



Speech by


**Andrew Powell**

**MEMBER FOR GLASS HOUSE**

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## **WASTE REDUCTION AND RECYCLING REGULATION: DISALLOWANCE OF STATUTORY INSTRUMENT**

 **Mr POWELL** (Glass House—LNP) (7.30 pm): I move—

That the Waste Reduction and Recycling Regulation 2011, subordinate legislation No. 231 of 2011, tabled in the House on 29 November 2011, be disallowed.

When we debated the legislation on which this regulation is based I said a few things. Firstly, I said—

It is flawed legislation. It will destroy businesses, cost local governments and act as a disincentive to recycling and cutting down on waste going into landfill. It is one of those bills—

and subsequently an act—

that is beyond salvation. No amount of amendment will save it or make it more palatable, less onerous or easier to implement.

I also said—

An LNP government will not shy away from its responsibility to drive policy and regulatory reform with regards to waste management, but it will not be in the form of a business-destroying, anti-recycling, cost-shifting, cost-of-living tax.

I am very rarely acknowledged as being prophetic but, unfortunately, despite the tax only being in operation for 2½ months, it appears that too many of the scenarios I predicted back in October have come to pass. This tax has been proven to be business destroying. Already, seven miniskip operators in South-East Queensland have shut their doors since the legislation was passed and businesses around the state are being driven to the brink. Let me refer to a *NewsMail* article from 8 December last year. It is titled 'Waste man says fault is rubbish'. The article states—

RUBBISH remover Peter Radel says the failure of the weighbridge at Bundaberg Regional Council's waste transfer station means he cannot carry on his business.

The weighbridge, which was installed last week, failed on Tuesday.

Staff at the waste transfer station, who had been charging commercial operators by weight to dump rubbish, had to go back to "deeming"—

that is 'deeming' as defined by this regulation—

under Department of Environment and Resource Management guidelines.

But Mr Radel, who operates Dump Rat Rubbish Removals, said the guidelines would send him broke.

"Now they charge according to the weight of the vehicle," he said.

"My truck weighs 8.7 tonnes, and I get charged according to 70% of that weight.

"That means I get charged \$130 a load, even if I've only got 10kg of waste in the back."

Mr Radel said he had two or three jobs lined up for yesterday, for which he had quoted \$60 each.

"It's more or less stopped me working," he said.

"I've already been to one place where their bag is full but I had to tell them I couldn't take it.

"This is an absolute shambles."

Mr Radel said he had been in the business for 18 years, but this was the worst conditions he had seen.

"Running costs are getting out of hand," he said.

Deeming provisions contained in this regulation mean that half-full trucks are still being charged for the same weight as full trucks. Then there is the question of whether the deeming measures are based on legal weights. As one frustrated waste sector representative has said to me—

The tables DERM have issued and told landfill operators to use when they don't have operational weighbridges have calculations that are outside QLD Transport's own guidelines. These guidelines denote truck type lawful load limits. For example, transport may limit a rubbish truck to 28.5 tonne, but DERMS table says the truck is carrying 32 tonne and base the levy on that.

The rep continues—

It gets better!!! Regardless of the amount taken to a landfill in a truck the load is assumed to be full for levy purposes. We are not allowed by DERM to park trucks up with any waste in them for health and fire reasons. We collect say a quarter of a truck load, but when we go to empty it we get slugged for 32 tonne, most of it air? The government is taxing the industry for air!!!!!!

It goes to show that this legislation and regulation are rushed and problematic.

**Mr Rickuss:** It doesn't make sense.

**Mr POWELL:** As the member for Lockyer just said, it does not make sense. More time is needed to be given so that the landfill operators—most of them councils—can get their facilities up to speed and to remove this guesswork, this taxing of the industry for nothing but air.

Elsewhere in the state it is already impacting on other industries like the construction sector. On 16 December ABC News Online posted the article 'Waste levy seen as blow for builders'. It states—

The Gympie Regional Council says a recently introduced Queensland Government waste levy is draconian and will hurt the building industry.

The \$35-a-tonne levy was imposed on building construction and hazardous waste from the beginning of this month.

Gympie Mayor Ron Dyne says it comes at a time when the building industry is already struggling.

"It is fairly heavy and I just wonder at times really why one government department is putting on these waste levies at \$35-a-tonne, and a lot of that would be relevant to the building industry, and then another government department is talking about affordable housing," he said.

"So somewhere along the line we need to get our act together in Queensland."

