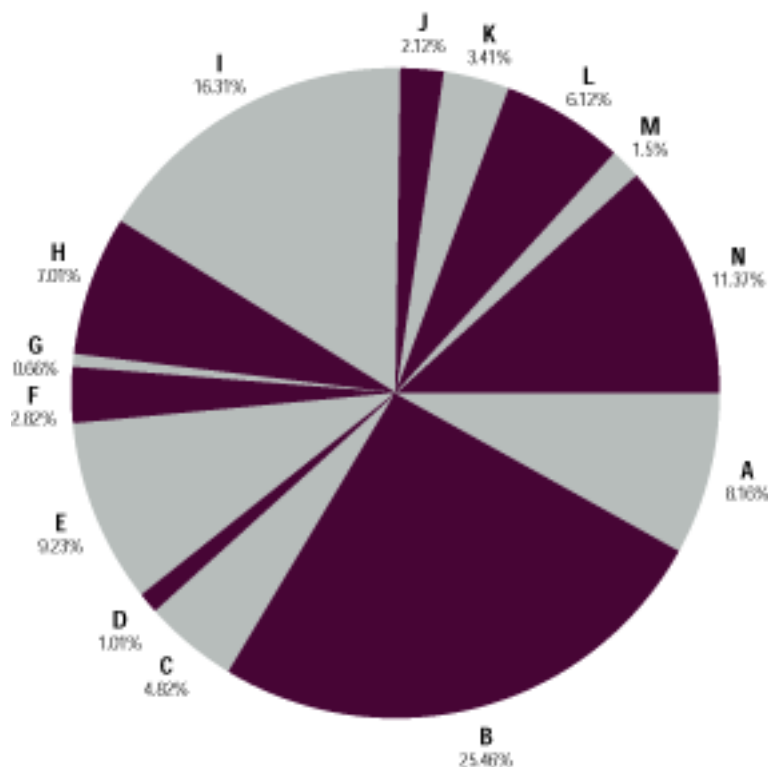




Building for a Sustainable Future

1997/98 Annual Report



Actual Expenditure 1997/98 and Funds Committed
as at June 1998

A	Administration	\$ 1,162,920
B	Kerbside Collection	\$ 3,628,418
C	Litter Prevention and Control	\$ 687,247
D	Public Place and Event Recycling	\$ 143,302
E	Industry Waste Avoidance and Resource Recovery	\$ 1,316,222
F	Commercial/Institutional Waste Avoidance and Resource Recovery	\$ 402,015
G	Food Organics Recovery	\$ 94,596
H	Green Organics Recovery	\$ 998,930
I	Resource Recovery and Waste Management Facilities	\$ 2,324,022
J	Household Chemicals Collection	\$ 302,854
K	Community and School Education	\$ 486,081
L	Communications and Information	\$ 872,302
M	Data Collection	\$ 213,115
N	Grants	\$ 1,621,287
Total		\$ 14,253,311

Building for a Sustainable Future

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The Hon. Marie Tehan M.P.
Minister for Conservation and Land Management
240 Victoria Parade
East Melbourne VIC 3002

Dear Minister

Our first full year has seen the development of a range of programs to provide the strategic foundations for achieving a sustainable reduction in waste going to landfill. These have been reinforced by establishing strong partnerships with our key stakeholders in local government, especially the waste management regions, industry and the environment movement. I am particularly grateful for the strong support shown for EcoRecycle's recycling initiatives by you and the Government, as evidenced by the provision of substantial funds.

EcoRecycle has produced a range of carefully targeted programs which have delivered good progress in implementing the medium to long term objectives in accordance with the business plan. With increasing cost pressures and the supply of recycled material continuing to outstrip demand, EcoRecycle has given a high priority to programs that improve the efficiency of the recycling loop and develop secondary markets.

The establishment of the waste management regions throughout rural Victoria has been a major step forward for the future delivery of waste minimisation programs, improved management of residual wastes and the prevention and control of litter. But significant challenges remain, especially with continuing stresses on the kerbside system, and EcoRecycle will be working with its stakeholder groups to ensure kerbside recycling is placed on a sustainable long-term footing. In this regard I welcome your leadership in the development of the proposed National Packaging Covenant and look forward to its early adoption.

It has been a pleasure for me to work with this young, dynamic organisation in its formative years and I am grateful for the strong support of my Board members and the enthusiastic and committed staff of EcoRecycle Victoria. I commend this second annual report to you and your Parliamentary colleagues.

Yours sincerely



Ted Tanner
Chairperson



Members of EcoRecycle (left to right) – Warwick Field, Alan Seale (appointed August 98), Cheryl Batagol, Don Chambers, Ted Tanner, Noel Harvey and John O'Rourke.
(Absent: Rob Joy, Janet West, Mark Johnston and Michael Brownlow)



Household Waste Reduction and Recycling

Key Achievements

- Incentives for value-adding paper recycling
- Kerbside Development Program extended to rural councils
 - Household chemicals collections extended to major urban centres



Ninety-seven per cent of the Victorian community believe that recycling is an essential service and 94 per cent of households try to reduce waste, mostly through kerbside recycling. Matching that support and success with improved economic viability against a background of volatile markets is EcoRecycle's major ongoing challenge. Cost reduction and optimisation of retained value are key components in EcoRecycle's strategy.

Increasing cost pressures and oversupply has brought the significance of economic viability into sharp focus. During the year EcoRecycle provided financial assistance to councils across the State, on a per household basis, to help sustain recycling collections in the short term. Further funding was provided in response to a crisis in mixed kerbside paper. The overall impact of the international situation on the kerbside system was widespread, however, and ANZECC has responded to the difficulties being experienced by local government and the industry packaging chain by seeking to develop a voluntary National Packaging Covenant with a kerbside schedule, supported by regulatory structure to deal with those not part of the voluntary scheme.

Kerbside Development Program (KDP)

The KDP introduced to metropolitan Melbourne three years ago has achieved its initial objectives with most metropolitan councils and a number of others including Bendigo and Ballarat having collection systems with hard recycling containers. User pays garbage charging and garden waste recycling services are also much more widespread as a result of the program. BIEC's (Beverage Industry Environment Council) 1997 Recycling Audit and Garbage Bin Analysis confirms the value of this achievement—households in metropolitan Melbourne have doubled the amount of materials collected at kerbside for recycling over the last four years. EcoRecycle will continue to assist upgrading of collection services and encourage further participation to remove the average 2.5 kg of recyclables per household per week that still remain in garbage.

Fifteen rural councils have made application for assistance under the program and most of the remaining 29 councils are expected to join the program over the next eighteen months as regions complete their waste management plans.

Cost and Efficiency

Programs aimed at increasing the viability of kerbside recyclables collection included performance-based model contracts and initial development of comprehensive best practice guidelines. The effectiveness of model contracts and pricing tools will be enhanced by the introduction of an accreditation scheme for collectors and reprocessors early in the 1998/99 financial year.

A benchmarking study of the efficiency of the kerbside collection system provided a valuable information base for other programs and will enable the effectiveness of kerbside improvement programs to be more readily measured in future. EcoRecycle is undertaking a complementary market study with NSW EPA to identify

present and future market trends for kerbside recycled materials. EcoRecycle's community education and information programs have focused on contamination issues, making it significantly lower in Victoria than for other states.

Household Chemicals Collection

Nine metropolitan and six non-metropolitan collections were conducted yielding over 129 tonnes of household chemicals, including oil and paint. The service was expanded this year to include collections in Bendigo, Ballarat, Benalla, Wangaratta and Warrambbool. The Plastics and Chemical Industries Association provided technical assistance in the safe handling of the waste chemicals.

In addition to the free regional chemicals collections, EcoRecycle, supported by the Australian Institute of Petroleum (AIP), trialed a collection system for 'do-it-yourself' oil users and is working with AIP on establishing an ongoing service. A report on the recovery of waste paint which explored practical options, was also prepared with the assistance of the Australian Paint Manufacturers Association.

Support for Paper Recycling

In response to the inability of the system to absorb the large quantity of mixed kerbside paper following the collapse of international prices and markets, EcoRecycle introduced a funding program to assist the industry restructure and to facilitate access to other outlets for mixed paper. EcoRecycle provided a \$500 000 performance incentive, at \$20 per tonne, for sorted newsprint and magazine grade paper to help recyclers with the initial investment hump for sorting equipment. This funding is increasing the reprocessing of kerbside collected paper into separate grades from 9 per cent to an expected 60 per cent by mid 1999. In a complementary move the Publishers National Environment Bureau funded the conversion of a number of collection trucks to provide for sorting at the kerbside to increase the supply of sorted newsprint to the Albury newsprint mill.

A further \$20 per tonne, for up to 25 000 tonnes has been committed to assist in reducing existing stockpiles of mixed paper. This paper, to be directed to new outlets in the next few months, will clear storage space for the more valuable sorted material.

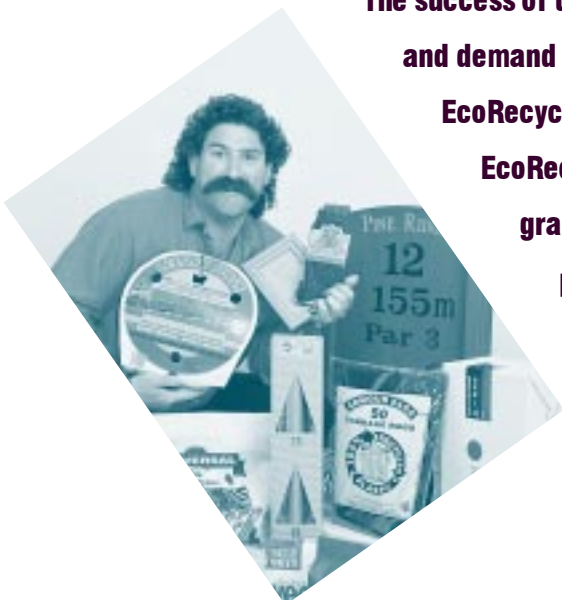


Market Development for Recycled Materials

Key Achievements

- Memorandum of understanding with the Clean Washington Center
- Promotion of 'buy recycled' goods
- Grants for market and product development

The success of the kerbside collection has led to an imbalance between supply and demand for secondary materials. It is therefore very important for EcoRecycle to develop markets and lower the costs of the kerbside system. EcoRecycle preferentially targeted \$1.3 million in waste minimisation grants to projects that supported the development of new recycled products or new markets for existing products in its first year. It also took a strategic look with the other key players at the best opportunities and practicalities of stimulating market development.



Clean Washington Center

The Clean Washington Center (CWC) Washington State, USA, which has an international reputation for successful demand-driven market development, will work with EcoRecycle in developing strategies and undertaking material specific market development. These will be supported by seminars, product testing, trials and research. In the first year emphasis will be on plastics, construction and demolition materials, paper, glass and organics. It is expected that the CWC's specialist staff will develop new opportunities for business and employment in Victoria.

The first of the market development seminars held in November 1997 was a great success with over one hundred participants from local government, the recycling industry, manufacturing, industry associations and government. EcoRecycle sponsored a visit by keynote speakers, CWC Director David Dougherty and Industrial Engineer Bob Kirby, who explained the Center's approach, particularly in relation to facilitating R and D. It is anticipated that much of the American experience will be transferable.

