

Landfill Waste Levy Increase — Minister for Environment's Comments — Adjournment Debate

HON SALLY TALBOT (South West) [10.03 pm]: I rise tonight to make a couple of comments about some of the things that were said by the Minister for Environment this afternoon in the urgency debate. These are things that I want to draw to the attention of the house on the off-chance that I misunderstood a couple of points that she was making. The first was that she said that despite what I or anybody else in the opposition might say, local government was supportive of the 300 per cent increase in the landfill levy. I do not know what parallel universe the minister is living in, if she did indeed say that.

Hon Kate Doust interjected.

Hon SALLY TALBOT: As Hon Kate Doust said, it is “bizarro world”. Hon Kate Doust has children who are younger than mine, so she knows about these things. I do not know what parallel universe the minister is living in, but the *Western Councillor*, the journal of local government in Western Australia, came across my desk the other day. On the front of the *Western Councillor* in large letters it says “LANDFILL LEVY OUTRAGE” and underneath in smaller type it says “State Council United”. Turning to page 4 we read the President’s report from Councillor Bill Mitchell, which starts with the following words —

The sudden and exorbitant hike in landfill levies has Councils in the metropolitan area united in their outrage.

The recent decision by the State Government to increase the levies by 300% has also found united opposition from the Association’s State Council. As is detailed in the State Council Briefs towards the back of this edition, our last meeting unanimously agreed to develop an active political publicity campaign with the aim of renegotiating the issues associated with the increase in the levies.

I am not sure how that constitutes support from local government for the levy increases. Members will notice that the *Western Councillor* does not refer to the part of this budget measure that is grossly offensive to us in the Labor Party, which is the removal of the money from the Waste Authority; it refers to the 300 per cent increase in the levy. I have commented before that Mr Bill Mitchell has a certain political point of view, which he has certainly not been backward in bringing forward in the past.

I then looked to other items in my in-tray and found a similar sentiment expressed by Paddi Creevey, the Mayor of the City of Mandurah, in her “Mayor’s Message” in the *Mandurah Mail* of Thursday, 18 June, at page 9. It is headed “Local government to fight cost hike in landfill levy” and starts like this —

I have spoken previously about the value of reducing and recycling waste, but I have not talked much about the costs associated with rubbish collection. Most ratepayers would see a refuse service cost on their rates bill, which includes their 240-litre rubbish and recycling bins, their greenwaste and hard waste collections and the four free annual greenwaste passes to the City’s waste management centre. As part of this refuse service cost, the City — like all other metropolitan local governments in WA — also has to pay a landfill levy to the State Government to help it fund its waste management programs, including waste avoidance and resource recovery projects.

Up to last month, the City was happy to pay the landfill levy, which amounts to about \$7 per household annually for Mandurah ratepayers. However, this Council and others were outraged when the State Government announced in its May budget that it would increase the landfill levy on local governments by around 300 per cent. This exorbitant increase cannot be absorbed by this Council and therefore would have to be passed on to our ratepayers, amounting to around \$28 per household, from July 1.

The cost hike in the landfill levy was totally unexpected as there was no consultation with local government on the matter. It is unacceptable to throw this on to local government and ratepayers without any prior discussion or consultation and it is wrong for the Government to impose a new tax on the community and expect us to collect revenue that would fund a Government department that had its funding cut by three per cent in the recent budget.

That, Mr President, is Mandurah. There is more. The Mayor of the Town of Kwinana, Carol Adams, wrote to me personally on 12 June, and her letter reads —

Dear Sally

PROPOSED INCREASE TO LANDFILL LEVY

I wish to express the deep concerns of my fellow Councillors and myself to the proposed 300% increase to the Landfill Levy for putrescible waste and 140% for inert waste.

These increases are proposed at a time of global economic crisis in which Local Governments are being asked to continually review their operations, tighten their belts and devise strategies for improving efficiencies including amalgamations and broad scale local government reform.

It goes on —

Local Government was also told that waste minimisation was the primary purpose of the levy and some would be used to enable the administration of the waste minimisation programme.

...

We see this as being an underhanded means of using local governments to raise taxes for the State Government, which we are strongly opposed to.

I am not quite sure which aspect of any of those three extracts that I have just read into *Hansard* constitutes support from local government for the levy increase. However, this afternoon the minister made another comment that I want to query. She said that the government wanted to make sure that there was some certainty for local government. We would all agree with that; that is a laudable aim.

She then went on to say —

That is why we made a decision that the increase in levies would take effect on 1 January 2010.

I do not know what might be the motivation for her statements of this kind, but it has become abundantly clear that most councils have already increased the charges to their ratepayers, citing the state government's increase in the landfill levy rate as the reason for the rate rise. Hon Ed Dermer asked a very insightful question this afternoon of the minister when he asked —

- (1) Can the minister advise how many metropolitan councils are already charging the increased waste levy?
- (2) Is that additional money going to the Waste Authority?
- (3) If not, where is it going?

The answer the minister gave reads, in part —

- (1) Landfill levies are charged when waste is received at landfills. The levy is set by regulation, and the existing levy regulations, which came into operation on 1 July 2008, saw a rise in the rate for category 64 and category 65 landfills from \$7 to \$8 a tonne on 1 July 2009. The proposed 300 per cent increase does not take effect until 1 January 2010.

She did not address the first question Hon Ed Dermer asked about the number of metropolitan councils already charging the increased waste levy. We might try that one again tomorrow.

I have just been through the paperwork on my desk upstairs. This is stuff I have been carrying around with me, not the mountain of stuff that sits on the desk in my electorate office. I have something headed "Notice to Customers" from the Mindarie Regional Council dated 29 May 2009. Under the heading "Schedule of fees and charges: Tamala Park Waste Management Facility" it reads —

Mindarie Regional Council would like to advise customers that the fees and charges will be increased on the 1 July 2009 as per the attached Schedule. The increase in fees and charges will be advertised in *The West Australian* on 3 June 2009.

Council reviews its fees on an annual basis. The revised casual fee has been approved by Council after consideration of the following factors:

- Increase in the Landfill Levy rates by the State Government from \$7/tonne to \$28/tonne ...

I have made a couple of phone calls to local councils around the place—this is why I was particularly interested in the answer we hoped Hon Ed Dermer would get to his question today—because I want confirmation of the advice I have received unofficially that the majority of metropolitan local councils have already increased charges to their ratepayers in line with the 300 per cent increase that this government announced on 16 May to take effect on 1 July. The councils have done that, not because they are avaricious people who just want ratepayers' money. It is a source of extreme concern and embarrassment to them that they have been forced to do this, but they are not in a position to hike up their rates on the whim of what the government decides it wants to do. They took the government at face value. They saw the increase and factored it into this year. I want to know how many councils are charging it and where that money is going.