



Joint Oireachtas Committee on Environment and Climate Action

Meeting on Circular Economy as it relates to the Waste Sector - Tuesday 9th July 2024.

Attending for IWMA:

IWMA Chairman: Des Crinion

IWMA Secretary: Conor Walsh

IWMA Follow Up Written Submission – 29th August 2024

We thank the Committee for the invitation to appear as witnesses at the meeting of 9th July 2024. We found the discussions to be very worthwhile. In the text below, we provide responses to some of the issues raised and statements made during the first session, where we attended as observers in the public gallery. We trust that our responses will prove useful to the Committee's deliberations on waste management and the Circular Economy. At the end of this document we address a number of questions asked by the Committee Members.

Councillor Doolan Opening Statement.

"The bin collection service was privatised in Dublin in 2012. This was done by a simple majority vote of Dublin city councillors following a court case in which the main private companies forced local authorities in Dublin to open up the market to privatisation."

IWMA Response:

The bin collection service was privatised in Dublin in 2006 when Panda entered the market in Dun Laoghaire Rathdown and undercut the price of the Council service by 20%. They also offered an enhanced service by way of more frequent collections and acceptance of additional materials such as plastic and glass in the recycling bins. Greenstar followed shortly afterwards and undercut the price of the Council service by 30% with a similarly enhanced service.

In response, the four Dublin Local Authorities attempted to vary the Dublin Waste Management Plan to disallow private companies from competing in the Dublin Market. They claimed that it was a Natural Monopoly. The private companies challenged this in the High Court and won. **Judge McKechnie decided that it was not a Natural Monopoly.**

Historically, the local authorities in Ireland did not provide bin collection coverage to many rural areas and invited private companies to do so. The authorities focused on the main cities and towns, with privatised collection filling the gap in rural areas. So local authorities in Ireland never provided a fully comprehensive bin collection service.

"For the first time, independent research confirmed what we already knew. In this study carried out by the IPA, similar sized cities, including Copenhagen, Oslo, Salzburg and Stockholm, were compared to Dublin. It confirmed Dublin is the wild west of Europe when it comes to waste management. We have all

but abandoned responsibility to the private sector whereby the main driving force is not environment, service or sustainability, but profit, profit and more profit.”

IWMA Response:

The IPA report did not make these statements or imply them. We contacted the IPA to confirm this point and we have a written response¹ from Joanna O’Riordan, one of the researchers on the project, who states:

“The report does not say or imply that Dublin is the ‘wild west of Europe when it comes to waste management’. However, it does show that waste management practices are very different in Dublin to those in the selected, comparable cities in that the local authorities in other countries own the domestic waste, while in Ireland the private sector has almost universally taken over collection of such waste.”

“This is crystalised by the fact that according to the IPA 32% of households had not received a brown bin despite it being a legal obligation to do so, and the householders are paying for it.”

IWMA Response:

NWCPO data shows that the number of houses in Ireland with a brown bin in 2023 exceeded the number of houses obligated to have one. Until 2024, there was an obligation to provide brown bins to houses in agglomerations of 500 people or more, which is approximately two thirds of the population. So the quoted figure of 32% suggests that less than one third of houses were not provided with a brown bin and that in turn suggests full compliance with the legal obligations to provide brown bins to two thirds of houses.

Householders not provided with a brown bin are not likely to be charged for a brown bin, so we fail to understand the comment that “householders are paying for it”.

“Privatisation of the service has been a failure. It has particularly failed the householder. The cost of the service continues to increase. Even brown bins are now being charged for, which flies in the face of the regional waste management strategy. Brown bins were kept as a free service by private companies in order to reduce volume of compost waste entering the general waste service. The profit motive overrides the industry’s commitment to waste management and the environment.”

IWMA Response:

The Regional Waste Management Strategy did not require nor encourage free brown bins and neither does the new National Waste Management Plan or any legislation. With the exception of Fingal and Dublin City Council, there were charges on brown bins from the start throughout the country.

Environmentally, it is better to have a charge, albeit a lower charge than the residual waste bin. Without a charge, there is no incentive to prevent waste. Prevention is more important than recycling and Ireland’s charging system encourages both waste prevention and recycling.

Furthermore, when householders place their food waste in brown bins, those bins are heavier than general/residual waste bins. Bin weighing data shows that even 140 litre brown bins can be a lot heavier than 240 litre general waste bins, that have food waste excluded. This is good for recycling rates. The cost of treating organic/food waste is about two thirds the cost of treating residual waste. When these two factors are put together, the cost of collecting a brown bin and treating that waste is as high if not higher than the cost of collecting and treating the contents of a residual waste bin. The National Waste Management Plan and the legislation requires waste collectors to charge less for brown bin waste than for residual waste and our members comply with that obligation.

¹ Email dated 26th August 2024 from JORiordan@ipa.ie to cwalsh@slrconsulting.com

SIPTU Opening Statement.

"The 2018 report found that 23% of all households, or almost one in four, have no domestic waste collection service."

IWMA Response:

Historically, the local authorities collected from a much lower percentage of houses as they were primarily focussed on urban areas. People can choose not to pay for a collection service, but they do need to account for their waste management.

The vast majority of people without a service manage their waste legally by using civic amenity sites, sharing bins, etc. The CSO completed a survey on this in recent years and found the following:

Table 1: What is your household's main method for disposing of NON-RECYCLABLE household waste (e.g. heavily soiled food packaging)?

	% of weighted households									
	Wheelie bin collection service	Pre-paid bag collection service	Share bin with a neighbour, relative or friend	Bring it to a recycling centre that accepts it	Bring it to a Pay-to-Use unit at a petrol station or similar location	Bring it to work	Other	No response		Sample Households
Total	80%	2%	5%	8%	0%	0%	2%	2%		4,641

This survey shows that 96% of people can account for the management of their waste using methods that are legal and responsible. A further 2% referred to "other" methods and 2% did not respond.

This is reasonably consistent with EPA latest data (for year 2021) that suggests that unmanaged household waste is 25,700 tonnes per annum, which is 1.4% of household waste and 2.2% of kerbside household waste.