Grants Program

Market development grants of \$600 000 were provided in November 1997 (see appendix on grants). Major grants include support for the development of cost-effective technology to separate plastics collected at kerbside, in order to improve the economics of recycling. Smarter sorting will produce higher quality recyclates, open up new markets for plastics not presently sorted and ensure higher volumes at lower cost. All of these have potential economic and environmental benefits. (See feature Smarter Sorting).

Over the next three years the grants program will support implementation of the materials strategies, developed in conjunction with the CWC, as each is completed.

Buy Recycled Campaign

An understanding of purchasing procedures and systems is fundamental to encouraging a buy recycled ethic. EcoRecycle organised focus groups with manufacturers of recycled products, state and local government purchasing officers and cooperative purchasing agencies to ensure the relevance of our Buy Recycled Campaign.

To overcome the lack of information about product availability and purchasing processes EcoRecycle is creating networking opportunities and providing information through conferences, seminars, publications and our database of recycled products and suppliers on our Website.

Our first Close the Loop: Buy Recycled Conference in May kickstarted buy recycled thinking and marked the beginning of the campaign. A catalogue of recycled and re-used products will be available shortly and it is intended to update it regularly.

Richard Keller from the Buy Recycled Training Institute in the United States, spoke at the May conference on recycled products, writing specifications, product testing and buying for waste prevention. EcoRecycle's initiatives in this area will support the activities of the recently established Australian Buy Recycled Business Alliance.

Smarter Sorting

Trials at the Dynon Road MRF (Materials Recovery Facility) to test the effectiveness of Rofin Australia's automatic high speed sorting system in the commercial environment of a MRF are looking very promising. Rofin is using EcoRecycle's \$40 000 grant to demonstrate the real-life performance of its locally designed and produced sorter. This technology uses light to differentiate between plastics and is more affordable than comparable models currently available from overseas. If proven it will be a more viable option for commissioning in Victorian MRFs.



Litter Prevention and Control

Key Achievements

- Shopping bag code of practice
 - Expansion of Litter Trap Incentive Program to regional centres
 - Litter conference

EcoRecycle Victoria's litter prevention and control program builds on the efforts of a wide range of organisations over many years and plays a vital role in implementing the State Litter Strategy. The program targets research, education, information, prevention and infrastructure.



Regional Education Officers

The establishment of a statewide network of EcoRecycle-funded regional education officers will ensure the delivery of consistent litter prevention education with appropriate regional focus. A number of these officers have been appointed and EcoRecycle will continue to provide leadership, training and support materials through the development of the Waste Wise Program.

Influencing Littering Behaviour

Understanding why people litter is a prerequisite to designing effective litter prevention programs. Using the results of a study, Understanding Littering Behaviour in Australia, commissioned by BIEC and conducted by Community Change Consultants (CCC), EcoRecycle produced a carefully targeted statewide anti-litter advertising campaign for the summer of 1997/98.

Shopping Bag Code of Practice

For some years the major supermarkets have been addressing this problem by encouraging customers to return used plastic bags for recycling. This has now been formalised and further developed in a Code of Practice prepared by EcoRecycle and the Australian Supermarkets Institute. The Code, launched by Minister Marie Tehan, also requires companies to train their staff in minimising bag use and to stock alternative durable carry bags for purchase by customers.

Litter Conference

Following three years of implementation of the State Litter Strategy with both government and non-government organisations co-ordinating their efforts through the ‘Litter War Cabinet’, EcoRecycle undertook the lead role in organising Do your Litter Bit-Managing Litter 1998 Conference—a review of what has been learned, what works and what will be done next.

Over 200 local council engineers and educators, environmental consultants, academics and government agency representatives came together to share their experiences, their data and their ideas. The keynote speaker was Clean Up Australia’s Ian Kiernan and there were separate technical and education streams to cater for the specific interests of delegates.

Regional Litter Trap Program

Following a major infrastructure support program in metropolitan Melbourne over the past few years EcoRecycle has expanded its Litter Trap Incentive Program to regional centres reinforcing the benefits of its statewide mandate. The Shires of Greater Shepparton, Baw Baw, Latrobe and Indigo shared \$179 750 with the Cities of Ballarat, Greater Geelong and Greater Bendigo bringing the total number of councils in the program to twenty-one. Remaining councils have been invited to submit detailed proposals for litter trap funding to EcoRecycle.

Trapping the Data

The litter traps installed by councils and government agencies in recent years, with EcoRecycle assistance, have not only proven to be effective for their primary purpose but also provide an insight into the amount and type of litter formerly flushed through our drainage system into rivers and bays. Highly visible, they act as an effective litter education tool for the local community.

The City of Brimbank has 448 side entry litter traps funded by EcoRecycle. A snapshot analysis of the contents of 71 traps near shopping centres shows:

45-60%	vegetation
10-15%	plastic bottles
5-10%	aluminium cans
7-15%	plastic shopping bags
8-15%	food packaging


A similar pattern emerges from the fifteen floating litter booms operated by Parks Victoria (two of them EcoRecycle funded) on the Yarra and Maribyrnong Rivers.



Industry, Institutions and Commerce

Key Achievements

- Waste minimisation manuals and information for range of industry sectors
- Series of sectoral seminars
- Tender guidelines for construction projects



Industry, institutions and commerce produce 66 per cent of waste going to landfill. In nearly all cases there are significant opportunities for savings through waste reduction and recycling. Mostly management has not thought about opportunities or does not know how to go about developing a waste reduction program. EcoRecycle has therefore adopted a multi-faceted strategy that complements the EPA's cleaner production activities—raising awareness; supporting demonstration projects; developing practical 'how to' guides; facilitating infrastructure development; supporting innovation; providing recognition and; most of all, spreading the word.

Healthcare Industry

EcoRecycle has conducted a series of well attended waste reduction seminars in both metropolitan and regional hospitals, using recognised experts in the field as well as in-house staff. Designed to raise awareness of the opportunities, costs and liabilities associated with waste management in health care institutions, the seminars were based around EcoRecycle's Healthcare Waste Reduction Manual. Prepared with assistance from a range of external specialists in healthcare and waste management, the manual provides comprehensive, practical guidance to the healthcare sector and is part of a waste reduction kit.

Construction and Demolition

EcoRecycle has been working with the Master Builders Association of Victoria (MBAV) and the Building Designers Association of Victoria (BDAV) to provide some of the basic tools needed to entrench waste minimisation in all sectors of this industry.

In association with the Department of Building and Construction Economics at RMIT University, the MBAV has developed the first three of a set of eight practical information sheets on waste minimisation which include case studies. A general guide to recycling, salvaging and reusing construction materials has also been developed with a Victoria-wide focus.

Complementing these initiatives, the Designing 'IN' Waste Minimisation Project with the BDAV aims to develop a culture among designers that recognises the environmental and cost implications of waste minimisation. The project includes the development of a practical manual on waste minimisation design and a related component in the BDAV's Continuing Professional Development Course.

Tender guidelines for major construction projects addressing the development of waste minimisation programs in the industry that can be readily modified for smaller projects have been prepared by EcoRecycle. These help protect developers from liabilities and excessive waste management costs while ensuring that contractors address these issues in a formal way from the outset of a project.

On the technical assistance side, EcoRecycle has funded the CSIRO Division of Building Construction and Engineering to conduct a testing program on recycled aggregate for use in certain grades of premixed concrete for applications not involving high stress requirements. The testing will be carried out in association with the local industry to provide reliable information about the engineering quality of the recycled aggregate product.

Higher Education

EcoRecycle has developed a detailed hands-on draft guide to systematic waste prevention in higher education. The draft guide deals with issues such as: why higher education should be involved in waste prevention and the educational and business opportunities it presents; the importance of building waste prevention into the organisational culture; developing a system empathetic to the organisation and methodologies that can be used.

Taking Manufacturing Waste off Your Bottom Line

Most businesses waste money by turning resources into waste. Waste treatment, transport and disposal costs do not produce a financial return. EcoRecycle has produced a series of 'how to' guides to help manufacturers reduce waste and improve their bottom lines. 'You can improve your bottom line and it does not have to cost the Earth' summarises the message of the manufacturing industry manual aimed at SMEs. This manual was launched at a series of metropolitan Melbourne and rural seminars.

Food for Thought is a guide for food outlets developed in partnership with a range of catering establishments. It provides advice on purchasing, food preparation and storage, recycling and other simple waste reduction techniques.

Waste audit and guidelines for the furniture industry are being prepared in partnership with the Furniture Industry Association of Australia.

Complementary seminar programs have been conducted or are planned for each industry sector.

The CRC for Waste Management and Pollution Control, in conjunction with the CRC for International Food Manufacture and Packaging and the Centre for Design at RMIT, is assembling local inventory data for lifecycle analysis of packaging. This will help all industries in their environmental decision making.

A combined brochure has been prepared by EcoRecycle, EPA, Australia Centre for Cleaner Production, Energy Efficiency Victoria and Business Victoria to detail State Government assistance for cleaner production and waste reduction.



Public Place and Event Recycling

Key Achievements

- *Waste Wise Event System*
- Purpose built equipment for easy source separation

Public place recycling is an important part of reducing waste to landfill, intended to recover recyclables and reinforce the waste reduction message. EcoRecycle's initial emphasis has been to develop economic, attitudinal and waste data to form the basis of a best practice system.



Waste Wise Event System

Based on the results of a study by Wallis Consulting (commissioned by EcoRecycle); focus groups for local government, event managers, event service providers and packaging manufacturers; as well as research into purpose built equipment and signage, EcoRecycle has designed the Waste Wise Event System.

This was field trialed at four events, with different characteristics: Port Melbourne Festival (20 000 people); Moomba (1.5 million people); the Melbourne International Flower Show (120 000 People) and the Warrnambool Races Cup Week (30 000 people).

The Waste Wise Event System is the first comprehensive, fully integrated management system for event recycling in Australia. It breaks the management task into components and provides directions on how to fit them together for an individual event. To support this best practice management system, EcoRecycle has developed a 'cap,' incorporating signage, to fit over banks of mobile bins to make source separation easy. Sets of these purpose built caps will be available through regional waste management groups.

To increase the public's recognition of recycling facilities, EcoRecycle has standardised key design elements relating to the look of event recycling. Artwork for more general signage has also been developed and will be downloaded from EcoRecycle's Website. Communications and education programs aimed at improving patrons knowledge of how and where to recycle at events and in public places will also help change behaviour and ensure everyone is heading in the same direction. Events will in fact become a major forum for educating the public about waste minimisation and recycling.

To qualify as a Waste Wise event the requirements of the Waste Wise Event Guide, which vary with the size and nature of the event, must be met. Assistance in setting up Waste Wise events is available through regional education officers. Suitable equipment is listed in order of capacity so that equipment choice for both small events and large events is made easy. A list of consultants experienced in auditing events is provided along with equipment suppliers, event cleaning contractors and event recycling contractors. Proforma audit sheets and a model Waste Wise press release are also provided.

Strategies are also being developed to improve the economics of recycling at events and public places through encouraging the adoption of best practice, guiding the selection of packaging towards products made from materials with sustainable recycling markets and addressing issues such as contamination.

