

**WASTE AVOIDANCE AND RESOURCE RECOVERY AMENDMENT BILL 2009**

*Second Reading*

Resumed from 11 November.

**HON SALLY TALBOT (South West)** [2.30 pm]: In debates of this kind that will clearly take some time of the house it is not uncommon for members who have had their speeches interrupted by the house going home at night to come back the next day to do a bit of a —

**Hon Simon O'Brien**: How many times will yours be interrupted in that way?

**THE DEPUTY PRESIDENT (Hon Jon Ford)**: Order, members! Let us not start off on the wrong foot. Hon Sally Talbot has the call.

**Hon SALLY TALBOT**: It is not uncommon for members whose speeches are interrupted by breaks, particularly overnight, to revisit the major points they made the day before. I am very pleased to inform the house that I will not do that, for two reasons. One reason is that this issue has so much relevance to exactly where we are today that every day the situation is changing. I woke up this morning and read the front page of *The West Australian*. I thought that the Minister for Environment must feel fear and clutch her heart when she reads comments like this on the front page of *The West Australian*.

**Hon Donna Faragher** interjected.

**Hon SALLY TALBOT**: Maybe the minister has not read it, but I will enlighten her. The big headline on the front page of today's *The West Australian* is, "\$25m raid on medical fund wrong: Auditor". I will read a couple of paragraphs of this article because it is directly relevant to what the minister is trying to do with the waste avoidance and resource recovery account. She has given this house no assurances that we will not see this and far more savage things occur if she gets her way and makes the changes she wants. The article states —

Health Minister Kim Hames allowed cash-strapped health chiefs to take \$25 million from funds quarantined for medical equipment and research to pay day-to-day bills at the State's major public hospitals.

Auditor-General Colin Murphy described the raid on the special purpose funds as a technical breach of the Financial Management Act which, while not unlawful, was "very unusual and entirely inappropriate".

Further on it states —

"The Department ran out of cash ... towards the end of the year and really found itself in a situation where it could not pay its accounts without using restricted funds," Mr Murphy said. "The concern is that agencies are given an allocation by the Parliament which they are required to live within and they have stepped outside of the budgetary process because they could not meet their operating expenses."

I was going to say that this is precisely the kind of account that the government is proposing to set up with the money that it is taking away from the waste account. That is not actually true, because I do not think that this account has anything near the checks and balance attached to it that the account that was holding this money for the Department of Health had. All we are being told is that this account will be used for broad environmental purposes. Where are the assurances that at some point during the year when the department is a bit cash-strapped it will not dip its hands into this account and use the money to pay for things—to use the words of the Auditor General—"very unusual and entirely inappropriate"? I will refer to this article probably more than once during this debate, because these are the questions that we will be demanding answers to when the minister makes her response.

Several members interjected.

**The DEPUTY PRESIDENT**: Order, members! Members, this is especially important to government members who have not had the opportunity to sit on the opposition benches. When they interject across the floor they are, in fact, lengthening the debate. If they think that is a good thing for government business, that is their prerogative. However, they might like to consider the actions of their more senior colleagues to understand why they do not interject. Another reason is that important exchanges between the member on his or her feet and another member can be tolerated by the house, and Hansard can then hear what is going on; however, when there are numerous interjections, which is what just occurred then and in the unruly debate I was involved in earlier today, which was a bad example, Hansard cannot hear what is being said and the exchange is not entered into *Hansard*. If members want a concise and reasonable debate, members must stick to the rules. I am saying that

now so that members understand it. Everyone in this chamber will have an opportunity to speak if they want to. Hon Sally Talbot has the call.

**Hon SALLY TALBOT:** It is of no surprise to me or anyone on this side of the house that the government does not want people to hear this debate. The government does not want not only the members in this house or Hansard to hear what is being said; but also it does not want the community to hear what is being said about the mismanagement of the finances of this state and the shocking pass to which it has brought us.

As I said, I will not retrace the steps I took yesterday. I will move along by starting from exactly the point at which I stopped, which was to go straight to the minister's second reading speech and to note her opening comment. She said —

This government is committed to increasing rates of recycling in Western Australia and reducing waste to landfill.

My final comment last night was that they are probably in favour of motherhood as well. That statement, unless it is backed up by actions, means absolutely nothing.

My last question before the debate was adjourned last night was: what has the extra money being raised by the 300 per cent increase in the landfill levy got to do with those two comments that the minister made at the opening of her speech about reducing waste to landfill and increasing rates of recycling? The reality is that we are not talking about any new money. Let me phrase the question this way: if the government is committed to increasing rates of recycling in Western Australia and reducing waste to landfill, is it achieving that by ending the hypothecation to the waste account? It clearly is not. That has absolutely nothing to do with that commitment in the minister's opening statement in her second reading speech. Is it achieving that by raising the landfill levy by 300 per cent? No. The increase in the landfill levy does nothing to address those two commitments because the money is not going to that area of expenditure. They are not so much weasel words as completely empty rhetoric put there to paper over a few of the cracks.

If we are talking about extra money, it must be made very clear it is not new money. This is where we get to the sixty-four dollar question and the exposure of the fundamental flaw at the heart of this bill; that is, for all the minister's rhetoric about reducing waste to landfill and increasing rates of recycling, what we have here is a completely empty financial move within the budget. All the government is doing is shifting money around and taking it away from the purposes for which it was supposed to be dedicated. What is it being used for? It is being used to plug the big, black financial hole at the Department of Environment and Conservation's heart. I told the minister one version of how that had come about in my speech last night.

