




Speech By
David Crisafulli

MEMBER FOR BROADWATER

Record of Proceedings, 20 August 2019

WASTE REDUCTION AND RECYCLING (WASTE LEVY) AMENDMENT REGULATION

Disallowance of Statutory Instrument

 **Mr CRISAFULLI** (Broadwater—LNP) (5.30 pm): I move—

That the Waste Reduction and Recycling (Waste Levy) Amendment Regulation 2019, Subordinate Legislation No. 33 of 2019, tabled in the House on 26 March 2019, be disallowed.

I move this disallowance motion because the waste tax is a fundamental breach of trust as the government went to the election promising only four new taxes. Although that commitment came very late in the cycle, indeed after the blackout had taken effect, it was still a commitment taken to an election at the eleventh hour. However, this levy was not part of that commitment. It came after the election. What sticks most in my craw is that it is a larger impost on businesses and on families than the other four taxes put together, yet it was not mooted even once during the campaign. It was not even a little thought bubble. There was not a single mention of it during the campaign.

This levy will raise \$1.2 billion in the next three years. I think Queenslanders would begrudgingly accept paying a tax if they saw a benefit. However, with this waste tax they see a government in search of a reason for implementing it in order to get the revenue. First we were told it was because China was no longer taking our rubbish. When that did not float, we were told that it was because one South-East Queensland council was no longer recycling. When that did not float, we were told that it was because truckloads of waste were coming across the border, although interestingly the problem related to only a handful of dumps in one city. Eventually the government settled on an excuse for the waste tax, which was that it would be used to fund environmental initiatives.

During the estimates process the nonsense of that argument was shattered. Of that \$1.2 billion, in some way, shape or form almost 90 per cent ends up with the government. That is not a waste strategy; that is a revenue strategy. When you consider the money to administer the scheme, the money given to councils to offset the cost of wheelie bins and the fact that most of the revenue will end up in the hands of the state government, and particularly the hands of the Treasurer through consolidated revenue, the nonsense that this is an environmental initiative is shattered into many pieces.

Already we see the impact of the levy on families. When the tax was mooted, the Premier said that Queensland families would not face the cost of the levy. That showed either a complete and utter lack of understanding of economics or sneaky behaviour. It has to be one or the other. Surely no-one can believe that you can take \$1.2 billion out of the economy without there being an impact on people? I saw it firsthand the other day when the Leader of the Opposition and I spoke to an operator who collects skip bins for a living. He told us a story about picking up a bin from a normal suburban house owned by an elderly gentleman. It cost the consumer \$350 to collect that bin. When the waste tax was implemented the following week, the collection cost \$580. I ask members of the House to think about that. Something that cost \$350 one week will now cost \$580. That is not a transition. That is not a

structured process. That is a tax and the gentleman who empties the bin cannot absorb that cost. That cost is not met by the business owner. The cost is met by the gentleman who owns the bin. The consumer who puts his rubbish into that bin bears the cost and the government cannot hide from that.

Do members know who else will wear the tax and who is feeling the impact of it now? It is now costing small business more to have the bins at their business premises emptied, but they do not absorb that cost. They pass it on to the consumer. Do members know who else wears the cost? The councils. Councils receive an offset to empty residential wheelie bins at the moment—and more on that later—but they do not collect waste just from people's houses. Every day councils do things that produce waste, such as building roads and taking care of parks.

Do members know what industry is at the coalface and wears the cost of this levy the most? It is the building industry. I am delighted to have my colleague the member for Burleigh sitting beside me, because he has travelled across the state to talk with representatives from the Master Builders and the Housing Industry Association who have told him that right now their members are paying an up-front cost that is adding a couple of thousand bucks to every home they build. If members think, as the Premier said, that somehow that cost will not be met by families, they live in a vastly different world to those builders. The member for Burleigh has been in Rockhampton, he has been on the Gold Coast and he will be in North Queensland this weekend. He is hearing these stories from builders at a time when they can least afford it.

When a levy is put in with such little thought and ability for people to transition, members always know what it is about. The waste industry has put forward a couple of suggestions. One of them is to have a different rate in different parts of the state. One of the reasons given for the levy was to stop waste from interstate being dumped in Queensland. There is not an army of people travelling from Byron Bay to tips in Cooktown, Cairns, Townsville, Mackay, Rocky, Gladstone or to the vast majority of dumps across the state. That was always a nonsense argument.

