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Project Manager – Queensland’s Waste Strategy consultation  
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**Queensland’s Waste Strategy 2010 to 2020  
PROPOSED INDUSTRY WASTE LEVY CONSULTATION DRAFT**

The Australian Landfill Owners Association (ALOA) is an incorporated entity comprising landfill owners across Australia who share a concern for the future viability of the environment and their businesses. Members of the Association receive and manage over seventy per cent of the total solid waste generated in Australia.

ALOA welcomes the introduction of a waste strategy in Queensland, and we believe that a carefully considered levy will help to increase resource recovery and encourage best practice management of waste.

ALOA has formed a national position on waste levies (attached to this submission). This comprises eight points which we believe represent sound principles for the imposition of waste levies at landfills.

Based on these eight points, we have a number of concerns about the proposed structure of the Queensland waste levy. These are outlined below.

**1. Waste levies should only be introduced when they are part of a clearly articulated waste strategy and should be put in place for at least five years.**

The introduction of a waste levy in Queensland is supported by the Queensland Waste Strategy 2010–2020. ALOA is pleased to see a state-wide waste strategy for Queensland. However, we believe that, as a minimum, a five year commitment is required in order to realise the benefits of greater resource recovery, and that the proposed term of four years is too short. It is unlikely that industry will invest in new resource recovery infrastructure as an alternative to landfill unless there is certainty that the waste levy will continue to apply for at least five years.

**2. Waste levies should only be varied as part of a waste strategy review and not without at least six months notice.**

ALOA supports the introduction of the levy in July 2011 as proposed by DERM. This gives, providing that the legislation and regulations are in place by the end of 2010, adequate notice to the waste industry.

**3. Waste levies should not be differentiated by waste type (other than for hazardous waste where identification can be supported by accompanying documentation) or waste origin.**

Whilst regulated waste will be differentiated in the proposed Queensland waste levy, the \$35 per tonne levy applies to commercial and industrial waste, construction and demolition waste, but not to municipal waste and other specified generators.

ALOA believes that the \$35 per tonne levy should also apply to all waste. This is consistent with other states and also avoids the issue of having to identify the components of mixed waste loads. For example, some Council domestic waste collection trucks also collect waste from commercial premises. Once this truck arrives at the weighbridge, it will be difficult to determine how to apply the levy.

Other examples of loads potentially containing a mix of levied and non-levied wastes are those containing material from charities or asbestos, both of which are exempt from the levy.

If the waste levy remains differentiated, landfill operators will have no choice but to take a precautionary approach and charge, on the basis that the load may contain some commercial and industrial waste, the customer the waste levy on the entire load. The levy collected would then be passed to the Queensland government.

This is clearly an impractical situation, as the Queensland government would then be responsible for calculating and providing a rebate to the waste transporter based on the transporter's claims of the composition of the load, and should be avoided if possible.

We strongly encourage the reconsideration of this differentiation of the waste levy between waste types.

**4. Waste levies should be state-wide in order to avoid boundary disputes.**

For an extra \$35 per tonne, a tipper truck full of construction and demolition waste, for example, can be transported up to 200km. This implies that, under the proposed levy zones, it is likely that waste will be transported up to 200km outside the levy zone in an attempt to avoid the levy. Although the consultation document states that any waste generated in the levy zone will still be subject to levy even if it is disposed outside the levy zone, the point of origin will be difficult to prove, and may lead to false declarations of waste origin in order to avoid the levy.

ALOA believes that the levy should apply to the whole of Queensland.

**5. Waste levies should be reduced in direct proportion (by weight) for all waste genuinely recycled (for clarity this also means producing a product for sale or use in the landfill – e.g. daily cover – and includes creation of electricity or the use of landfill gas as a heat source for a power station or brickworks).**

The consultation paper states that materials segregated for recovery will be exempt from the levy. However, more detail and clarity is required on this issue, to ensure that:

- 1) only genuine resource recovery activities are exempted; and
- 2) investors have a clear basis for investing in new recycling infrastructure.

**6. Waste levies should not be due on waste subject to a 'bad debt'.**

The jump from no levy to a \$35/tonne levy will have a large impact on some smaller waste industry participants. For example, a landfill currently charging \$10/tonne for construction and demolition waste will find, as of 1 July 2011 that the waste levy represents over 70% of the amount charged to customers. This sudden increase in charges may lead to some smaller customers defaulting on landfill payments. In order to ensure that landfill operators are not driven out of

business by the sudden imposition of a waste levy, the levy should not apply to transactions that result in genuine bad debts.

**7. Waste levies should be noted on invoices (in order to convey the extent of the levy to the waste generator).**

This should be legislated to ensure clarity for customers, and to encourage landfill operators to pursue resource recovery by using the levy to support resource recovery activities.

**8. Waste levies should not be utilised to fund landfill infrastructure (in order that early initiators are not disadvantaged).**

Revenue from waste levies should be used to provide strengthened waste regulation (including discouraging illegal dumping), education of businesses and the public on waste reduction and resource recovery, and the creation of sustainable markets for recycled products. The use of waste levies to fund infrastructure will penalise those operators who have already invested in best practice equipment. Funding infrastructure generally does not create sustainable outcomes and may in fact hinder investment by independent operators.

A small delegation from our Queensland Chapter is available to meet with DERM to further elaborate on this submission.

Yours sincerely,



**Colin Sweet**

Chairman

Australian Landfill Owners Association (ALOA)