

WASTE AVOIDANCE AND RESOURCE RECOVERY BILL 2007
WASTE AVOIDANCE AND RESOURCE RECOVERY LEVY BILL 2007

Cognate Debate - Motion

On motion by **Hon Kim Chance (Leader of the House)**, resolved -

That leave be granted for the Waste Avoidance and Resource Recovery Bill 2007 and the Waste Avoidance and Resource Recovery Levy Bill 2007 to be debated cognately.

Second Reading - Cognate Debate

Resumed from 20 November.

HON NIGEL HALLETT (South West) [9.31 pm]: As has been mentioned, the Waste Avoidance and Resource Recovery Bill 2007 and the Waste Avoidance and Resource Recovery Levy Bill 2007 will be debated cognately. Both bills have been debated for some 10 years, with a lot of issues going back and forth between local shires regarding funding, the vastness of the state and the distances between local shires. We have now reached a point where over 90 per cent of shires support this bill coming together. I will deal with the levy bill first. Aspects of it relate to impacts on local government, as well as the people who pay these rates and therefore pay levies to local governments.

The first part of the Waste Avoidance and Resource Recovery Levy Bill has two objectives with regard to the landfill levy. The first part acts as an economic instrument for determining waste management practices and it seeks to reduce waste to landfill by increasing the price of landfill disposal. The funds raised by the landfill levy will then be used to underpin waste management programs, which in turn will be tailored to have the effect of reducing waste to landfill sites. One of the issues that came up through discussions about waste management programs and levies - particularly in some of the eastern wheatbelt areas in which there are declining populations, landfill problems and the problem of the tyranny of distance - was the question of where the waste resource recovery programs will be based. Some companies have programs up and running and are becoming more and more efficient. The shires there were given funding of \$10 000 to \$15 000 to help implement those programs. The provisions of the Waste Avoidance and Recovery Levy Bill have been amended slightly to ensure that the occupier of the landfill site cannot avoid responsibility for paying the levy by not holding the required licence. Any changes to the bill will require changes to regulations that apply to waste in the landfill. It is quite surprising that the state government controls some 90 million hectares of land in Western Australia but cannot find the space for new landfill sites. Therefore, the ability to extend the life of the existing sites must be capitalised on for as long as possible.

I believe that we should be putting more effort into trying to base landfill sites well away from the population centres rather than letting the cost of freight be the sole factor that overrides the short-term gain when, long term, it could prove to be more costly as the population grows. Where sites have been established around the metropolitan area, all of a sudden houses are being built alongside the fence of the sites. That is when problems arise.

The number of unregistered refuse sites is unofficially thought to be in the vicinity of 400. The figure that has been bandied around as the cost of dealing with these sites is in the vicinity of \$1 million per site. The amount of \$400 million is the potential cost of cleaning up some of these unregistered sites, if that action is taken under the Contaminated Sites Act 2003. A levy of 10c or 20c on a bottle or drink could help offset the cost of waste management. These days, levies are imposed on such things as tyres and oil. We all know that when we go to our local garage, we will be charged \$5 per tyre for disposal. I think the levy on oil is in the vicinity of \$5 or more per car. Although such levies are collected, there are still problems with disposing of these products. This legislation will allow the government to further place responsibility on consumers for recycling products. The provisions in the bill are fair and proper and I believe the general public will accept these measures.

It is interesting to consider some of the recent recycling initiatives. One initiative that was close to my previous farming business was called Drum Muster. It was initiated to deal with the 20-litre plastic containers in which we bought chemicals. After seeding, we would finish up with hundreds of them and be faced with deciding what to do with them. In the past, a big bonfire was lit after seeding, into which all those containers were thrown. Now we wash them out, I think, three times, and a levy has been placed on them, which is paid at the point of purchase. The containers are accepted at the local shires and they are then sent down to Perth for recycling. I commend a chap by the name of Bevan Henderson, who initiated the statewide collection of such items through Drum Muster in Western Australia. We also saw the beginning of a new recycling company called Claw International, which initially focused on the collection of agricultural products, as Drum Muster has done. Products such as mobile phones are now being put aside. I could go on and on about the collections of various products.

It is generally accepted that the recycling industry should be driven by private tender. It is a business that, properly managed, will become a positive income earner, and the private sector is in the best position to do this. The current levy in Western Australia is around \$6 a tonne, and this will be increased to \$9 a tonne. The levy in New South Wales is in the vicinity of \$27 a tonne.

