

WasteMINZ Conference 2013 'Focus on the Future'

22 October 2013, Rotorua

The role of WasteMINZ

Good morning everyone, and thank you for inviting me here today to open your 25th annual conference.

WasteMINZ is an important stakeholder for my Ministry. It is a significant leader in the waste and resource recovery sector, and is one of only 4 partners that my Ministry has a strategic alliance with.

As a large membership based organisation, WasteMINZ are well placed to partner with us to collectively achieve improved waste outcomes for all New Zealanders. It provides us with a vital communication channel to and from the industry. Through this alliance we also support specific projects that we hope you all, as WasteMINZ members, benefit from.

Examples of projects we have supported include the review and update of the Land Disposal Guidelines and of course this conference.

I was extremely pleased to see that the theme for this year's conference is 'focus on the future'. This is a topic that I feel is extremely important for the environment sector. Focussing on the future is challenging. As

Winston Churchill said 'It is always wise to look ahead, but difficult to look further than you can see'.

But being difficult doesn't mean we shouldn't try. So today I want to talk to you about what my Ministry is doing to look further than we can see - for the environment in general, and specifically for waste.

Our environmental management system

As we know, New Zealand's economy is dominated by industries that rely on our natural resources: agriculture, petroleum and minerals and tourism to mention a few. This means that how we use, re-use and manage our natural resources has implications for our future prosperity.

But while our natural resources are important they are also not an infinite resource and in some areas we know that environmental limits are being reached and resources are becoming increasingly scarce.

We need to make sure that we make the right decisions and have the right arrangements in place that manage the complexity of the natural environment and enable our resources to go to the best uses – both now and over time.

As the Secretary for the Environment I have a responsibility to look after the Crown's medium and long term interests as well as meeting the

needs of the government of the day. The policy advice that my Ministry develops must help Ministers and the wider community to understand the options and choices on these complex issues.

I have a responsibility to help to build an environmental management system that will deliver the best environmental standards now and into the future. As our vision statement says our focus is '*environmental stewardship for a prosperous New Zealand*'.

So what does this environmental stewardship mean for the management of waste in New Zealand?

The Ministry's role is to be forward focused, identifying issues and working with stakeholders to find innovative solutions. Under the Waste Minimisation Act, we are required to minimise waste and ensure we are reducing the risk of harm our waste can cause.

We cannot do this alone. Your role is critical to maintaining the quality of our environment on a day to day basis. We want clean parks, streets, beaches, air and waterways. Your people, your systems, your enterprises and your investment help deliver that in a very practical way.

Waste isn't the only issue facing the Ministry at the moment. We are putting significant efforts into reforming our frameworks for managing fresh water and resource management. These issues strike to the very

heart of being a kiwi. We are also looking at issues relating to climate change, the marine environment, and environmental reporting.

Some of these issues really get people fired up. On any given day you will see media coverage on people's concerns for water, minerals and petroleum and biodiversity.

While people don't get up in arms about waste they are certainly engaged in the subject. Everyone who puts out a wheelie bin considers him or herself to be a complete expert in the subject. While this is great from a public buy-in perspective, it can also be terribly frustrating.

But please don't interpret this to mean that waste isn't important. In fact I would argue that Ministry cannot view waste as a standalone issue – it is part of the complex picture I mentioned earlier. The work we are doing on resource management, water and marine will all have impacts on how we look at, and manage, waste over the longer term.

I can also assure you that the Minister takes a keen interest in waste issues.

I meet the Minister every week and waste is one of the key agenda items. We have on-going discussions about issues like green fences, the merits of TV takeback schemes, and sewage sludge composting to name but a few. It is a constantly evolving area with a high public

interest, and so is somewhere where a politician can make a real and tangible difference for the community and for the quality of our environment.

Changing attitudes to waste management

We all know that New Zealanders highly value the quality of our environment.

This means that community attitudes are changing and influencing the way we think about waste. Our communities have taken stewardship to heart and are more demanding when it comes to dealing with waste. Backyard burning of rubbish, digging a pit to dump waste, pumping untreated effluent into rivers and the sea are no longer 'acceptable' activities.

Our population has nearly doubled in 40 years and that has put pressure on our environment. Our consumption levels are increasingly generating more waste. The old ways of managing this can't be sustained.

In some markets, our export goods are increasingly being judged not just by the quality of the end product but also by the integrity of the production process – including waste management. This means that the bar is being raised for our producers in some markets as regulators,

retailers and consumers demand higher standards of environmental performance and verification.

As a result, we all now expect waste to be dealt with responsibly, and today's version of responsibly is different from yesterday's (and we can expect that it will be different again in the future).

So I see change on the horizon.

For example, in the future will landfills still be our preferred method of disposal?

Right now we have fifty beautifully constructed and operated landfills that catch gas and leachate and mostly do all the right things. And whilst some people argue that landfills might cause less environmental harm than some other elements of the waste hierarchy – like recycling we cannot assume they will continue to be used in the future. Not because they are especially harmful – good landfills aren't – but because society increasingly dislikes the idea of burying our waste. At some stage the technology and joint planning will enable us to think rationally about the alternatives.

For arguments sake, why not build a couple of waste to energy plants somewhere in the North Island to take all of our waste that can't be recycled? This would create some commercial challenges for sure, and

planning wouldn't be easy. But frankly, these are the sorts of discussions we need be having and I have challenged my team to test the status quo and to provide some thought leadership on these issues.

Of course we will still need to thrash out the technical definition of landfill cover and we need to keep our product stewardship schemes going. But we need to look at the long game too, and not get so tied up in fighting today's battle that we forget about tomorrow's war.