Councillor Dyne says it is another blow to local builders who have had a tough year and there are better ways to deal with environmental concerns.

As I said back in October last year, the legislation and now the regulation are also anti recycling. Herein lay one of my and the LNP's biggest concerns—this waste levy could actually achieve the opposite of what it intended to do. That is, it would serve as a disincentive to recycle. During the public hearings of the Environment, Agriculture, Resources and Energy Committee we heard the case of Kennedy's Classic Aged Timbers. Kennedy's has been in the timber recycling industry for 17 years. Over that time it has contributed to some significant improvements in the industry. It takes used telegraph poles from Ergon and Energex and sleepers from QRail and recycles them into hardwood products—products that have been used in a wide range of government projects. As I said back then, even with leading-edge, world-class recyclers, there is still residual waste that must go to landfill. In this case, much of this waste would have to go to landfill as the original product was treated with chemicals such as creosote, arsenic trioxide, CCA or bifenthrin. There is no alternative but landfill. In fact, Kennedy's recovers 40 per cent at best. So 60 per cent is still destined for landfill. Even with a discounted levy rate of \$17.50 per tonne, Kennedy's is under threat. I think it is worth reiterating what CEO Michael Kennedy revealed at the public hearing. He said—

... the waste levy ... is ... going to have the very severe and perverse effect of actually providing a market advantage for tropical rainforest timbers from Asia and South America ... When you have an organisation like a state government organisation that specifies to use certified timber ... the timbers coming from the tropical rainforests of South-East Asia and may or may not have been illegally logged will have a distinct market advantage over our recycled timber products ...

He went on to urge the committee very strongly about this. He stated—

... if you have one ounce of an environmental bone in your body, to consider the severe and perverse outcome it will have on timber recycling in this state.

However, this is not the only case where we are seeing anti-recycling outcomes. Anecdotal evidence is growing that in the C&D waste market—that is construction and demolition—legitimate operators who strive to recycle much of the product are being driven out of the market by backyard operators using utes and trailers. These operators are driving up to landfill sites with mixtures of C&D and MSW waste, and frustrated operators simply wave them through. Material that previously would have

made its way into recycling operations is winding up in landfill. This levy is undoing many gains achieved in the waste sector over recent decades.

There is no doubt that this tax is shifting costs onto businesses and onto councils. During the debate I spoke of the administrative nightmare confronting councils. In some cases it is a \$1 million per annum nightmare. So some councils have made the decision to not charge the commercial waste levy on businesses that use council waste collection services. Quite frankly, I do not blame them. However, that decision is having two negative impacts. The first is on the council ratepayers who are paying the state government tax not being collected by their council ultimately through their rates. Secondly, it is again distorting the waste sector as commercial businesses that use private operators are still being charged. You do not need to be a rocket scientist to know which operator—the council or the private—you are going to end up using. No wonder councils are venting their frustration with this government.

I refer members to the signs that are now on display at each and every Moreton Bay Regional Council landfill site, and I am happy to table them.

*Tabled paper:* Set of two photos of a sign indicating that the new state government levy on commercial and industrial waste effective from 1 December 2011 is an extra \$35 per tonne [6498].

The sign reads—

An extra \$35 per tonne

New State Government waste levy

on commercial and industry from

**December 1, 2011**

Lodge your protest with the State Government

derm@ministerial.qld.gov.au or contact your local State MP

Authorised by Moreton Bay Regional Council

I and the LNP understand also that this is having an impact on people's cost of living. We understand that already every time you flick on a switch, turn on a tap, fill up your car, pay your rego or catch a train this government is hitting your hip pocket. We also know that if you want to build a house or run a business you are being slugged even more. And if you are in one of those councils that is covering the cost of the waste levy then you are being hit yet again.

The LNP understand what cost-of-living pressure is doing to families and to businesses. That is why we have committed to reinstating the principal place of residence concessional rate for stamp duty, saving \$7,000 on new home purchases. That is why an LNP government will also freeze car registration for our first term and act to address Queensland's rising household energy bills by immediately freezing the standard domestic tariff, tariff 11, providing savings of around \$120 a year on power bills. We are also introducing discounted weekly public transport fares for regular commuters through making the 10th and any additional trips free each week. As I explained last night when we were debating the Seqwater restructuring bill, we have a four-point water plan to drive down ratepayers' water bills.

Finally, the LNP will address cost-of-living pressure in this state. We will drive down the cost of living by repealing this dreadful, this disastrous, tax.