The Western Australian Local Government Association supports the bills. It is interesting to note that the City of Stirling recycles, but it does not provide a separate yellow bin for glass and paper; those items are separated by hand. Glass cannot be recycled in Western Australia because there is no recycling plant for it; glass waste goes straight to New South Wales. Is it any wonder that it is not economical when we factor in the freight rates? It begs the question whether the government is completely serious about this issue. We know that we are in good economic times. Sometimes cross-subsidies are needed to deal with these problems. At the end of the day, for some reason they seem to work out and a profitable private business can emerge. Regional local governments have invested millions of dollars in recycling and waste management and they need certainty about the level of fees and how they will be applied. The opposition will not oppose the Waste Avoidance and Resource Recovery Levy Bill 2007.

The purpose of the Waste Avoidance and Resource Recovery Bill is to establish the Waste Authority, which will prepare a comprehensive statewide waste strategy and coordinate its implementation. This is a vital strategy in working to achieve the target of having zero waste in Western Australia. It is certainly a great target, but, practically, I do not think it is very realistic. I commend the people who have put the bill together for having that target.

Since 1998 a levy has been imposed according to the amount of waste going into landfill. This was a resource findings project for waste reduction and recycling. The Environmental Protection (Landfill) Levy Act 1998 contains the power to impose this levy. This power is presently provided for in part VIIA of the Environmental Protection Act and will be replaced by part 7 of the Waste Avoidance and Resource Recovery Bill. The funds raised will be able to be used only for purposes relating to the management, reduction, re-use, recycling and monitoring of waste. As I have previously mentioned, Western Australia has had a policy for many years of having the majority of waste go into landfill. We do not have to think back too far to remember seeing birds and rubbish everywhere at refuse sites. We have seen dramatic improvements and changes over the years. Once again, the people who have put this bill together have done a very good job.

I spoke on the contaminated sites legislation and the possible ramifications of it. Some questions that arise are: will the levy on the waste that goes into landfill apply to the waste that goes to a resource recovery centre; will the waste levy apply to the recycling units; and what will the waste levy be based on? The time frame for the mechanisms in the bill that have been outlined will be watched with interest. The intention of the bill is for the guiding principle to be to support industries that do the right thing, but to deal adequately with those that do not. When one considers changes to the bill, one must make observations on the Health Act, which was passed back in 1911 when the focus was on waste management and the protection of public health. As members are well aware, standards were far different back then; recycling and waste management did not have the focus that they have today.

The bill also addresses and preserves the local government monopoly on managing local government waste. As I have previously said when dealing with the recovery bill, local government generally supports the outline of the bill and the government's financial commitment to it. The primary objectives of the bill, which will be supported by the opposition, are to provide for integrated waste and resource management planning, policies, programs and service delivery on a statewide basis. This is a very important part of the bill for regions such as the mid-west and south west. The south west is one of the fastest growing centralised areas. It is important to encourage smaller shires to participate in programs that will provide them with an effective waste management system. The other primary objectives of the bill are to enable producers of products that generate problematic wastes to share with consumers of those products the responsibility of reducing and dealing with the problems attributed to waste; to provide accountability mechanisms in provisions of the bill that create powers and responsibilities; to create effective frameworks and structures to coordinate and facilitate waste avoidance, resource recovery and safe management of remaining wastes; and to define the roles and responsibilities of key participants and management in waste generation.

One of the bigger problems in recent times has been the collection of oil. The collapse of the market resulted in having to find an overseas outlet for it. That has been achieved. As members would understand, the cost of getting oil overseas, dealing with other countries and getting them to accept our waste has been quite a task. Once again, the people who were able to get through that loop have done a very good job. Where discarded car tyres go remains a problem but it is certainly being addressed. Once again local government has a provision to prepare plans for future requirements. I think all shires have been very cooperative on these bills. They still want a say in waste management, but they are prepared to work on a combined structure that will give them the economies of scale. Waste management is a service that has been provided by local government. They are very

proud of the job they have done over previous years, but they still want a strategy that will take them forward for the many years in front of them. Once again, the opposition will not oppose this legislation.

HON BRUCE DONALDSON (Agricultural) [9.48 pm]: It was interesting to read the second reading speech on both these bills. I especially mention the three Rs in local government - roads, rates and rubbish. Rubbish plays a very big role in the activities of local government. I wondered about the waste plans of the new Waste Authority. It is said that local government waste plans are intended to be used as a tool for ensuring that the government's waste management policies and the improved waste strategy are delivered on the ground. I thought that a bit patronising, quite frankly, because local government has been a leader in the field of waste management for a long time. Some of the larger councils have combined to form regional councils and set up waste management authorities in their own right. The Southern Metropolitan Regional Council operates a plant in Bannister Road, Canning Vale, and it is refreshing to see the recycling going on there. That has been put together by local government. There are plans for another waste recovery centre in the Mindarie Regional Council area, with constantly improving technology, and another at Rockingham. Local government has been leading the field. I have been a bit surprised by the patronising comments that have flowed through this debate, and I wonder how much say local government will have in waste management strategies in the future. Whichever way it is looked at, local government has responsibilities in this area.