There is clearly leakage from legal management of household waste in Ireland, but the scale of that leakage is small and should not be over-stated. The waste industry provides waste collection services to households and businesses in every corner of Ireland, but we do not have the power to compel people to use a service.

"A 2022 report by the IPA, which Councillor Doolan referred to, picked up on the issue of illegal dumping. The report noted that this factor was absent from the data on all the main comparator cities, namely, Oslo, Copenhagen, Stockholm and Salzburg."

IWMA Response:

A simple internet search can find evidence of illegal dumping in these cities. It is a worldwide problem. We include some examples below relating to Stockholm, Oslo and Austria.

▶ Illegal dumping costs Stockholm millions each year

1:57 min [+ My playlist](#) [➔ Share](#)

Published torsdag 27 februari 2020 kl 14.01

Illegal dumping costs Stockholm more than SEK 3 million every year and the price for the city to pick up and haul away someone else's trash is rising.

That's according to Swedish Radio's local Stockholm channel P4 Stockholm which says last year's clean-ups throughout the capital cost SEK 3.1 million in total.

Not just unpleasant, the illegal dumps can also be a hazard to both animals and birds as well as the environment depending on what's been left behind.

Swedish Radio in Stockholm met up with one resident in the south end of the city who came across a pile of trash while out for a run.



Pierre Persson works for the city council in Enskede-Årsta-Vantör, one of the worst hit areas of the capital. Credit: Ulf Bungertfeldt/Swedish Radio



Waste has become an issue for municipalities. Credit: Anders Wiklund/TT

ENVIRONMENT

▶ Waste crimes a problem in many Swedish municipalities

3:06 min ⊕ [My playlist](#) ➦ [Share](#)

Published måndag 12 december 2022 kl 08.54

- The illegal disposal of waste is a problem in many parts of the country. That's according to a survey conducted by the P1 programme Kaliber.
- "It is common that you don't think you have any in your municipality and it is often because you haven't been searching for it. We can guarantee that if you look for it, you'll find it", says Emelie Nyberin an environmental inspector in Malmö.
- Cleaning up following illegal dumping can mean large costs for society.

Radio Sweden

english@sverigesradio.se



Dumping of waste in a forest area. Photo: Ellen K. Keilen / State administrator in Østfold, Buskerud, Oslo and Akershus.

Want collective action against this: - It looks bad, quite simply



FURNITURE AND GARBAGE: Signar Slåttøy recently took this picture of waste on the street at Enerhuagen in Tøyen. According to the municipality, there are more people than before who also leave large items of waste at the city's glass and metal containers around the city - even though this is illegal and can lead to fines. Photo: Private

Av [Edda Drægri](#)

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[Del](#)

Illegal waste disposal: "Since Corona, this has become really extreme"

By [Magdalena Lagetar](#) , 15 April 2021, 06:15



Several garbage bags, even tires and a slatted frame were carelessly disposed of in bowls in the ditch. Image: private

DISTRICT OF BRAUNAU. Residual waste on the roadside and by the stream: Unfortunately not an exception in Schalchen

On average, half a tipper full every 14 days - that's how much garbage is found on the side of the road and stream in the municipality of Schalchen, according to SP mayor Andreas Stuhlberger (pictured). "Unfortunately, this is not a new problem, but since Corona it has become really extreme," says the mayor. Munderfing is also struggling with the same problem. The garbage disposal companies have become impudent, carelessly throwing away several bags of residual waste full to the brim in the municipality. Most often directly from the street into the adjacent forest or into the stream. "Once we even had a bag full of PET bottles. That means that they separated the garbage there and just threw it away anyway," says Stuhlberger, surprised. Addresses have often been found in the garbage bags and reports have been filed, but the problem has not gone away. "You're not allowed to set up cameras, so we drive to the places more and observe. But then the problem shifts to other places," says Stuhlberger.

Illegal dumping is not related to who collects the waste. It is a consequence of anti-social behaviour and criminal activity and happens in every part of the world. The UK has experienced much higher levels of criminality in waste management compared to Ireland and the local authorities in the UK collect or tender the collection of household waste.

We refer to the BBC Radio 4 podcast called 'Buried'. It comprises 10 episodes detailing the illegal dumping of a reported 1 million tonnes of waste at Mobuoy Road near Derry City in Northern Ireland. Much of that waste was collected under contract with the local authorities and was dumped by criminals. The waste is still there and is understood to be causing significant environmental damage.

The UK Government provides a dataset of illegal dumping incidents from 2015 to 2022.² These incidents involve vans, lorries and multiple loads, rather than just fly-tipping and the dataset shows 2,089 cases of illegal dumping recorded in the UK in that time period.

² <https://www.data.gov.uk/dataset/140fbb07-2f93-450d-957b-fbd5b62b3373/illegal-dumping-incidents>

When bin charges were introduced by the four local authorities in Dublin c.25 years ago, an anti-bin tax campaign was formed. This campaign resulted in non-payment of bin charges by many householders in Dublin. The resultant bad debts led to large financial losses in the provision of the service by several of the Dublin Local Authorities. In some cases less than 50% of people were paying for the service. These financial losses were the main reason that the Dublin Local Authorities sold the service to private companies.

In private business, when a customer refuses to pay for a service, that service has to be withdrawn. After privatisation, the vast majority of householders in Dublin paid for their waste collection service. However, a small number of people left bags on the streets and refused to pay for a service. This has led to some illegal dumping that persists to this day. Privatisation led to a large increase in the proportion of householders paying for the service, so we consider this to be preferable to the situation prior to privatisation.

“In Dublin, coverage is only 82%.”

IWMA Response:

This point in the IPA report was based on the CSO survey, which shows that 95% of houses in Dublin can account for the legal management of their waste, as follows:

	Wheeler bin collection service	Pre-paid bag collection service	Share bin with a neighbour, relative or friend	Bring it to a recycling centre that accepts it	Bring it to a Pay-to-Use unit at a petrol station or similar location	Bring it to work	Other	No response
Dublin	82%	4%	6%	3%	0%	0%	2%	2%

The waste collection companies cover all of Dublin. The only exceptions are areas where a truck cannot access and that would be the same if the local authorities were collecting the waste. The IWMA can try to help in such circumstances and have done so previously in different parts of the country.