Seven Steps to a Waste Wise Event

Commitment	Become a Waste Wise event
Packaging	Select materials that reduce waste and litter and are easily recycled
Equipment	Matched to the packaging material used
System	Matched to the equipment and packaging material used
Recycle	Where appropriate (after eliminate, reduce, reuse and compost)
Communicate	Tell caterers, vendors and participants about your program before, during and after the event
Evaluate	How effective your Waste Wise program has been

Melbournians Having Fun, Reducing Waste

For the first time Moomba, Australia's largest outdoor festival, controlled the range of materials available from food and drink outlets in 1998. The public was asked to place their Moomba-branded food containers made from recycled paper, plastic and glass bottles as well as cans in recycling stations around the site. 16 tonnes out of the 40 tonnes of waste that Moomba usually generates was diverted from landfill through recycling. This is a tenfold increase on the 1.6 tonnes diverted in the previous year.



Organics Recovery

Key Achievements

- Metropolitan infrastructure
- Optimisation of composting system through research
- Publication of **Good Compost Guide**



Organic materials make up more than 40 per cent of the total waste stream from domestic, commercial and industrial sources. Almost half of this is green organics from parks and gardens, providing significant opportunities for diversion from landfill for productive reuse. All of the metropolitan waste management regions have let contracts in the past year for the processing of an estimated 800 000 cubic metres of green waste per year. Most of this is turned into compost, mulch or soil improver—providing a valuable resource for horticulture and landscaping activities.

Photo above - Worm farm demonstration at launch of Good Compost Guide

Metropolitan Infrastructure

Significant grants were provided to two metropolitan Regional Waste Management Groups for diversion and processing organics. Funding support of \$350 000 was provided to LeastWaste towards the regional composting facility. The South-East Region received a similar grant for collection systems for green organics in support of its regional composting contract.

EcoRecycle is pursuing the establishment of a major food waste processing facility in Melbourne. It is anticipated that such a facility would divert significant quantities of waste currently going to landfill. Negotiations are continuing with the preferred tenderer.

Market Development

EcoRecycle sponsored research has confirmed that further development of the green organics industry will require greater awareness of market opportunities. Users of green organics need to have access to up-to-date information on application requirements and be confident of quality and consistency of products as well as certainty of supply.

EcoRecycle's strategy is based on better characterisation of the market, assistance with infrastructure development, training and industry support in achieving best practice and increased market awareness. An information package, currently being prepared, will summarise the issues, case studies and relevant research findings.

Technical Research and Development

Successful market development of the organics industry is linked to the ability of processors to minimise the risk of transferring contamination to the horticultural industry or the home garden. EcoRecycle sponsored the Institute for Horticultural Development (IHD) to carry out a risk assessment of contamination pathways. The Pests, Pathogens and Weeds Program developed best practice recommendations which have provided the basis for EcoRecycle's best practice manual for composting, to be published in November 1998.

Industry trials to prove the effectiveness of composted green organics as a yield improver and to establish industry specifications have been undertaken. As well as providing useful data for the development of specifications for application of green organic products, the field trials will be used as demonstration projects to promote market growth.

Assistance to Local Government and Communities

To help local government move to best practice collection systems, priority has been given to funding infrastructure for organic waste recovery and/or processing facilities. EcoRecycle has developed a standard contract for green organics collection and is currently conducting an audit of green organics practices in local government. In addition we will co-sponsor an international composting conference in September to provide local government with the opportunity to share experiences with their counterparts from around Australia as well as explore issues with overseas experts.

In addition, the Good Compost Guide produced in conjunction with the Gould League of Victoria and CERES and published by EcoRecycle provides direct assistance to the householder about the effective options for home composting. The Guide includes an extensive listing of composting products with clear descriptions and costs.

WHY Compost?

Research at the Institute for Horticultural Development shows that there are significant advantages to the use of compost including much reduced risk of transmitting weeds, pathogens and plant diseases; a lower rate of in situ weed development; and superior productivity enhancement. When used in vegetable growing a 25 per cent reduction in the use of fertilizer was achieved.

The research identifies the best way to compost and to prepare compost products for specific applications. Key factors include: control over feedstock; maintenance of good aeration; temperature above 55°C for 3-6 days; control of moisture content; and optimum carbon nitrogen ratio.



Resource Recovery and Waste Management Facilities

Key Achievements

- Infrastructure funding for transfer station network
- Foundation funding for non-metropolitan waste management regions
- Best practice guide for transfer stations



EcoRecycle plays an integral role in the State Government's strategy to reduce waste going to landfill, promote the sustainable use of resources and better manage the disposal of residuals. Our programs are aimed at assisting waste generators and waste managers improve their performance in accordance with State policy. Assistance to the newly formed waste management regions has been a priority for the past year with continuing assistance to the more established metropolitan regions and key private sector operators.

Waste Management Regions

EcoRecycle has provided all new Regional Waste Management Groups with funding assistance for the preparation of their constitutions and regional waste management plans. The new regions have prepared draft plans for public comment and are expected to finalise their respective plans before the end of 1998. The plans are required by the Environment Protection Act 1970, to conform with EcoRecycle's strategies, and once approved by the EPA, will provide a basis for assessing future funding assistance from EcoRecycle.

Infrastructure Grants

Improving Victoria's waste management infrastructure is essential to reducing waste to landfill as well as improving environmental performance and service to the community.

EcoRecycle committed \$2.28 million to assist metropolitan waste management regions with infrastructure projects ranging from establishing or upgrading transfer stations to facilities to process green organics (see Grants Program for 1997/98).

Progress in providing infrastructure grants has been slower than anticipated due to the lack of well developed and strategic plans in the metropolitan regions.

Transfer Stations

EcoRecycle's charter to promote best practice in waste management has led it to develop a best practice guide to facilitate the establishment of transfer stations which reflect experience here and elsewhere. The guide, which has been adopted by EPA under the Environment Protection Act, also provides EcoRecycle with transparent criteria when assessing funding submissions. It was developed through a stakeholder consultation process and covers the key issues for transfer stations including siting and environmental impact, design, occupational health and safety, resource recovery and recycling, traffic management, site infrastructure and management systems.

Transfer stations funded by EcoRecycle in 1996/97 are now in operation or under construction. Assistance was provided to both public and private sector operators where the essential criteria of the best practice guide and consistency with the regional plan are met. To date funding has been approved for the construction or upgrading of ten transfer stations in metropolitan Melbourne to meet the criteria in the best practice guide.

Minibah Waste Transfer Station

EcoRecycle contributed \$250 000 to help develop a purpose built recycling centre in Hampton Park for Melbourne's south east region. Managed by Minibah Services, the facility is part of a fully paved \$1 million transfer station complex able to accept waste and recyclable material from industry and households. Recyclable materials are removed by Minibah crews free of charge before the remaining matter is assessed and a tipping fee levied. Since its opening in October 1997, 13 406 people have used the facility diverting 710 tonnes of mainly cardboard, newspaper, ferrous and non-ferrous metals and glass, out of landfill.



Community and School Education

Key Achievements

- **Network of regional waste and litter education officers**
- **Schools** Becoming Waste Wise Kit
- **Regional Education Support Package**

To ensure consistency of delivery across the State, EcoRecycle has developed a comprehensive, regionally based education program under the banner of Waste Wise.



WASTE WISE IS A PROGRAM OF
ECORECYCLE VICTORIA

Waste Wise provides a total package for regions, councils and contractors on which to base local action plans, involving their communities, to minimise waste. The Waste Wise Resource Kit, with its central manual, Becoming Waste Wise, was completed during the year and distribution commenced. The manual is complemented by a directory of environmental educational methods and resource materials, and five modules covering community promotional materials, strategy planning and implementation, litter, schools

Regional Program

EcoRecycle is part funding regional environmental education officers in each waste management region. After intensive training they will be the Waste Wise champions in their regions. They will provide a statewide network feeding back to EcoRecycle. Five regional environmental officers have been appointed with the remaining expected to be recruited in 1998/99 as the new regions finalise their regional plans.

The Regional Education Support Package provides guidance on how to develop, implement and evaluate a comprehensive waste and litter education strategy. A directory of educational materials, projects and services available to assist has been prepared. REOs will provide educational strategy training to regional, council and contractor personnel, with support from EcoRecycle. Funding support for related projects by local communities and support of a specialist project officer will also be available.

Statewide the program is supported by a comprehensive information service accessible via EcoRecycle's website and telephone hotline.

Local councils and their contractors are encouraged to work through their regional waste management groups in accessing the Waste Wise Program.

School Education Program

The Waste Wise Program for schools uses a learning-by-doing approach. The components of the Schools Becoming Waste Wise Kit have been developed by a consortium of leading environmental educators including the Gould League of Victoria and the Primary Principals Association to be compatible with the Victorian curriculum and standards framework. A network of lighthouse schools across the state is being established to provide examples of best practice Waste Wise schools.

EcoRecycle also provides funds for teacher release for professional and curriculum development. Specialist environmental education advice is provided through the professional development program and also directly to schools on request. The EcoRecycle website and infoline provide ready access for teachers to information on all aspects of litter and waste reduction. The website contains 'downloadable' curriculum material designed for specific key learning areas and VCE studies.

Education Centre Support

Waste Wise education centres such as the Gould League and CERES have been funded by EcoRecycle to develop and demonstrate the latest environmental education ideas through displays and activities. Funds have also been allocated to set up or enhance education centres in strategic locations in each region. These will give access to display materials, activity programs and information materials related to Waste Wise throughout the State.

Becoming Waste Wise

Waste Wise is a major statewide integrated waste avoidance and litter education initiative introduced by EcoRecycle Victoria. The program aims to encourage regional waste management groups, councils and waste contractors to develop their own local action plans to minimise waste through international best practice approaches. Regional environmental officers appointed by the waste management regions with funding support from EcoRecycle will be major catalysts in bringing Waste Wise attitudes to the whole of Victoria. Schools becoming Waste Wise will ensure the gains from the main program will have the ongoing support of the next generation.



Communications and Information

Key Achievements

- Website and Infoline
- Anti-litter advertising campaign

EcoRecycle's interaction with State and local government, the recycling industry, the community and manufacturers make it uniquely placed to foster the exchange of information and to facilitate cooperation between interest groups. EcoRecycle's strategic program of conferences, seminars, stakeholder meetings and workshops together with its publications, telephone and internet services play an important role in increasing understanding of issues, identifying solutions and facilitating cooperation between interest groups.



Recycling Information and Waste Exchange Service

A comprehensive, up-to-date recycling and waste data base linked to an internet site and free telephone information hot line was launched by Minister for Conservation and Land Management the Hon. Marie Tehan.

This broad-based service allows:

- academics and students to source reports and surveys;
- industry to advise the community of any unwanted materials that may be of value to others;
- consumers to find out which products are made from recycled goods;
- Victorian householders to check details of their local kerbside collection service; and
- everyone to find out more about how they can avoid waste and facilitate resource recovery.

Since its launch in August 1997, there have been nearly 6000 calls to our information hot line and the general telephone service on a range of subjects.

