



AGRICULTURE, RESOURCES AND ENVIRONMENT COMMITTEE

Members present:

Mr IP Rickuss MP (Chair)
Mr JN Costigan MP
Mr SV Cox MP
Mr S Knuth MP
Ms MA Maddern MP
Ms J Trad MP
Mr MJ Trout MP

Staff present:

Mr R Hansen (Research Director)
Mr M Gorringe (Principal Research Officer)

**INQUIRY INTO THE WASTE REDUCTION AND RECYCLING AND
OTHER LEGISLATION AMENDMENT BILL 2012**

TRANSCRIPT OF PROCEEDINGS

WEDNESDAY, 13 FEBRUARY 2013

Brisbane

Committee met at 11.39 am

HUGHES, Ms Kylie, Manager, Waste Policy and Legislation, Department of Environment and Heritage Protection

NICHOLS, Ms Elisa, Executive Director, Reform and Innovation, Department of Environment and Heritage Protection

CHAIR: I declare open this meeting of the Agricultural, Resources and Environment Committee. I acknowledge the traditional owners of the land on which the meeting is taking place. I am Ian Rickuss, the chair of the committee. The other members here are Jason Costigan, Sam Cox, Shane Knuth, Anne Maddern and Michael Trout. Please note that these proceedings are being broadcast live by the parliamentary website.

The purpose of this meeting of the committee is to examine the Waste Reduction and Recycling and Other Legislation Amendment Bill 2012. The bill was introduced by the Minister for Environment and Heritage Protection, the Hon. Andrew Powell, and subsequently referred to the committee on 13 November 2012 for examination, with a reporting deadline of 21 February 2013. We hope that the briefing today will give everyone a better understanding of the provisions of the bill.

The briefing today will be provided by Elisa Nichols and Kylie Hughes from the Department of Environment and Heritage Protection. These officers have given their time to provide us with factual information. They are not here to give opinions about the merits or otherwise of the policy behind the bill or alternative approaches. Any questions about the policy of the government that the bill seeks to implement should be directed in the first instance to the minister, not these officers. Before we start, please ensure that all phones are switched off. Elisa, would you like to start with a brief summary?

Ms Nichols: Thank you, Mr Chair. I have a very short opening statement and then I will just turn straight to questions. The Waste Reduction and Recycling and Other Legislation Amendment Bill, which I am going to call WRROLA because it is a big mouthful, amends the Waste Reduction and Recycling Act, the Environmental Protection (Greentape Reduction) and Other Legislation Amendment Act and the Coastal Protection and Management Act. The majority of the bill is about repealing the waste levy. As you are well aware, the Queensland government came into this term of government with a clear election commitment to repeal the waste levy that commenced in December 2011, in order to reduce the administrative and financial burden on Queensland businesses. This was effectively achieved by an amendment to the regulation, which provided a nil levy rate on all waste effective from 1 July 2012. So this bill effectively completes that repeal.

As I said, the main amendments are around the levy, so the bill removes the head of power to introduce a levy and all the provisions associated with the administration of the levy, like exemptions, calculation, remittance and also the establishment of the waste and environment fund, which was there to take the moneys received from the levy. It also changes a requirement for waste disposal sites to have weighbridges. Smaller sites from 5,000 to 10,000 tonnes are no longer required by legislation to install one. It removes the requirement for a waste disposal site operator to use a particular way of measuring waste that is delivered to the site if it does not have a weighbridge, because those measurement things related, again, to the calculation of the levy. It removes the requirements for government owned corporations to prepare and report on waste reduction and recycling lands. There are also some other amendments to existing provisions that are remaining within the Waste Reduction and Recycling Act. This includes extending the date by which a waste disposal site over 10,000 tonnes—so the larger ones—must install a weighbridge. That has been extended to 1 December this year.

There is a change to the prescribed period for data reporting, which was monthly for sites that were required to pay the levy, and extending the time by which state and local governments and other planning entities are required to prepare their waste reduction and recycling plans, so that time frames and the prescribed periods for data reporting will be prescribed by regulation after consultation with industry. There are transitional provisions that will allow compliance action to be taken, if necessary, for offences under the repeal provisions, such as levy evasion and failure to keep the relevant documents. We do not anticipate that it will be necessary to use those based on the amount of compliance to date, but they are there as a safeguard. We did consult with local governments and affected waste industry on the proposed amendments and sought feedback on the amendments likely to have the most impact, so that included the removal of the requirement for

the smaller landfill sites to install a weighbridge. We will also be undertaking further consultation, particularly in relation to the time periods for data and when it would be best for data to be required to be provided to the department.

There are some other minor amendments being carried in this bill to the Coastal Protection and Management Act and the green tape reduction act. The amendment to the coastal act is a green tape reduction type amendment and it allows for the development of self-assessable codes. This will enable us to allow low-risk activities to go through a self-assessable framework, rather than having to get a development approval every single time they do something. We are currently working with the Department of Transport and Main Roads, which undertakes a lot of minor marine development, for example for boat ramps. There will be a code in place once these amendments go through that will enable it to do those sorts of amendments in accordance with the code, rather than getting approval every single time.

The bill also amends the definition of 'tidal works', which is in part to reflect these changes in relation to codes. The definition of 'tidal works' is to include reclamation of land and there is an amendment to preserve the right and use and occupy state coastal land when carrying out self-assessable development except where the tidal works are the reclamation of land.

There are a few amendments to the green tape reduction act, which is due to commence on 31 March. A lot of them are minor procedural drafting type amendments that have come up during the implementation and just make it easier to read and understand and implement, but there are a couple of more significant amendments that came up during the implementation. The main one relates to allowing a holder of an environmental authority to apply for a suspension of their environmental authority, providing there are no ongoing management issues with the activity.

