



19 September 2018

Our Ref: 1210499
File Ref: 21/PLA/02
Enquiries: ML Langburne

Committee Secretary
Innovation, Tourism Development and Environmental Committee
Parliament House
George Street
BRISBANE QLD 4000

Sent via email: itdec@parliament.qld.gov.au

Dear Sir/Madam

Re: Submission on the Waste Reduction and Recycling (Waste Levy) and Other Legislation Amendment Bill 2018

The Queensland government is to be commended for its initiative to transform Queensland's recycling and waste industry. The vision is to be applauded and the end goal admired.

The Charters Towers region is a sparsely populated, mostly rural and agricultural area that covers 85% of the North Queensland region, but only contains 5% of the population. The region caters for eight (8) townships of less than 500 persons and covers an area of 6.8 million hectares. Three (3) townships within our region contain landfills generating a little over 100 tonnes each annually, including the Greenvale site which is located over 200km from the nearest town. From a Council rating perspective, the township of Charters Towers, with a population of less than 9,000, is already part-subsiding the provision of waste facilities and services to the smaller townships.

Council acknowledges that Queensland is a major under-performer in resource recovery by both national and international standards, however, applying a uniform levy is discriminatory against the smaller regional centre. Council remains concerned that little analysis appears to have been given to factors such as, divergence of competition, variances in opportunity, skewed market favouritism, capital investment variation, access to ports, social implications for regional centres and tyranny of distance.

To add weight to these concerns, Council has acknowledged the five (5) key principles guiding the legislative process and provide the following comments:

- 1. Attract industry investment and innovation:** A valid principle in theory, however, the playing field across the state is not level. It favours larger population centres, especially coastal Councils with direct access to ports and rail. Evidence from around the world demonstrates that resource recovery in the waste industry is a marginal industry that relies on assessable market access, product volume, price signalling, etc., like the \$141.20 per tonne levy that operates in Metropolitan New South Wales (NSW). Tyranny of distance and small volume will disadvantage any hope of attracting waste industry investment and innovation to the Charters Towers region. Furthermore, overheads for the businesses that remain in our lower socio-economic environment will increase and likely send more businesses to the wall.
- 2. Create new jobs for our communities:** The waste levy is not likely to produce any additional jobs for our community. It simply represents another hit on our businesses already affected by a long-term drought, loss of mining activity and a subsequent financial down-turn. Low volume, tyranny of distance, lack of competition, big brother effect and lack of assessable markets will ensure that our community is financially disadvantaged.

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3. **Have no direct impact on Queensland households:** This may be true for Queensland as a whole, however, it will have a negative effect on households in our region as the indirect impacts will far exceed the state average. In smaller inland regional towns, mums and dads and local business comprises a large portion of our commercial activity. In the local context, the cost impacts of dealing with commercial type wastes will be borne mostly by the households in our region, as true resource recovery options are generally limited to the larger coastal towns.
4. **Deliver long-term value to our environment:** The Charters Towers Region covers -6,836,600 Hectares (approximately 4.0% of Queensland by area), including 289,610 hectares of Wetland. So what signal will a \$70.00 levy send to the residents of our region? With few options, no markets, tyranny of distance etc., available to facilitate a change of behaviour, there will be an increase in backyard burning, an increase in persons burying waste on their own properties, an increase in illegal dumping and social unrest in a community that on top of the drought, can't afford to take many more hits.
5. **Move Queensland towards a circular economy:** Again, very true for Queensland, but for the Charters Towers Region it is likely to reflect a linear economy with funds being lost from our region, already at the lower end of the socio-economic scale, to the more affluent coastal and south-east corner regions. Funding is often seen as the answer. For regional towns like Charters Towers, attracting new enterprise is difficult enough, but attracting new enterprise in resource recovery with limited available feed stock is near on impossible, therefore funding will be limited to feel-good or 'seen to be doing something' reports.