I turn now to the Waste Avoidance and Resource Recovery Act, which was passed by this chamber in November 2007. I want to see whether there is anything in the objects of the act that the minister might have read and thought, "It's okay, folks. We can do this. We can put our hands on our hearts and say we are not changing the objects of the act." The objects of the act are in section 5, which is quite short, so I will read it in full. It states —

- (1) The primary objects of this Act are to contribute to sustainability, and the protection of human health and the environment, in Western Australia and the move towards a waste-free society by —
  - (a) promoting the most efficient use of resources, including resource recovery and waste avoidance; and
  - (b) reducing environmental harm, including pollution through waste; and
  - (c) the consideration of resource management options against the following hierarchy —
    - (i) avoidance of unnecessary resource consumption;
    - (ii) resource recovery (including reuse, reprocessing, recycling and energy recovery);
    - (iii) disposal.
- (2) The principles set out in the EP Act section 4A apply in relation to the objects of this Act.

Nowhere there do I see a reference to funding core functions of DEC. It could not have been made more abundantly clear that the purpose of this act is to move towards a waste-free society. That is the exact policy objective that the Labor government signed up to. As I recall, when we took the WARR bills through this chamber, there was no dissent from that policy objective from members of the Liberal Party. Yet the wool has been pulled over our eyes. We are being told that there is nothing wrong and that all these programs will continue exactly as they have up to now, when the government is making a fundamental change to the objects of the act. As all of us in this chamber know, the government cannot do that. It cannot amend an act so that the objects of the act are altered.

What have we seen from the government in the past five or six months? We have seen a series of ducking and weaving manoeuvres, weasel words and plays on language as it tries to get itself around this. I put it to members that the objects of this act could not have been spelt out more clearly. It is equally clear that in moving to take money away from the waste account, the government is altering the objects of the WARR act. That is simply not acceptable. It is one of the reasons we need to take this bill apart clause by clause and challenge the government on every single one of its provisions.

I have said that the objects of the WARR act do not overlap DEC's core functions. What are DEC's core functions? We need to be clear about this. This is a fundamental point when we are looking at what the government is attempting to do with this amendment bill. We can look up the core functions in any number of places. The budget itself sets out the seven key areas that I guess would be the core functions of the Department of Environment and Conservation. I went to the latest annual report that was tabled just the other week in this place. On page 17 of the annual report we find the following services. They do not exactly follow the budget documents. I want to make one or two comments about that. Service 1 is nature conservation. That includes the development and implementation of programs for the conservation of biodiversity, including: the management of threatened species and ecological communities; sustainable use of commercially exploited species; the acquisition, conservation and protection of representative ecosystems for the national reserve system; and promotion of public awareness, understanding and support for nature conservation. I know it is hard to do this when listening to somebody talk their way through these things, but I am comparing the core functions of DEC with the objects of the WARR act. I am demonstrating to honourable members that those things do not coincide anywhere. Where they do coincide, those functions are specifically covered by the WARR act.

Service 2 is sustainable forest management—the provision of economic, social and cultural benefits from state forest and timber reserves while conserving biodiversity, maintaining soil and water values and sustaining the health, vitality and productive capacity of the forest for future and current generations. Is this where some of the WARR money will start going? Will we start funding services to ensure the sustainability of our forest management from the waste levy?

Service 3 is parks and visitor service—the management of lands and water, dealing with public involvement, visitation and appreciation of the natural environment on lands and waters managed by the department. Several dot points in the annual report elaborate on the specific programs that are run under that service objective.

Service 4 is environmental regulation—the regulation of emissions and discharges to the environment and the transport of hazardous wastes. This is where things start getting very, very murky. It seems to me that there is a danger that we will end up funding regulatory and monitoring services out of money that is being raised by practices that are incompatible with those activities. I will go into that in a little more detail in a moment.

Service 5 is environmental sustainability. This is where we talk about waste management. It is the place in DEC's annual report where some of those programs are detailed. As I said, those functions are specifically covered by the Waste Avoidance and Resource Recovery Act. Service 6 is environmental impact assessment and policies for the Environmental Protection Authority. Again, I think we can see the makings of that deep tension in terms of funding services such as the EPA from money raised from waste going to landfill. Service 7 is the coordination of the response to climate change. Again, the same fundamental conflicts would lie at the heart of that.

I put it to you, Mr Deputy President, and honourable members that there is a clear difference between those two objects. I have made this comment in other debates, but the government is playing a game of semantics when it says, "Don't worry about it. It will be okay. Trust us. We will make sure that everything is hunky-dory." That is not good enough. I am pointing to areas of this discussion where we should be raising serious alarms. Government members who are sitting on the back bench should be feeling uncomfortable. They should be starting to wonder whether there is something very rotten at the heart of the Liberal government's empire.

I will just develop that point a little more. At the heart of this issue is some kind of fundamental conflict of interest where we have an equation that says the more money going to the department, the more waste is generated to landfill. The more waste that goes to landfill as opposed to being diverted into recycling and recovery facilities, the more money the department gets. It only gets more money if it gets more waste. I will suggest a few parallel situations where members might be able to tease out in their own minds what is happening here. All ministers could ask themselves the question: what do we want to reduce or what reduction would see the greatest community, social, economic and environmental benefit? We can think of examples ourselves. In the case of the Department of Health, we might think of things such as smoking, drinking and obesity. We should be encouraging people to exercise. If we put any sort of measure in place—I am using this as an example—that says the fewer people engaging in daily exercise, the more money the department gets, there is something fundamentally corrupt about that way of thinking about policy. We could think of education. What do we want to reduce? What would make the education system work better? One of the things that occurred to me was

school attendance. We want to reduce school truancy or absenteeism. Why would we ever consider putting in place a policy that says we can make money out of this? Why would we consider saying that the more kids stay away from school, the more income the Department of Education and the schools get? It is a nonsense; we can hear it is a nonsense when I talk about it in those terms.