So that is to reflect the current situation where an operator can suspend—give up their registration certificate—but still maintain their development conditions and then come back into operation. It is mostly used in the intensive agriculture sector, because some businesses operate only for certain periods of time when the prices are right and if the prices get very low they may not operate an intensive facility; they may just have an extensive, normal sort of cattle facility. So it is that sort of thing. So all that is intended to do is to maintain the status quo when that can happen.

The other major one is providing a transitional provision to ensure that some existing codes of environmental compliance will continue to have effect until they are remade under the new standard condition type of arrangements. So that is the bill in a nutshell and I am happy to take any questions.

CHAIR: Would you like to say anything, Kylie, or are you happy with that summation?

Ms Hughes: No.

Mr TROUT: Operators of landfill are still saying that there is the overregulation. You have taken away the levy. However, they are still required to weigh, record and survey their landfill areas. Is there going to be any more reduction in the red tape or the paperwork that is required? They are saying that a metre is a metre. You have a truck that comes in. It is a 10-metre truck. Why do you want to know the weight of the truck when it is only going to take 10 metres up in that landfill hole? They are asking why they cannot just do a survey once a year and forget all of this paperwork. What do you do with all the paperwork that comes in anyway and what use is it?

Ms Nichols: I have not heard that particular comment. Most of our waste industry stakeholders are very supportive of weighing and recording data and providing data, because that data, which is being fed back to the industry and which will be increasingly done so under the development of the data project—which I can talk about a little bit—helps industry to look for commercial opportunities in recycling and reduction. However, this bill does look at changing the time frames, which were a monthly reporting requirement on people who were required to pay the levy. So we are looking at reducing those time frames to a broader time. I do not know exactly what that will be yet. We will do that in consultation with industry and local governments that manage landfills.

Also, some of the provisions, like the requirement to take volumetric surveys, have been omitted as part of that bill. So some of those additional provisions are going as well. There are a number of things in here that will be removed. But it is important for us to know what is going into landfill and what the waste profile of Queensland is, both in terms of managing waste and also enabling the industry to develop commercial opportunities in relation to that.

CHAIR: Just as a supplementary to that question, is there any need for volumetric and weight measures? Like you say, most landfills are volume and then, of course, if you are dumping cement, it is going to weigh a lot heavier than if you are dumping something else. What minutiae do you need of that sort of refill and recycling that is being done. Has that been looked at?

Ms Hughes: The reason the volumetric surveys were there originally was so that we could get a bit more of a validation for the levy payments. That was a volumetric survey of their airspace so that we could determine how much they disposed. As the levy has been removed, that is no longer required, but the weight measure as it is coming across the weighbridges are required for our data reporting. All of our data reporting is done in tonnes. So even if something comes in as a volume in cubic metres in a truck, it gets converted to tonnes. So there is a bit of difference in the measure of the cubic meterage in the landfill as the opposed to what is coming across the weighbridge.

CHAIR: Do you think Mother Earth will worry about the weight of it, though, that is dumped in there? What is the relevance of the weight?

Ms Hughes: It is a consistent measure across all of the states and for national reporting as well. People understand a tonne better than a cubic metre.

CHAIR: Thank you.

Mr COX: Is there some way for people to continue to give feedback? We are reforming this now—we are amending it. As you said, the cubic metre measurement was there because of the way the levy was collected. Local governments look after landfills. From the big industry end of town to the smaller operator—it could be a tradesman—is there some form that is sitting there now that they can continue to give feedback on so that as we go forward if there is further review needed everyone can have their input to it?

Ms Nichols: Yes. As I mentioned earlier, we are doing further consultation on the reporting and in particular on data. One of our projects at the moment is to improve our online data collection ability. We will be establishing a data working group that will look at how we collect data, what data we collect, what gaps are there and do we need additional data. That could include looking at information like whether the data should be collected in a different format. So that is going to be an ongoing process over the coming months.

Mr COX: It is important that all stakeholders—or contributors in this case—to the waste that is going into landfills gets their input. A bulk trucking company delivering lots and lots of bulk stuff to a council landfill versus the smaller person have different issues on how they want their information collected.

Ms Nichols: For the people who are delivering waste, the reporting obligations are not on them; the reporting obligations are on the operators of the landfill—the waste industry and local government. So they are the ones who need to be able to tell us. So it is really the ones whose issues are most important in that space.

Mr COX: Okay. That is good. So someone should be dealing with those people who run these landfills to make sure they are—

Ms Nichols: We do.

Mr COX: Getting these. That is what I am asking.

Ms Nichols: I am sure Mr Ralph, who is here, will tell you how often we deal with him.

Mr COX: No, just so that is publicly said that that is what is happening, that is all.

Ms Nichols: Yes, definitely.

Mrs MADDERN: There are two questions, but the obvious one is with no levy on waste, how do we stop it in coming, from, say, New South Wales? I understand that will be effective only up to a certain distance within Queensland, because they are not going to truck it up to North Queensland. Is there some mechanism to ensure that the waste coming in is generated within our local community rather than being fobbed off on us by somebody else?

Ms Nichols: There has never been a barrier to waste coming in from New South Wales and also to Queensland exporting waste. There are a number of circumstances where that is the best environmental outcome. For example, Queensland takes certain types of waste because we have the best treatment facility and it makes those hazardous wastes inert. So we do not want to create a complete barrier. We do not have good data about how much of the non-hazardous waste that is coming up and that is what the media has been about. That is one of the things that we are going to

be looking at through this data project—how to gather some evidence about whether there is massively increasing loads coming through so that, if there is, we can put in place some policy measures to deal with that.

We are also doing that work in collaboration with the New South Wales government. Similarly, they do not have any data that verifies some of the claims that have been made in the media. So we are looking at how we can do that and what measures we can put in place to address that if it does turn out to be a problem. So it is definitely on our radar and it is definitely a key element of our data project.