“On affordability, there is no mechanism through the current waste management model to address households' inability to pay for domestic waste collection services.”

IWMA Response:

The IWMA has suggested to Government and opposition that a voucher system through social protection could work in that regard.

“It is not possible to operate a progressive approach in Ireland to household inequality and affordability due to the unregulated free market control of the service.”

IWMA Response:

The waste collection market in Ireland is not unregulated and is highly progressive, as detailed in the IWMA opening statement.

“There is a congestion problem in Ireland. Due to multiple providers operating within a single municipal area, multiple refuse trucks are required.”

IWMA Response:

An additional one, two or even three trucks per week does not constitute a congestion problem. It may be a minor inconvenience at times, but the 2018 CCPC Report³ showed that 65% of people want multiple operators in their area and it can be assumed that they know this means multiple trucks.

"The domestic waste collection market is a natural monopoly."

IWMA Response:

The CCPC report claimed that the market is a Natural Monopoly and in doing so it referred to a report by economist Dr. Francis O'Toole. However, that report formed part of Dublin City Council's evidence in the 2009 Panda v DCC High Court Case. The Judgement rejected that evidence, was critical of Dr. O'Toole's Report and decided that household waste collection in Dublin is **not a Natural Monopoly**. The Judgement states:

"119. I would say firstly that I am satisfied that it is incumbent upon the respondents to prove on the balance of probabilities that the Variation, firstly, will improve the provision of the service to the benefit of consumers. Having considered the economic evidence presented before this Court I am not so satisfied. I do not believe that the Dublin market for the collection of household waste is a natural (local) monopoly either taken as a whole, or in each individual local authority area. The evidence from both parties would indicate that the minimum efficient scale is such that, even in the smallest local authority area, there are a sufficient number of customers to support at least three, if not more, operators. I am also satisfied that that competition in the market can only provide a reduction in costs to consumers, above and beyond that which is obtainable from either a local authority monopoly or by way of competitive tender. Concerns expressed by the respondents that with competition in the market it is likely that one or more private competitors may become dominant, although true, ignores the fact that with constant competition within the market, such dominance will be tempered by both the actions of other competitors and by competition law. If a dominant player charges excessively, it will undoubtedly be undercut by a competitor; if it abuses its position it is amenable to the Competition Authority and the Courts. On the other hand where there is a public or tendered monopolist, any increase in price will merely be borne by the public, and there will be no constraining force preventing such a situation. Further it will create a situation involving incumbent providers who will be at a significant advantage upon renewal of any contract. There is also the question of what the other competitors are to do in the meantime while they do not have the contract. Many operators who would have been able to operate under the fully competitive system will be forced to exit the market if unsuccessful in their tender. Nor are they likely to invest in the infrastructure needed if they are unlikely to succeed. I was also not impressed by the report of Dr. O'Toole. His assertions were of a hypothetical nature and of little application, in many situations, to this case. I found it extraordinary that he did not consider it necessary to define the potential number of markets within the Dublin region; such I would have thought would have been a prerequisite to determining if the Dublin region was a natural local monopoly, and if so to what extent. In this regard I would note that the general nature of his report may not be wholly his fault; he may have worked with what he was given. However, in circumstances where the burden is on the respondents to show that the Variation is objectively justified under s. 4(5) CA 2002, I would have expected

³ The Operation of the Household Waste Collection Market, 28th September 2018, CCPC – See Q.7a., page 14 of B&A survey at the back of the CCPC Report.

far more empirical evidence showing that notwithstanding what potential forbearance with regards to the Variation's effect on competition, it was in fact, when the figures were considered, both pro-competitive and to the benefit of consumers. No such evidence was presented in this case. In contrast the report of Dr. Jenkins contains figures obtained from Panda which at least attempt an empirical analysis of minimum efficient scales and the effects of changes in both scale and density on costs, as well as evidence of pricing in the local authority areas. I am left in no doubt but that the market is capable of supporting multiple operators in competition with each other, and that this is not a situation where a monopoly is either required or to be preferred."

FORSA Opening Statement.

"While privatisation has been a significant trend over many years, there is now increasing evidence of services being insourced - that is, formerly privatised services and infrastructure being brought back under direct public ownership and management. For instance, the Public Futures database, which maps international cases where services have returned to public provision, and which is maintained by the University of Glasgow, identifies the large number of remunicipalisation examples across Europe. I have listed those in the opening statement.

The number of insourcing cases is likely to be much higher, as many are not recorded. For example, in Norway in 2017, the failure of RenoNorden, one of the country's largest waste companies, led to more than 100 services being insourced. This highlights the opportunities that arise from company failures. There has also been a clear trend in Germany, where a quarter of all municipalities were using in-house services for waste collection in 2015, compared to only 14% in 2003. While there are several reasons for insourcing in Germany, for example, it was often the result of cost-benefit analyses by municipalities."

IWMA Response:

This whole discussion is about competitive tendering/franchise bidding versus local authority monopolies. In only one of the referenced cases (Poland) was there side-by-side competition. In all the other countries and cases referenced, re-municipalisation came in the form of a move from competitive tendering to in-house provision of waste collection services. A competitive tendering process can achieve good value on the first round, but does not achieve ongoing good value as competition is significantly reduced. Judge McKechnie stated in his judgement on the 2009 Panda Case:

"On the other hand where there is a public or tendered monopolist, any increase in price will merely be borne by the public, and there will be no constraining force preventing such a situation. Further it will create a situation involving incumbent providers who will be at a significant advantage upon renewal of any contract. There is also the question of what the other competitors are to do in the meantime while they do not have the contract. Many operators who would have been able to operate under the fully competitive system will be forced to exit the market if unsuccessful in their tender. Nor are they likely to invest in the infrastructure needed if they are unlikely to succeed."

"this has ultimately resulted in a quasi market for waste which is poorly regulated with environmental and other costs. Private refuse services are not only unaccountable, but the current quasi market model has led to cartel-like private bin collection services which have proved uncompetitive, inefficient and unable to provide affordable or consistent coverage."