I was going to throw in the idea of speeding and community safety, but I know that that is a hot topic. It is a slightly different case; nevertheless, there is something fundamentally problematic with arguing, for example, that we will take down all the speed restriction signs so that we will catch more people speeding and the department will make more money. I am not trying to obfuscate here; I am suggesting that a very straightforward thought process will reveal the fundamental problem with the suggestion that more waste going to landfill will produce more money for the department.

Those arguments do not apply to the system that the Labor government set up, under which the waste levy was to go straight into the Waste Authority account. As members heard when I read out the objects of the WARR act, those funds were hypothecated to specific provisions relating to increasing recycling facilities and resource recovery. It is very interesting, going back to those objects, to find some of the original ideas. I indicated yesterday that this debate will be one of the hottest topics over the coming decade. Amongst the objects in the act, section 5(1)(c)(ii) mentions resource recovery including re-use, reprocessing, recycling and energy recovery. If I can just interrupt myself for a moment there, energy recovery has been the key to the way in which many countries in Europe have absolutely revolutionised their whole treatment of the waste problem. Essentially, several countries in Europe no longer have a waste management problem, because they have joined up the circle, so that it is one cycle of production, consumption and recycling. The way they did that is not rocket science. Somebody looked at the rubbish and saw in it, rather than stuff to be discarded, a source of energy. They saw the calorific value of what was going into the bins. We are living in times when we are looking for alternative energy sources, whether we start from the peak oil argument or the more conservation-based arguments. Many countries in Europe simply completed the cycle and decided not to simply bury the waste as rubbish, but rather to use it as an energy source. That, of course, is what resource recovery means.

That little interruption was just to provide a concrete illustration of the way that my argument that the fundamental corruption at the heart of this move to put the Department of Environment and Conservation in a position of receiving more money if more waste goes into landfill did not apply to the way that the WARR act sets out the hypothecation for the waste account. With the waste account, money was specifically being used to implement the objects of the WARR act. Here is the heart of the conflict of interest: more money equals more waste. I ask all members to ask themselves, and perhaps come back with an answer in their second reading contributions or during the Committee of the Whole: What sort of a funding model is this? What sort of financial model decouples the levy from waste reduction? This legislation uncouples the levy and waste reduction. It puts at the heart of the WARR act the disconnection between the levy and waste. I believe that it is a financial model that we simply cannot endorse in this place. It is such a profoundly retrograde step to be doing this. I just cannot see a way in which we can endorse this move.

Where is the money going? There is a provision in the amending bill for some of it to be returned to the Waste Authority through the waste account, but where is the rest of the money going? This will clearly take up some considerable time during the committee stage of this bill, because fundamentally we do not know where the money is going. It is going into an account that is prescribed by the amendment bill. Presumably the account will meet all the provisions of the Financial Management Act 2006. It is going into an account that, as the minister has said in some of her comments on this matter, will be used for broad environmental purposes and that sort of thing, but that is simply not good enough. I do not know of another situation in which a minister sets up a bank account that will receive millions of dollars every year and there is no legislative provision about how that money will be spent. That is why I opened the debate today by referring to the front page of *The West Australian* where we see a story about our health bosses raiding the kitty to pay, presumably, ongoing everyday expenses. It is like going into Coles and using a credit card to buy groceries. Anyone who tells that to any financial counselling service in this state would be lined up with a financial counsellor before their feet touched the ground. The household budget cannot be run like that, the departmental budget cannot be run that way and the government budget certainly cannot be run that way. However, this is what we are being brought to.

I will address all the provisions of the bill in a bit more detail than that, but I am aware that we need to pace ourselves through this, and we will have a chance to look in great detail at every clause during the committee stage. One thing that leaps off the page at me as I go through the documentation is that, while most of the money in the waste account will go into DEC's consolidated revenue, some of it will actually fund the Waste Authority. As I understand it, the Waste Authority is currently funded from general revenue. Here we are getting very close to the active battle zone in this war between DEC and the Waste Authority that we have seen being played out in spectacular technicolour over the past few months. I refer honourable members to the transcript of evidence given on Thursday, 26 March 2009 to the Standing Committee on Environment and Public Affairs by Barry

Carbon, the chair of the Waste Authority. It was the inquiry into municipal waste management in Western Australia. Before I quote some of that evidence, I should point out that some members of the committee at the time of this inquiry are no longer members of this place, which I imagine is a source of relief to the minister. One of the members was Hon Bruce Donaldson, and if he were here I feel reasonably certain that he would be reminding his colleagues of some of the findings of this committee. I notice also that Hon Wendy Duncan was a member at the time. I am looking forward to her contribution to this debate, because some of the evidence given to this inquiry, and indeed some of its findings and recommendations, are directly relevant to understanding what is so drastically wrong with the direction the government is trying to take us in. If Hon Wendy Duncan has different ideas about some of the findings of that inquiry, I will be very interested to hear them. At the hearing on 26 March, Mr Carbon was asked by the chair, Hon Sheila Mills, what staff or resources the Waste Authority had access to for carrying out its role. He replied —

The authority has no staff. The act provides a mechanism whereby the Minister for Environment is to supply appropriate staff who are to be deemed officers of the Waste Authority. That function is left to the chief executive of the Department of Environment and Conservation to fulfil. So far, despite significant negotiations and attempts over a nine-month period, there are zero staff of the authority who are deemed to be officers of the Waste Authority. That does not mean that the staff of the department do not answer any questions or provide the best advice that they can give to the authority, but none of them are directable by the authority and none of them represent the authority at any meetings. Hence, we are largely unrepresented in activities around town. The Waste Authority itself is part time. I spend one day a week and my deputy spends half a day a week, and the others attend meetings one day a month.