Media Campaigns

EcoRecycle statewide anti-litter advertising campaign over the summer of 1997/98 used humour to bring the anti-litter message to those identified in studies as most likely to litter—the 'slamdunkers, wedgers, flybys and fingers'. Television advertisements were reinforced by posters in bus stop shelters, mobile billboards, posters and stickers as well as a rerun of EcoRecycle's very successful anti-litter radio messages aimed at beach users. The campaign was designed to complement the anti-litter campaigns run by other agencies. The posters were also produced in Greek, Italian and Vietnamese and distributed statewide to councils.

Stakeholder Meetings

Face to face contact is an important element in EcoRecycle's communications strategy and the most effective way of overcoming communications barriers. We try to maximise opportunities for stakeholder interaction and input into the development of key policy and planning documents.

Publications

EcoRecycle uses its quarterly newsletter and monthly bulletin to inform stakeholders of new projects, issues and progress on implementation of the business plan. EcoRecycle also publishes a large range of technical reports which are listed on our Internet site. Some are available at the site. A special initiative this year was the publication of the Good Compost Guide, which was advertised in the metropolitan dailies and well promoted through a launch and editorial coverage. Over 10 000 copies were distributed in response to public requests and a further 8000 copies were distributed through councils across the State.

Support to Councils for Ratepayers

EcoRecycle administers the Publishers National Environment Bureau (PNEB) Newsprint Recovery Program in Victoria. The program is designed to assist local government and others in the recovery and recycling of newsprint and magazines. As part of the program funding is provided to Victorian councils for the production of pamphlets or calendars for circulation to residents outlining the kerbside recycling services offered by municipalities. During the year funding was provided to fifteen councils. Significant PNEB support was also provided for newspaper advertisements aimed at reducing contamination in the recycling stream.

Recognition through Awards

EcoRecycle believes that to be sustainable, culture change requires recognition and so we sponsor a number of waste minimisation awards such as the Master Builders Association Award for Excellence in Waste Minimisation. The inaugural 1998 winner, Mutiplex Constructions (Victoria) Pty Ltd, was recognised for consistent excellence throughout the Southbank Towers Apartments construction project. Waste going to landfill from the project was reduced by 30 per cent and one thousand cubic meters of building material and packaging were recycled, saving a massive 46 per cent on budgeted waste removal costs.

Other awards sponsored by EcoRecycle include the Australian Packaging Awards, the Energy Efficiency Victoria Galaxy Awards, the Banksia National Environmental Awards and the Victorian Design Awards (Design for Environment)



Data Collection

Key Achievements

- Survey of community attitudes to waste and recycling
- Commercial and industrial sector surveys



The variability in data quality has long been a problem for effective waste management. For EcoRecycle it is a critical issue that has to be addressed. The data collection program was instituted across all areas of EcoRecycle program responsibility with the involvement of key stakeholders. Development of a user friendly data base and making the data accessible through the EcoRecycle website not only meets EcoRecycle's obligations to make information readily available to stakeholders, but provides a valuable feedback mechanism on the level of interest in the various

Community Attitudes Survey

A sample survey of 1000 Victorians aged 18 or over, living in Melbourne or other urban centres showed that the public do not want useful materials to go to landfill and that many (63 per cent) are prepared to pay extra to maintain their kerbside collection system. Most of the study participants (85 per cent) believe that manufacturers and distributors should also contribute to the cost of recycling. The study, carried out by independent researchers Keys Young for EcoRecycle, also indicated a further need for education programs to help people determine the right materials for recycling and to understand the service costs involved. The full report, Public Views Victoria 98, Community Attitudes to Waste and Recycling and summary report are available from EcoRecycle.

Construction and Demolition Data

A survey of construction and demolition waste landfill traffic and the composition of materials in the construction and demolition waste stream was undertaken to assist EcoRecycle in the development of waste reduction strategies. The resulting Landfill Traffic and Compositional Surveys will be published early in the new financial year. Preliminary results indicate that over 72 per cent of construction and demolition waste to landfill is generated by the residential and commercial demolition sectors.

Commercial and Industrial Sector Surveys

Surveys were carried out in the following sectors because of their potential to divert large amounts of waste from landfill: cafes/restaurants, offices, supermarkets and clothing manufacturing. The results, to be released early next financial year, will be used to assist in the development of targeted waste reduction programs for each sector.

Recycling Audit and Garbage Bin Analysis

EcoRecycle contributes funds to the BIEC Recycling Audit and Garbage Bin Analysis annual audit of 100 households in each Victorian metropolitan municipality and provincial city. It is intended that better sampling processes and questionnaires will be continuously introduced in coming years to improve the quality of data. Results will be published early in the new financial year.

The Bottom Line—Diversion of Waste from Landfill

The success of EcoRecycle's programs is ultimately reflected in the volume of waste going to landfill. The most reliable source for these data is the landfill levy system, which has been used by EPA to compile annual data since 1992. The data show a continuing downward trend for municipal waste. Data for 1997/98 will be based on returns from all EPA licensed landfills, including rural areas, but will not be available until October 1998. In the five years to 1996/97 solid waste going to landfill was reduced by 19.5 per cent when adjusted for population changes and 18.5 per cent in absolute terms. This represents a net reduction of over 270 000 tonnes with more than 100 000 tonnes occurring in the 1996/97 financial year.

When the raw landfill levy data for other solid waste are adjusted for the level of economic activity during the period, there is a 13.5 per cent reduction in the amount of this waste sent to landfill over the 1992/93 to 1996/97. Other solid waste includes commercial and industrial waste, construction and demolition waste and waste delivered to landfill by the general

Landfill Levy Data

Financial Year	Municipal Solid Waste (tonnes)	Other Solid Waste (tonnes)	Total Solid Waste (tonnes)
1992/93	1 460 258	2 097 428	3 557 686
1993/94	1 406 090	2 213 691	3 619 781
1994/95	1 283 560	2 305 491	3 589 051
1995/96	1 290 000	2 218 000	3 508 000
1996/97	1 189 747	2 297 395	3 487 142

Source: Environment Protection Authority, Victoria, October

Source: Environment Protection Act 1970, Part IX – Resource Recovery.

49B Function

- (1) The function of EcoRecycle Victoria is to protect the environment by facilitating the achievement of:
 - (a) waste reduction objectives identified in Victorian legislation and government policies; and
 - (b) best practices in waste management.
- (2) EcoRecycle Victoria is to perform its function by:
 - (a) contributing to the development of government policies on waste management;
 - (b) providing a statewide forum for collaboration on waste avoidance, waste reduction, waste management and related matters;
 - (c) promoting throughout Victoria waste avoidance, waste reduction and the recovery, reuse and recycling of resources and best practices in waste management;
 - (d) developing and publishing implementation strategies for the achievement of government policy objectives for waste management;
 - (e) developing and implementing community education and awareness strategies in relation to waste reduction;
 - (f) developing and implementing strategies to foster sustainable markets for recovered resources and recycled materials;
 - (g) contributing to the development of waste and litter reduction targets and performance measures for industry, the community and governments to enable the measurement of progress in meeting policy objectives;
 - (h) monitoring and reporting on the achievement of waste and litter reduction targets;
 - (i) commissioning, supporting and collaborating on research into waste reduction and waste management;
 - (j) contributing to the development of waste reduction and waste management infrastructure and technologies;
 - (k) developing guidelines, emergency procedures and codes of practice to facilitate compliance with relevant legislation and State environment protection policies and conformity of standards in waste management services in consultation with the Environment Protection Authority, industry and regional waste management groups;

- (l) publishing guidelines and codes of practice for the collection of recyclable containers, packaging and materials after consultation with the relevant regional waste management and industry groups;

- (m) developing and supporting programs and technologies for the prevention, control and collection of litter;

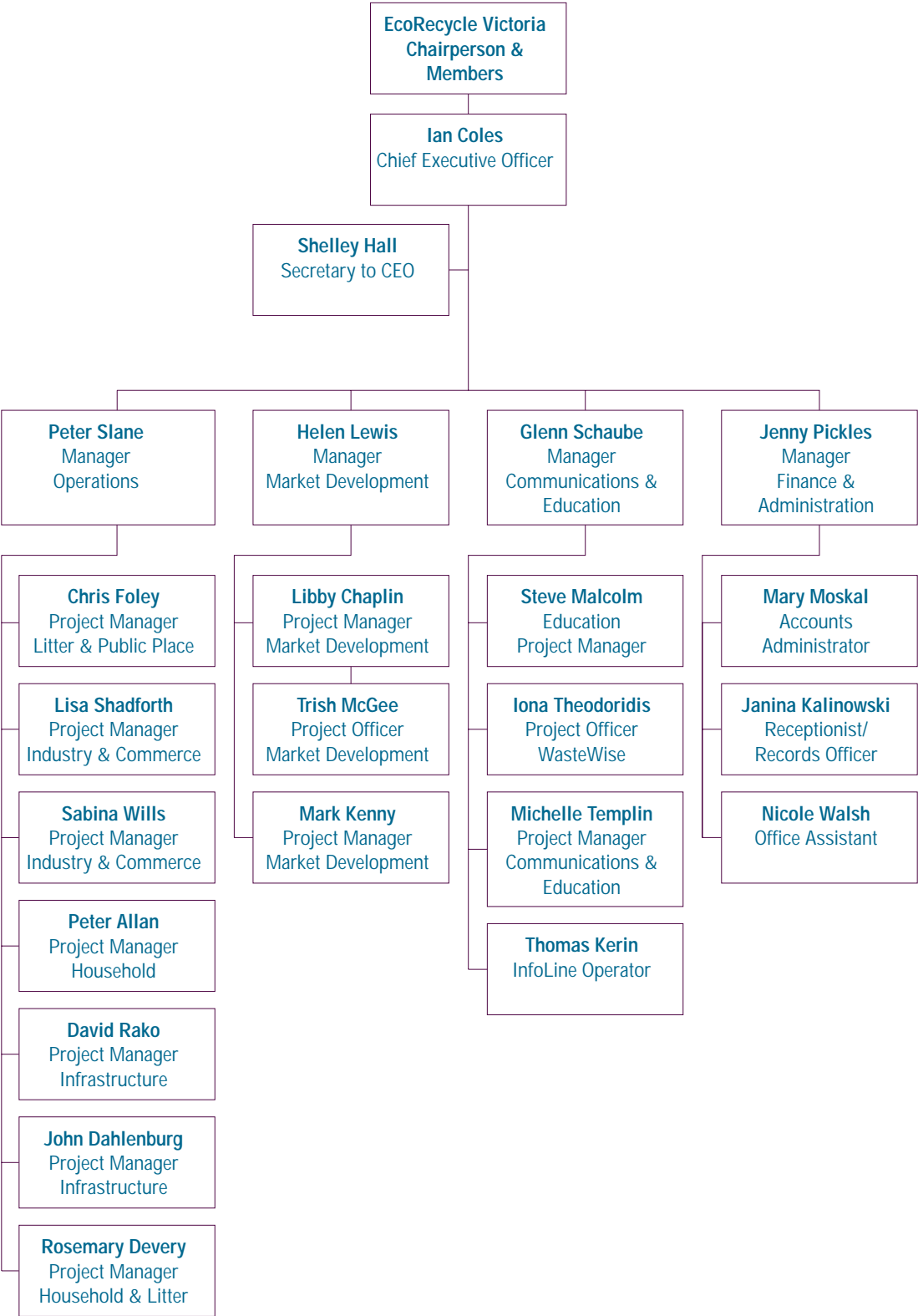
- (n) developing and supporting programs for the training and education of staff involved in waste reduction and management;

- (o) advising the Minister on any matter referred to it by the Minister.