Mrs MADDERN: The second question is probably a fairly obvious one. If there is no levy, how do you encourage people to manage waste as opposed to just taking it and dumping it? How are we going to go about getting them to think about what they are doing and to see whether there is an alternative use for the waste rather than dumping?

Ms Nichols: The government is in the process of developing a new waste strategy. As part of that strategy we are going to be looking at as many different innovative ideas as possible to drive recovery and recycling behaviour, because that is still the ultimate goal of the government in the absence of a price signal. So there are some other tools under the act which we are exploring the use of. For example, there is landfill ban provisions. For example, we could consider banning something like e-waste from going to landfill, because there are big recycling programs in place to deal with that. So we will be doing that in consultation with industry.

As you know, it is an industry-driven strategy and we have a steering committee meeting next week, in fact. We have already had a few forums on that. Our steering committee has representatives from the waste industry, local government, big waste generators, for example, the mining industry, tourism, business, and also community representatives of the Queensland Conservation Council, Keep Australia Beautiful and academia. So it is a broad range of stakeholders on that steering group to help develop a new strategy. We definitely will be looking at a suite of both regulatory and non-regulatory policy tools to help encourage that recycling and recovery of waste.

Mrs MADDERN: Yes. I think you have just answered my last question—how is it going to be implemented. You have obviously regular and non-regulatory. Thank you.

Mr COSTIGAN: The bill amends the Coastal Protection and Management Act providing for self-assessable codes under the Sustainable Planning Act. Could you advise the committee how these self-assessable codes will work in practice and what efficiencies may be achieved?

Ms Nichols: With the self-assessable code under the planning scheme, you work out the performance objectives that have to be achieved when undertaking a certain type of activity. So the activity will be well defined and how they have to be carried out will also be well defined. Once that is in place the operator will not need a development approval anymore and will be able to carry out that activity.

Some of the examples I gave you before include things like the maintenance of boat ramps that Queensland Transport undertake—pylons, jetty maintenance; that sort of thing. Generally, it is only appropriate for the lower-risk activities. We would not normally have a self-assessable code in place for the higher-risk activities, which would still require site-specific assessment.

Mr COSTIGAN: What would you perhaps throw up as an example of higher risk?

Ms Nichols: Like major dredging activity in the coastal zone.

Mr COSTIGAN: Okay. You talk about tidal works and the definition to include reclamation. I know in my home town of Mackay—East Mackay—so much of it is under reclaimed land. Could you advise the committee of the intended effect of the new definition, please?

Ms Nichols: Yes, I will just flick to a page to refer to that. Sorry, I cannot quite find it, so I will take that one on notice.

Mr COSTIGAN: That will be fine. Thank you very much.

Mr TROUT: Yes, landfill properties are having trouble. They might have a property that is 400 acres. They are having a terrible job to try to develop the next part of their land. Strategic cropping land is in their way. There are just so many different bits of legislation or regulations. We have to think 10, 20 years down the track, particularly with cities like Cairns. We will run out of landfill areas and we are going to have a massive issue with the proposal of having more landfill areas available.

Ms Nichols: Yes. That exact issue has been raised by the stakeholders as part of the development of the new strategy. I anticipate that is something that will continue to be pushed—looking at mechanisms on how to achieve that. There is a balance that has to be struck between finding sites for waste and dealing with community concerns around waste. So we will be looking at what mechanisms can be put in place to facilitate strategic and planned access to landfill.

Mr TROUT: Yes. I urge you to look at the strategic cropping land legislation, because it is being utilised in the wrong way. It is to protect prime agricultural land. We have areas that trigger strategic cropping land. That is the biggest hurdle in any development in the Far North.

CHAIR: All right. You might raise that with the minister, Michael. That is more a ministerial issue.

Ms TRAD: In relation to the waste data collection project, my recollection was that this was started under the previous waste levy process. Is that right?

Ms Nichols: Yes.

Ms TRAD: Has any additional money been allocated to this project?

Ms Nichols: Yes. There is a small amount of additional funding to transform the Queensland waste online system into a data collection system, and that will enable us to roll out to other facilities in Queensland. So it was focused very much on the waste levy zone.

Ms TRAD: Is there an online process still?

Ms Nichols: Yes.

Ms TRAD: It is an online process.

Ms Nichols: Yes. So the people who were previously subject to the levy are still reporting via the online process, whereas other facilities report via a spreadsheet that is manually sent out and filled out. Our goal is to have all facilities reporting via the online system so that we can enable good reporting and for reports to be published and generated on our website.

Ms TRAD: Excellent. And how much was the additional funding that was allocated to the data collection project?

Ms Nichols: I cannot recall the exact amount. It is \$500,000 to \$600,000 for the capital expenditure.

Ms TRAD: Thanks very much.

CHAIR: Thank you, Elisa and Kylie. We will begin the public hearing now. I am sure you will be interested to see what comes out of the public hearing. We will get you back to answer a few questions.

RALPH, Mr Rick, Chief Executive Officer, Waste, Recycling Industry Association (Queensland)

CHAIR: I would like to welcome Rick Ralph, the Chief Executive Officer of the Waste, Recycling Industry Association (Queensland). Thanks very much for making yourself available this morning to talk to us. I invite you to make a brief opening statement.

Mr Ralph: Thank you for the opportunity to address the committee. My name is Rick Ralph. I am the Chief Executive Officer of the Queensland Waste, Recycling Industry Association. The industry was formerly known as the Waste Contractors and Recyclers Association. So all our statements and documents that we have submitted regarding the levy are public information. I presented to the previous committee on the fundamentally flawed process of the last levy process. In terms of everything that I gave the committee at that time, within three months of the introduction of the levy, 110 per cent of everything that we tabled and everything that we said would happen did happen. We have always advocated that the fundamentals of the industry and the regulatory framework had to be right before you start playing around with levies. So I think what the government has done at the moment to repeal the levy in its current form is probably the appropriate thing to do.