Whether we like it or not, due to their smaller populations and larger areas the opportunity for recycling initiatives will always be tougher in regional areas. We have to acknowledge that. That is why the industry put that case forward so forcefully.

When the government commissioned its own report—spending 50,000 bucks for the privilege—what did that report say? That report said that it is inevitable that these costs will be passed on. There is no denying it. They can come up with a myriad of excuses and a myriad of reasons that it is a tax on big business, but it is not a tax on big business. It is a tax on individuals. People would grimace but they would cop it a little better if they saw a government that was spending their money wisely and particularly thought that it was being collected for the purpose for which it was outlined. If they are going to call it a levy it should be just that and it should be used for environmental purposes.

I started asking many months ago when this thought bubble first occurred for the government to please show me where it will be spent on environmental initiatives. The minister spoke about a waste to energy fund which was about \$100 million, spoke about collecting some vehicles from Palm Island and spoke about a number of smaller projects. No matter the numbers we crunch it barely gets to 10 cents in the dollar. Barely 10 cents in every dollar is going to an environmental initiative. How can we call that a levy?

Mr Minnikin: More like a tax to me.

Mr CRISAFULLI: I will take the interjection. A levy is collected for a purpose. If the final purpose the government settled on was an environmental levy we would expect that a portion of the money would go to running the scheme but we would not cop nearly 90 cents in every dollar going back to government in some way, shape or form. I would love the minister to debunk those numbers in her contribution.

Remember when all this started we heard that 70 per cent of this was going to go to the environment, but it is not. If it were going to the environment it would be in funds dealing with waste to energy and the better use for plastics and getting new industries to come on board. It would not be offsetting costs or in consolidated revenue. That is government money.

The other day the member for Buderim, the member for Ninderry and I went and saw a gentleman who is doing amazing work recycling plastics. I applaud the Prime Minister for putting the issue of waste on the national agenda. We cannot ignore it. No-one on this side of the House is for one second saying we do not have an issue in terms of dealing with waste. I believe what the Prime Minister is doing is a massive step in the right direction in dealing with it. We cannot continue to think that an overseas nation will continue to take it. There is no value in it. As we said in estimates, there are things we are collecting that we do not have a use for and they therefore go into storage.

Today, the member for Noosa asked a very direct question of the minister and did not get a direct answer. She got three minutes of all sorts of other things rather than an answer to her question, which was, 'Are containers that are being collected under the container deposit scheme going to landfill?' I think that is a fair and reasonable question. The minister could not clarify that in her response because we had three minutes of waffle today. We did not get an answer to what I thought was a very sensible question.

There is a reason we have moved this disallowance motion. When governments go to an election they should be up-front with people. In the same way that those opposite said that they would not sell assets and then did, they knew all along about this tax. They knew all along about this, but they did not have the ticker to introduce it at two minutes to midnight like they did the others. The others were buried in the dark of night, but at least we can say that at the eleventh hour they had the ticker to do it. This one was not the same situation. This is the mother of all taxes. We have not even started to see the pain yet. We have not even started to see it wash through the economy for those small businesses that are just starting to get their bills.

I was speaking to a builder the other day who had given someone a quote to build a home. He has had to go back to the consumer and say, 'I'm sorry, when I gave you that costing it did not have the waste tax in it.' Do members know what the extra expense is? It was \$2,100 on the cost of building a home. They are experiences that we will continue to see. The minister can shake her head, but what really upsets me is when they say that people will magically get better at their processes. I am sorry, but I do not know too many concreters who waste their concrete. I do not know too many tilers who say, 'You know what boys, we need 200 square metres but bugger it'—

Mr DEPUTY SPEAKER (Mr Whiting): Member for Broadwater, you know what I am going to say. Would you withdraw, please.

Mr CRISAFULLI: I withdraw. We do not have too many tilers saying, 'For fun let's order 250 square metres of tiles and see how many we can throw out.'

The disallowance motion has been moved because it was a poorly thought out tax. It was a breach of trust. Those opposite know full well that it is nothing more than a money grab.

(Time expired)