

26 September 2018

Innovation, Tourism Development and Environment Committee
ITDEC@parliament.qld.gov.au

RE: Submission to State Government - Waste Reduction and Recycling (Waste Levy) and other Legislation Amendment Bill 2018

Overview by Noosa Council

Noosa Council appreciates the opportunity to present a submission to Government on the proposed introduction of legislation to implement a waste levy in Queensland. The Council recognises that most other states in Australia already have a waste levy that has been in existence for many years. Council agrees that Queensland has fallen behind in terms of its ability to divert waste from landfill due to the lack of a suitable financial incentive and one of the methods of achieving improved waste diversion is through the imposition of a waste levy. Council appreciates that the Government has listened to some of the concerns presented by Noosa Council and other local governments and addressed some of those concerns in the draft legislation. However, there are still areas of concern and Council seeks a review of the following issues which would enable Council to have a more favourable view of the proposed legislation:

- full hypothecation of the waste was implemented to waste management, waste diversion and recycling initiatives.
- the levy not apply to domestic waste and a guarantee be given in the legislation that this exemption would be permanent in the future and not subject to review.
- the levy not apply to retirement homes and they be exempted as a generator of municipal domestic waste. These residents are also least able to afford the levy.
- the implementation schedule be modified to commence the levy 1 July 2019 to provide more time for a well-managed implementation process.
- the criteria for removing recyclable waste from disposal facilities where a waste levy has been charged be reviewed to enable this recyclable waste to be diverted from landfill and processed/sold as recyclable waste.
- the method of assessing landfill and stockpile volumes of air space and consumption allow modern aerial (aeroplane or drone) topographic recording of surface contour profiles and certification by a registered engineer.
- there is a more rational approach to the requirement for physical barriers between stockpiles and landfilling areas based on operational requirements and what happens on individual sites as the requirements for barriers is not adequately defined and in our case considered impractical.

Full hypothecation of the Levy

Council is unable to support the use of levy funds generated from the community and recovered exclusively from waste related activities, to be used for other purposes not related to the improvement of waste management. The government acknowledges in proposing the

legislation that Queensland is a long way behind other states in its waste management practices and diversion of waste from landfill. It should then also recognize that diversion of waste levy funds to other non-waste related uses will dilute the objective of improving waste diversion from landfill in Queensland. It will take Queensland many years to catch up to other states. Diversion of the levy funds towards non-waste related activities will only defer the catch up period. The Council's concern regarding use of levy funds is reinforced by observation of the use of waste levy funds in NSW. The levy in NSW returns a very low portion of the waste levy revenue generated by local government, back to local government. The levy in that state has become another means of taxing the community for preferred government projects.

Council does not support the use of revenue generated by the waste levy to support State Government programs or departmental service provision, given the State is not the owner or manager of the waste stream resource and does not bear the cost of waste management, recycling and recovery services.

Implementation date 4 March 2019

Given the levy implications to be imposed in Council's six monthly rate assessment in January, the implementation of a levy mid-way through a rating period creates major and unnecessary complexities for local government and the commercial sector. For Council, this includes assessment of the liability and the segregation of rate notice charges into two sections, pre and post 4 March 2018.

A more rational implementation date would be 1 July 2019. Commercial businesses, many lease agreements and body corporate charges operate on a fiscal year and 4 March 2019 will have significant impact, instead of implementation at commencement of the new financial year.

The time period for advance warning to be given to ratepayers from commencement of legislation does not adequately provide time for these charge to be implemented. Councils and third parties require sufficient time to properly plan for the introduction of the levy and how it will be administered. Based on the current implementation program and late release of legislation it does not appear the Government has provided itself with sufficient time for effective implementation.

Council requests the implementation date be revised to 1 July 2019.

No Direct Impact on Domestic Premises (Retirement Villages)

If Council applies the waste levy to a retirement village operator through the waste utility charges, the costs will likely be passed on to the respective tenants. This is contrary to the intent for the levy to not impact domestic premises and these residents are the least likely to be able to afford any additional financial impacts. They are also a low generator of waste with limited ability to minimize the waste they generate.