It does not go far enough in terms of overhauling the regulatory framework for our industry. We still have a very outdated framework. We are living in an environment of the old 118 waste regulations or health regulations. As a result of some of the perverse activities we now have happening in the market, we have always advocated for a fundamental overhaul of the regulatory framework, not just playing around the edges. And this sort of activity is still playing around the edges.

We do not agree with a number of facts in response to the WRR legislation that is in front of the government at the moment, particularly with regard to the data on the weighbridge issue. We think that is a fundamental problem, taking away the 5,000-tonne threshold on the landfills. We also believe that the fact that you have now grouped in reporting identities without any system boundaries around that could have severe commercial implications to the industry. It now devolves back to a framework within the regulation that has no system boundaries around it, so by default my association could be dragged in just on the whim of an officer of the department to say, 'We now declare you as a reporting entity,' and we have no guidelines or protection on the data that we provide.

We also do not believe that the removal of the requirement to have a business plan by the department as part of the exercise is correct either. That now enables us to have a waste strategy but the department has no formal process in which to report against the performance strategy back to the minister and other areas. That clause and the objects of the act should remain so it requires everybody else who has to have a business plan to report on it. Why shouldn't the department report on it? I am quite happy to answer questions on the data and interstate waste movement.

CHAIR: Thanks very much for that brief but very concise summary, Rick. What are your real concerns about the weighbridge data that you have raised?

Mr Ralph: It is interesting that you were talking about the data et cetera. I would like to formally table some photos to put it into perspective for the committee. These photos were taken within the levy area. The removal of weighbridges affects the levy area councils—34 or 35 councils. We need data. We need accurate data. If you take away the requirement of a particular number of facilities with lower thresholds to report that data, then what you are doing is letting those councils take their eye off the ball in how they manage the waste. There are three facilities here which I will table photos of. The first photo is of one facility in southern Queensland. The other two photos are of landfill facilities. These landfills are within that 5,000-tonne range. By leaving the 5,000 tonne threshold there, you would force local government to look at the business case of whether or not they have to invest the capital investment and what they need to do with that facility et cetera. That would force the council to improve its ability to manage its waste more effectively. It would improve the environment because you would find that some of the councils would close landfills down and make temporary transfer stations.

CHAIR: Are any of these in major local government areas around South-East Queensland?

Mr Ralph: Those photos that were taken in local government areas in South-East Queensland are in the levy zone areas.

CHAIR: But are they major areas?

Mr Ralph: No. They are not the majors, no.

CHAIR: They are not the Brisbane City Council.

Mr Ralph: No. You would never see a facility like that in Brisbane. They are regional and that is exactly where this 5,000-tonne threshold is targeted, within the regions. So what you have done is taken away a mechanism for council to actually say, 'No. Leave it at 5,000 tonnes,' and that would force the council to say, 'Do we need to keep the landfill open? How do we make it more efficient? How do we get the data for that?' Taking away the 5,000-tonne threshold means that all of these little landfills are going to continue to operate like that.

CHAIR: So you feel that some of those smaller landfills controlled by smaller councils have poor business practices?

Mr Ralph: Absolutely. In fact, in terms of performance, you would never see from an industry the way the industry is regulated by the department. We would never get away with that. Those photos are proof of how flawed the idea of a landfill levy concept was because what you did not address was the fact that two of those facilities do not even have a gate fee. So all of a sudden you would charge them \$35 a tonne when there was previously no gate fee. That was never going to change the culture. We need to get the absolute fundamentals right for this industry so that we get full cost pricing in landfill, we get local government fully costing it and we then get them competing equitably against the private sector. Then you can talk about mechanisms that might actually work in changing community culture. The way it was designed and the way it is at the moment is not going to change anything. Removing the requirement on capturing data now is actually putting us in a worse position.

CHAIR: Do you think volumetric data work for those smaller facilities or not?

Mr Ralph: By requiring the smaller ones to put in a weighbridge you are requiring them to do a business case of whether they spend the money. If they do not spend the money, then they would close it and they would put in a more efficient system to remove it to a facility which then could measure that weight. So by default you could get more accurate weight.

Mr TROUT: Rick, are you saying that local councils are not operating under the same legislation as private large operators?

Mr Ralph: That is exactly what I am saying.

Mr TROUT: Unbelievable.

Mr Ralph: We have a case—and the government is well aware of it and the department is well aware of it; and it is hooked up in the EP regulations— on the Sunshine Coast at the moment whereby we have proven that they have a commercial advantage, a competitive advantage. We have had the QCA report find a finding of it. We have the ACCC saying that under the act they cannot—because there are clauses in the act which preclude them from being held accountable under competitive neutrality principles. That council has gone to tender and has expanded its anticompetitive activity as a result of the environment to our business. So, yes, we have case upon case. The industry has financial assurances on landfills. They are not equitable. They are not calculated on any science, and there is not a single local authority who operates a commercial business with those same commercial activities. So, to answer your question, is it an unfair playing field? Absolutely.

Mr TROUT: Rick, are you proposing that there should be weighbridges and more regulation to ensure best practice across the whole of Queensland or are you saying that we do not need as much regulation because the private sector is doing that and it is just about getting the local councils to lift their game?