There was a problem at the Canning Vale plant with an odour plume. There was a negative air problem in the sheds, and some of the methods being used to remove odour were facing problems with low relative humidity. At odd times, odour plumes extended towards Leeming and other places. There was a call from a number of people to close the plant down. All that would do is shift another 300 000 tonnes of waste into landfill, so \$2.4 million was spent to rectify the problem. Now, even a short distance from the plant, there is no particular odour. There may be a problem on still nights, and the atmospheric conditions are being investigated, but it is only at odd times. I mentioned recently to a couple of people that I thought it may have been due to katabatic wind effect from the Darling Scarp, which is quite prevalent in that area. Other industrial sites in Western Australia have run into the same problem. However, local government has the ability to recycle, and the technology to sort out material from the yellow-topped recycle bins. It is interesting to watch the process. The four digesters hold about 1 200 tonnes each. Recycled material is only on the site for about three days.

Local government has come a long way. Some of my former colleagues in local government who have been involved in regional councils have a real passion for waste management. After all, they have a responsibility to their own constituents, and if they start getting complaints, it gives them food for thought. At the moment, just over 100 000 tonnes of the recycled rubbish still goes into landfill after processing - material that cannot be on-sold. It is hoped to reduce this figure even further, possibly through more sophisticated collection arrangements. Unfortunately, a lot of their constituents do not really follow the rules. That is the sad thing about it. People are genuinely more aware that in Western Australia we cannot continue to produce the amount of waste that currently goes into landfill. This issue has been a topic of discussion for about 10 years. Under the Environmental Protection (Landfill) Levy Act 1998, a levy can be imposed on landfill.

The parliamentary secretary said in her second reading speech on the Waste Avoidance and Resource Recovery Levy Bill 2007 that -

Although the wording of the bill is appropriately general, there is no intention at this time to apply the levy to anything other than waste that is in landfill. Should any government seek to change how the levy is applied at some time in the future, it could be achieved only by the making of regulations, which would require wide consultation with affected stakeholders and the assent of the Parliament.

Are the stakeholders the ratepayers of a local government authority, or local government itself? The parliamentary secretary did not say in her second reading speech that if the government of the day had the numbers in both houses, it could do all sorts of things. I hope that a government would not move down the path of imposing a levy on a recovery centre that was recycling waste. It would be a step in the wrong direction.

It concerns me that under the Waste Avoidance and Resource Recovery Bill 2007, a fund will be set up and managed by the Waste Authority, which will have a membership of five. The minister will have the power to allocate the revenue from that levy in the form of grants or subsidies. I wonder whether it would include grants or subsidies to some of the larger regional councils that are spending a lot of money on taking care of the waste collected from within their regions but are under pressure because they do not know what to do with the waste that is collected from footpaths in front of private residences. I wonder whether local government will be able to use the money that is collected by way of this levy to achieve the aim of the Waste Avoidance and Resource Recovery Bill; that is, to reduce landfill to zero. I am not sure of the time frame for achieving that end; however, it would be some time away.

Various kinds of recycling plants operate around the world and I understand that there are three plants in Australia - one in Cairns, one in Port Stephens and another at Canning Vale.

Hon Kate Doust: There are two in Cairns.

Hon BRUCE DONALDSON: Cairns has two. New South Wales and other states are looking at constructing similar plants.

It is interesting that the South Metropolitan Regional Council sought the services of a company when the odour plume that was escaping from the Canning Vale recycling plant was particularly bad because of the way that plant had been set up. That company was successful in that the odour plume is no longer escaping. Generally speaking, people are fairly supportive of waste management. Many people who have experienced an odour plume from a waste management plant have the tendency to blame any strange smell on the plant. Education in waste management is very important.

I do not know how some of the waste that goes into landfill will be treated. Some of the landfill comes from the green waste that is picked up from footpaths. Often the weed species in that green waste are unknown. As a result, the waste is sold to commercial operations that can treat it to stop the spread of weeds. We just do not know what is in someone's backyard. That is always going to be a bit of a problem. They are able to take out the iron products, which is very good. The iron products are sold to Sims Group. Aluminium cans earn about \$1 900 a tonne, which is quite interesting. Steel cans earn in the vicinity of \$150 or \$200 a tonne. It is great to watch what happens at the bailing plants. Recently, I was given the opportunity to watch people working in the sorting areas.

Debate interrupted, pursuant to standing orders.