



1 September 2011

The Research Director
Environment, Agriculture, Resources and Energy Committee
Parliament House
George Street
BRISBANE QLD 4000

Dear Sir/Madam,

Waste Reduction and Recycling Bill 2011

Since the release of the draft Queensland Waste Strategy in June 2010 the Association has worked closely with both Ministers Jones and Darling and senior departmental officers on the development of the Strategy and accompanying industry waste levy. This working relationship has resulted in local government achieving outcomes in the waste reform process that have not been afforded to local governments in other states and for that the Association is very grateful.

Whilst numerous submissions have been made to the Department of Environment and Resource Management (DERM) on the various draft documents and Bills, the following issues remain of concern to the Association:

1. The industry waste levy was initially due to commence 1 July 2011 but due to the extensive natural disasters that occurred across Queensland in early 2011, the Association sought an extension to the commencement date to 1 July 2012. The Minister at the time would not concede to a delay into 2012 so the Association was obliged to accept 1 December 2011 as the new commencement date.

Whilst funding has been provided to assist local government to get levy ready there is still much work to be done to begin collection on 1 December 2011. As the commencement date is within the current budget timeframe for local government there was no opportunity to provide for additional funds to assist in levy preparations.

The pending local government election in March 2012 also sees an additional tax burden being placed on commercial users of local government waste services and landfills and there will be resentment towards local government in the collection of this tax.

Recommendation: The commencement date for the industry waste levy be delayed to 1 July 2012.

2. The Association has made submissions previously on the exclusion of Goondiwindi Regional Council from the industry waste levy zone. The inclusion of this council makes no economic sense as the cost to collect the industry waste levy for this council is estimated at \$250 000 yet the estimated levy liability for this council is only \$40 000. This council has indicated a willingness to be included in the levy zone in coming years but has requested a period of up to five years before inclusion.

Geographically and in terms of estimated levy liability, Goondiwindi is no different to Maranoa and Barcaldine Regional Councils which were not included in the levy zone, yet this council has been included. The Association requests that Goondiwindi Regional Council be removed from the industry waste levy zone and their inclusion be reviewed as part of the effectiveness of the industry waste levy in coming years.

Recommendation: Goondiwindi Regional Council be removed from the industry waste levy zone.

3. Section 310 of the Bill provides for the omission of Section 369 in the *Environmental Protection Act 1994*. The waste industry has long lobbied the government to remove s369 as there is an industry perception that local government uses this licensing provision to create precincts for commercial waste collection to exclude commercial operators from collecting waste in some areas. The reality is that some local governments do create precincts but they do not use s369. Instead these areas are established under contracts for which appropriate tenders are called. Legal advice is that this system is lawful and appropriate for the needs of the local government area.

Whilst it is acknowledged that not all local governments use s369 or use it consistently, there are some councils that do use it to manage commercial waste collection in their areas. DERM staff advice that local government should develop a local law to manage these collections fails to show an understanding of the time and process required to develop a local law and in actual fact goes against the Department of Local Government's preference that local laws are not used as the tools to manage this type of activity. Whilst it is recognised that s369 is not ideal it would be of assistance to local government if the omission of this section were able to be delayed for two years to allow the development of other tools.

Recommendation: That section 369 of the *Environmental Protection Act 1994* be retained for a period of two years to allow local government to development alternate tools to manage nuisance associated with commercial waste collection.

4. Whilst not associated with the Bill directly, the Association is concerned at the lack of community education that is being provided around the industry waste levy. DERM officers have indicated that the levy liability is the responsibility of the waste disposal site operator and therefore the responsibility to educate the community on the waste levy rests with the site operator. This is an unfair expectation on local government to advertise a state tax. Education of commercial waste generators and transporters is the responsibility of the state government and it is essential that an education campaign be conducted prior to the levy commencement to ensure these generators and transporters are both aware of the levy and open to seeking alternate resource recovery options.

Local government weighbridge and gate attendants will be subjected to considerable abuse if this levy is not advertised and it is unfair to place these officers in such a position as a result of a state tax.

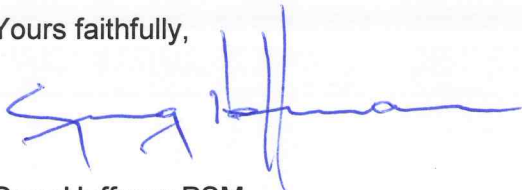
Recommendation: That DERM carry out an extensive community education program to ensure that commercial waste generators and transporters are aware of the levy and should seek alternate resource recovery options where available.

5. Residuals from the Bedminster and Material Recovery Facility (MRF) processes are to be levyable and this is of concern to local government whilst municipal solid waste (MSW) is levied at zero dollars per tonne. The Cairns Regional Council has invested substantially in the Bedminster system, the only alternate waste technology in Queensland. To levy the residuals of this process places Cairns residents at a disadvantage to those residents in other council areas where MSW is not levied. Whilst officers have acknowledged this discrepancy by proposing a 50% levy on this material for the first two years there is still a disadvantage placed on residents in Cairns who are already paying a premium price for their waste management.

Recommendation: That the MSW component of residuals from the Bedminster and MRF processes be levy exempt.

The Association thanks the Committee for the opportunity to provide comment on the Bill and looks forward to a continued relationship with the government on the development of the remainder of the legislation.

Yours faithfully,



Greg Hoffman PSM
GENERAL MANAGER - ADVOCACY