Mr Ralph: It is not about regulation; it is about getting the right regulation. You have to have good regulation to remove regulation. We do not have good regulation, so by removing some of the regulatory framework that we have at the moment is not going to help it. What we are saying is that the industry—and I support and endorse the department's view about capturing data—is absolutely committed to giving you that data. We can give you the data. We have it on the weighbridges. We operate business systems. We collect it. I can tell you now how many tonnes are coming over the weighbridges at interstate movements. The industry can report that. But that there is no requirement for us to do that. So why would we do it and report it when we do not know necessarily how that information is going to be used commercially? So we have to put the right framework around it so that the data is protected and it is insured from commercial sensitivity, because it is commercial, but then do it on that basis.

CHAIR: Just on that, have you got a ballpark figure of what is coming over the border?

Mr Ralph: There has been an increase in waste coming over the border. For years we have always taken it from northern New South Wales. That has happened forever. In terms of the additional waste that is coming in, the biggest volume is actually residual waste from the shredder operators in New South Wales. That is in keeping with the high Australian dollar and the commercial reality at the moment. But that is actually keeping them competitive. With regard to the interstate waste movements, we would put on the table that we do not stop mangoes from Bowen going to Victoria. We do not stop milk coming into Queensland. We do not stop eggs coming in. We do not stop bricks coming in. If it is a commercial opportunity and it is going to a sound environmental facility, why not? Why should waste be treated any differently? It is residual. It is not high-quality material and it is going to very, very sound world-class facilities.

CHAIR: I think there is something in the Constitution about that.

Mr Ralph: That is correct.

Mr COX: Should there be incentives rather than penalties? You are saying that some do not have weighbridges now and they are not collecting data, such as those facilities in the photos. Should there be some incentive for those who do show best practice—and I include in that those who collect data and those who do not? I guess that is the simplest way I can put it without getting into the complexities of it.

Mr Ralph: Yes, absolutely. From the private sector's point of view, financial assurances are classic. We have facilities that have tens of millions of dollars worth of financial assurances back against them, but that is a cost to our business. If you are being audited and you are performing and you are doing well, why not have a mechanism by which you reduce that financial assurance on an annual basis as part of your audit mechanism? And if you are not performing, go the other way. That is a simple way of regulating.

Mr COX: And it is really at no cost to anyone. It is a reduction in cost to the people who are doing the right thing, isn't it?

Mr Ralph: Absolutely. I think the reality is that we understand that there are some challenges, and the mining sector and the resources sector have placed some enormous challenges in respect of landfill in the regions. What we have always said—and the discussion on the levy involved about 34 councils—is that we need a macro solution to a state-wide problem. Historically, because we have so many little facilities and because there has never been a requirement to really have a look at the efficiency of those little facilities, communities need to be serviced by waste management but not every facility needs to have a landfill. If we have more efficiencies and we have rationalisation, we would get a reduction in costs overall in the system. But until that focus is taken care of nothing will change.

Ms TRAD: So you are not necessarily opposed to a waste levy. What you want is a strong regulatory foundation that makes a levy better in terms of its operation and reach?

Mr Ralph: I do not want to have a discussion about the levy until such time as we have the regulatory framework and the operating environment right. If we get that framework right, if we get the strategy of what we need to achieve right, then we can talk about how we fund and deliver that strategy. But I am not going to have a conversation about the levy until we fix, finally and formally, the structural issues that we need in this state.

Ms TRAD: Thanks, Mr Ralph, I was responding to your opening remarks in relation to the levy. In relation to the regulatory framework, is there another state in Australia that you think has got it right where Queensland has got it wrong or is there an international example of a waste industry that is not only well supported by governments through their regulatory framework but also in terms of really incentivising people to engage in the recycling business?

Mr Ralph: Thank you for that question. Yes, there are models. The model that we think is working very, very effectively is actually in the UK. On 12 and 13 June the industry is, with support from the Queensland government, Minister Powell and Brisbane City Council, holding an international business symposium focused on waste and secondary resources. I am pleased to say that the keynote speaker will be the head of the UK environment agency, Mr Paul Leinster. He has confirmed he is coming out. We are bringing other international speakers out. Yes, there are models. First and foremost in Queensland, we have to have the ability that if you start up without a licence you are shut down immediately. At the moment, it is easy to operate. You can start up and get going and continue to operate easy whilst if you do the right thing it takes years to get going. That is the first step. We need to shut illegal operators down.

CHAIR: It is pretty easy to ask for forgiveness later, is it?

Mr Ralph: It is too easy. We have unlicensed operators that we have reported to state and local government for years—they are operating against the private sector—and they are still operating today.

Mr TROUT: I asked a question to the department before about landfill properties wanting to expand. Have you got members across Queensland who are facing these issues or is this more of a North Queensland issue?

Mr Ralph: I think the encroachment issue is a huge issue to the landfill facilities. One of the things about having a waste strategy and a discussion about levies is that there can be pluses and minuses. The fact that we are talking about waste can only be a positive because then it gets the focus onto the community. I am aware of the facility that you are referring to where you have protection for the coastal strategic cropping land. It is a problem. There is no question. Encroachment is a huge issue. Once we pick a bin up and flick it into the truck it is out of sight out of mind. I think communities need to understand that they have as much a role to play in this and if we did not have these world-class facilities we would be back to the old health issues we had.

The ongoing encroachment issue is a massive issue. Fortunately, the department has got it right in many respects in that area. I am pleased to say that is the case in terms of the work that Elisa and others did last year with respect to actually zoning and getting some of those things right. We are moving in the right direction. There is no question about that, but there are probably still some pressure points in the state that have some problems and tragically, sir, I think you are caught up in that.

Mrs MADDERN: I attended a meeting at a community forum just after the floods. Our local councillor is actually 'closing down' their little tips around the place. The issue is about getting bins to the waste transfer station. My question to you is how do you answer the citizen who is sitting there and saying, 'Up your nose, I'm not taking my waste 10 kilometres down the road to a waste transfer station. I'm going to dump it in the creek which is just down the back.' That was effectively the attitude of 100 people at that community forum. I am sorry, it is not a nice question.

