

**WASTE AVOIDANCE AND RESOURCE RECOVERY
AMENDMENT (CONTAINER DEPOSIT) BILL 2018
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AMENDMENT (CONTAINER DEPOSIT) BILL (NO. 2) 2018**

Cognate Debate

Leave granted for the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill 2018 and the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill (No. 2) 2018 to be considered cognately, and for the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill 2018 to be declared the principal bill.

Second Reading — Cognate Debate

Resumed from 29 November 2018.

DR D.J. HONEY (Cottesloe) [12.48 pm]: At the outset, I make it clear that the opposition will support these bills. Members will discover that I have considerable passion around this topic, particularly for the elimination of waste and, especially, for its proper storage. Waste management is an extremely important activity for all levels of government, and it is an area that needs substantial improvement. According to the 2015–16 Waste Authority report on recycling activity, around half of the total waste stream is recycled, but of course that means that half of the total waste stream is largely going to landfill. We generate extremely large quantities of waste. The report estimates that around 1.8 tonnes of waste is generated per person in the metropolitan area and, interestingly enough, 2.5 tonnes per person in the regions. I am not sure quite why that is; maybe they eat more because they are working harder. The activity report went into some detail. Total waste is around 5.2 million tonnes, which is a considerable volume. Around 2.5 million tonnes of that waste was recycled in 2015–16. Interestingly enough, about a million tonnes or a bit more is construction and demolition waste. I will say that the construction and demolition community has done a considerable amount of work to reduce the amount of waste that goes to landfill from their operations, which is extremely encouraging. Beverage containers make up quite a significant amount of the waste. It is estimated that around 35 per cent of all waste is beverage containers; hence, targeting this waste stream is very important if we are to minimise overall waste disposal.

I want to dwell for a little while on the problems with the current landfill process. As I mentioned, the great majority of material that cannot be re-used or recycled is disposed of to landfill. In fact, landfill simply defers the issues with waste disposal to future generations. A large portion of the historic landfill occurred, and even current landfill occurs, on the coastal plain. The coastal plain mostly comprises highly permeable sands, which are in intimate contact with the superficial watertable. There is a shallow watertable across most of the coastal plain. Hence, any leachable material in landfill will ultimately enter the groundwater. Landfill engineers often make a great deal about being able to prevent this from occurring, through the installation of what they call impermeable caps. The idea is that a cap can be engineered that completely seals off the waste. The principal problem is the infiltration of rainwater, which washes down through the deposit and takes contaminants into the groundwater table. However, it is a misleading proposition, because there is no such thing as an impermeable cap on any type of landfill. I have some significant background in this issue. For the last nine years of my career with Alcoa, I was in charge of the Western Australian landfill operations, and for four years I was predominantly involved in its global bauxite residue operations.

Mr D.J. Kelly: You are to blame, are you?

Dr D.J. HONEY: We did it extremely well, minister. For the last four years of that, I had a global role in looking at this. This was an issue I examined extensively in that role. All so-called impermeable caps are permeable to some extent, either through design or misadventure. In essence, the more money that is spent, the more impermeable it is, but there is literally no such thing as an impermeable cap. What I mean by misadventure is that when engineers design these caps, they calculate how many faults there will be per square metre or per 100 square metres or the like. That is because there are always imperfections. Also, all impermeable caps deteriorate over time. It is a completely false proposition that a cap is impermeable and will be there for infinity. It is quite interesting to think about it in a geological sense. The whole surface of the earth is continually recycling. Natural processes are occurring, either through erosion, volcanic processes or the movement of tectonic plates and the like, which recycle the earth's surface. All the things we see as land now will at some stage be exposed to the ocean. It may interest members to know that the coast of Western Australia was on the other side of Rottneest about 6 500 years ago. Aboriginal people know that through their oral tradition. Stone tools have been found on the coastal plain made from a rock called fossiliferous chert, which occurs only on the other side of Rottneest and is currently under the ocean. Equally, the ocean was at the hills, which is why there are mineral sand deposits on the hills.

Mr D.R. Michael: It will be there again soon, the way we are going.

Dr D.J. HONEY: The point is that it is constantly changing. Six and a half thousand years is a blink of an eye in geological terms. It was a global cooling period. If it were not for the warming, we would not have the beautiful coast along Cottesloe!

The point is that there is no such thing as a permanent or impermeable cap. That is the case even in the short term. Waste buried in landfill is in what is called an anaerobic environment. Here is the rub. Organic materials—it will progressively happen with plastics as well—decompose anaerobically and release methane and carbon dioxide to the atmosphere. Various soluble organic compounds go into the groundwater, as will soluble metals and other things. Nature is remarkably resilient when it comes to dealing with organics in particular—bacteria will typically eat it up over time—although there could be some topical problems in the plume under these areas. However, carbon dioxide and methane are net contributors to greenhouse gas emissions. As I have said, because all these caps are ultimately permeable, that organic material will ultimately decompose to carbon dioxide and methane, which will go into the atmosphere. I know that a number of members have a keen interest in the environment and global warming. Methane is especially concerning, because it has 30 times the greenhouse gas impact of carbon dioxide. One atom of carbon goes to carbon dioxide and one atom of carbon goes to methane, but the methane molecule has 30 times the greenhouse gas impact of carbon dioxide. That is what will happen over time to all the organic material in those deposits. Unless that methane is captured, it will go up into the atmosphere and join the global load of greenhouse gases.

There have been various attempts to capture methane. In practice, those systems capture the methane and burn it—it is a significant component of natural gas. It can be burnt as a fuel and used to produce hot water and the like. The old Brockway tip used to have a system to capture gas and use it to heat the water for the swimming pool at the stadium. However, the overwhelming majority of methane will simply go into the atmosphere. It cannot be effectively captured. As I have made clear, it cannot be sealed. I am happy to have a discussion with engineers who think they can seal it.