49C Powers

EcoRecycle Victoria may do all things that are necessary or convenient to enable it to do anything referred to in Section 49B.

Organisational Chart



Statements

Workforce Data

EcoRecycle Victoria is required to report on the applications of the principles of merit and equity under the Public Sector Management and Employment Act 1998. Annual reports are provided to the Office of the Public Service Commissioner and for the reporting period, the following data was provided:

	1998 (as at 30/6/98)	1997 (as at 30/6/97)
Total Employees	20	15
Male	9	7
Female	11	8
Part Time	2	2
Full Time	18	13
Managers/Professionals (Male)	8	6
Managers/Professionals (Female)	6	5
Para-professionals (Male)	0	0
Para-professionals (Female)	1	2
Clerks (Male)	1	1
Clerks (Female)	4	1

Additional recruitment was undertaken in July and August 1997 to resource the delivery of EcoRecycle's Business Plan 1997-2001.

Freedom of Information

No requests were received under the Freedom of Information Act 1982 during the reporting period (1997: No requests received).

Year 2000 Compliance

The State Government has established a reporting process for public sector departments and agencies on Year 2000 Remediation Strategies and Actions. The process provides for the identification of Business Critical Systems and the establishment of remediation strategies, actions and the consideration of budgetary implications.

EcoRecycle Victoria has conducted a Risk Assessment and identified that it does not have any Business Critical Systems as defined. Nonetheless, Y2K compliance testing of all systems (both PC and telecommunications based) will take place during September 1998 with a review of hardware and the establishment of a test plan for software and telecommunications systems. Systems tests for Y2K compliance will be completed by October 1998. External risks have also been identified by the Risk Assessment and written assurances will be sought from external organisations that their systems are Y2K compliant and that changeover to the new millennium will not expose EcoRecycle Victoria to a lack of

continuity of service for any period of time.

A full report will be presented to the State Government in November 1998.

Audit Sub-Committee

In August 1997, EcoRecycle Victoria established an Audit Sub-Committee which operates under terms of reference approved by the Members. The role of the Audit Sub-Committee is to assist EcoRecycle to fulfil its function by reviewing and reporting on the adequacy, reliability and effectiveness of EcoRecycle's administrative, operating and accounting controls and to report on whether the resources of EcoRecycle are expended in accordance with its approved annual budget and function as outlined in the three year business plan.

The sub-committee also provides EcoRecycle Victoria with additional assurance regarding the reliability of financial statements. The members of the Audit Sub-Committee during the year were:

Ms Janet West (Chair)
Ms Cheryl Batagol
Mr Michael Brownlow
Mr Warwick Field
Cr Noel Harvey

The Audit Sub-Committee is also responsible for directing and monitoring the internal audit function, the monitoring of EcoRecycle's investment portfolio and the review and monitoring of compliance with regulations, guidelines and standards relevant to a statutory authority and body corporate.

Grants Program for 1997/98

Waste Reduction 1997/98

Organisation	Title	Project Description	Funding
Building Designers' Association of Victoria Inc	Designing 'IN' Waste Minimisation	The project will educate building designers regarding the environmental and cost implications of waste minimisation for the building industry and for the wider community, and identify waste minimisation design initiatives.	\$60,380.00
Cooperative Research Centre for International Food Manufacture & Packaging Science	Compostable Plastics	The project will focus on the development of a new starch-based plastic that can be composted to replace expanded polystyrene packaging. The project will build on the CRC's ongoing R&D program re compostable plastics.	\$100,000.00
CRC for Waste Management & Pollution Control Ltd	Life Cycle Assessment for Packaging	The project will assess the environmental impacts and costs of different waste management options for three packaging systems.	\$162,700.00
Furnishing Industry Association of Australia (Vic/Tas) Inc	Furniture Industry Waste Minimisation	The project will identify cost effective waste minimisation, resource recovery and recycling options that are specifically applicable to the furnishing industry. This information will be directly disseminated to the furnishing industry.	\$32,818.00
Master Builders Association of Victoria	Resource Efficient Builders Information Program	The project will publish, disseminate and advocate, via MBA networks, a series of information sheets on waste minimisation strategies and case studies within the building industry.	\$56,390.00
Monash Centre for Environmental Management, Monash University	Reusable Logistical Packaging	The collaborative project between Monash, packaging suppliers/ manufacturing companies and retail companies will advance the commercial application of reusable logistical packaging.	\$45,220.00
Mornington Peninsula Recyclers	Mornington Foreshore Recycling 1998	The project will fund the purchase of recycling crates for use at caravan parks along the Mornington Peninsula foreshore. A further project with the Mornington Peninsula Shire Council (see below) will report on the trial.	\$4,416.40
Mornington Peninsula Shire Council	Mornington Foreshore Recycling 1998	The project will report on a recycling trial along the Mornington Peninsula foreshore, include an attitude survey among campers.	\$9,890.00
Plastics and Chemicals Industries Association (PACIA)	Expanded Polystyrene Waste Reduction	The project aims to develop and trial a thermal compactor for expanded polystyrene produce boxes.	\$25,000.00
Schiavello Commercial Interiors	Recycling Composite Wood Waste	In conjunction with CSIRO, Laminex Industries and the Australian Furniture Institute, the company will explore innovative ways to use waste particleboard and medium density fibreboard to develop products that reduce waste to landfill.	\$26,000.00
Short Run Box Factory, A Division of Visy Board Pty Ltd	Design & Performance Criteria for Corrupad	Corrupad is a corrugated board based protective packaging material being promoted as a recyclable protective packaging element for electrical and electronic products, with the potential to replace existing polymer foam, timber pallets and crates. The project aims to develop the required design and performance parameters that will enable the replacement of polymer foam.	\$52,500.00
Southcorp Whitegoods Pty Ltd	Whitegoods Product Stewardship Program	The project will assess the viability of reducing the volume of whitegoods going to the waste stream through the reuse of components from old products.	\$62,000.00
The Salvation Army Brunswick Workshop	Mattresses Recycling	The support to the Salvation Army's Brunswick Workshop will establish the infrastructure required to recondition mattresses and distribute them through the Salvation Army's comprehensive family support and welfare program.	\$40,000.00
Victoria University of Technology	Industry Training - Environmental Assessment of Packaging	The project will develop and implement a workshop series, specifically designed for Victorian based companies involved in packaging production and supply, packaging users and distributors, on how to undertake an environmental assessment of packaging.	\$32,500.00
Centre for Packaging, Transport & Storage	Assessment of Packaging		
Visy Recycling	Recycling Post-Consumer Plastic Stretch Wrap	The project will develop the necessary logistical and technical infrastructure required to recycle stretch wrap fill that is nearly always discarded to landfill.	\$60,000.00

Grants Program for 1997/98

Market Development 1997/98

Organisation	Title	Project Description	Funding
Cooperative Research Centre for Polymers	Reconstituting PET for Sustainable Recycling	In partnership with Southcorp Packaging, the project will develop technology for reconstituting recycled PET back into bottle grade quality, allowing cost effective multiple recycling of PET.	\$80,000.00
CSIRO, Division of Building Construction and Engineering	Rubber Composites for Sewerage Pipes	In conjunction with Eurapipe Australia P/L and Euratech Limited, the project plans to utilise technology developed by CSIRO to produce a high performance and cost competitive engineered ABS piping product for stormwater and sewerage applications.	\$60,000.00
Innovations in PET Pty Ltd	Separation of PVC from PET	The project will develop a process that will effectively and efficiently separate recycled PET from PVC in the flake form.	\$50,000.00
Recycled Plastics Pipes Pty Ltd	Moulding of Pipe from Recycled Plastics	The project will develop a fully operational prototype centrifugal moulding machine that can recycle HDPE, LDPE and PP (including vehicle bumper bars), and produce an economically priced large bore plastic pipe.	\$80,500.00
RMIT Department of Chemical & Metallurgical Engineering	Recycling Post-Consumer Polypropylene Waste	The project will focus on evaluating and improving the quality of post consumer recycled polypropylene, using global best practice and assess the viability of recycling polypropylene.	\$20,000.00
Rofin Australia Pty Ltd	Automatic Sorting of Plastics	Rofin's RIIISM system automatically sorts kerbside plastics by polymer and colour at high speed. The project will involve installation of an automatic plastics sorting system in a Melbourne MRF to demonstrate and test its effectiveness.	\$40,000.00
Rubber Tough Industries	Marketing of Products from Recycled Rubber	Currently recycling 2 million kilograms of scrap tyres into a range of products such as guide posts, bollards, speed humps and kerbing, funding will be used by the company for a professionally prepared marketing strategy to widen access to world markets.	\$20,000.00
Synnot & Wilkinson Pty Ltd	Recycled PET Vineposts	The project will pursue the development of recycled plastic vineposts from kerbside collected PET bottles and market the product to the wine industry.	\$40,000.00
Viscount Plastics Pty Ltd	Recycled Plastic Products	The project involves research and development to ascertain the viability of recycled material used in a number of industrial product applications.	\$164,780.00
Visy Recycling	Recycling of PET/PEN Barrier Beverage Containers	The project will develop automatic sortation and recovery technologies for PET barrier bottles ie coated PET or PET/PEN blends and assess the impact of their integration into conventional collection and recovery systems.	\$50,100.00
Total			\$605,380.00

Green Organics 1997/98

Organisation	Title	Project Description	Funding
Institute of Horticultural Development (Dept. of Agriculture)	Risk Assessment of Spread of Diseases Pests and Weeds in Recycled Shredded, Mulched and Composted Green Wastes	Risk Assessment of Spread of Disease, Pests and Weeds in Recycled Shredded, Mulched and Composted Green Wastes	\$252,791.00

Kerbside Development Program 1997/98

The program provides funding assistance to Councils for the implementation of best practice elements for household waste reduction and recycling.

