Governments set up waste levies with the explicit aim of incentivising waste reduction. But more than 80% of these State-based levies are ending up in consolidated revenue or other purposes. This is problematic because recycling rates have plateaued and Australia will no longer be allowed to export a great deal of material to Asia for recycling,” Pete Shmigel, ACOR CEO, said.

“Without substantial investment soon, current kerbside recycling services may be put at risk and stockpiles of material could occur when the COAG ban on some waste exports starts less than 6 months from now. Those who decided on the ban – the Prime Minister, Premiers and Chief Ministers, and their Treasurers – need to realise that without reinvestment in domestically sustainable recycling and its necessary infrastructure, more material that Australians expect to be recycled – especially plastic - will need to go to landfill.

“On independent modelling by MRA Consulting, some \$300 million in one-off investment is needed to be able to process and remanufacture the types of paper and plastic we have been exporting. While the industry is very prepared for matching arrangements and low-interest loans, there has been nowhere near that level of expenditure in 2018 and 2019, and our political leaders need to come to the both the upcoming Plastic Summit and next COAG meeting with substantive commitments for infrastructure and for procurement.

Australian recycling can be domestically sustainable and a world leader, and it requires waste levies to be expended on what they were set up for: support recycling,” Shmigel said.

The analysis is available at: <http://www.acor.org.au/recycling-grants-analysis.html>

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