

SOLID WASTE LEVY HIKE TO HIT MID MURRAY BUDGET

The State Government's plan to increase a landfill levy by 40% over the next 12 months will significantly impact the Mid Murray Council.

The State Budget announcement this week to substantially raise the Solid Waste Levy was unexpected by the Council and came without consultation with the Local Government sector.

Regional councils including Mid Murray had planned for the levy to be set at \$51.50 per tonne of waste sent to landfill, as previously communicated by the State Government. Now they will be forced to pay \$55 per tonne from 1 July, and then \$70 per tonne from January 2020.

Councils pay the Solid Waste Levy to the Environment Protection Authority (EPA) on each tonne of waste sent to landfill. Most of the levy goes into the Green Industry Fund, which aims to direct money back into waste initiatives and recycling projects.

Mid Murray Council Chief Executive Officer, Ben Scales, said the increase would substantially raise the cost of waste management for Councils across the State which are struggling to manage waste following the impact of China's import ban on Australia's recyclables.

"It is incredibly frustrating for our Council to have such a significant cost imposed on us without warning when our budget for the coming year has already been drafted and is close to adoption by Council," he says.

"Managing the skyrocketing costs of waste management is already a challenge for Council – and for the Local Government sector across Australia.

"We have worked hard to limit the impact on our ratepayers from these rising costs, but a 40% increase in the levy will make this difficult."

The levy increases are expected to cost the council an additional \$40,000 for the coming financial year.

Mid Murray Mayor Dave Burgess said the levy rise did not appear to include plans for strong investment in waste management or recycling for local councils, but instead appeared to prop up the State Government's plans to fix Adelaide beaches.

"This is yet another example of taxation by stealth and a further burden on the ratepayer by the State Government," he says.

"The State Government needs to explain how this 40% increase in the Solid Waste Levy will be reinvested to benefit the community, the waste industry and the circular economy.

"Our ratepayers are already struggling with the rising costs of living and the current drought.

"Council listened to those concerns and is working through the process to lower the proposed general rate increase in its *Draft 2019/20 Annual Business Plan and Budget* from 3.6% to 2.9%.

“In light of this cash-grab from the State Government, we will now have to review our draft budget further to assess the impact of the levy and determine whether rates may be affected, or if local services may have to be cut.”

The Council lobbied the State Government in 2018 to release money from the Green Industry Fund for initiatives to help Local Government improve recycling rates and reduce the amount of waste to landfill.

“There is a critical need for this funding to be invested into solutions that will deliver a real environmental benefit by increasing recycling and cutting landfill,” Mayor Burgess says.

“That is what the fund was intended for and it should be used for that purpose.”

The council’s Senior Management and Elected Members will consider the impact of the levy increase as part of the current review of its *Draft 2019/20 Annual Business Plan and Budget*.

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