I did note that in subsequent hearings there were a number of witnesses—my recollection is that many of them were industry representatives—who in their evidence to the committee indicated that they had been trying to get responses from the Waste Authority for some considerable time without success. Various members of the committee then asked the witnesses, “Why didn’t you just make a phone call? Surely you can ring Barry Carbon and ask him what’s going on.” A couple of them responded, “Well, you have to remember that this man works one day a week. He’s not in the office when we try to ring him.” That came directly from leaders in the waste and recycling industry.

The transcript continues —

**The CHAIR:** Can I just clear this up? It is not even seconded—the staff still sit in the department, so they are not actually designated to you?

**Mr Carbon:** The philosophy behind the Waste Avoidance and Resource Recovery Act and, indeed, similar provisions under the Environmental Protection Act which preceded it, was that the levy was to be collected on activities that were essentially run by local government. The agreement between local government and state government then, and as represented in successive second reading speeches, was that the money would not be used to substitute for ordinary state government expenditure but would be used for special things such as the activities I have talked about.

In fact when the Waste Authority came into existence on 1 July, —

That is 1 July 2008 —

we discovered there were 50 staff at the Department of Environment and Conservation who were paid for out of the waste levy. Indeed, all of the staff on waste staff activities at the Department of Environment and Conservation are still nominally paid for by the waste levy fund. None of those staff represent the authority. I need to say, in case I do not get the opportunity to say it, that I think the staff are hardworking, well-intentioned and honourable people. I think they find themselves in a totally untenable position.

A few questions later, Mr Carbon is asked a question by then member for the South West Region Hon Paul Llewellyn —

If you had staff and resources allocated to you, what precisely would be the product that you are producing and the outcomes that you would deliver as an authority, given that there is already some capacity within all the agencies and so on?

Mr Carbon went into those different levels of services that he would like to be able to provide, and then he said —

For example, there is a very acute situation right now in the waste industry with the global downturn. That is a really severe impact, something like a drop off to 40 per cent of the previous value for most recyclables. The Waste Authority wished to undertake an exercise that looked at how we could be involved, and the department specifically said, “No, that’s our responsibility. We are going to do that.”

There is a whole series of activities right through from interaction across industry and the community by way of meetings. There are working groups being set up—for example, as recently as last week—which we do not get to attend; we do not have staff. However, DEC does go, wearing its hat that it has chosen to wear, despite the fact that the act specifically says that it is the regulator, and it behaves as a regulator. A recent example is that the Kwinana Industries Council, which is looking hard at trying to find ways of using its waste products as a source material for other industries, is complaining to me on a regular basis that there is not an avenue into government to which it can say, “We would like help to make this happen”, as opposed to dealing with somebody who says, “Our job is to regulate you and put constraints on what you want to do.” I have absolutely no doubt in saying that the Waste Authority is not fulfilling the charter that is described in the Waste Avoidance and Resource Recovery Act and, indeed, is not capable of doing that in the absence of having any staff at all. It is just a joke.

What a dreadful thing for the chair of the Waste Authority to have to go into an inquiry and put on the public record that the way he is being resourced by the government means that the Waste Authority cannot fulfil its charter as described in the act; it is just a joke. I think that is a very sad situation, and it must have cost Mr Carbon a lot to have been brought to the point at which he felt he had to say that.

We find in this amendment bill that whereas the resourcing of the Waste Authority was, albeit extremely inefficiently and unproductively, funded from the Department of Environment and Conservation’s general revenue, it is now to be funded directly out of the waste account. I cannot understand how this can happen. This has to be another point on which the minister will have to provide us with a very lengthy and detailed explanation of what is in her mind, because I cannot understand it as being anything other than another huge cost impost on the Waste Authority. Under the formula that the minister has written into the amendment bill, the formula is set up in such a way—let us talk about the first full year, which will presumably be 2010-11—that if waste going to landfill stayed exactly as it is today, the Waste Authority would get about \$13 million. Under this change, whereby the Waste Authority has to fund its own activities, surely a significant proportion of that will be taken up on administrative costs. How on earth is that consistent with the objects of the bill that I went through earlier? I just shake my head and hope that the minister is able to explain it to us in a way that we can then inform the community, the industry and local government stakeholders, to an extent to which they are satisfied, how this is going to work. At the moment it is a gigantic mess and muddle.

This report is the one to which I referred in question time yesterday when I asked the minister why she had failed to comply with standing order—somebody might be able to help me—337, I believe, which says that ministers have four months to respond to committee reports. The minister has thus far, some two months later, failed to respond to report 16 of the Standing Committee on Environment and Public Affairs.

**Hon Kate Doust:** It is an excellent report.

**Hon SALLY TALBOT:** I am sure that the reason Hon Kate Doust is calling it an excellent report has nothing to do with the fact that she was one of the committee members.

**Hon Ken Travers:** As the minister told us yesterday, she doesn’t get stressed, so she is probably not too worried about it.