IWMA Response:

This statement is unfounded and offensive to our members, who operate competitively to a very high standard in a highly regulated environment. There is no "cartel-like" behaviour and to suggest so without evidence should not be acceptable to the Committee. Cartels are illegal. Waste collection companies compete ferociously for their business and that is reflected when we commonly see price decreases

and introductory offers for new customers. They also compete on service, which ensures a consistent high level of service across the country.

"The lack of competition has been evidenced through market research carried out by the Competition and Consumer Protection Commission, CCPC, and colleagues have already alluded to that."

IWMA Response:

The 2018 CCPC report (referenced earlier) was critical of the current system, but there would be less competition in a local authority monopoly or a competitively tendered system, as pointed out by Judge McKechnie in the 2009 Panda Case. A lot of the criticisms were therefore unfounded and a lot of other issues could be resolved through the permitting system. In fact, the permitting system has now been amended by the relevant authorities to address most, if not all, of the CCPC's concerns. The Waste Action Plan for the Circular Economy addressed these issues and that was followed by amendments to waste collection permit regulations and permits issued by the NWCPO.

The IWMA prepared a critique of the CCPC Report which is available on our website.⁴ The credibility of the CCPC Report is seriously undermined by their conclusion that *"The household waste collection market exhibits characteristics of a natural monopoly"*. This conclusion was based on a report by Dr. Francis O'Toole that was used in evidence in the 2009 Panda Case. The judgement in that case stated:

"I was also not impressed by the report of Dr. O'Toole. His assertions were of a hypothetical nature and of little application, in many situations, to this case."

So the CCPC Report's conclusion with regard to Natural Monopoly relied on evidence by Dr. O'Toole that was rejected by the Judge and the CCPC Report failed to reference the judgement in the case which included the following statements:

"I do not believe that the Dublin market for the collection of household waste is a natural (local) monopoly either taken as a whole, or in each individual local authority area."

and

"I am left in no doubt but that the market is capable of supporting multiple operators in competition with each other, and that this is not a situation where a monopoly is either required or to be preferred."

We respectfully suggest that the CCPC Report's conclusion that the market exhibits characteristics of a Natural Monopoly is clearly flawed.

"In Fórsa, we believe that the remunicipalisation of waste is good for workers, service users and the environment."

IWMA Response:

There is evidence of a lot of dissatisfaction amongst waste collection workers in the UK, where the service is a mix of in-house provision and competitive tendering. A quick internet search found 14 waste collection strikes across the UK in the last year or so, including 3 in Northern Ireland:

1. June 2023 Hertfordshire
2. June 2023 South Gloucestershire
3. July 2023 Newry, Mourne & Down
4. Sept. 2023 London East End
5. Oct. 2023 Warrington
6. Nov. 2023 Coventry
7. Nov. 2023 North Herts

⁴ https://iwma.ie/wp-content/uploads/2018/11/181119_501.00181.00008_IWMA-Critique-of-CCPC-Report_CW_Rev2.pdf

8. Dec. 2023 Birmingham
9. Jan 2024 Northern Ireland (1 day strike)
10. Feb 2024 Brighton and Hove
11. May 2024 South Tyneside
12. June 2024 Redbridge, London
13. July/August 2024 Armagh
14. August 2024 Sheffield

There are other reported ongoing disputes between the unions and the authorities that we expect will lead to more strikes in the coming weeks and months. E.g. Birmingham, Coventry.

There are also live threats of strikes in 26 of the 32 Scottish Council Areas. The strike action is currently suspended, but the threat remains. The Edinburgh Festival was badly impacted in 2022 as a result of a 12 day bin waste collection strike and a similar threat was posed earlier this month.

There was also a major waste collection strike in Paris in March 2023 that lasted for 3 weeks and had very significant environmental consequences with a reported 10,000 tonnes of rubbish left on the streets at its peak.

Debate on Workers Pay and Conditions.

There was a debate between Deputy Darren O'Rourke and the witnesses from Dublin City Council, SIPTU and Forsa on pay and conditions in the waste collection companies in Ireland. The IWMA has surveyed its members on this issue and we have found the following relevant information.⁵

Pay Rates in the Waste Industry in Ireland:

Unskilled Labour – Our survey suggests that unskilled workers are paid between €12.70 and €20.00 per hour depending on experience, location, job description and other factors. Average rate was found to be c.**€15 per hour**.

Plant and Equipment Operators – Our survey suggests that plant and equipment operators are paid between €13.00 and €29.14 per hour depending on experience, location, job description and other factors. Average rate was found to be c.**€18 per hour**.

Drivers – Our survey suggests that drivers are paid between €13.50 and €25.50 per hour depending on experience, location and other factors. Average rate was found to be c.**€19 per hour**.

These pay rates are typical for unskilled workers, machine operators and drivers in the Irish Economy. Securing good workers is a competitive business for companies in the waste sector and in many other sectors in the Irish Economy.

The pay rates in the waste industry in Ireland are higher than rates paid for similar jobs in Northern Ireland and in the wider UK, where the local authorities control household waste collection. It seems unlikely that local authority control of household waste collection in Ireland would lead to pay rates for workers that are higher than current levels as they would then be higher than rates paid to those in equivalent jobs in other sectors.

The majority of waste companies in Ireland do not have unionised employees and do not bargain with the unions. However, a small number of our members have workers that are part of a union and some of our members do bargain with the unions. Our survey shows that pay rates in those companies are no higher than the pay rates in the non-unionised companies. So any suggestion that workers in unions in the waste industry are better paid than those that are not members of unions, is strongly rejected by the evidence found in our survey.

⁵ Responses from 30 companies, including those that collect combined household waste from c.90% of the market.

Later in the debate, there was a suggestion that wages have not increased since 2020. Our survey shows that average wages in our member companies have increased by about 18% from 2020 to mid 2024.

