

Senate Economics Committee

Carbon Pollution Reduction Scheme bill 2009 and related bills

Thank you Madam Chairman.

Thank you for this opportunity for our association to appear before your Committee of Inquiry.

Firstly, allow me to introduce myself and the Australian Landfill Owners Association.

I have been directly involved with the waste service industry since 1988. I was the Managing Director of SITA Environmental Solutions, Australia's third largest waste service provider from 1995 to 2001 and I am currently the Director of Sustainability of Veolia Environmental Services, Australia's second largest waste service provider. I am also the Secretary and spokesperson for the Australia Landfill Owners Association and a board member of the Waste Management Association of Australia and Chairman of its National Landfill Division.

The Australian Landfill Owners Association or “ALOA” is the peak representative body for landfill owners from across Australia.

ALOA, through its 23 member companies, operate 61 landfills across Australia. These sites receive 15 million tonnes of solid waste or 70% of all waste landfilled nationally.

ALOA members also provide services in waste collection, waste treatment and resource recovery and employ well over 12,000 people nationally.

ALOA members have been active in reducing greenhouse gas emissions from their operations over the last two decades. In fact, the waste sector is *the* only CPRS covered sector that recorded a reduction of their greenhouse gas production over this period. This reduction of 12.6 percent has been achieved through a combination of the following initiatives:

- An increase in landfill gas capture and combustion;
- The rationalisation of smaller sites into better managed regional sites; and
- A reduction of organics being landfilled

Based on industry data the waste sector now accounting for less than 2 percent of Australia's national greenhouse gas emissions.

Today Australia's larger landfills employ international 'best practice' technologies to minimise their environmental impact. This includes capturing methane generated from landfilled organic waste to produce renewable electricity.

ALOA supports the Government in its attempt to reduce Australia's greenhouse gas production and supports the introduction of an emissions trading scheme as the core initiative to achieve this goal.

The introduction of an emissions trading scheme has been described by the Minister for Climate Change as 'the most significant economic and structural reform undertaken in Australia since the trade liberalisation of the 1980's'. ALOA concurs with this view and is committed to working with the Government to ensure that a fully functioning scheme is actualized by 2012.

ALOA is pleased with the changes made to the exposure draft legislation including the complete removal of legacy waste from the scheme.

These changes have brought the treatment of the waste sector in line with other CPRS covered sectors. By removing legacy waste and delaying the start date of the CPRS, ALOA is now confident we will have sufficient time to plan for and appropriately implement reforms that will accelerate the rate of green house gas reduction from our sector.

As our Chairman, Colin Sweet recently said: “This is a fine example of Industry and Government working together to ensure positive outcomes for both the environment and the Australian people”.

now that our major concerns have been addressed by the changes to the draft legislation , ALOA now intends to continue to work with the Government to resolve several smaller, yet equally important issues concerning the implementation of the CPRS in the waste sector.

The first of these pertain to measurement of methane gas emissions from landfills.

It is important to understand that the production of landfill gas emissions are dependant on a wide range of factors – waste type, design, construction materials, capping, operating procedures and rainfall – and will vary from site to site.

Current National Greenhouse and Energy Reporting (NGER) techniques for estimating the amount of methane gas emissions from landfill is expected to have a margin of error of +/- 30 per cent. This is obviously unacceptable under the CPRS and as a consequence the landfill industry is working with the Department of Climate Change to establish more accurate estimation methodologies that are acceptable to both Government and the industry.

Further, let me say that whilst an emissions trading scheme should certainly be Australia's core strategy for combating climate change, it should not be the only mechanism applied to the waste sector.

There is reported to be over 600 licensed landfills across Australia. Of this number only around 10% will be covered by the CPRS. aloa estimates that This will leave around 30% of the waste sector's emissions residing outside the scheme.

As such ALOA calls on the Government to establish a set of complementary measures to help combat green house gas emissions from these smaller, uncovered sites.

These measures ought to include but not be limited to:

1. The introduction of gas capture and flaring incentives for sites that will not be covered by the CPRS;
2. The further regionalisation and closure of smaller sites; and
3. The further diversion of uncontaminated organics to composting facilities

In conclusion, please let me reiterate that ALOA is pleased with the recent changes to the CPRS legislation which saw the removal of the contentious

“legacy” waste emissions and the postponement of the scheme implementation.

Again, ALOA is staunchly committed to working with Government to reduce green house gas emissions from landfills and the waste sector.

I thank you for your time and I welcome any questions that you may have.