'Green Fencing'

I'm sure you are all aware that many products collected for recycling in New Zealand are exported offshore, as we don't have the infrastructure or technology available in NZ to deal with these products. At the moment it is often not economically viable to set up large scale facilities to process these recyclables.

One of the product stewardship issues we are seeing at present is the growth of plastic stockpiles due to the practice of 'green fencing'.

I am not going to focus on that now as I know it is a topic that is being discussed on Wednesday. However, I would encourage you to think not only about the challenges but also the opportunities.

Looking to the future I am sure opportunities will present themselves so that New Zealand can become more resilient to changes in the international market. We need to ensure we embrace these opportunities where they make sense.

A future approach

So what might the future look like? I want to take a few moments to share my thoughts on a possible longer term strategy involving a three pronged approach:

The first is increasingly processing more of our own waste. With increased R&D and innovation around recycling technology this could be a viable option. Personally, I think this is a very good way to use the waste minimisation fund.

A second is improving how waste is collected, processed and sorted so the export markets get high quality recyclables from New Zealand. That could keep doors open to our products.

A third prong is influencing the designers and importers of goods to ensure we use more products that are designed with the whole of life in mind, not products that don't have an end-use, or are unnecessarily difficult to dispose of.

BMW does it, and our own construction industry has started to through the Green Building Council, so why not actively influence industry to reduce waste? We need to ask questions like: how many people really use the phone book you get delivered each year? Do the benefits of low energy light bulbs outweigh the environmental and economic costs of disposal?

Waste review

Similarly the Ministry for the Environment needs to review our stewardship of the waste system.

We have a range of tools available to encourage waste minimisation and increase the quality of our waste management - not only to protect our environment from harm, but to also provide social, economic, cultural and environmental benefits.

The Waste Minimisation Act puts a \$10/tonne levy on all household waste sent to disposal facilities. At its current rate, the levy generates about \$25 million every year. Of this, half goes to councils to spend on waste minimisation initiatives and the rest makes up the government's Waste Minimisation Fund.

Every three years the Minister is required to review the effectiveness of the levy – and we are just embarking on the next review, which must be completed by 1 July 2014.

Some of you will recall the first levy review in 2011. At this time the levy had only been in place for two years. At that early stage only limited conclusions could be drawn about its effectiveness. The review did, however, identify a number of areas of potential levy avoidance that were emerging.

The 2014 review will build on the results of the first review. A key focus will be whether the levy is being applied fairly and correctly, and what needs to be done to ensure there is a level playing field for those who pay it. The review will also look at the impact the levy money is having on the ground.

We've collected close to \$80 million in levy payments since the last review. That is a significant amount of money by any reckoning, and levy payers rightly expect to see some difference made with the money they are contributing.

I should probably remind you that the Minister for the Environment makes all decisions relating to the scope, timeframes and actions arising from the review, with support from the Waste Advisory Board and the

Ministry. You can expect to hear more about the review from my staff in one of the sessions later today.

Before I conclude, it is timely for me to briefly highlight a couple of initiatives that the government has supported through the Waste Minimisation Fund.

The first project focuses on treated timber – a hazardous waste that is difficult to dispose of, not only here in New Zealand, but globally. Other than sending to landfill, there are very few, if any, viable options for disposal.

Environment Canterbury obviously has a huge issue with waste timber generated by the earthquake demolition process. It has recognised that throwing this timber in the landfill is not only costly but also a missed opportunity.

Supported by the Waste Minimisation Fund, the regional council will test the feasibility of, and develop a, sustainable business model for large scale collection of this hazardous treated timber waste for reuse, recycling and/or recovery.

The second project involves a really smart piece of technology, that is also Rotorua based. Over the next three years the Waste Minimisation

Fund will provide Rotorua District Council \$4.7 million dollars for their TERAX Waste Deconstruction Technology project.

This technology, developed by Crown Research Institute Scion, breaks down biosolids and other organic wastes into useful industrial chemicals, energy or fertiliser products.

The project will develop a commercial scale hydrothermal deconstruction process plant to treat Rotorua's sewage sludge. Construction of the plant will commence in 2014 and when built it will be able to process over 11,000 tonnes of biosolids.

Looking forward, I would like to see many more projects of such calibre coming through the door. We must continue to search for creative solutions to our waste problem.

Conclusion

So in conclusion, I think that the waste industry is a great place to be right now. We've got legislation in place and ready for a tweak, we're looking hard at product stewardship, funding is available and we've got positive changes on the horizon.

I have told my officials that I expect the Ministry to play a leading role in shaping the future – they need to be involved, listening, talking, thinking

and advising on the stewardship framework for waste. I think this conference is an excellent place to start that discussion.

In fact if you have any questions about the Ministry's work programme I would encourage you to talk to the Ministry representatives attending the conference. We have a trade stand next door and I would also encourage you to attend the Ministry's 'What's on the Agenda?' session after morning tea this morning.

In this industry we have a focus on the future, but we also often have to keep one eye on the rear view mirror as we grapple with the experiments or lack of care from past generations.

We have contaminated sites that we are still cleaning up, and badly designed landfills we have to manage. We are even still collecting and disposing of highly hazardous agrichemicals that were banned many, many years ago.

When I think of our stewardship aims I think of a quote by Theodore Roosevelt:

"To waste, to destroy our natural resources, to skin and exhaust the land instead of using it so as to increase its usefulness, will result in undermining in the days of our children the very prosperity which we ought by right to hand down to them amplified and developed."

I hope you enjoy the conference over the next three days and that it gives you something to think about. Paul and the WasteMINZ team have pulled together an informative and diverse programme for you to immerse yourselves in.

I hope you go away energised and positive about your own role in the industry, and also with a positive view of Ministry's work programme and industry stewardship.

Thank you