Organisation	Title	Funding
Alpine Shire Council	Kerbside Development Program - Non Metropolitan	\$25,500.00
Delatite Shire Council	Kerbside Development Program - Non Metropolitan	\$61,980.00
Indigo Shire Council	Kerbside Development Program - Non Metropolitan	\$32,382.00
Latrobe Shire Council	Kerbside Development Program - Non Metropolitan	191,898.00

Grants Program for 1997/98

Paper Recycling Funding Program 1997/98

Organisation	Title	Project Description	Funding
South Eastern Regional Waste Management Group	Paper Recycling Funding Support - Stockpile (JJ Richards & Sons)	Assistance to facilitate the movement of mixed waste paper from stockpiles into new recycling opportunities.	\$100,000.00
Least Waste (Trading Name of Eastern Regional Waste Management Group)	Paper Recycling Funding Support - Stockpile (Kerbside Papers)	Assistance to facilitate the movement of mixed waste paper from stockpiles into new recycling opportunities.	\$6,000.00
Least Waste (Trading Name of Eastern Regional Waste Management Group)	Paper Recycling Funding Support - Stockpile (Cleanaway)	Assistance to facilitate the movement of mixed waste paper from stockpiles into new recycling opportunities.	\$9,000.00
Northern Regional Waste Management Group	Paper Recycling Funding Support - Stockpile (Visy Recycling)	Assistance to facilitate the movement of mixed waste paper from stockpiles into new recycling opportunities.	\$240,000.00
Northern Regional Waste Management Group	Paper Recycling Funding Support - Stockpile (Amcor)	Assistance to facilitate the movement of mixed waste paper from stockpiles into new recycling opportunities.	\$220,000.00
Waverley Industries	Paper Recycling Funding Support - Sorting	Assistance to develop sorting infrastructure to enhance market opportunities for specific paper grades.	\$49,600.00
Total			\$624,600.00

Litter Infrastructure 1997/98

Organisation	Title	Project Description	Funding
Baw Baw Shire Council	Litter Infrastructure Funding	Funding for the purchase of 30 side entry litter traps to be installed within the central business district of Warragul and Drouin.	\$3,000.00
Greater Shepparton City Council	Litter Infrastructure Funding	Funding for the purchase of a CDS Litter Entrapment Unit to be installed at the Young Street outfall Mooroopna.	\$30,000.00
Indigo Shire Council	Litter Infrastructure Funding	Funding for the purchase of 5 litter steel mesh cages to be installed at 5 strategic litter points that feed into the Murray River.	\$6,750.00
Latrobe Shire Council	Litter Infrastructure Funding	Funding for the purchase of a CDS Litter Entrapment Unit to be installed at the Della Torre Road outfall, Moe, LaTrobe Shire.	\$30,000.00
Total			\$69,750.00

Regional Education Officers 1997/98

These projects involve the employment of a Regional Education Officer to coordinate and promote, throughout their Region, a strategic approach to waste and litter education based on the “Becoming Waste Wise” model.

Organisation	Title	Funding
Least Waste (Trading Name of Eastern Regional Waste Management Group)	Regional Education Officer - Stage 1 - 05/98 - 04/99	\$40,000.00
North East Victorian Waste Management Group	Regional Education Officer - Stage 1 - 04/98 - 03/99	\$40,000.00
Northern Regional Waste Management Group	Regional Education Officer - Stage 1 - 05/98 - 04/99	\$40,000.00
South Eastern Regional Waste Management Group	Regional Education Officer - Stage 1 - 07/98 - 06/99	\$40,000.00
Total		\$160,000.00

Grants Program for 1997/98

RWMG Establishment & Infrastructure 1997/98

Note: Infrastructure projects approved in principle as at 30 June 1998

Organisation	Title	Project Description	Funding
Amcor Paper Recycling	Conversion of Paper Collection Vehicles	Modification of paper collection vehicles (3) to allow sorting of kerbside waste paper to improve market opportunities.	\$42,000.00
Banyule City Council	Revitalisation of Recycling & Waste Transfer Station, Banyule	To revitalise the operation of the Banyule Recycling and Waste Station.	\$190,000.00
Barwon Regional Waste Management Group	RWMG Establishment Costs	Funding provided for establishment costs associated with the development of Constitutions and Regional Waste Management Plans.	\$33,610.00
Brooklyn Landfill & Waste Recycling Pty Ltd	Upgrade to Transfer Facility, Old Geelong Road, Brooklyn	Major upgrade to the Transfer Station and Recycling Facilities at Brooklyn landfill site, Old Geelong Road, Brooklyn.	\$110,000.00
Calder Regional Waste Management Group	RWMG Establishment Costs	Funding provided for establishment costs associated with the development of Constitutions and Regional Waste Management Plans.	\$45,100.87
Central Murray Regional Waste Management Group	RWMG Establishment Costs	Funding provided for establishment costs associated with the development of Constitutions and Regional Waste Management Plans.	\$38,400.00
Darebin City Council	Improvements to current Reservoir Resource Recovery Depot	To re-develop the layout of the facility to meet best practice standards and to cater for increased demand once the Northcote landfill is closed.	\$150,000.00
Delatite Shire Council	Recycling & Recovery Centre - Mansfield Landfill	To construct a recovery and reuse centre at the Mansfield Landfill, Monkey Gully Road, Mansfield.	\$25,000.00
Delatite Shire Council	Benalla Landfill Weighbridge & Recycling Facility	Installation of a single bed 60 tonne capacity weighbridge with associated infrastructure including computer management software and equipment, and construction of a recycling facility.	\$30,000.00
Desert Fringe Regional Waste Management Group	RWMG Establishment Costs	Funding provided for establishment costs associated with the development of Constitutions and Regional Waste Management Plans.	\$31,819.55
Future Employment Opportunities (Eaglehawk) 2	Cardboard Recycling Project	Funding to Future Employment Opportunities to purchase and install a cardboard baler at the Eaglehawk Landfill. The baler will be used to process cardboard recovered at the landfill.	\$21,600.00
Gippsland Regional Waste Management Group	RWMG Establishment Costs	Funding provided for establishment costs associated with the development of Constitutions and Regional Waste Management Plans.	\$48,416.43
Goulburn Valley Regional Waste Management Group	RWMG Establishment Costs	Funding provided for establishment costs associated with the development of Constitutions and Regional Waste Management Plans.	\$50,000.00
Grampians Regional Waste Management Group	RWMG Establishment Costs	Funding provided for establishment costs associated with the development of Constitutions and Regional Waste Management Plans.	\$44,280.00
Highlands Regional Waste Management Group	RWMG Establishment Costs	Funding provided for establishment costs associated with the development of Constitutions and Regional Waste Management Plans.	\$49,875.00
Hume City Council	Construction of Transfer & Recycling Facility, Bolinda Road, Hume	This project relates to an existing project granted to the City of Hume for construction of the facility (additional funding approved in 1997/98 of \$145,000, taking total funding for project to \$400,000).	\$145,000.00
Least Waste (Trading Name of the Eastern Regional Waste	Infrastructure for Regional Green Organics Processing Facility	Funding provided for site development for a regional green organics processing facility.	\$350,000.00
Melton Shire Council	Transfer Station Construction, Ferris Road, Melton	To construct a new transfer station in Ferris Road on an old quarry site owned by the Council. This will service the Melton community once their tip is closed in 1998.	\$190,000.00
Mildura Regional Waste Management Group	RWMG Establishment Costs	Funding provided for establishment costs associated with the development of Constitutions and Regional Waste Management Plans.	\$31,110.00
Moonee Valley City Council	Upgrade the Holmes Road, Moonee Ponds Transfer Station	To expand and upgrade the existing transfer station to provide more efficient and customer orientated operation.	\$117,000.00
Mornington Peninsula Shire Council	Refurbishment of Community Education Van	To refurbish a large caravan (previously owned by TAFE) to provide mobile waste/litter education for the Region.	\$15,000.00
North East Victorian Waste Management Group	RWMG Establishment Costs	Funding provided for establishment costs associated with the development of Constitutions and Regional Waste Management Plans.	\$47,362.85
Port Phillip City Council	Improvements to Port Phillip Transfer Station	To improve and expand the waste minimisation potential of the Boundary Street, South Melbourne site.	\$78,000.00
Rural City of Wangaratta	Resource & Reuse Centre - Wangaratta Transfer Station	To construct a recovery and re-use centre at the Wangaratta Transfer Station in Sandford Road, Wangaratta.	\$17,500.00

Grants Program for 1997/98

RWMG Establishment & Infrastructure 1997/98 continued

Organisation	Title	Project Description	Funding
Shire of Yarra Ranges	Internal Transfer Station & Waste Recovery/Drop Off Facilities, Coldstream Landfill	To construct a waste recovery and drop off facility at the Coldstream Landfill.	\$200,000.00
South Eastern Regional Waste Management Group	Improvements to Recycling Drop Off Centre	To make improvements to the Nerrim Road recycling drop off centre, situated in the City of Glen Eira.	\$10,000.00
South Eastern Regional Waste Management Group	Green Waste Collection and Bulk Diversion of Green Organics	Funding to provide for infrastructure for the bulk hall of green organics from regional transfer stations to processors.	\$300,000.00
South Eastern Regional Waste Management Group	Transfer Station Upgrade - CSR site	To provide and upgrade to meet best practice standards to the CSR site in Clarke Road, Springvale.	\$121,250.00
South Eastern Regional Waste Management Group	Support for Association of Regional Waste Management Groups	Funding support for the establishment, administration and meeting costs for the Association of Victorian Regional Waste Management Groups.	\$8,045.00
South Western Regional Waste Management Group	RWMG Establishment Costs	Funding provided for establishment costs associated with the development of Constitutions and Regional Waste Management Plans.	\$40,000.00
Towong Shire Council	Construction of Bethanga Transfer Station - Towong Shire	To construct a direct load transfer station at Bethanga. This site is currently a non-licensed landfill that is proposed for closure in near future.	\$50,000.00
Western Regional Waste Management Group	Expansion of Brimbank Transfer Station	To expand the existing transfer station in Stadium Drive, Keilor Park.	\$180,000.00
Western Regional Waste Management Group	Construction of a Waste Handling & Resource Recovery Centre in Wests Road Werribee (Wyndham)	To construct a comprehensive recycling drop off and waste transfer area for cars, trailers and vehicles under 1.6 tonne tare.	\$138,000.00
Total			\$2,998,369.70

Sponsorships 1997/98

Organisation	Title	Project Description	Funding
Ararat Art Gallery	Sponsorship - Resourceful Art Exhibition	Sponsorship towards the production of a promotional catalogue for an exhibition featuring contemporary works by Victorian artists using recycled materials.	\$1,000.00
Department of Education	Sponsorship - Rubbish Free Lunch Challenge 1998	Sponsorship towards the design and production of an activity poster for circulation to all Victorian schools for the Rubbish Free Lunch Challenge 1998.	\$8,000.00
Design Institute of Australia	Victorian Design Awards 1998	Sponsorship of the Design for Environment Award addresses issues of design for minimal material use; durability; disassembly, re-manufacture; re-use; recycling; degradability and safe disposal.	\$10,000.00
Energy Victoria	Galaxy Energy Awards 1998	Sponsorship for an award for a product or a range of products demonstrating innovative waste minimisation features.	\$7,500.00
Master Builders Association of Victoria	Excellence in Construction Awards 1998	Sponsorship of an award for major commercial developments that have implemented waste minimisation during construction.	\$10,000.00
Packaging Council of Australia	Australian Packaging Awards 1998	EcoRecycle Victoria Material Efficiency Award will be awarded to the industrial packaging entry which demonstrates the most significant improvement in material efficiency.	\$8,000.00
Total			\$43,500.00

Financial Statements 1997/98

Operating Statement for the Year Ended 30 June 1998	Note	1998 \$	1997 \$
Revenue			
Landfill Levy	1.3	8,820,000	6,160,000
Interest		519,528	781,647
Other Income		71,827	19,195
Total Revenue		9,411,355	6,960,842
Expenses			
Salaries and Wages		1,053,245	817,634
Members Allowances		56,365	55,924
Accommodation Expenses		101,089	83,770
Operating Expenses		322,829	332,878
Travel Expenses		17,193	16,813
Depreciation	1.2	104,329	52,581
Professional Services		145,438	159,539
Program Expenses	18	7,139,577	8,282,465
Total Expenses		8,940,065	9,801,604
Net Surplus/(Deficit) before abnormal items		471,290	(2,840,762)
Abnormal Items	7	361,822	263,502
Net Surplus/(Deficit) for the Year		833,112	(2,577,260)
Accumulated Deficit at the Beginning of the Year		(2,577,260)	-
Accumulated Deficit at the End of the Year		(1,744,148)	(2,577,260)

The accompanying notes form part of these financial statements.