Waste Bill Open for Comment

Before moving on to the Bill itself, Council places its concerns on the public record. These include:

- The direct and indirect impacts on households that the introduction of a waste levy will bring. It is often assumed that the only impact is financial, but for a small regional community coming to terms with an extending economic down-turn and drought, the social and mental impacts can be just as devastating.
- The one-size fits all models within a selected zone while others miss out completely. NSW acknowledged this concern with a Metropolitan Levy Area of \$141.20 per tonne, a Regional Levy Area of \$81.30 per tonne and a levy free zone. Lithgow in NSW, with a population of >13,000 and just 150km west of Sydney is just one town in the levy free zone based mostly on the concerns raised in this submission.
- The previous introduction of a waste levy resulted in levy funds being collected from the Charters Towers region, redirected to Brisbane and promised on new waste initiatives. A majority of the money was spent elsewhere. Council is concerned this will happen again.
- The introduction of a waste levy within a single financial year and the 70/30 funding split for Levy Ready Grant funding, when Council budgets for the financial year had been finalised.
- Being required to consider waste management and resource recovery funding proposals in near impossible timeframes, when key documentation has not even been released such as the North Queensland Regional Waste Infrastructure Plan, which is to guide our long term regional planning on improving waste management and resource recovery.
- The lack of information surrounding the proposed introduction of a regional subsidy scheme.

The only valid conclusion to the above is that the implementation of the Bill, in its current form, discriminates against regional areas and the state should stop pretending any pretense of illusion to the contrary.

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Section 57(1)(c) - Weighbridge required

This section states that a weighbridge must be installed for every licenced landfill receiving less than 5,000 tonnes per annum within the levy zone, by 1 July 2024. This is unreasonable. Council has three (3) satellite landfills receiving under 150 tonnes each, within our region of 6.8 million hectares. The main township of Charters Towers already subsidises the satellite townships of Greenvale, Ravenswood and Pentland, which service around a hundred properties each. Putting the capital cost aside, the cost to maintain and operate a weighbridge or to construct a transfer station and transport waste to another licensed site will triple the current cost. If this cost is to be passed on to the applicable township rate payers, mums and dads would be looking at a cost of approximately \$800.00 per rate payer per year, unless subsidised by the rate payers of Charters Towers.

It is acknowledged that section 317 of the Bill can extend the weighbridge installation requirement until to 30 June 2029, however, the cost implications would be unmanageable, and the smaller sites forced to close.

Section 59 - When waste or other material must be measured

This section states that waste or other material (>1 tonne), is required to be measured by weight. This is unreasonable. The requirement is being implemented retrospective of landfill design. Space limitations made it difficult for Council to install a single weighbridge at its main landfill (Stubley Street Landfill), 30 years after its commencement date. This meant Council was limited to installing a one-way, one-directional bridge in response to the first waste levy. This was not an easy process. The ground was so hard, a D7 Dozer was required to dig the trench for the electrical cables accessing the weighbridge and weighbridge hut. With approximately 2,000 visits from domestic users per month, this equates to an additional 2,000 visits per month across the weighbridge (if required to weigh-on and weigh-off). With a one-way bridge, drive-offs after weighing on and disposing of waste will be a more common occurrence and a logistical nightmare for a Council with limited resources.

If landfill charges for Municipal Solid Waste (MSW) or domestic waste are to be refunded by the State and weight measurement criteria is included in the legislation, Council cannot see any benefit in prolonging visits to the landfill, increasing traffic flow and risk, upsetting customers for the sake of an exact tonnage.

It is acknowledged that section 322 of the Bill can extend the exemption from using a weighbridge for measurement until 30 June 2020, however, as discussed above, the inconvenience will reverberate around the community and the anger will be difficult to contain. It is further acknowledged that section 325 of the Bill offers temporary relaxation from s59 requirements for small sites, however, only until 30 June 2021. Another direct impact for the rate payers of our region.

Section 67 - Volumetric survey for leviable waste disposal sites

Section 67(4) suggest that volumetric surveys do not apply to small sites until 1 June 2022. This appears to conflict with sections 69, which appears to require new surveys for each new cell or trench that is constructed.

Yours faithfully

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Chief Executive Officer

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