Mr Ralph: The problem is that because we do not talk about waste there is an expectation that it is your problem. I think we need to start to showing the community some of these landfills that are not operating efficiently, that are costing local government a hell of a lot of money, and tell them that there is a smarter way of doing this. I am happy from an industry perspective. I have faced those sorts of questions. As elected folk, I know exactly where you are coming from. The reality is that it is a tough one. As a society, there is as much onus on society being part of the solution as there is on it being part of the problem.

At the moment, I think technically councils do not have full cost pricing so the true cost of waste management is not reflected in their rates and their charges. If we had better cost management and better cost pricing of the cost of waste management then the community would sit up and say 'Hang on, how do we reduce that the cost?' At the moment when you have facilities that are charging \$10, \$15, \$20 or \$30 a tonne, or even in some cases nothing, how are you going to change community culture? You never will. Change the figures to what they should be.

The facilities in South-East Queensland—the most modern facilities in the state—are charging over \$100 a tonne. They have liners, they have compliance, they have all sorts of things. You have facilities which I have just shown you in those photographs that have nothing. How do you change the community's attitude to that? You have to show them the true cost.

Mr COX: From the point of view of the bigger picture, what I hear you saying is that we need a complete cultural change when it comes to rubbish. Some 30 or 40 years ago there were landfills and we would not be talking about any of this because we had ample space. It also depended on whether we were talking about regional or metropolitan areas. Then we went to recycling and everyone thought they were putting their bit in and helping. Then we hear reports that nothing gets recycled and in some cases it just goes to the dump anyway. I am not saying that that is what happens.

Do you think that, on the back of this, we also need to look at the bigger picture and make the public more aware that this is a problem that is only going to get worse and worse and that recycling is not the answer—it was not the silver bullet? Our bins are getting fuller. We are a consumer society. Do you think that when it comes to the bigger picture the government and the department should have a role in telling people that the old thinking of 'what you can't see won't hurt you' or 'sweep it under the carpet'—whatever term you want to use—is no longer a situation we can find ourselves in?

Mr Ralph: We have some very clever solutions to waste management currently in Queensland. The community would not be aware of it because industry is very good at what it does. It gets on and does it. I use the example of the floods. We have been facilitating a lot of the flood clean-up as we did in Brisbane in 2011. There is the mindset of throwing everything out. We have bikes and swings and things like that being thrown out. The mindset is to throw it away because insurance will cover it. We have a huge issue with mattresses. We have all sorts of issues with drugs and pharmaceuticals and other bits and pieces.

We tend to just throw things away. We do not tend to think that we might be able to do something a little bit differently. One way forward—and this is what the industry is doing with the strategy and symposium in June—is to have some Queensland awards for innovation and remanufacturing et cetera to take exactly that approach and start communicating about it. I think if the community understood what is available for them in Queensland they would actually then start to support it.

We are so reliant on an export market for our recyclables that Queensland recycling is in very great jeopardy should China hit their 70 per cent internal recycling rate. We will not have any markets. We need to start developing markets and creating jobs in Queensland. We need to put the focus on Queensland which then puts the focus on the community to start talking about, 'Let's look after our own backyard first.' Yes, we need to have a fundamental conversation.

We have to start talking about ways to convert waste to energy. Let us talk about it. Let us talk about using a residual waste stream as we do globally to co-fire our air conditioners, for instance. It does not have to be heat. I can show you facilities in the world where you can breathe over the top of the stack and the air coming out of it is cleaner than the air on the ground. Let us not shy away from the issues. Let us have a mature debate and put it out there. I agree.

CHAIR: Thank you, Rick. I think you have covered a full range of issues. May I encourage you as a group to think about going into the high schools to tell them what is happening. That is where change can start to be effective. That is my view; it is not the committee's view. I have a couple of really big recyclers—the Veolia and Wanless plants—in my area. They do a wonderful job. One is running a power station.

Mr Ralph: Thank you. In closing, to put it in perspective, the Queensland waste management and recycling industry assets, either managed or owned outright in this state, about 18 months ago were worth in excess of \$2 billion. The industry contributes in excess of \$1 billion annually to the Queensland economy. We employ over 6,500 people. We handle, manage and process in excess of seven million tonnes of waste. We will already have a recycling rate in this state of about 48 per cent. We have not got it all that wrong. We can do better, but we have to get the fundamentals right. Until we get the fundamentals right, sadly we are not going to get forward. Thank you, Mr Chair and committee.

PETERSEN, Mr Andrew, Chief Executive Officer, Sustainable Business Australia

CHAIR: I welcome Mr Andrew Petersen from Sustainable Business Australia. I did happen to notice that you are from New South Wales. We will not give you too hard a time. I invite you to make an opening statement on some of the issues that you feel are relevant to your industry and then we will ask some questions.

Mr Petersen: Thank you, Mr Chair and committee, for the opportunity to speak with you this morning. For those of you who are not aware, SBA is a 20-year-old peak body, business association, in Australia representing what we consider to be the best of business in terms of sustainability, both advocating it and also looking for best policy and practice in relation to it in Australia through policy, markets, technology, finance or the opportunity for trade. I will take the opportunity to make a short opening statement and then I am happy to take some questions.

There are two particular points that SBA wishes to make in relation to the proposed amendment to the legislation. The first is that SBA has and always will continue to support the implementation of a nationally consistent and cost-effective approach to waste management which does not impose a regulatory compliance burden on industry. The second is that we believe that a waste policy framework is absolutely critical in Australia, and particularly for Queensland at this opportune time, and actually facilitates the development of a flexible, tailored policy setting that is underpinned by a very clear cost-benefit approach and an informed waste hierarchy. To that end we think that this government could actually invest in a more efficient and less onerous consultation process that would take the opportunity of putting within its own regulations the ability to process its issues of monitoring and reporting on quality of consultation so that issue does not come up again.