**Hon SALLY TALBOT:** I think she is pretty relaxed. She seems to be pretty relaxed.

**Hon Ken Travers:** Yes. She doesn’t get stressed, so she’ll be relaxed about not complying with the standing orders.

**Hon SALLY TALBOT:** I think it is extremely unfortunate. I have to say that if I had been in the position of advising the minister, I would have said —

**Hon Norman Moore:** I suspect there’s not much prospect of that.

**Hon SALLY TALBOT:** I suspect there is very little prospect of me being adviser to the minister, Hon Norman Moore. In fact, I have to tell Hon Norman Moore—it might be a shock to him—that if I were offered it, I would actually refuse the position. Nevertheless, if I were advising somebody on my side of the Parliament about whether it is okay to contravene standing order 337 in relation to this report, I think I might say, “Look, as a general rule, no, but probably nobody will even notice. But this report is about municipal waste management in Western Australia, and isn’t that a bit of a hot topic at the moment; because, if it is, maybe you should try to comply with the standing order?” It is called “when you’re in a hole, stop digging”. It is a very basic lesson in politics and one that the minister has clearly never learned.

**Hon Max Trenorden:** What about all the way to China?

**Hon SALLY TALBOT:** Going all the way to China would be the other option, yes.

**The DEPUTY PRESIDENT (Hon Jon Ford):** Order, members! We are in danger of turning into a rabble.

**Hon SALLY TALBOT:** I am absolutely certain that when the President called us to order yesterday, he was making the *Sesame Street* analogy with the other side, not with our side, and I shall endeavour to keep it that way.

I will finish the comments I was making before I was interrupted by the interjections. Of course, the problem is that it looks as though the minister will not respond to this report until after we have dealt with this bill. That is the only conclusion I can draw. If that is not the case, she should come into this place and respond this afternoon. She told us yesterday that she had sought further advice. She now has that advice. Why does she not table the response this afternoon? Members will see that I have provided free advice to her.

Before I move off the report, I draw members' attention to one of the recommendations in it. The third recommendation might be causing the Minister for Environment a considerable degree of grief. Interested members will find it on page 84 and also at page v of the executive summary. Recommendation 3 states —

The Committee recommends that the *Waste Avoidance and Resource Recovery Act 2007* be amended to expressly limit the Department of Environment and Conservation's access to funds from the landfill levy to the offsetting of the actual administration costs of the landfill levy fund, and for other specified purposes to be set out in regulations.

I think honourable members will agree that that is a very cleverly crafted recommendation because in those four and a half lines the committee has encapsulated almost everything that is wrong with this amending bill. The committee has captured the fact that the Department of Environment and Conservation and the minister want to get their hands on the money to use it for their own purposes and the committee has considered and recommended against the possibility that the waste account should be used to fund the activities of the Waste Authority. That is a very important recommendation. The minister claims that she does not suffer from stress. Goodness me, she should be stressed when she has this sitting on her plate. It reminds me of the adage that if you can keep your head when all about are losing theirs, it is quite possible that you are not fully aware of the gravity of the situation.

I refer members also to page 77 of the report where it can be seen that another front has opened up on the Department of Environment and Conservation's cash raid that it is effecting on the WARR account. Paragraph 4.34 is headed "Funding of the DEC's activities out of the landfill levy" and states —

The Waste Authority argues that the practice of the DEC seeking to access landfill levy funds for all waste activities of the DEC is in direct conflict with commitments given by the Minister for the Environment when the levy was introduced that only costs associated with the actual administration of the levy fund would be accessed.

Paragraph 4.35 states —

The DEC, however, argues that:

*DEC receives no additional appropriation to administer its responsibilities under the WARR Act. The second reading speech of the Waste Avoidance and Resource Recovery Bill 2007 refers to funds in the WARR Account being used to implement programs consistent with the legislation, but does not limit use of landfill levy funds to Waste Authority activities. DEC believes that it would be appropriate, and consistent with the intent of the legislation, for a proportion of the landfill levy monies to be allocated to DEC for the purpose of fulfilling its regulatory functions under the WARR Act. This matter is still to be addressed between DEC and the Waste Authority.*

At this stage I will point out that I know that in the minds of some of the officers involved with the carriage of this bill that clause 4, which is the amendment to section 36, is a housekeeping adjustment. I put it to the minister that that is not the case and that we on this side of the house certainly will not treat it as the case. It is a very substantial alteration in the spirit, if not the letter, of the existing act. It does not just tidy up existing arrangements; it makes a fundamental change to the way the WARR account and the Waste Authority is set up. More importantly, because change is not necessarily a bad thing, it takes even more money away from the WARR account.

I will make a couple of comments about why we consider this move to at least begin the dismantling—if not affect it entirely—of the Waste Avoidance and Resource Recovery Act so significant. I could answer that if it were put to me as a question. Last night I referred to the dedication of the many officers who told me that they have been working on this type of legislation for some 25 years. There is no doubt left in my mind when I hear people talking in that way about the significance of this legislation. Also, we received national and international accolades for putting through an act of this kind. There is also the fact that the act made a fundamental policy shift in the way that waste and recycling was treated. The fact is that before the WARR bills were introduced in

2007, waste was essentially regarded as a health issue. The history of the legislative framework for waste management goes back to the Health Act 1911 when getting rubbish off the streets was done primarily to protect public health. Therefore, it was in the Health Act that we found all the provisions relating to the treatment of waste. With the WARR bill, we effectively moved waste away from health and into the environment portfolio, which is clearly where it belongs.

**Hon Max Trenorden:** No, it is not. It should be moved out of the environmental portfolio into business because all that rubbish has very positive uses.

**Hon SALLY TALBOT:** That is a very interesting point. I hope that the member will pursue those points not only in the second reading debate and the committee stage, but also in the party room because he clearly has a fundamental disagreement with his comrade in arms.

