

Scrap Metal Industry Legislation Amendments – 1 September 2024



Amendments to the *Scrap Metal Industry Act 2016* (the Act) and the *Scrap Metal Industry Regulation 2024* (the Regulation) commenced on 1 September 2024. This fact sheet outlines the key amendments.

- The fee to register a business of dealing in scrap metal has increased to \$260 and is payable every three years.
- The meaning of a ‘*scrap metal dealer*’ now includes a person carrying on a business of dealing in scrap metal, whether or not the business is registered under the Act.
- The definition of ‘*carrying on a business*’ for the purposes of dealing in scrap metal has been clarified and:
 - includes carrying on a business from any location, whether or not a scrap metal yard, including a motor vehicle or residential premises,
 - does not include carrying on a business as a collection point operator within the meaning of the *Waste Avoidance and Resource Recovery Act 2001* (Part 5) or under a licence within the meaning of the *Pawnbrokers and Second-hand Dealers Act 1996* to the extent the business involves dealing in gold or silver.
- There is now a rebuttable presumption that a person who deals in scrap metal on more than six days in a 12-month period is carrying on a business of dealing in scrap metal.
- Aluminium cans are now captured by the definition of scrap metal.
- The penalty for carrying on a business of dealing in scrap metal without that business being registered is increased to a maximum penalty of 500 penalty units (\$55,000 fine).
- The meaning of ‘*registration information*’ has been expanded to include the following information that must be provided when seeking registration of a scrap metal business, and any changes notified to the Commissioner of Police within 14 days of the change occurring:
 - If the dealer carries on the business from a scrap metal yard, the address of the scrap metal yard,
 - If the dealer carries on the business from a premises other than a scrap metal yard, the address of the premises,
 - If the dealer carries on the business from a motor vehicle, the registration number of the vehicle,
 - Whether the scrap metal dealer holds a licence within the meaning of the *Motor Dealers and Repairers Act 2013*, or the *Tow Truck Industry Act 1998*,
 - Whether an approval is required by another Act or law to use the notified scrap metal yards to carry on a business of dealing in scrap metal, and if so, whether the approval has been obtained,
- If the business is carried on by an individual or in partnership, for the individual or each individual in the partnership, primary identity information and certified copies of two acceptable identification documents, and for the manager of each scrap metal yard used by the dealer, primary identity information and certified copies of two acceptable identification documents. Primary identity information means the person’s name, and any previous names of the person, and the person’s date and place of birth.
- If the business is carried on by a corporation, primary identity information and certified copies of two acceptable identification documents for each officer of the corporation, and primary identity information and certified copies of two acceptable identification documents for the manager of each scrap metal yard used by the dealer. Primary identity information means the person’s name, and any previous names of the person, and the person’s date and place of birth.
- Acceptable identification documents include an Australian birth certificate and Australian driver licence. A full list of acceptable identification documents is in the Regulation and available on the NSW Police website.
- Existing scrap metal dealers are required to give the Commissioner of Police the additional registration information for the registered business carried on by the dealer by 1 December 2024. Failure to give the additional registration information by 1 December 2024 may result in suspension of the business registration.
- The Commissioner of Police may refuse, suspend or cancel registration if the scrap metal dealer, or an officer of the corporation has committed an offence against the Act or Regulation, or the Commissioner believes on reasonable grounds that the dealer or officer of the corporation is likely to commit an offence against the Act or Regulation.
- A business is not registered until the Commissioner issues the business with a certificate of registration.
- A scrap metal dealer is prohibited from advertising that the dealer will pay for scrap metal with cash, by cheque payable to cash, or in kind with goods and services.
- Penalties for buying or disposing of a motor vehicle if the unique identifier has been removed, obliterated, defaced or altered, and for failing to comply with a police officer’s order not to alter the form or dispose of scrap metal in the dealer’s possession, is increased to a maximum penalty of 500 penalty units (\$55,000 fine).

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- The penalty for carrying on a business of dealing in scrap metal that is not registered has increased to a maximum of 500 penalty units (\$55,000 fine).
- A scrap metal dealer who deals in scrap metal only from a motor vehicle must keep transaction records in the motor vehicle.
- The Local Court may, on the application of the Commissioner of Police, order that specified premises be closed on the basis of repeated non-compliance at or in connection with the premises.
- A police officer may stop and search a motor vehicle without a warrant for the purposes of determining whether there has been compliance with, or a contravention of, the Act or the Regulation if the officer reasonably believes the vehicle is being used for the purposes of carrying on a scrap metal business.
- The Commissioner may keep a register of information (a contraventions register), which may be published, about convictions for offences against the Act or the Regulation and penalty notices issued for alleged offences.

WHERE CAN I FIND MORE INFORMATION?

The information provided in this Fact Sheet is for general guidance only. Applicants and scrap metal dealers should familiarise themselves with the *Scrap Metal Industry Act 2016* and the *Scrap Metal Industry Regulation 2024*, which are available on the NSW Legislation website (www.legislation.nsw.gov.au).