



**WASTE AND RECYCLING INDUSTRY ASSOCIATION OF WESTERN AUSTRALIA**

## **Annual Report 2019-2020**

### **1. President's Report**



WRIWA has two broad objectives:

- to achieve best practice environmental outcomes from collection, processing, recycling and disposal of waste; and
- to ensure markets are fair and transparent, ensuring competition occurs on a “level playing field” that drives value for customers and a fair return on investment for members.

WRIWA has this year been widely acknowledged as the peak body representing the waste and recycling industry in WA. We have continued to develop our relationship with the Minister for the Environment, the Director General of the Department of Water and Environmental Regulation (DWER) and the Chairman of the Waste Authority.

Most importantly WRIWA has secured positions on all of the State Government's major working groups which are developing and implementing policy, including:

- Waste Review Advisory Group
- FOGO Reference Group
- Container Deposit Scheme technical working group
- Main Roads WA / DWER Roads to Reuse working group

We have also met privately on a quarterly basis with the Director General of DWER to continue to report on and progress action to avoid Landfill Levy avoidance.

During the past year we have made two major submissions to government:

- Closing the Loop
- Review of the Waste Levy

These are significant reviews that will change the way waste is managed in WA into the future. In particular they have the potential to stop levy avoidance and expand recycling into the regions.

## 2. Treasurer's report including receipt of Auditor's report

The Waste and Recycling Industry Association of Western Australia (WRIWA) was formed in 2017 and currently has 14 members across four membership categories.

### Revenue

Revenues were primarily derived from membership fees, with a minor contribution from interest earnings. Total revenue for the 2020 financial year is \$102,039, an increase on previous years as shown below.

#### **WRIWA revenue \$**

<b>2020</b>	<b>2019</b>	<b>2018</b>
<b>102,039</b>	50,537	83,687

The variance between financial years predominantly relates to differences in the timing of revenue collection, with income reported in the year it was collected.

In the 2018-2019 financial year, membership fees were adjusted to align with a typical financial year reporting period (July - June). This adjustment recognised 25% of each member's prior year membership fees towards the 2018-2019 financial year; this adjustment consequently led to reduced full-year revenue of \$50,500.

### Expenses

Expenditure of WRIWA for the 2020 financial year is \$93,340. By way of comparison, expenses for the past three financial years are –

#### **WRIWA expenses \$**

<b>2020</b>	<b>2019</b>	<b>2018</b>
93,340	76,749	45,072

The variance in expenses between financial years primarily relates to contract labour costs and reflects additional work required of the executive officer.

### Profit from Ordinary Activities

The profit from ordinary activities for the 2020 financial year is \$8699, a decline from previous years.

#### **WRIWA profits \$**

<b>2020</b>	<b>2019</b>	<b>2018</b>
8,699	26,212	38615

### Cash at Bank

The cash at bank of WRIWA as at 30 June 2020 is \$22,857 an increase from the previous year of \$10119.

<b>2020</b>	<b>2019</b>	<b>Net change</b>
22,857	12,738	10,119

### **Auditors Opinion**

The 2019-20 accounts were audited by SMSF Audit Firm Pty Ltd - Accounting One Stop Services. The audit report is available to all members on request.

### **Budget and Forecast 2020/2021**

WRIWA is in a sound financial position. However, work is needed to ensure that revenue will be sufficient to cover operating expenses. Options that have been discussed by the WRIWA committee include:

- 1) increase membership numbers (including raising awareness of the WRIWA brand)
- 2) raise the annual membership fees
- 3) introduce other revenue streams like sponsorships
- 4) decrease operating expenses if needed.

All committee members have made an excellent effort to maintain and increase memberships and it was resolved to introduce a sponsorship revenue stream.

## **3. Executive Officer's report**

The following areas of activity have dominated during 2020:

### **3.1 Food Organics Garden Organics (FOGO)**

WRIWA is a member of the FOGO Reference Group, chaired by DWER on behalf of the Waste Authority, which is developing policy for a state wide FOGO system in WA. We have sought through the year to increase the number of industry members in the Group, and through our advocacy Cleanaway and Remondis have now been admitted to this forum. This has improved the ability of industry to advocate for its interests in this forum.

FOGO represents a business opportunity for our members. WRIWA members have formulated a policy agenda as follows:

- a) *Contamination*: WRIWA is concerned that we are not seeing a policy supporting low contamination reflected in tender documents. Industry is looking for:
  - provision in contracts where contamination exceeds an agreed level, LGAs will meet the additional costs
  - guaranteed education spend per household per annum on recycling education
  - Local Government Authorities (LGA) providing compostable plastic caddy liners (at cost or better)
- b) *Support* for the marketing of processed FOGO
  - back to back contracts, with councils buying back product
- c) *Volume*
  - A mechanism whereby Industry is not being asked to bear the financial risk of low volumes
- d) *Adequate start-up time*
  - to be negotiated
- e) *Location and licensing*
  - Location of FOGO transfer stations and FOGO processing facilities require very specific conditions. Councils need to be aware of this when going to tender. Industry needs a clear process, with DWER involvement to resolve issues.

### **3.2 Sponsorship**

WRIWA has developed a sponsorship scheme offering Sponsors:

- an opportunity to capture new potential customers and promote their company's services and products
- cost effective niche marketing which will place their business in front of customers in your industry.