**Hon Max Trenorden:** I am not sure whether that is true.

**Hon SALLY TALBOT:** I would like to hear the member argue that point. I do not resile from what the member is saying. I am not sure whether he was in the chamber or was out on urgent parliamentary business when I talked about the experience of several European companies that have succeeded in completing the production and consumption recycling loop. They looked at their rubbish bins and saw the calorific value of them.

**Hon Max Trenorden:** That is precisely my argument.

**Hon SALLY TALBOT:** It is a very sound argument. All I would say to Hon Max Trenorden is that if he thinks that he won that argument in the party room, I sadly fear that he might be wrong. I would be interested to pursue that discussion with the member elsewhere.

**Hon Ken Travers:** Hon Max Trenorden knows all about being recycled!

**THE DEPUTY PRESIDENT (Hon Jon Ford):** Order, members! We were going very well then.

**Hon SALLY TALBOT:** I wonder whether he was in the green bin or the yellow bin!

**The DEPUTY PRESIDENT:** We are now going completely off track and have fallen into the rabble stage. Hon Sally Talbot has the call, for Hansard's sake.

**Hon SALLY TALBOT:** The WARR bills moved waste away from health and into the environment portfolio. Fundamentally, we are dealing with some new concepts. We look now at concepts such as waste avoidance. In 1911 we could not talk about waste avoidance. In 1911 we were concerned with taking the rubbish off the streets so that people did not get some of the types of communicable diseases that are generated when people do not live in a clean environment. We have moved beyond that. Our first key concept must be the question of waste avoidance. Along with that is the realisation, which I suppose probably developed during the time that I have been in Australia over the past 30 years or so, that we are not a big country anymore. We are literally a big country, but that big country mentality was that the one thing we will never have any problem with is finding a bit of spare ground to dump some stuff on. We have moved away from that mentality now. In fact, one source that I found estimates that we have only 15 years of landfill left in the metropolitan area. That is an extraordinary figure. I do not know whether we have the mechanics in place to deal with that. That is a very sobering figure to try to get one's mind around. It means that we will have to do an awful lot of rethinking very quickly. It is clearly why the concept of Towards Zero Waste by 2020 had such immediate currency in a political, social and emotional sense, because we are simply running out of landfill. Along with that understanding that we are no longer a big country and people cannot just drive out into the bush and off-load their garbage came a commitment to end our reliance on landfill.

A third component also kicks in. We have waste avoidance and ending the reliance on landfill. The third key component of this new conceptual way of thinking about waste is that we have to make producers responsible. Those key concepts were articulated in the second reading speech for the Waste Avoidance and Resource Recovery Act 2007. The second reading speech refers to a more sustainable future for Western Australia and a new approach to waste, and it makes specific reference to the Towards Zero Waste vision. My point is that none of these concepts would have been available in 1911. We are talking a new language now. I noted with interest when I re-read the second reading speech that the minister of the day, Hon David Templeman, the member for Mandurah, said that he had personally consulted many groups with interests in waste management. That might explain why they were so bitterly disappointed when the current minister made this decision with absolutely zero consultation. We had set the bar very high for that kind of communication. It is a fitting tribute to David Templeman that he did that.

The second reading speech notes that this is landmark legislation that brings our management of waste into the twenty-first century. The legislation re-established the old Waste Management Board as the Waste Authority. Our view was that that was a much stronger mechanism for the authority's role in leading this discussion over



the next decade or so. We were looking at a comprehensive statewide strategy. I note that Minister Templeman said in his second reading speech that our approach to the development of the strategy would be careful and collaborative—two words that clearly do not exist in the government's lexicon.

I also noted with interest when I was refreshing my mind about the key concepts of the WARR act that the second reading speech says that the Waste Authority will prepare a business plan outlining the authority's objectives and priorities for the next five years and projections for expenditure for that period. That is a process that appears to have ground to a halt. I will be very interested to hear the minister's views about this or her explanation for what has happened. I note that in debate in the other place, which I referred to briefly last night, comments were made—some of which were made by interjection, but none of which was made in a substantive sense, so I think that members in the other place know that they are on very shaky ground—about the fact that some of the money from the waste account has not been expended. The simple fact is that although the second reading speech indicates that the Waste Authority was charged with the preparation of a business plan, that business plan has been stopped in its tracks. The Waste Authority does not have a business plan. It has a work plan that can be accessed on the internet, but it has no business plan. When I have asked the minister about this matter, she has said that we cannot have a business plan before we have a waste strategy, and we do not have a waste strategy. We have a draft waste strategy, which sat on the minister's desk for many, many months, and Mr Barry Carbon had something to say about that in another hearing that I will refer to later. In fact, it appears that the Waste Authority was asked to prepare two versions—plan A and plan B—depending on what the minister thought she could get away with at the time. As I have said, we have a draft plan. It is a bit sketchy, but I am confident that, with the tremendous dedication shown by Barry Carbon and his colleagues at the Waste Authority, and by some of the industry and local government representatives I have had the privilege of getting to know over the past few months, the waste strategy will indeed turn out to be an effective document, if the minister does not succeed in hobbling it by the time it gets to that stage. My point is that everything is being done in such a higgledy-piggledy fashion that some of the more experienced heads in the bureaucracy are being shaken in disbelief at the way that this minister is running things.

The final provision of the Waste Avoidance and Resource Recovery Act as outlined in the second reading speech is about local government planning for the future. That is one area in which, even under the greatest constraints, the Waste Authority has been pretty effective in its first year of operation. I heard yesterday that people call local government the heroes of waste management. I think that is a mantle that is in part due to the guidance that local government receives from the Waste Authority.