In relation to the issue of the landfill levy, which is a key point of the amendment to the legislation, we believe there are five points to make. Firstly, there does need to be an ongoing role for landfill in a holistic waste management strategy. Secondly, a waste levy can be an effective waste minimisation incentive to drive resource efficiency. Thirdly, we believe that—and I do not think it has been adequately tested within Queensland in particular as yet—it can have a net positive impact upon employment in the waste management industry. There is data over the last few years that indicates that alternative waste management is actually a greater job creator than landfill. Fourthly, a landfill levy should continue to be part of a policy framework as an effective tool for making a community's preference alive to the alternatives of landfill. Finally, any revenue generated from a waste levy could and should be directed towards the provision to businesses of technical advice and support in reducing their waste from the step of product design through to and including the identification of recycling and other re-use opportunities.

To that extent, SBA suggests a few government actions. The first is that we believe that you can work with business and the community groups to identify effective waste minimisation opportunities across the supply chain within Queensland that can drive resource efficiency and make effective financial savings. Secondly, working with industries, such as SBA and others, and local government to develop cost-effective recycling collection services for small and medium enterprises. Thirdly, the sharing of what we have learnt from other previous waste reduction and resource efficiency programs in other jurisdictions by business, we believe, is critical, and I echo the comments of Mr Ralph earlier. Fourthly, we must investigate the opportunities to reduce government service delivery costs by maximising resource recovery and using resources more efficiently. Finally, that the role of product design, whilst it is not necessarily a state issue alone, in relation to waste avoidance strategies could include a consideration of the impact upon waste on other government policies and regulation.

Secondly, in relation to the broader issue of infrastructure and planning and land use change, SBA believes two things. Firstly, the planning laws frequently—and I have heard this comment from some of the committee this morning—make it very difficult or impossible to establish any form of modern landfill or advanced resource recovery facility. The whole-of-life cost to the community and the environment must be considered in the development of waste policies and frameworks in this state. Secondly—and this is one that I do not think has yet been raised but I think is important—in the development of new industrial developments, the issue of considering the holistic approach to the management of solid and liquid waste in situ is absolutely critical.

To that extent, we recommend and propose the following five points of strategy around infrastructure and planning land use. Firstly, reduce the frequency of business regulatory requirements to a minimum, and we have already made comments in relation to that. Secondly, the establishment of reliable electronic and web based regulatory reporting for businesses can and does work. Third, to minimise the required number of approvals that are needed for projects and to

execute approval processes concurrently. I am happy to make some comments in relation to streamlining. Integrating wherever possible, rationalise the approvals for all projects by creating a form of approvals committee within the authority to issue all relevant approvals. Finally and logically, work with local government to reduce the duplication of regulatory costs on local government within their boundaries. SBA has and will always support a waste management framework that is consistent with a national waste policy framework founded on achievement of net community benefits. Secondly, a key objective of any framework must be to avoid the conflict and duplication between federal, state and municipal legislation.

Finally, three points: the harmonisation of waste regulation, we believe, is critical. It must not impose an onus regulatory compliance burden across Australia, across industry. Secondly, the concept of waste policy framework is of its time. Facilitating the development of a flexible, tailored policy setting, underpinned by a clear cost-benefit approach, is one that business would and can support. Thirdly, it is imperative, from a national consistency perspective, to reduce conflicting and competing commercial and environmental outcomes wherever possible. With that, I am happy to take any questions.

CHAIR: Thank you for that summary. What is the best recycling rate in Australia? You are a national body; what do you feel about the best recycling rate in Australia?

Mr Petersen: The best recycling rate in Australia? I honestly could not answer that.

Ms TRAD: South Australia.

Mr Petersen: South Australia by reason of container deposit legislation, but that becomes a challenge in relation to its acceptability. I know that the Northern Territory has just put one in place, as well.

Mr COX: So you are just saying that you have to be careful when you measure what is the best? You are not necessarily saying South Australia is, but in some forms they have done very well?

Mr Petersen: It is a policy. Is it the best? I do not know. Therein lies a question about benchmarking in this country and what is best practice. We do not know. We know in 2009 and 2011 that there have been national studies around waste policy and the challenge was that each state has traditionally done its own thing. The challenge for a coordinated approach, from our members' perspective, is one that is needed.

CHAIR: Queensland is a lot more decentralised than South Australia too.

Mr Petersen: Indeed, yes. There are geographic considerations.

Ms TRAD: Thanks, Ian. I have been involved in the heavy vehicle model legislation. There is quite a lot of work that goes into, I think, developing model laws and legislation around big policy items. I think that waste recycling and management is a big issue. What moves have been made nationally, has Queensland been involved in them and where do you see us in five years' time in terms of waste management, from a national perspective?

Mr Petersen: Queensland has been very active over the past number of years in all forms of government in relation to an engagement on waste management framework, most recently in 2009 with a policy statement that was issued by the department of SOPAC. Queensland was a very active participant in exploring the strategic framework that included a levy—not what I would call the silver bullet, but part of the silver shrapnel, that would be an effective framework for and consistent with a national approach to waste management.

What does it look like in five years' time? I think, as we have indicated in our submission, you have a golden opportunity to pause, reflect and look at what is in the national and Queensland interest in relation to this issue. To take away from the table a card which includes a price, I think, is one that will do you disservice into the future. To pause and reflect right now is a golden opportunity. I would echo the comments from Mr Ralph in relation to the need for the strategy to be put in place and then understand where the price actually sits within that strategy.

