

**Legislative Statement for the Waste Minimisation (Waste Disposal Levy)
Amendment Bill**

First Reading

Legislative Statement Waste Minimisation (Waste Disposal Levy) Amendment Bill

Presented to the House in accordance with Standing Order 272

Introduction

1. This legislative statement supports the first [second and third] reading of the Waste Minimisation (Waste Disposal Levy) Amendment Bill (**the Bill**).
2. The Bill proposes to amend the Waste Minimisation Act 2008 (**the WMA**) to:
 - 2.1 enable the central government allocation of the levy to be spent on a broader range of environmental activities
 - 2.2 increase levy rates over three years (2025/26, 2026/27, 2027/28)
 - 2.3 make associated minor regulatory amendments.
3. The Bill will enable levy funds to be used to support activities and responsibilities that address waste reduction, reduce environmental harm, and increase environmental benefits. This will contribute towards meeting the Government's priorities, including improving and protecting the environment from harm, preventing the impact of, and supporting recovery from extreme weather events, investing in productivity-enhancing infrastructure, restoring degraded environments, and achieving fiscal savings.

Background

4. The WMA establishes a waste disposal levy (**the levy**) to raise revenue for waste minimisation and to increase the cost of waste disposal. It is collected at the point of disposal from the Disposal Facility Operators. The WMA also provides controls on how the levy is allocated between central and local government and how it is spent. Territorial authorities must use their portion to promote or achieve waste minimisation activities in accordance with their Waste Management and Minimisation Plans.
5. The Bill proposes to broaden the scope of central government activities funded via the levy, while maintaining a strategic link between the levy and waste and environmental priorities.

Provisions of the Waste Minimisation (Waste Disposal Levy) Amendment Bill

Amend the Purpose of the WMA in section 3

6. The current purpose of the WMA is "to encourage waste minimisation and a decrease in waste disposal in order to (a) protect the environment from harm; and (b) provide environmental, social, economic, and cultural benefits".
7. The current purpose of Part 3, which relates to the waste disposal levy, in section 25 is "to enable a levy to be imposed on waste disposed of to (a) raise revenue for promoting and achieving waste minimisation; and (b) increase the cost of waste disposal to recognise that disposal imposes costs on the environment, society, and the economy".
8. The Bill repeals section 25 and creates an addition to the purpose to section 3 enabling the levy to be used to fund a broader range of activities and to increase the cost of waste disposal. This

will only change the levy provisions as they apply to central government and will not change how territorial authorities can spend their share of the levy.

9. The levy will be imposed on waste disposed to:
 - 9.1. raise revenue to fund—
 - 9.1.1. the promotion and achievement of waste minimisation; and
 - 9.1.2. activities that reduce environmental harm or increase environmental benefits; and
 - 9.1.3. local authorities to manage emergency waste and to repair or replace waste management and minimisation infrastructure damaged by an emergency; and
 - 9.1.4. the Ministry to undertake its functions and duties, and exercise its powers, in relation to waste management and minimisation and hazardous substances; and
 - 9.1.5. projects that provide for the remediation of contaminated sites including vulnerable landfills; and
 - 9.2. increase the cost of waste disposal to recognise that disposal imposes costs on the environment, society, and the economy.

Broaden what the Secretary for the Environment may spend the levy on

10. In accordance with the new purpose, the Bill amends section 30 to add the following matters the Secretary may spend the levy on:
 - 10.1. funding activities that reduce environmental harm or increase environmental benefits
 - 10.2. funding local authorities to manage emergency waste and to repair or replace waste management and minimisation infrastructure damaged by an emergency
 - 10.3. funding the Ministry to undertake its functions and duties, and exercise its powers, in relation to waste management and minimisation and hazardous substances.
11. Examples of activities that reduce environmental harm or increase environmental benefits (10.1 above) include the environmental remediation and freshwater initiatives such as the Kaipara Moana Remediation Programme and the Freshwater Improvement Fund. These examples will not be specifically referred to in the Bill because what the Secretary may spend the levy on is likely to change over time.
12. Managing emergency waste and to repair or replace waste management and minimisation infrastructure costs (10.2 above) could include the costs incurred by local government for the management of waste created by an emergency. This could include costs associated with the collection, temporary storage, transport and processing of waste, and the repair or replacement of waste management and minimisation infrastructure (including equipment) damaged by an emergency.
13. The WMA currently provides for the Secretary to fund the collection and administration of the levy.
14. The Bill will enable the levy to also be used to fund the Ministry for the Environment's responsibilities in relation to waste management and minimisation and hazardous substances (10.3 above). For example, policy development and implementation, collecting and using waste data and evidence and work related to international agreements on chemicals and waste.