I note also that the WARR act put in place arrangements that would allow for product stewardship and extended producer responsibility. I am talking about the new concepts of waste avoidance, ending reliance on landfill and making producers responsible. All those provisions are written into the legislation, and I will have more to say about this later. Why the minister has not taken the bit between her teeth and done something about product stewardship, container deposit schemes and extended producer responsibility is a mystery to me.

**Hon Donna Faragher:** What did you do in eight years?

**Hon SALLY TALBOT:** There the minister goes again. I am actually telling her what we did.

**Hon Donna Faragher:** You did nothing. Did you introduce container deposit legislation?

**Hon SALLY TALBOT:** We changed the fundamental framework in which talk about waste management is conducted. The minister has done nothing in 12 months.

**The DEPUTY PRESIDENT (Hon Jon Ford):** Order, members! These are not clever interjections. It is very difficult for the Hansard reporter to hear. If the member directs her remarks to me, perhaps she will not encourage that type of interjection.

**Hon SALLY TALBOT:** Thank you, Mr Deputy President.

I am outlining that the second reading speech made very clear the concrete, practical steps that the then government was taking to introduce new concepts to change the framework in which talk about waste and resource recovery is conducted. Essentially, the concepts that we introduced that were simply not available in 1911 included waste management, reduction, reuse, recycling and monitoring, and they were outlined in that second reading speech.

Before I leave the subject of the second reading speech, I did not recall how specific we were about the use of the levy funds when we introduced this legislation. The levy started in 1998; it did not start in 2007. Even some quite knowledgeable players in the field have forgotten that the waste levy started in 1998. It started at a very low level. Before we were landed with this bombshell by this government, I thought that what we had seen in those 10 or 11 years was an endorsement by governments of both political persuasions that incremental increases

were the way to go. The levy started in 1998. This was the new way of conceiving these things: people were charged according to the amount of waste going to landfill. We all remember the old days when people could rock up to a tip and all they had to show was a tip pass and it did not matter what they were leaving there. In 1998 we started linking the amount that people pay with the amount that they dump. Just before I leave that original second reading speech, I will refer to a specific statement in it that refers to the 1998 introduction, which reads —

The primary purpose of the establishment of the landfill levy was to provide resources to fund projects for advancing waste reduction and recycling.

Specifically, what we said about our 2007 bill was —

Levy funds are to be used only for purposes provided for in the legislation. Specifically, the funds will be applied to programs relating to the management, reduction, reuse, recycling and monitoring of waste.

Those are the key concepts that I have just gone through —

The funds could be used by DEC only for administration of the account and developing or coordinating the implementation of programs consistent with the purposes of the legislation. The levy is not to be used to fund other normal ongoing operations of DEC.

How much more clearly could we have expressed the fact that the object of the bill was to use that money to fund those specific projects out of the waste account?

The minister has expressed considerable interest in what we did. It seems to be her one consistent refrain by way of interjection in this debate, so I am happy to go into it in a little more detail. The year 2007 was the culmination of years of thought by successive Labor ministers for the environment. Of course, we started with the estimable Dr Judy Edwards, who, in September 2004, produced a really excellent report titled “Vision & Priorities” with the subtitle “Statement of Strategic Direction for Waste Management in Western Australia”. This is one of the ground-breaking documents about sustainability in waste management. This is where the two concepts of sustainability and waste management, which in one sense appear to be divergent, come together. The purpose of this document was to foster an interest among everybody in our community, from business, to industry, to government and to ordinary community members, about moving away from the old waste management and waste landfill mentality towards a waste-free society. This is the genesis of the Towards Zero by 2020 concept. My reading of the report suggests to me that it has not dated at all. It might be sad in a sense that we have not come as far as perhaps the minister of the day, Judy Edwards, would have hoped.

I think the report has enormous relevance. I cannot convey this clearly through *Hansard*, but one of the things I found particularly interesting is that section 6 refers to the way forward and gives a time line from 2005 to 2020. It fundamentally shows that we start in 2005 with avoidance being just the very narrowest part of the tip of a triangle—avoidance as opposed to management—and that is where we introduce the idea of management. We see in the forward plan from 2005 to 2020 the avoidance side of the triangle broadening and the management end of the triangle becoming pointed. In a sense, we end up with a figure that is pointed at each end and it diagrammatises the entire transition and transformation of our way of thinking about waste management.

It is done under three categories. There is a parallel here with those new concepts that I introduced earlier in that they refer to prevention, recovery and disposal. Members will not be surprised to know that disposal is the shortest section. Disposal is what we have to do when we have tried everything else. Disposal is about responsible management of the environmental, social and economic impacts of waste that cannot be either recovered or prevented. As I have just described diagrammatically, that becomes a very small proportion of the material that we are dealing with. At the other end we have prevention. Prevention is very simple—there is no rocket science in this—and is about avoiding creating waste. Another way of expressing it is that prevention is about reducing the amount of product that becomes waste. We can hear how revolutionary this way of talking is. All of a sudden we see packaging becoming part of the product. As I said before, people could not think like that in 1911 when what they were trying to eliminate were diseases such as typhoid. We have moved on from there and we have a new language in which to talk about this. In the middle is recovery.

I am sure that the logo designers were ecstatic when they discovered that all these words start with “re”. We have recovery; retreatment, which is a kind of reprocessing; reuse; reprocessing and recycling. As I have explained, most recently to Hon Max Trenorden by way of interjection, we have a whole-of-life-cycle approach to the whole issue of waste management. We saw those same values and priorities—prevention, recovery and disposal—as late as last week when the ministerial council meeting took place here in Perth. The meeting of the Environmental Protection and Heritage Council, which is the environmental equivalent of minco, meant that all the commonwealth, state and territory ministers were sitting around a table. We can see from their communiqué

that they picked up the same values and priorities as were identified in that 2004 Western Australian state government document “Visions & Priorities”.