CHAIR: Any other questions? No. I think you have done a wonderful job of explaining your issues.

Mr Petersen: Thank you for the opportunity.

NICHOLS, Elisa, Executive Director, Reform and Innovation, Department of Environment and Heritage Protection

CHAIR: Some comments were raised there and I am sure you have probably heard some of them before. Do you have any comments about what Mr Ralph and others have said?

Ms Nichols: I shall start, Chair, by addressing the question about reclamation of land, which I took on notice before. I found my correct piece of paper during the break. Effectively, it is an administrative change. We did a review of our triggers under the Sustainable Planning Act. There were two separate triggers that reflected back to two separate definitions in the Coastal Protection and Management Act. We will be able to roll those into one trigger just by moving the definition of 'reclamation' into the tidal works, so there will just be one tidal works trigger. On the ground, it actually will not have any real effect. It is actually about making our legislation more simple and clear and easy to understand.

On to waste: one issue I did want to address was in relation to the weighbridges for small landfills. As the member for Maryborough identified, there are issues associated with shutting down small regional facilities, such as increased illegal dumping. The requirement for a weighbridge was never designed to force councils into closing landfills. There has been some rationalisation on a business case and it is up to each council to decide what is appropriate for that area. In relation to less than best practice management, there are other ways to address those kinds of issues. A financial obligation to put on a landfill was felt not to be the best. That obligation was previously there, supported by money from the waste levy, to enable councils to be funded to put in those landfills. So in the absence of that, it was felt it was too much of an impost to keep that.

I would also like to clarify statements around legislation not applying to local governments in the same way as private entities. All the legislation that is the responsibility of the Department of Environment and Heritage Protection applies equally, irrespective of the ownership of the facility. There is nothing in the legislation that is discriminatory. Some of the issues Mr Ralph was raising relate to how planning legislation has been applied on the ground. As he mentioned, those issues have been taken up with the appropriate authority. But in terms of the environmental portfolio, our legislation does not have any built-in discriminations.

CHAIR: I will just show the photos that were tabled by Mr Ralph. I have probably seen a few of those dumps as I have driven around the place. I was just wondering, is this legislation going to improve that at all?

Ms Nichols: No. This legislation actually is not designed to deal with this kind of issue. That sort of issue is actually a compliance issue. We have a compliance program and our strategic compliance plan includes looking at illegal operators and poor operators. I know that Mr Ralph—

CHAIR: And local government?

Ms Nichols: Including local governments; it does not matter who is operating that. We do deal with that. Looking at that, I question whether or not they are operating in accordance with their approval. I do not know, because I do not know where those facilities are and what their approval conditions are. But that is actually a matter for compliance. Those facilities, the local government ones, are licensed; illegal operators are a different kettle of fish again. But waste facilities are part of our compliance program at the moment. I know Mr Ralph and his association have been working with our compliance team about that.

CHAIR: Seeing it is an issue, is the department continually liaising with some of the small local government areas to ensure that this sort of stuff is not going on? Let's face it, if you fine the local council, all you are doing is fining the ratepayers, really. It is not as if you are fining anyone; is it?

Ms Nichols: That is exactly right. We need to look at strategies to help smaller councils that have, I guess, less capacity and less knowledge about these kinds of issues, to improve their management of waste. As part of the development of the new strategy, one of the key pieces of information we received from our regional councils was that there needs to be, I guess, differential strategies for dealing with the big guys in SEQ and then the smaller councils or also big regional centres, I might add, which tend to be more sophisticated. We will be looking at different strategies to deal with councils with less capacity than the larger facilities as part of the development of that strategy.

Mr COX: On that, too, with the little councils, the capabilities of councils are different. It is not just all the little councils I am talking about, because some of them are very capable and are run very well or more efficiently than others; I am not saying anything different. I guess we have to be

careful that we do not have any sort of big-stick approach, and I am sure the department doesn't. Is there or has there ever been any time when we have looked at individual councils—and I am probably talking more regionally, mainly—with an overall view of looking at how the systems work and saying, 'Don't reinvent the wheel because we have down the road a council that is doing it quite well', and then get the other council some assistance? Has that ever happened?

Ms Nichols: I do not know, off the top of my head, whether there has been that kind of active engagement, but certainly there are actually a lot of national waste networks. We are participators in that. For example, there is one up in Far North Queensland that is meeting in a couple of weeks' time which we have participated in. That is actually an information-sharing and knowledge-building kind of network that helps the smaller councils. It includes members like Townsville and Cairns, but it also includes the Cook Shire type councils and the smaller councils. There are actually quite active local government networks going on to help facilitate that. Certainly, as part of the strategy, we can look at alternative mechanisms, as I said, to improve particular councils, if a particular council shows to be a challenge.

Mr COX: Does the Local Government Association of Queensland look at it as something, all the time?

Ms Nichols: Yes, the Local Government Association has always been very active in the waste space.

Mr COX: Thank you.

CHAIR: Thank you very much, Elisa, for that summary. There are always going to be issues and we can do it better. Let us encourage everybody to do it better. I am sure the waste recyclers want it to be done better, because, like you say, at times you do need certain volumes to do it better. In my area there is a little waste recycling group, Anuha Services, that looks after people with disabilities. They put through a couple of thousand tonne of stuff a year, or whatever it is. It is a great facility. It employs 30 people with disabilities and probably another 30 people to look after them. It is a great little employment opportunity.

Mr Ralph: They are a member of our organisation.

CHAIR: Yes. It is a great little facility. It is those sorts of things. They have an agreement now to get most of the waste from the local area, sort through it and all that sort of thing. Those are the sorts of things that we can do on a local basis. That is the sort of thing we have to look at state-wide and look at how we do it well. Thank you.

Committee adjourned at 12.45 pm