15. The Bill has ensured flexibility in relation to levy spending on the Ministry's responsibilities to avoid limitations on any future activities and functions that may arise.
16. The Ministry also undertakes policy and implementation work in relation to contaminated sites, other than the funding programme, and supports planning and advising on emergency-preparedness and resilience in relation to waste.
17. The additional matters on which the levy can be spent add to the Secretary's operational role and give effect to funding decisions made either through the relevant appropriations or, in the case of emergency waste, through criteria notified by the Minister for the Environment (the Minister) in the Gazette.

Broaden the projects the Minister for the Environment may approve for funding

18. The Bill amends section 38, which allows the Minister for the Environment to approve funding of projects that promote or achieve waste minimisation, to also enable the Minister to approve projects that provide for the remediation of contaminated sites, including landfills vulnerable to severe weather impacts. This will replace the current Contaminated Sites Remediation Fund as it will cover the same scope and phases of remediation of a contaminated site.
19. To give effect to the provisions in the Bill that enable the remediation of contaminated sites through levy funding, the Bill will define, in section 5, "contaminant", "contaminated site" and "remediate".
20. The Bill will not change any of the other current provisions relating to the Minister's ability to approve funding of projects. For example, the Bill will not change the Minister's current ability to set or vary criteria for approving funding of a project using levy funds and the Minister must still obtain and consider the advice of the Waste Advisory Board before setting or varying criteria.

Supporting amendment for the use of the levy to fund waste in an emergency

21. To support the use of levy funding for waste caused by an emergency, the Bill will define "emergency" to have the same meaning as in the Civil Defence Emergency Management Act 2002. This creates consistency of definitions across the two pieces of legislation that apply in emergencies.
22. The Bill will insert a new section 38A to empower the Minister to notify criteria for funding local authority costs associated with the management of waste created by an emergency and the repair or replacement of waste management and minimisation infrastructure damaged by an emergency. The criteria may include the types of costs and infrastructure that will be funded, limits on funding these costs and identifying what is meant by emergency waste.
23. Before setting or varying the criteria the Minister must consider whether funding management of emergency waste is reasonably necessary to address public health/environmental risk, whether it is likely to be beyond the resources of a local authority, the national civil defence emergency management plan, and may consider any other matters they think are relevant.

24. The intention is for councils to seek further funding when they have exhausted their own funding sources and not to displace business-as-usual expenses.

25. To enable funding to be granted quickly in response to an emergency advice from the Waste Advisory Board will not be required. Funding recipients will not be precluded from seeking funding for eligible projects through other contestable waste disposal levy funds.

Provide for a waiver of the levy for waste from remediating contaminated sites

26. The Secretary can already waive the levy in exceptional circumstances (section 29). The remediation of contaminated sites frequently involves disposal of some contaminated materials to landfill. At present, such disposal is subject to the levy and this cost may become a barrier to remediation in some cases.

27. The Bill will amend section 29 to provide flexibility to manage this situation, through an expanded ability to waive contaminated site waste from the levy and to provide discretion to the Secretary to impose conditions on that waiver. The intent is to encourage the appropriate disposal of waste to a registered facility, where possible, to minimise waste disposed of and increase the diversion of waste. The Secretary's power to waive the levy will continue to be discretionary and will require that the Secretary is satisfied that the waiver is reasonable. The mandatory requirement for 'exceptional circumstances' will not apply to waste from the remediation of contaminated sites.

28. The Bill will not alter the current power for the Minister for the Environment to make regulations for levy exemptions. The Bill will also retain the related levy payment and reporting requirements that Disposal Facility Operators must meet under current regulations (Waste Minimisation (Calculation and Payment of Waste Disposal Levy) Regulations 2009 and Waste Minimisation (Information Requirements) Regulations 2021).

Increase the levy rates for the different waste facilities from 1 July 2025 to 1 July 2027

29. While the WMA enables the levy rates to be amended by regulation, amendments are made through primary legislation in this instance. The Bill enables levy rate increases incrementally over three years (in 2025/26, 2026/27 and 2027/28). The additional levy revenue will provide additional opportunities for supporting central government waste-related and environmental activities and responsibilities.

Table 1 Proposed future rates for the waste disposal levy per tonne

Waste facility	Levy rate on and from:		
	1 July 2025	1 July 2026	1 July 2027
Municipal landfill (class 1)	\$65	\$70	\$75
Construction and demolition fill (class 2)	\$35	\$40	\$45
Managed or controlled fill (class 3, 4)	\$15	\$15	\$20