Council requests that retirement villages be exempt from the Waste Levy and be classified as municipal domestic premises.

Survey Requirements by a Surveyor vs Current Aerial Topographical Survey

Various Section of the legislation prescribe that the operator of a waste disposal facility must perform surveys to determine the volume of a waste cell, future consumption and use of the cell, and volumes of stockpiles of waste. The proposed survey requirements must be performed and certified by qualified surveyor. Noosa Council and others local governments use more modern technology for this purpose and conduct aerial surveys using an aeroplane or drone that flies over the site and takes photographic imagery aligned with accurate GPS coordinates using fixed points on the landfill. This process accurately records contour profiles and airspace capacity of the landfill cells. This information is currently used to determine the fill rate for the landfill cell, but could also be used for assessment of stockpiles of waste or recyclable material.

The aerial imagery is forwarded to consulting engineers who use a computer program to determine landfill airspace consumption between surveys. This very accurate method of survey is less time consuming and less costly than using a surveyor.

Council request that the legislation be amended to also allow aerial survey and certification by a qualified engineer, wherever the legislation requires a qualified surveyor to perform survey work on landfill cells or stockpiles of material.

Physical Barriers between Resource Recovery Areas and landfill

Council finds the requirement to provide a physical barrier between the landfill and the resource recovery areas to be operationally difficult or impossible to implement effectively. Any effective barrier would seem to require a stopping device or gate within a fence or structure to prevent access between various recyclable stockpiles and between resource recovery areas and the landfill. Council has numerous stockpiles for steel, timber, concrete and green waste plus a waste sorting pad for mixed loads. Providing a barrier between each of these areas and between the resource recovery area and the landfill would require so many barriers and gates to stop traffic as to make effective operation of the facility impossible.

The ability of the operator to prevent unlawful disposal of waste to landfill would seem to be the criteria that should be imposed. Residents delivering segregated loads of waste and recyclables sometimes need to access many of the recovery sites to dispose of their recyclables and general waste.

The physical barrier requirement needs further review and operational activities investigated for each landfill site to ascertain if a barrier is in fact necessary, rather than an arbitrary request for all sites to provide physical barriers.

Annual Increment increases for the levy in January Each Year

Council cannot understand the rational for levy increases effective 1 January each year, as this presents major difficulty in mid fiscal year rating.

Council advocates that any incremental annual levy increase be introduced on 1 July each year to allow for the inclusion of increases in budget forecasts. This would also benefit the Commercial Sector who operate on a fiscal year.

Advance refund for MSW

For budgeting purposes the Council would like to know the date when the first rebate for MSW is proposed to be given in 2018 or early 2019, but preferably deferred with the legislation implementation to 1 July 2019.

Given that accurate assessment of MSW vs. other waste may not have been tracked in 2017/18 as it was not necessary, government must also realize the accuracy of the information provided will have some approximations.

Government must accept that the initial assessment of domestic waste exempt from the levy in 2017/18 will not be accurate as the data has not been required to be tracked during that period.

The legislation should inform Local Government of the date when the State will release the MSW advance levy payment in each financial year to offset the domestic waste levy.

Processing Fee to Avoid Imposing a Levy on Recyclable Material

Mixed loads of C&I, C&D and Domestic waste are sent to a sorting pad for recovery of recyclable material, with the remainder sent to landfill. The legislative requirement not to charge the levy for waste delivered to a resource recovery for sorting presents significant operational issues. (Council understands that it cannot charge the levy on all of the waste as some will be sold as recyclable material).

However, Council must charge an appropriate fee at the weighbridge to cover its costs to sort and segregate the waste into recyclables/waste to landfill and include an allowance for the levy payment for the residual waste sent to landfill. It is proposed to charge a “processing fee” instead of a disposal fee for waste sent to the sorting pad, with the fee set high enough to pay for the processing costs and payment of the appropriate waste levy for the residual waste that is landfilled. This add to the complexity of the charging structure for disposal of mixed loads of waste, due to the requirement not to charge a levy on diverted waste.