Balance Sheet as at 30 June 1998	Note	1998 \$	1997 \$
Current Assets			
Cash	8	6,393	12,694
Investments	9	11,374,226	8,793,113
Receivables	10	4,399,456	6,165,177
Prepayments		59,235	20,593
Total Current Assets		15,839,310	14,991,577
Non-Current Assets			
Fixed Assets	11	384,149	380,460
Investments	9	31,671	31,671
Total Non-Current Assets		415,820	412,131
Total Assets		16,255,130	15,403,708
Current Liabilities			
Creditors & Accruals	12	2,295,535	2,314,019
Provision for Annual Leave	13	44,055	29,725
Total Current Liabilities		2,339,590	2,343,744
Non-Current Liabilities			
Provision for Long Service Leave	13	39,394	16,930
Total Non-Current Liabilities		39,394	16,930
Total Liabilities		2,378,984	2,360,674
Net Assets		13,876,146	13,043,034
Equity			
Contributed Capital		15,620,294	15,620,294
Accumulated Deficit		(1,744,148)	(2,577,260)
Total Equity		13,876,146	13,043,034

The accompanying notes form part of these financial statements.

Statement of Cash Flows for the Year Ended 30 June 1998	Note	1998 \$	1997 \$
Cash Inflows/(Outflows from Operating Activities			
Receipts from Landfill Levy		10,950,055	7,615,577
Interest Received		571,343	1,053,215
Payments to suppliers and employees		(8,848,068)	(8,456,134)
Other Receipts		61,686	41,842
Net Cash Inflow from Operating Activities	(b)	2,735,016	254,500
Cash Inflows/(Outflows from Investing Activities			
Payments for Plant and Equipment		(116,400)	(306,256)
Proceeds from sale of Plant and Equipment		5,708	4,000
Payments for Investments	(c)	(11,514,625)	0
Proceeds from Investments	(c)	8,884,000	0
Net purchases of Investments	(c)	0	(2,360,352)
Net Cash Outflow from Investing Activities		(2,741,317)	(2,662,608)
Net Decrease in Cash held		(6,301)	(2,408,108)
Cash at the beginning of the year		12,694	2,420,802
Cash at the end of the year	(a)	6,393	12,694

Notes to the Statement of Cash Flows

Note (a) – Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and in banks. Cash at the end of the reporting period as shown in the statement of cashflow is reconciled to the related items in the balance sheet as follows:

	1998 \$	1997 \$
Cash at bank	6,093	12,602
Cash on hand	300	92
	6,393	12,694

Note (b) – Reconciliation of Net Surplus to 1997

Net Cash Inflows from Operating Activities	\$	\$
Net Surplus for Year	833,112	(2,577,260)

Landfill Levy adjusted to opening		
Accumulated Surplus	0	4,501,666
Fixed Assets Written Off	8,000	0
Depreciation	104,329	52,581
(Profit) Loss from sale of fixed assets	(5,326)	10,072
Unrealised loss on investments	49,512	0
Changes in Assets and Liabilities:		
(Increase)/Decrease in Accrued Landfill Levy	1,769,584	(2,660,000)
(Increase)/Decrease in Prepayments	(38,642)	(15,184)
(Increase)/Decrease in Accrued Interest	(3,356)	271,568
(Increase)/Decrease in Sundry Debtors	(507)	22,647
Increase/(Decrease) in Creditors and Accruals	(18,484)	635,672
Increase/Decrease in Provisions	36,794	12,738
Net Cash from Operating Activities	2,735,016	254,500

Note (c) – Payments and Proceeds of Investments

Payments for Investments and Proceeds from Investments have been disclosed separately in this year's Financial Statements. These transactions were netted off in the previous year's Statements.

Notes to the Financial Statements for the Year Ended 30 June 1998

Note 1 – Significant Accounting Policies

1.1 Basis of accounting

The financial statements have been prepared as general purpose financial statements in accordance with the requirements of the Financial Management Act 1994, the directions of the Minister for Finance under this Act, Australian Accounting Standards and other mandatory professional reporting requirements.

The financial statements have been prepared on an accrual basis and in accordance with the historical cost convention.

The accounting policies adopted are consistent with those of previous years. Where necessary the figures for the previous year have been reclassified to facilitate comparison.

In accordance with the Australian Accounting Standard AAS 10, "Accounting for Revaluation of Non-Current Assets" as a not for profit entity, EcoRecycle is not required to determine that the carrying amount of non-current assets does not exceed their recoverable amount through their continued use.

Notes to the Financial Statements for the Year Ended 30 June 1998

1.2 Plant and Equipment

Non-current assets are included at cost. Assets of the former Waste Management Council and those acquired by EcoRecycle Victoria since 17 December 1996 are depreciated on a straight line basis over their estimated useful life to the organisation. Depreciation rates adopted are:-

Computer Equipment	33%
Motor Vehicle	22.5%
Furniture, Plant and Equipment	20%

Assets of the former Recycling & Resource Recovery Council are depreciated on straight line and a diminishing value basis over their estimated useful life. Depreciation rates adopted are:-

	Straight Line	Dimin. Value	Depreciation Exp. \$
Computer Equipment	24%; 33%	40%	38,948
Motor Vehicle	N/A	22.5%	21,675
Furniture, Plant and Equipment	9%; 12%; 20%	20%	43,706
			<hr/> 104,329

1.3 Landfill Levy

Revenue from the landfill levy is accrued as it is earned and brought to account in the period to which it relates.

The amount accrued for the 1997/98 year (ie \$8.82 million) is based on an estimate obtained from the Environment Protection Authority in July 1998.

For the 1997/98 year the landfill levy has been paid quarterly (rather than annually as in previous years). As at the reporting date, two quarterly payments of funds had been received. The third quarter payment of landfill levy funds for 1997/98 is due in July/August 1998 and the final payment in October/November 1998.

1.4 Grant Expenditure

Grant expenditure is accrued on the basis of the percentage performed as at the reporting date, with any outstanding funds carried forward to the 1998/99 financial year and listed as Commitments in Note 5 of this report.

1.5 Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are charged as expenses in the periods in which they are incurred.

Note 2 – Income Tax

EcoRecycle Victoria is income tax exempt as per Section 23(d) of the Income Tax Assessment Act 1936.

Note 3 – Contingent Liabilities

EcoRecycle Victoria had no contingent liabilities as at the reporting date. There are no mortgages, charges or securities of any description affecting any of the property of EcoRecycle.

Note 4 – Employee Entitlements

Superannuation

EcoRecycle Victoria does not contribute to any Defined Benefits Funds and does not have any unfunded superannuation liability as at the reporting date. EcoRecycle Victoria contributed in respect of its employees to the following superannuation authorities:

4.1 Local Authorities Superannuation Board Scheme, LASPLAN, established in respect of Local Authorities, as defined, in Victoria. In accordance with statutory requirements, EcoRecycle Victoria contributed 6% of salaries for the year. The amount of superannuation paid to the scheme during the year was \$22,352. There are no outstanding contributions at the end of the year and no loans between EcoRecycle Victoria and LASPLAN.

4.2 GIO Australia – In accordance with statutory requirements, EcoRecycle Victoria contributed 6% of salaries for the year. The amount of superannuation paid to the scheme during the year was \$25,332. There are no outstanding contributions at the end of the year and no loans between EcoRecycle Victoria and GIO Australia.

4.3 Colonial Mutual – In accordance with statutory requirements, EcoRecycle Victoria contributed 6% of salaries for the year. The amount of superannuation paid to the scheme during the year was \$1,116. There are no outstanding contributions at the end of the year and no loans between EcoRecycle Victoria and Colonial Mutual.

4.4 Freedom of Choice Fund Management Ltd – In accordance with statutory requirements, EcoRecycle Victoria contributed 6% of salaries for the year. The amount of superannuation paid to scheme during the year was \$2,364. There are no outstanding contributions at the end of the year and no loans between EcoRecycle Victoria and Freedom of Choice Fund Management Ltd.

4.5 Directorate of School Education – In accordance with statutory requirements, EcoRecycle Victoria contributed 6% of salaries for the year. The amount of superannuation paid to the Directorate of School Education during the year was \$6,942. There are no outstanding contributions at the end of the year and no loans between EcoRecycle Victoria and the Directorate of School Education.

Wages, Salaries and Annual Leave

4.6 Liabilities for wages, salaries and annual leave are recognised, and are measured, as the amount unpaid at the reporting date at current pay rates in respect of employees' service plus on-costs.

Notes to the Financial Statements for the Year Ended 30 June 1998

Long Service Leave

4.7 A liability for long service leave is recognised, and is measured, as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wages and salary levels plus on-costs, experience of employee departures and period of service. Expected future payments are discounted using interest rates on national government guaranteed securities with terms to maturity that match, as closely as possible, the estimated future cash outflows.

Note 5 – Commitments

Financial commitments entered into and approved by EcoRecycle Victoria as at the reporting date, not included in the Balance Sheet and to be carried forward into the 1998/99 Financial Year, are \$5,321,796. Comparative figures are provided below:

	1998	1997
	\$	\$
Grants Program (previous years)	285,136	1,729,830
Kerbside Collection	1,245,473	1,913,662
Litter Prevention and Control	161,800	147,430
Public Place & Event Recycling	19,473	0
Industry Waste Avoidance & Resource Recovery	717,717	0
Commercial/Institutional Waste Avoidance & Resource Recovery	100,875	0
Green Organics Recovery	747,447	0
Resource Recovery & Waste Management Facilities	1,898,650	14,565
Household Chemicals Collection	13,000	0
Community & School Education	110,200	61,000
Communications & Information	14,550	0
Data Collection	7,475	21,840
Total Commitments:	5,321,796	3,888,327

Note 6 – Auditor's Remuneration

Amounts paid and payable to the Auditor-General pursuant to the Audit Act 1994, for the financial audit of the accounts to 30 June 1998 amount to:

	1998	1997
	\$	\$
Audit of Accounts:	9,450	8,600

Note 7 – Abnormal Items

Included in the operating results are the following abnormal items:

	1998	1997
	\$	\$
Reversal of Accrued Grant Program Expenditure	0	649,591
Prior Years Landfill Levy Receivable but not accrued @ 30/6/97	360,470	386,089
Penalty Interest on prior years Landfill Levy not accrued @ 30/6/97	1,352	0
Total Abnormal Item:	361,822	263,502

Note 8 – Cash

	1998	1997
	\$	\$
Bank - Official Account	6,093	22
Petty Cash	300	92
Bank - Advance Account	0	1,730
Trust Account	0	10,850
	6,393	12,694

Note 9 – Investments

Investments are valued at the lower of cost or market (net realisable) value.