I found an interesting thing in the communiqué from last week’s minco. I have seen no statements from the minister about the events that took place. I rather expected that she would walk into this place this week and make a couple of ministerial statements, because there were certainly some outcomes at that meeting that should have been trumpeted. The only conclusion I can draw is that she finds herself, exactly as I suspected, so seriously out of step with every other body of opinion in Australia, because she is the one person and this is the one government that have refused to embrace this new conceptual framework for talking about waste management. I wanted to draw honourable members’ attention to the report. I am not referring directly to the communiqué itself. I thought that it might be interesting for honourable members to know how the communiqué was received by the interested community in Australia. This statement was put out by *Inside Waste Weekly*, which is a Waste Management Association of Australia publication. It is dated Tuesday, 10 November and headed “Environment ministers back National Waste Policy”. It is essentially welcoming the introduction of this national waste policy. I just remind honourable members that what I am doing is showing how these new concepts have currency throughout all talk about this issue except in what we hear coming from the mouth of this minister. It reads —

The aims of the NWP are to avoid the generation of waste; reduce the amount of waste (including hazardous waste) for disposal; manage waste as a resource and ensure waste treatment, disposal, recovery and reuse is undertaken in a safe, scientific and environmentally sound manner; and contribute to the reduction in greenhouse emissions.

It sets directions in six key areas: taking responsibility, improving the market, pursuing sustainability, reducing hazard and risk, tailoring solutions, and providing the evidence.

...

There is a strong focus in the NWP on moving away from end-of-pipe activities and taking responsibility through the entire manufacturing chain.

There you have, Mr Deputy President (Hon Jon Ford), this whole-of-life-cycle approach, which we are now finally going to encapsulate in a national waste policy. It is a major step for Australia to have taken. It is a tragedy that Western Australia finds itself marching out of step with the other states.

When I was going through that list of the six key areas and got to the point about improving the market, it reminded me that it is another area in which the minister has shown herself to be totally negligent in the way that she is handling her portfolio.

One of the first serious effects of the global financial crisis that we encountered directly in Western Australia was towards the end of last year when our emerging recycling industry found itself faced with the catastrophe of collapsing overseas markets. If members have been to the facility at Canning Vale recently they would have seen the stockpile of materials there. That facility is in a relatively good position compared with many other waste recyclers and reprocessors because the overseas markets simply collapsed. I called on the minister then to put in place, as one of her responses, measures to protect and stimulate the local industry by providing domestic markets. In other words, if overseas markets collapsed they would then not experience the very difficult circumstances that they are now going through. What did she do? Nothing. What did she say? Nothing. I do not know whether she understood what I was talking about. It was not only me who was making the call. That is what is so very interesting. Often when the minister says something, she is the only one saying it. I was one of several voices encouraging her to do this, yet we saw absolutely no action at all, not even an acknowledgement that it was an option open to her.

**Hon Robyn McSweeney:** You are arrogant.

**Hon SALLY TALBOT:** Sorry, the member will get her cup of tea shortly, if she can hold on. She has about four minutes to go and then she can get her blood sugar level up and she will be in a better mood.

Before I leave the subject of last week’s minco, I note that my commonwealth colleague Hon Peter Garrett gave us an exemplary lesson in the use of third parties. I referred to that last night in my speech. It is something that was part of the course that the minister was not present at. I do not know whether the minister has ever had a third party endorse anything that she has done. However, I was absolutely fascinated by the range of opinion that the federal minister was able to tap into to endorse what he had done. It starts like this, and I will read again from *Inside Waste Weekly* as follows —

Indeed today’s EPHC meeting has been roundly welcomed by green groups — a somewhat unusual occurrence. Dave West from the Boomerang Alliance —

Dave West is an excellent activist in this field.

of green groups and councils was brimming with praise for the political leadership shown by Federal Environment Minister Peter Garrett.

“We’re absolutely rapt with [Garrett’s] efforts on this one — we’d have nothing going forward if it wasn’t for the ministerial intervention,” he said.

The upbeat assessment is backed up by veteran campaigner Jeff Angel, the head of the Total Environment Centre and a man more often heard rattling off sharp criticisms than sweeping compliments: “In the last six months, Minister Garrett’s made a 100% difference.

I wish some of this had rubbed off on this minister, but clearly she is a bit teflon-coated when it comes to good ideas getting through. The article continues —

Mike Ritchie, president of the Waste Management Association’s NSW branch, said “today’s decisions by the EPHC are strongly welcomed by the waste industry generally”.

For years the industry has called for leadership by Federal and State governments on waste and recycling issues. We see with today’s EPHC decision that TV’s, computers and tyres —

It goes into the different measures. The article continues —

“Today is the first step in a journey and all Environment Ministers, but particularly Peter Garrett, are to be congratulated.”

I congratulate Peter Garrett on putting up such a performance and getting through a series of groundbreaking decisions in such a way that he ends up with accolades like that. They are very hard to get and it is a mark of his effectiveness in his portfolio that he got that.

When I spoke last night I gave a forward signpost to the fact that I would spend a little bit of time talking about how the levy actually worked.

**Hon Robyn McSweeney:** A little bit?

**Hon SALLY TALBOT:** I have not got there yet. I promise the member it will be brief. I found through talking to people, from local councillors to ordinary ratepayers—not the industry representatives because they are clued up on how this works—that not everyone understands what is happening here.

Debate interrupted, pursuant to standing orders.

[Continued on page 8919.]

*Sitting suspended from 3.45 to 4.00 pm*