Council requests that where a small percentage of waste delivered to a sorting pad is diverted as recyclable material the waste levy be applied to the whole load of waste being sorted to reduce complexity in the waste disposal charging structure.

Useful or Recyclable Waste intercepted from Transfer Station bins

Council operates a tip shop at the landfill run by a not for profit organisation (but they are not a registered charity) and cannot claim their waste disposal is levy exempt. Residents can donate goods to the ‘tip shop’ prior to entering the weighbridge to pay for disposal of waste to landfill, or for disposing recyclables (green waste, steel, concrete etc.) to resource recovery areas. The waste delivered over the weighbridge can be domestic levy exempt

waste or commercial levyable waste disposed into a transfer station bin, intended to be landfilled.

At the transfer station:

- (a) The operator often observes useful material that can be resold at the tip shop that could have been donated, but has been charged a disposal fee and placed into the transfer station bin for disposal to landfill. The operator currently removes the item and provides it to the tip shop for sale. Selling these items would contravene the proposed legislation which states that once a levy has been paid the waste cannot be recycled or sold;
- (b) The operator often observes recyclable material (cardboard, timber, steel, etc.) incorrectly disposed to the transfer bin and removes it to a resource recovery bin for transfer to a resource recovery stockpile. It may or may not have been charged a levy under the proposed legislation depending if it's domestic or commercial waste. It is not possible to determine who disposed of the waste, a domestic or commercial customer. As this material may have been charged a waste levy over the weighbridge its resale or reuse would be in direct contravention of the current proposed legislation and it should be landfilled.

Landfilling the waste is in direct conflict to the aspirations of the waste levy - maximum diversion of waste from landfill. It would be ridiculous to landfill this recyclable waste as an outcome of the legislation. Resourcing the facility with staff to ensure oversight of perfect diversion of all recyclable material is impractical.

How does the government propose to allow the lawful reuse of this incorrectly disposed recyclable material that has been subjected to a levy charge?

Tip shop waste should be treated as exempt waste.

The landfill tip shop often finds that recovered material from the transfer station bins or donated items cannot be sold and must be landfilled. Note that some items have already been charged a waste levy fee prior to retrieval from the transfer bin by the transfer station operator, who has recovered the item and provided the item to the tip shop.

Unsold material to be landfilled would then be charged a commercial disposal fee and waste levy as the operator is not a registered charity. Charging the waste levy a second time is not a fair outcome.

Council proposes that unsold waste disposed from a landfill tip shop should be levy exempt in a similar way to waste disposed by a registered charitable organisation, despite the fact that it is not a registered charity as defined in the draft legislation.

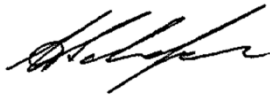
Hidden recyclables that are disposed to landfill.

The landfill operator currently finds among truckloads of material dumped on the landfill, material that is recyclable. The operator currently removes the material to their respective recycling stockpiles (steel, concrete, timber, soil, green waste etc). When someone deliberately dumps waste including recyclable waste in a truck load of waste sent to landfill, because they cannot be bothered sorting their waste (i.e tyres, mattresses, useful timber,

steel, recyclable concrete etc), council has charged the levy for the total load of waste to landfill.

Under the proposed legislation Council would be required to bury the recyclables in landfill as it cannot recycle material and profit from waste that has been charged the levy. Often Council does not know who dumped the material, it is only observed when the landfill compactor is spreading the waste. It could be domestic or commercial waste and the landfill compactor operator would not be aware if a levy has been paid or not. Leaving the waste in the landfill would be an unacceptable outcome.

Council requests the legislation be amended to allow the lawful retrieval/recycling/sale of recyclable material that was incorrectly disposed to landfill, observed by the landfill operator and retrieved for processing as recyclable waste?

A handwritten signature in black ink, appearing to read 'Wayne Schafer', written in a cursive style.

Wayne Schafer

Manager Waste and Environmental Health