In terms of workers conditions and benefits, our survey showed that our members offer a wide range of enticements and benefits to their employees, including the following (not all offered by all companies):

- Monthly, Annual and/or christmas bonuses (most companies)
- Accident-free and performance bonuses
- Death in Service benefit
- Employer pension contributions
- Higher rates outside normal hours
- Additional Holiday leave linked to tenure
- Fully Sponsored Developmental/Educational Programs (Unskilled workers to become Drivers, Rigid Drivers to become Artic Drivers etc..)
- Subsidized or free waste collection services
- Flexitime
- Staff parties and functions
- Paid sick leave
- Xmas savings plan
- Sports and Social contribution
- Further education/training support
- Cost of Living Allowance introduced during peak Electricity/diesel price increases.
- Personal Loans
- Service Leave (Additional days Annual Leave)
- Refer a Friend Bonus Scheme
- EAP (Employee Assistance Programme)
- Employee Engagement and Wellness Initiatives
- Free and Confidential Health Screening
- Monthly Raffles
- Subsidised Gym Memberships
- Surprise Treats
- Cultural and Social Engagement
- Celebration of Diversity
- Free meals and refreshments
- Provide secure accommodations at reduced rates
- Free transport where needed.
- Academy training program supports staff in obtaining HGV licenses,
- Free English language lessons to aid in their personal and professional development.
- Fully paid health insurance
- Offer staff opportunities to up skill if they would like, including: Excel / Microsoft Courses, First Aid Courses, Fire Marshal Courses, Health & Safety Courses
- Workers Committee
- Company Vehicles for private use in some cases
- Employee Representative Committees
- Enhanced family friendly policies.
- Subsistence rate: increases (in line with revenue guidelines)

Staff turnover is reported to be low amongst our members' companies, undoubtedly due to the efforts made by our members to incentivise their work forces and to keep morale high. As a general observation, there appears to be very positive engagement between workers and employers in our industry.

Cllr. Doolan Stated:

"When we speak about the environment, the two key strategies for Dublin City Council and the regions are the regional waste management and climate change strategies. The companies that collect domestic waste in Dublin have no act or part to play in those strategies. We cannot impose them on them or work with them because they are beyond our control. Companies get a licence, go out and collect rubbish and then get rid of it. That system is archaic. It is not environmentally friendly or good for householders. It contributes to emissions and congestion and does not allow us to modernise our waste management service."

IWMA Response:

Councillor Doolan portrays a very false picture of the waste sector in Ireland and demonstrates a lack of knowledge about our industry. The IWMA and our members play an active role in the formulation and implementation of waste management strategies, plans, policies and legislation in Ireland and have done so for decades.

We engage in the following forums and working groups either on an ongoing basis or at particular times when consultation is active:

1. Advisory Group on "A Waste Action Plan for a Circular Economy" (DECC)
2. Residual Waste Capacity Working Group (LGMA)
3. Consultations on Revisions to EPA Licensing (DECC)
4. Metal Theft Forum (An Garda Síochána)
5. Consultations on Circularity Gap Report (DECC)
6. Consultations on Landfill and Recovery Levies (DECC)
7. Working Group on Implementation of Hazardous Waste Management Plan (EPA)
8. Working Group on Waste Textiles (DECC)
9. Animal By-Products Forum (DAFM)
10. Working Group on recycling at Multi Unit Developments (the Housing Agency)
11. Working on Incentivised Charging (NWCPO)
12. The IWMA Chairs the Industry Contact Group for Enforcement (DECC)
13. Forum on Recycled Aggregates (EPA)
14. Public Communications on waste segregation (RWMPOs)
15. Waste Management Plan Working Group (RWMPOs)
16. Forum addressing lithium batteries and disposable vapes (WEEE and Others)
17. Forum on management of waste soil and stones (EPA)
18. Forum on Food Waste Recycling (DECC)
19. DRS Working Group (DECC)
20. Forum on Commercial Waste Recycling (RWMPOs)

The IWMA has also formed a Task Force that is working diligently at finding ways to close Ireland's gap to the future EU MSW Recycling Rate targets. The Task Force is engaging directly with the EPA, DECC, the Regional Waste Planning Offices, the National Waste Collection Permit Office (NWCPO) and the Waste Enforcement Regional Lead Authorities (WERLAs) on this issue, as well as with our members and even with non-members. Feedback from these stakeholders confirms that the IWMA work is very worthwhile in this regard.

We have shown leadership in this area and our actions are quite the opposite to the picture painted by Councillor Doolan.

Mr. Richy Carrothers stated:

"We see no reason for this unregulated cartel that continues to exist in our capital city and around the country."

IWMA Response:

Cartels are illegal, so we consider this statement to be defamatory, offensive and unwarranted. Waste collection companies compete strongly against each other to win new business and to maintain their customer base. Mr. Carrothers has offered no evidence to backup his accusation, so it appears to be a loose comment that is effectively 'name-calling' designed to encourage bad-will towards waste management companies.

The fact that Mr. Carrothers also uses the word 'unregulated' further demonstrates the inaccuracy of his statement. The waste sector is highly regulated by both the local authorities and the EPA, as addressed in the IWMA opening statement. We are disappointed to see a serious debate in the Houses of the Oireachtas dragged down to this level, but we welcome the intervention of the Chair at the end of the session, where he stated:

"The word "cartel" was used. I do not recall who used the word, but it is potentially defamatory. It is a claim being made. It has not been substantiated. It is important to acknowledge that the evidence that waste providers are in cahoots has not been provided here today. I want to put that on the record."

Cllr. Doolan Stated:

"The report says that it would be possible for Dublin City Council to indicate that it would have one service provider that would meet criteria and arrangements, one operator to provide the service. Under this scenario, private operators would be prohibited from operating within the area allocated. It would appear that such a scenario would not be deemed anti-competitive. However, in order to afford Dublin City Council with the necessary certainty, amendments to the Waste Management Act 1996 would have to be put in place. We are saying that the current regime is unsustainable. It does not benefit householders or the environment. We need to step forward and this shows an avenue we can go down."

IWMA Response:

The opening statement from Fórsa highlighted the fact that most municipalities across Europe tendered out their waste collection service and many of them have now decided to take it back in-house as the tendered market was not working well for the citizens.

Tendering out the service in Dublin would also lead to less competition and would not work well for the citizens of Dublin. Judge McKechnie predicted this correctly, as quoted earlier in this submission.