As at 30 June 1998, current assets were valued at market value. Interest revenues are recognised as they accrue. Investments were in the Victorian Funds Management Corporation Short Term Money Market Trust.

	1998	1997
	\$	\$
Current		
Victorian Funds Management Trust	11,374,226	8,793,113
Non-Current		
CBA Term Deposit	31,671	31,671
	11,405,931	8,824,784

Note 10 – Receivables

	1998	1997
	\$	\$
Accrued Landfill levy	4,390,416	6,160,000
Accounts Receivable	4,555	4,048
Accrued Interest	4,485	1,129
	4,399,456	6,165,177

Note 11 – Fixed Assets

	1998	1997
	\$	\$
Furniture, Plant & Equipment - at cost	272,717	225,877
Less Accumulated depreciation	77,478	34,048
	195,239	191,829
Computer Equipment - at cost	151,511	149,203
Less Accumulated depreciation	63,185	36,954
	88,326	112,249
Motor Vehicles - at cost	109,045	98,227
Less Accumulated depreciation	8,461	21,845
	100,584	76,382
Total Fixed Assets	384,149	380,460

Note 12 – Creditors & Accruals

	1998	1997
	\$	\$
Accrued Expenses	2,016,999	1,546,758
Victoria Clean & Green	137,131	249,897
Accounts Payable	141,405	507,365
Funds held for Third Parties	0	9,999
	2,295,535	2,314,019

Notes to the Financial Statements for the Year Ended 30 June 1998

Note 13 – Provisions	1998	1997
	\$	\$

Current Liability

Provision for Annual Leave	44,055	29,725
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Non-Current Liability

Provision for Long Service Leave	39,394	16,930
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Note 14 – Responsible Person-Related Disclosures

The names of the persons who were Responsible Persons at any time during the reporting period are:

Responsible Minister 1/7/97 - 30/6/98

The Honourable Marie Tehan, MP
Minister for Conservation and Land Management

EcoRecycle Victoria Members 1/7/97 - 30/6/98

Mr Ted Tanner
Ms Cheryl Batagol
Mr John O'Rourke
Mr Rob Joy
Mr Mark Johnston
Mr Warwick Field
Ms Janet West
Mr Michael Brownlow
Cr Noel Harvey
Cr Don Chambers

EcoRecycle Victoria Accountable Officer

Mr Ian Coles – Chief Executive Officer 1/7/97 - 30/6/98

Note 15 – Remuneration of Responsible Persons

The total remuneration of Responsible Persons for the reporting period was \$199,920. The table below shows the number of Responsible Persons receiving gross remuneration from EcoRecycle Victoria in each of the relevant income bands:-

Income Range	1998	1997
\$0 - \$9,999	9	10
\$20,000-\$29,999	1	0
\$110,000-120,000	0	1
\$140,000-150,000	1	0

The remuneration of the Minister is disclosed in the financial statements of the Department of Premier and Cabinet.

Note 16 – Related Party Transactions

Other Transactions

The nature and terms and conditions of the Project Grants and Consulting Services between EcoRecycle Victoria and the Related Parties were the same for all the Grants Recipients and Consultants.

Transaction	Related Party	Total Commitment \$	1998 Expenditure \$
Project Grants			
NERWMG			
Establishment Cost	Cr Don Chambers	47,363	26,883
NERWMG Education Officer	Cr Don Chambers	40,000	0
Indigo Shire Council - KDP	Cr Don Chambers	32,382	25,906
Indigo Shire Council - Litter Traps	Cr Don Chambers	6,750	0
Cleanaway - Paper Infrastructure	Ms Cheryl Batagol	9,000	0
Macedon Ranges Shire Council - KDP	Cr Noel Harvey	75,000	37,500
Keep Australia Beautiful Council	Mr John O'Rourke	511,000	376,139
Consulting Services			
Deloitte Touche Tohmatsu - Investment Policy	Ms Janet West	5,000	0
Waste Audit & Consultancy Services - Hospitals Manual	Ms Cheryl Batagol	36,170	36,170

Note 17 – Operating Lease Commitments

The following rent commitments have been contracted for by EcoRecycle Victoria.	1998 \$	1997 \$
(i) not later than one year	71,533	65,101
(ii) later than one year but not later than two years	76,831	71,553
(iii) later than two years but not later than five years	146,038	222,870
	294,402	359,524

Note 18 – Program Expenses

	1998 \$	1997 \$
Kerbside Collection	2,318,955	3,784,475
Litter Prevention and Control	476,767	637,650
Public Place & Event Recycling	77,429	26,199
Industry Waste Avoidance & Resource Recovery	540,404	79,879
Commercial/Institutional Waste Avoidance & Resource Recovery	201,259	123,575
Food Organics Recovery	71,810	0
Green Organics Recovery	228,697	267,605
Resource Recovery & Waste Management Facilities	376,790	201,209
Household Chemicals Collection	289,854	263,706
Community & School Education	253,630	93,946
Communications & Information	762,191	793,449
Data Collection	205,640	31,224
Grants Program (previous years)	1,336,151	1,958,720
Programs Initiatives	0	20,828
Total Program Expenses	7,139,577	8,282,465

Notes to the Financial Statements for the Year Ended 30 June 1998

Note 19 – Implementation of Competitive Neutrality

EcoRecycle Victoria does not offer goods and services for sale to which competitive neutral pricing is a requirement.

Note 20 – Consultancies

Consultancies in Excess of \$100,000

During the reporting period, two consultancies in excess of \$100,000 were approved by the Minister for Conservation and Land Management pursuant to Section 10, Part 3 of the Financial Management Regulations 1994:-

Consultant - Chemsal Pty Ltd

Particulars - Conduct of 18 Household Hazardous Waste Collection for the period July 1998 to June 1999

Total Fees: \$196,602 Note: Schedule of Rates Contract

Future Commitments: \$196,602

Consultant - Gould League of Victoria

Particulars - Promotion and dissemination of WasteWise Schools Kit and provision of professional and curriculum development services.

Total Fees: \$120,000

Future Commitments: \$78,000

Consultancies less than \$100,000

Number - 30

Total Cost of Engagements: \$775,870

Note 21 – Financial Instruments

(a) Terms and conditions and accounting policies

EcoRecycle's accounting policies, including the terms and conditions of each class of financial asset and financial liability, both recognised and unrecognised at the reporting date are as follows:-

Recognised Financial Instrument	Balance Sheet Notes	Accounting Policies	Terms and Conditions
(i) Financial Assets			
Receivables - Accrued Landfill Levy	10	The amount listed as receivable is based on an estimate obtained from EPA for the 4 quarters 1997/98 of \$8.82 million, less funds already received as 1st and 2nd quarterly payments.	Payment of 3rd and 4th quarter landfill levy payment receivable July and October 1998.
Receivables - Accounts Receivable	10	Accounts receivables are carried at nominal amounts. A provision for doubtful debts is recognised when the collection of the full nominal amount is no longer probable.	Credit sales are on 30 day terms.
Receivables - Accrued Interest	10	Interest receivable and payable on bank account and term deposits.	Payable 1 July 1998.
Unit Trust Funds	9	Funds are stated at market value. Income revenues are recognised upon distribution by the trustee.	Average interest rate 5.56%
Term Deposits	9	Term deposits are recognised at their nominal value, with interest paid 6 monthly directly to Operating Account	Interest paid 6 monthly and at maturity (fixed rate: 6.25%)
ii) Financial Liabilities			
Creditors and accruals	13	Liabilities are recognised for amounts to be paid for goods and services received, whether or not billed to EcoRecycle. Includes accrued grants, based on percentage performed less payments made for the reporting period.	Trade liabilities are normally settled on 30 day terms.

Notes to the Financial Statements for the Year Ended 30 June 1998

(b) Interest Rate Risk

EcoRecycle's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at the balance date, are as follows:-

Financial Instruments	Floating Interest rate	Fixed interest rate maturing in:			Non-interest bearing	Total carrying amount as per balance sheet	Weighted average effective interest rate
		1 year or less	Over 1 to 5 years	More than 5 years			
	\$	\$	\$	\$	\$	\$	%
i) Financial assets							
Cash	6,093				300	6,393	2.05%
Unit trust funds	11,374,226					11,374,226	5.56%
Term Deposit	31,671		31,671			31,671	6.25%
Receivables					4,399,456	4,399,456	N/A
Total financial assets	11,411,990	0	31,671		4,399,756	15,811,746	
ii) Financial liabilities							
Creditors and accruals					2,295,535	2,295,535	N/A
Total financial liabilities	0	0	0	0	2,295,535	2,295,535	

N/A - not applicable for non-interest bearing financial instruments

(c) Net fair values

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at the balance date are as follows:

	Total carrying amount as per the balance sheet	Aggregate net fair value 1998
	\$	\$
Financial assets		
Unit Trust Funds	11,374,226	11,374,226
Term Deposit	31,671	31,671
Cash	6,393	6,393
Receivables	4,399,456	4,399,456
Total financial assets:	15,811,746	15,811,746
Financial liabilities		
Creditors and Accruals	2,295,535	2,295,535
Total financial liabilities	2,295,535	2,295,535

Statement by Chairperson and Accountable Officer

In our opinion:-

- the accompanying financial statements comprising Operating Statement, Balance Sheet, Statement of Cash Flows and notes to the financial statements, present fairly the results of the financial transactions of EcoRecycle Victoria for the year ended 30 June 1998 and sufficiently explain the financial position of EcoRecycle Victoria as at that date; and
- the financial statements are prepared in accordance with mandatory requirements including applicable Australian Accounting Standards and the requirements of the Financial Management Act 1994.

At the date of signing these financial statements, we are not aware of any circumstances that would render any particulars included in the financial statements to be misleading or inaccurate.



Mr Ted Tanner
Chairperson
28 September 1998



Mr Ian Coles
Chief Executive Officer/
Accountable Officer
28 September 1998



Audit Scope

The accompanying financial statements of the EcoRecycle Victoria for the year ended 30 June 1998, comprising a operating statement, balance sheet, statement of cashflows and notes to the financial statements have been audited. The members of the Authority's Board are responsible for the preparation and presentation of the financial statements and the information they contain. An independent audit of the financial statements has been carried out in order to express an opinion on them as required by the Audit Act 1994.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial statements are free of material misstatement. The audit procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial statements, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial statements are presented fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and comply with the requirements of the Financial Management Act 1994, so as to present a view which is consistent with my understanding of the financial position of the EcoRecycle Victoria and the results of its operations and its cash flows.

The audit does not provide any assurances that the Authority's systems, or any other systems that the Authority relies on in the conduct of its activities such as those of suppliers and service providers are year 2000 compliant, or whether plans and associated actions are adequate to address the year 2000 issue. The year 2000 issue has been addressed only in the context of existing audit responsibilities under Australian Auditing Standards to express an opinion on the financial statements.

The audit opinion expressed on the financial statements has been formed on the above basis.

Audit Opinion

In my opinion, the financial statements present fairly the financial position of the EcoRecycle Victoria as at 30 June 1998 and the results of its operations and its cash flows for the year ended on that date in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and comply with the requirements of the Financial Management Act 1994.

C A Baragwanath
Auditor-General

Melbourne 30/9/1998



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