#### ***Premium Sponsors***

- Endorsed by WRIWA as proven and valued supplier within our industry
- An opportunity to meet and present your business to the industry leaders at our monthly Executive
- Premium Sponsor Branding will head the list and appear on the opening page of the WRIWA website with hyperlinks to the sponsors business.
- Full page display advertising in our Annual Reports.
- Branding in large format on virtual backgrounds for videoconferences
- Branding in large format on pull up banners used at WRIWA events

#### ***Standard Sponsors***

- Endorsed by WRIWA as proven and valued suppliers within our industry
- An opportunity to meet and present their business to industry leaders at monthly WRIWA Executive meetings
- Standard Sponsor logos appear on the opening page of the WRIWA website with hyperlinks to the sponsor's business
- Quarter page display advertising in our Annual Reports
- Branding on virtual backgrounds for videoconferences
- Branding on pull-up banners at WRIWA events

#### ***Sponsorship fees:***

- *Premium:* \$4,500.00 per annum (maximum of four to be appointed each year)
- *Standard:* \$1,500 per annum (maximum 20 to be appointed each year)

### **3.3 Container Deposit Scheme (CDS)**

The CDS scheme went live in October 2020. WRIWA was involved from the outset, and through membership of the CDS Technical Working Group we have constantly advocated to promote the position of industry.

Probably our largest achievement has been the design and implementation of a Revenue Sharing Agreement (RSA) between Material Recovery Facility (MRF) Operators and Local Government Authorities (LGA). The RSA assign costs claimable by the MRF and is an agreement to divide profit on a 50/50 basis. The agreement was a major achievement as failure to reach agreement in the rollout of the NSW scheme led to considerable delays in both MRFs and LGAs accessing payments.

### **3.4 Roads to Reuse (RTR)**

Following the success of the 2019 trial by Main Roads WA and involving two of our members (Waste Stream Management and Urban Resources), Crushed Recycled Concrete (CRC) is moving towards acceptance throughout the road building industry.

WA Recycling, also a WRIWA member, has now completed the Material Acceptance and Sampling Plan (MASP) which qualifies them to supply to MRWA.

The *Waste Avoidance & Resource Recovery Strategy Action Plan 2030* calls for a progressive rollout over 2020, 2021 and beyond of CRC being used in MRWA projects, with 200,000 tonnes the minimum amount to be utilized in 2021 and a doubling of targets in later years. All this is to be achieved while ensuring compliance with environmental health limitations on contaminants in the recycled materials (see sections 3.12 to 3.14 of the Action Plan).

At the time of writing contractors within existing Main Roads projects are not utilising CRC when there are significant incentives to do so. Recycling Industry are concerned with the lack of uptake, considering the significant investment.

WRIWA held a site visit and meeting with the Waste Authority and DWER on 20 November 2020 to view the RTR plant at Urban Resources and the Commingled C&D Recycling Plant at Waste Stream Management. We explored with the Waste Authority options to bring the program back on target.



### **3.5 Closing the Loop**

Closing the Loop is a far reaching review of the regulations which govern the Landfill Levy. WRIWA has been the major advocate for a review as levy avoidance has severely disadvantaged our members.

Following consultation by our members WRIWA submitted an extensive response to the review. Following discussion with DWER, WRIWA submitted both a For Publication and a Confidential submission as some elements of our submission contained information that could be used to identify a whistle blower or disclose confidential investigations being conducted by DWER. WRIWA considers that the review is at this stage a first step towards ending levy avoidance and has lobbied for a workshop to explore in more detail some of the issues raised.

### **3.6 Review of the Waste Levy**

This review has is considering the application of the levy beyond the boundaries of the Metropolitan Region and whether the rate of the levy should be altered.

WRIWA strongly supports a state wide levy but in his submission has made a distinction between Construction and Demolition/ Commercial and Industrial and Municipal Solid Waste. Our view is that C&D/C&I should have the same levy state wide and that this would be a significant contribution to eliminating levy avoidance.

### **3.7 National Export Ban Paper and Plastics**

WRIWA met with Sussan Ley Minister for the Environment and emphasised that WA is likely to be more affected than any other jurisdiction as we are 10% dependant on export.

WA has been targeted for the first round of federal funding to develop secondary recycling processing for both paper and mixed plastics.

Two EOI processes, both with up to \$20m from the federal government matched with \$20m from state government are in progress seeking a private enterprise partner who will provide up to a further \$20m to establish paper and plastics processing.

### **3.8 Relationship with NWRIC**

The involvement of the federal government through the Export Ban proposal has meant that industry has need to quickly develop a relationship with the federal government at both Minister and departmental level.

NWRIC has rapidly stepped into this role with Rose Read the NWRIC CEO meeting repeatedly with the Minister and her advisors and departmental officers and providing valuable briefings to WRIWA and the other state affiliates.

WRIWA continues to benefit from our relationship with NWRIC, not only through the increased federal role but through our access to other state affiliates and their Australia wide experience.

### **3.9 Covid**

WRIWA quickly shifted to videoconferencing for WRIWA Executive Meetings and was able to maintain continuity. Similarly the various stakeholder meetings which constitute much of our activity all moved to videoconferencing. WRIWA was able to source virtual backgrounds for both of the major videoconferencing apps: Teams and Zoom with the WRIWA logo prominently displayed.