Mr. Richy Carrothers stated:

"Local authorities are stuck with the bill and the legal responsibility regardless, but they have no control of the unregulated waste market in terms of their own intervention."

IWMA Response:

As stated earlier, the waste market is highly regulated by the local authorities and the EPA. Whilst we acknowledge that the local authorities have to bear the costs of illegal dumping, this is a small fraction of the costs that they had to bear when they collected household waste.

The Dublin Local Authorities were losing tens of millions of euro per annum when they decided to sell the service to the private companies. The following article from the Irish Independent, dated 5th October 2008⁶, describes the untenable situation in Dun Laoghaire Rathdown at the time. The other Dublin Local Authorities found similar situations in the following years and all reported large financial losses in delivering household waste collection services.

⁶ <https://www.independent.ie/irish-news/council-bins-its-waste-collection-to-save-10m/26482085.html>

Council bins its waste collection to save €10m

Workers 'on 3.5-hour day' to be replaced by a private operator, despite union opposition

JEROME REILLY

Sun 5 Oct 2008 at 00:00

Binmen are working only a three-and-a-half hour day providing a service which will lose €10m this year, according to the County Manager of Dun Laoghaire Rathdown Council, Owen Keegan.

Mr Keegan has said the losses are unsustainable and he has made the first moves to outsource waste collection to a private operator in south county Dublin.

The move has provoked fury from Siptu. The union says that about 30 direct labour jobs will be outsourced.

Panda, a private company, has gained a significant market share in Dun Laoghaire Rathdown, collecting bins from 50 per cent of houses in the area.

Siptu says that the increased market share enjoyed by Panda in the area is directly attributable to the actions of Mr Keegan.

"When customers transferred to private collectors, Dun Laoghaire Rathdown council sold their bins to Panda for €1 each, one-fiftieth of their value, claiming it was too costly to collect them," according to Siptu official Ramon O'Reilly.

But in a letter to councillors manager Owen Keegan said that urgent action was now required.

"We cannot continue operating a service characterised by chronic inefficiencies and persistent customer service issues, which is continuing to lose customers and to accumulate losses and arrears.

"The existing agreement with the trade unions, which was implemented in March 2007, was based on 26,000 bin lifts per week. The service is currently averaging just 11,000 bin lifts per week with the same number of staff and vehicles deployed.

"Provision was made for a loss of €6.8m on the council's waste activities in the 2008 estimates. It is now estimated that the loss will be just below €10m for the full year. It is clear that a continuation of the 'status quo' will result in enormous strain being placed on the council's 2009 estimates and raises the very real prospect of a significant increase in the environmental waste charge for 2009," he said.

Mr Keegan also revealed difficulties in trying to get money from householders, saying that while the council still retains just over 50 per cent of the market, only half of all council customers have clear accounts. Some 14,400 council customers have arrears in excess of €150.

Ramon O'Reilly admitted that the working hours of binmen had been shortened but denied it was down to three-and-a-half hours a day.

"We are aware of the problem and discussions were at an advanced stage and close to resolution. As part of these discussions we had agreed, in writing, to a reduction in the number of waste freighters from 10 to six, plus one spare, and we had already concluded a rationalisation programme at the end of 2006. This involved 16 redundancies and redeployment of other staff.

"Mr Keegan's approach to industrial relations is confrontational, dictatorial and in marked contrast to the approach taken by the other Dublin councils."

Mr O'Reilly said the latest plan "will mean increased charges for customers".

Mr. Michael Gleason stated:

Nothing changed as regards any sort of payments.....We got absolutely nothing.....Our wages have not moved in what is probably three years.

IWMA Response:

Our survey of members shows that average wages in our member companies have increased by about 18% from 2020 to mid 2024. It also shows that performance and other bonuses are commonplace in the sector. Whilst Mr. Gleason is perfectly entitled to talk about his own situation, this should not be interpreted as an industry-wide position or even a company-wide one. In fact, data that we have received from Bord na Mona directly conflicts Mr. Gleason's statement about pay increases for the waste sector workers in that organisation since 2020.

Mr. Michael Gleason stated:

I work for Bord na Móna and everyone in our organisation is very much subject to the rules and regulations as regards health and safety. Bord na Móna would follow all the rules and there is absolutely no problem there. Our competitors are a little bit more lax on that.

IWMA Response:

Mr. Gleason's comment suggesting a lax attitude to Health and Safety is entirely false and is strongly refuted by the IWMA. All of our members take Health and Safety seriously and we engage very positively with the Health and Safety Authority in that regard. The IWMA operates a very active Health and Safety subgroup where our members support each other in terms of knowledge and compliance of H&S issues. The health and safety of employees in the waste sector is a top priority for the IWMA and its member companies and is on the Agenda of all of our General Meetings.

Mr. Pat McCabe stated:

"Everyone in this room sees the people on the back of the lorries. They are labouring on well below what is the living wage of €14.80 per hour. The wages out there are between €13 and €13.80."

IWMA Response:

Our survey of members found that the average unskilled worker is paid c.€15 per hour in our industry. We acknowledge that some unskilled workers are paid the minimum wage, generally as a starting salary, but some unskilled workers with a lot of experience are paid as much as €19 per hour. There are plenty of opportunities for both skilled and unskilled workers to advance in the waste sector as they gain experience. We also note from our survey of members that workers are often paid more in areas where the cost of living is higher and vice versa where the cost of living is lower. The living wage in parts of the country is a lot lower than the living wage in the major cities.

Mr. Pat McCabe stated:

"Generally speaking, though, there is no overtime rate in the industry"

IWMA Response:

Our survey of members suggests that overtime is paid by many companies and is paid at higher rates when outside of normal hours.

Deputy Paul Murphy Stated:

Do any of the witnesses have figures for the profits of the waste management companies?

I think most of them are unlimited companies that do not file with the Companies Office so they do not publish their profits, if I am not mistaken. Will any of the witnesses address that?

IWMA Response:

A search of the Companies Registration Office shows that out of the 23 IWMA members that collect household waste, one can find details of the accounts of 19 of them. The annual profits range between 3% at the lowest end to 15% at the highest end. The average profit is roughly 8.5% per annum, which is a healthy profit, but not an excessive profit.

Senator Higgins Stated:

The recent reports also highlighted that there is a lot of profit to be made from the waste itself. Aluminium, for example, is bringing in €800 to €1,400 a tonne. Plastic is being sold for approximately €500 per tonne. This suggests that, operating at scale, public waste services could end up generating money for the State

IWMA Response:

Aluminium cans and PET bottles comprise less than 2% of Municipal waste and they are the highest value materials. Mixed Dry Recyclables (MDR) have a negative value that can range from €50 per tonne to €100 per tonne depending on the market value of materials, particularly paper, which comprises about 40% of that waste stream. Organic brown bin waste has a negative value of a similar order to the MDR and residual or mixed general waste has an even higher negative value.

Councillor Doolan Stated:

Here, we go to Ballymount and pay a fee to those private companies to dump our waste there. In these European capitals that does not happen. Imagine, that the service is free at the point of delivery and comprehensive waste is separated, collected and there is one cost. Here, we have to pay for the illegal dumping in our taxes

IWMA Response:

The Civic Amenity (CA) sites are mostly owned by the local authorities and the management of those sites is often tendered to private companies. The charges reflect the cost of managing the wastes. Many recyclable materials are accepted for free at the CA sites. Mixed and non-recyclable wastes attract the highest charges and this is consistent with the Polluter Pays Principle.

The collection and treatment of bulky waste incurs a cost. That cost is inevitably paid by the public either directly or through taxes. The Polluter Pays Principle applies when the charges are direct, it does not apply when it is covered by general taxation.

Illegal dumping occurs in every country and the cost of addressing it is covered by taxpayers. This is not a uniquely Irish problem, as detailed earlier in this submission. It is a criminal and social issue that the relevant authorities in all countries have to deal with.

Questions Requiring Written Responses:

There were a number of questions raised at the meeting of the Joint Oireachtas Committee on 9th July 2024 that require a written response, so we address those here.

Deputy Darren O'Rourke:

"How many of the 25 companies that collect household waste in Ireland are unionised?"

IWMA Response:

We surveyed our members, as detailed earlier and the results suggest that 6 member companies that collect household waste have employees that are union members. Three of these companies bargain with the unions to some extent. Some of our members have established Employee Representative Committees (ERCs) and these fulfil a similar role to the unions.

Our survey found that pay and conditions for unionised workforces in our sector are not better than pay and conditions in companies that do not engage with unions. So there should be no assumption that failure to collectively bargain with unions leads to inferior pay and conditions for workers. It is an employees' market, as Ireland has close to full employment, so pay and conditions have to be good in each waste company to attract and to maintain a strong workforce.

Senator Alice-Mary Higgins:

"Could we get written notes on the questions Senator Sherlock asked in terms of where there is not a service."

IWMA Response:

Household waste collection services are available throughout Ireland. There are a few isolated cases where a Refuse Collection Vehicle cannot access some houses due to physical infrastructure such as bridge restrictions (headroom, width or weight restrictions) or the adequacy of a road.

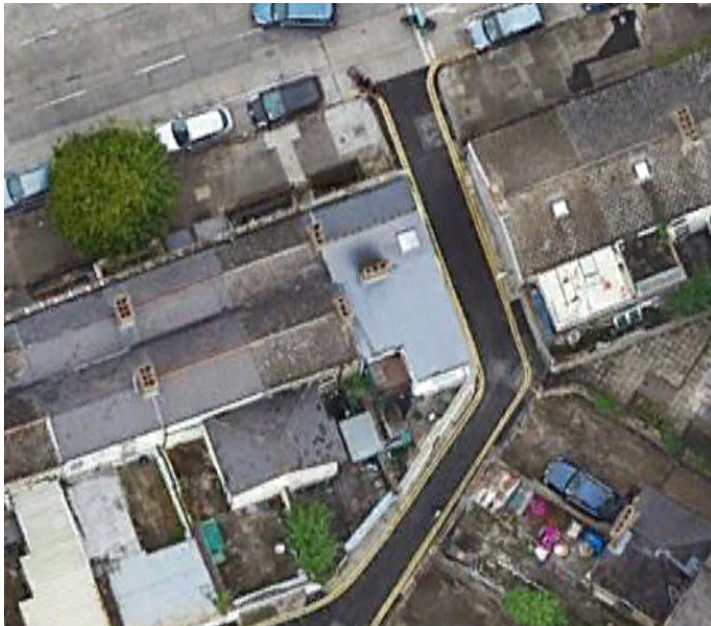
In the vast majority of cases where houses do not have a service, this is due to a decision made by the householder to manage their waste in an alternative way. CSO surveys, presented earlier in this document, have shown that most of those people manage their waste legally by using civic amenity sites or sharing a bin with a neighbour, relative or friend. We are also aware that some people bring waste to work.

A very small number of households manage their waste through illegal means such as illegal dumping and/or backyard burning. EPA latest data (for year 2021) suggests that unmanaged household waste is 25,700 tonnes per annum, which is 1.4% of household waste and 2.2% of kerbside household waste. IWMA members are providing customer datasets to the relevant local authorities to assist with enforcement of people that are managing their waste illegally.

We have contacted Senator Sherlock's office and sought details on the case that she raised. She informed us that the *"Residents in Frankfort Cottages, off Killarney Street in Dublin 1 tell me that they cannot get a bin company to collect from them."*

We visited Frankfort Cottages and found two pinch points that make it impossible for a standard Refuse Collection Vehicle (RCV) to access the houses at Frankfort Cottages and other houses in an adjacent road (Hewardine Terrace). The access lane from Killarney Street is just 2.56m wide, whereas a standard RCV is 2.6m wide. From wall to wall it is 3.1m wide, but standard RCVs are too long to manoeuvre around the bend. (see aerial photo below from Google Earth – Photo 1).

Photo 1: Narrow Laneway from Killarney Street to Frankfort Cottages



One of our members tried to access the area this week with a small RCV designed for smaller streets and could not manoeuvre around the bend in the access lane. So it is not currently feasible to access the area with a vehicle that can lift wheelie bins.

There is a second pinch point where cars, vans and motorbikes are parked leaving too little room for an RCV to pass. The double yellow lines are on just one side of this laneway.

Photo 2: Laneway into Frankfort Cottages with Parked Vehicles

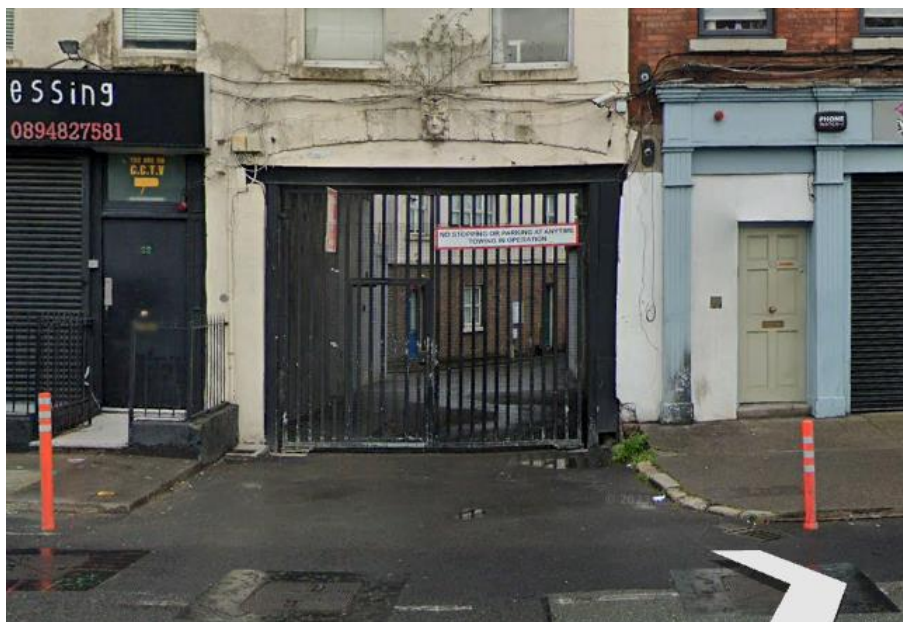


It is possible that bags of waste could be collected from all the houses using a smaller vehicle.

Alternatively, there is a gate in a covered passageway at the end of the lane close to the houses at Frankfort Cottages. It is locked for much of the time, but we understand that the residents can open it with a key or a fob. It may be possible to make arrangements where the residents of Frankfort Cottages can put wheelie bins outside that gate on Amiens Street on collection day. Similarly, the houses at Hewardine Terrace could place bins on Killarney Street or on Amiens Street on collection days.

The houses at Frankfort Cottages are visible through the gate on Amiens Street in the photo below.

Photo 3: Gateway from Frankfort Cottages to Amiens Street



Our members that collect in this area would be happy to engage with the local residents to find the best solution to this problem and we plan to engage further with Senator Sherlock, who can hopefully put us in touch with the residents of Frankfort Cottages or their local representatives.

Senator Alice-Mary Higgins:

"My question is on the decisions around how waste is collected if we have a situation whereby companies increase their charges because they are not profiting from the waste coming in and if there are persons who are not able to or are not choosing to access recycling for cost reasons. That is not a problem for households but it is a problem at local level. Rather than a household approach, are there times when a collective approach, for example, shared collections in terraces, might be better? Building waste is really important because it the key area of waste we have discussed. Where there is a large development, we know the waste can only be on site for six months. We are looking for measures for requiring for long-term storage of materials used in buildings so we make that a condition of waste management plans during the planning process."

An Cathaoirleach:

"There is a lot there and I will ask our guests to respond in writing perhaps to that additional question."

IWMA Response:

There are several questions in Senator Higgins' statement, so we provide a number of answers here.

Charges and Profits:

Companies increase their charges when their cost base increases and that applies across all sectors of the economy. In the last couple of years there have been increased costs in the waste sector associated with fuel, energy, labour, insurance, brown bin roll-out and Government levies, to name a few. Waste management companies try to minimise price increases as the market is competitive and is price-sensitive.

IWMA members re-invest profits in their businesses and the infrastructure that is used to manage Ireland's waste in an environmentally sound manner. Billions of euro of private sector investment has been spent on that infrastructure over the years and this has saved a lot of money for the Irish Government and for taxpayers.

Persons Not Accessing Recycling for Cost Reasons:

Our members provide a 3-bin system that financially incentivises recycling ahead of disposal and that system will be universal for houses and businesses this year. So the cost is lower for those that recycle more and dispose less. As mentioned earlier in this submission, the IWMA would support a voucher system arranged by the Department of Social Protection for those that cannot afford a waste collection service.

With regard to civic amenity sites, most recyclables are accepted free of charge, with some exceptions. Those sites are mostly owned by the local authorities, with some owned by private companies. The charges reflect the costs associated with managing the particular wastes and that is likely to remain the case unless these facilities are subsidised by the State in the future.

Shared Collections in Terraces Might be Better:

In our experience, communal bins lead to poorly sorted materials. This is very evident in apartment blocks. The IWMA is working with the relevant authorities to find ways to improve waste sorting at apartment complexes, but as things stand the recycling rate is very low in those complexes.

Construction Waste from Large Developments:

The IWMA has worked with the relevant State authorities in this area and we agree that the solution lies in planning conditions for these developments. There is generally a requirement for Construction & Demolition Waste Management Plans at such developments, but the enforcement of such planning conditions is not always consistent and not always effective. The developer submits the plans and complies with the planning condition, but the contractors and subcontractors do not always carry them out effectively and that non-compliance is not always enforced. Greater enforcement is needed in this area, with significant sanctions imposed for failure to manage the waste in accordance with the Construction & Demolition Waste Management Plans submitted for those developments.

We would be pleased to answer any further questions that the Committee Members might have on the Circular Economy and how it relates to waste management in Ireland.

Yours sincerely



Conor Walsh
IWMA Secretary

For and on behalf of the Irish Waste Management Association

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