There is a particular issue with leaching into the groundwater. I had a chance to discuss this a little yesterday with the member for Thornlie, who has a keen interest in this area as well. I will go on to explain that later. There is one misguided thing that people sometimes do. Members may remember the old compact fluorescent bulbs. All compact fluorescent bulbs contain a small amount of mercury. Overwhelmingly, those compact fluorescent bulbs have gone into landfill along the coastal plain in Perth. If that mercury is not contained—one would imagine that, in the greater number of cases, those bulbs would have broken when they went into landfill—it will be released. That mercury will all methylate and form the compound methylmercury, which is highly soluble. It will go into the groundwater, bioaccumulate and, ultimately, enter the food chain. That is an environmental initiative that will really have an adverse impact, possibly for centuries. I do not know what the concentration of mercury will be, but it is certain that all our landfills will have a mercury-contaminated plume underneath them because of that. That sort of consequence really reinforces why we need to get away from landfill.

A much maligned technology for dealing with all forms of organic waste—really anything that lived such as food waste, plant material, paper, cardboard and all plastics—is incineration. A lot of people intuitively think of incineration as a dirty smoke stack pumping out noxious gases and harming the environment. In fact, that technology has progressed tremendously over the past few decades, and the modern waste-to-energy plants are an outstanding alternative for this type of material, if it cannot be re-used for something else. Some members such as the members for Kwinana, Cockburn and others would know that there are two very well advanced waste-to-energy projects being progressed on the Kwinana industrial strip. There is the Avertas Energy project, which was the old Phoenix Energy project. Macquarie Bank has now taken the lead in that \$800 million project. Some members may have seen the press release towards the end of last year that stated that this \$800 million plant will deal with about 400 000 tonnes of household, commercial and industrial waste. If we think about the 2.5 million tonnes of waste going to landfill, that is a very significant part of that waste. It already has arrangements with several councils, including the progressive Kwinana council, which has been really driving this hard. That is an excellent project. It will produce a large amount of electricity—up to a 36-megawatt electricity generation capacity—and that is a big step forward. These plants have state-of-the-art technology. The other project that is quite well advanced is the New Energy project. It is a great encouragement that there will be alternatives other than landfill for organic-based material. If members look at the overall environmental impact of those plants, they will see that they convert organic waste to carbon dioxide and water—the two components. Carbon dioxide will go into the atmosphere; however, that process completely eliminates the production of methane from that sort of waste. That is a major step forward. The carbon dioxide produced has one-thirtieth of the greenhouse gas impact that methane has. The other thing is that all the energy produced from that waste that would otherwise go to landfill will completely displace the use of non-renewable fossil fuels. It is a complete displacement of that source of carbon dioxide going into the atmosphere. It will be a net win, of course, if the material being burnt originates from organic material—for example cardboard or paper. If

it originates from renewable sources, it is a completely greenhouse gas neutral process. I am really encouraged by that. That is a wonderful step forward for Western Australia.

Excellent work is also going on around other alternatives. In a 90-second statement that I knew everyone would be riveted by, I mentioned Professor Chun-Zhu Li, who is the head of the Fuels and Energy Technology Institute based at Curtin University. He is an outstanding individual. He and his team have developed a remarkably innovative technology for dealing with waste made from anything that once lived, which includes us. I am not suggesting that we would be in there, but certainly anything along those lines, including any plastic, wood, organic material, organic waste or plantation timber and the like built specifically for it.

Mr D.J. Kelly: The member for Dawesville?

Dr D.J. HONEY: I would never do that; he will be put on a pedestal and kept forever, minister.

Professor Li and his team have done some fantastic work. I will not go into excruciating technical detail, but it is fascinating. It is a pyrolysis process that involves mechanical milling of a material. Out of that process comes a small amount of non-condensable gases, but in larger part and in rough terms it produces a liquid fuel from about 50 per cent of that material, and the other 50 per cent is converted to what is called “char”, or carbon. The thing I was really encouraged about with this process is that the liquid fuel can be burnt directly as fuel, so that can be burnt as a replacement for diesel, for example, in a diesel-fired power station. Equally, that material is very simply re-formed into a petrol component and a diesel component—complete replacement fuels for our primary existing mobile equipment fuel sources. Char is a really interesting material as well. Char is carbon. Some members may know that coal is predominantly carbon. Char can be burnt like coal. It is a sandy granular material, so it can displace coal in existing coal-fired power stations. But the other thing about char is that it is stable on the million-year time scale. That means that if we simply return that char to the soil to increase soil carbon, it not only returns the micronutrients to the soil, but also sequesters the carbon for millions of years; it is effectively complete sequestration of the carbon. If people are concerned about greenhouse gas emissions, for example, if this process was used with plantation timbers, and in particular a lot of mallee plantations that have been planted through the wheatbelt, if we chose to, we could have a net reduction of carbon in the environment of 50 per cent of the material going into it, effectively permanently. It is absolutely the lowest cost process for sequestration of carbon. I listened with interest to the Minister for Mines and Petroleum talking about the Collie gas hub project. I was involved in that project for a while on an industry steering committee. That project is technically interesting, but the cost of it is prohibitive. I do not believe anyone will ever economically sequester carbon by pumping it into the ground. It is just prohibitively expensive. In great contrast, the process that has been developed by Professor Li and the team at Curtin University offers a very low cost way to sequester carbon on the million-year scale. That is something that I think most people who are concerned about the issues of global warming and increasing atmospheric levels of carbon dioxide would be very pleased to hear.

Given the considerable problems inherent in landfilling waste, of which I have covered some, it behoves all of us, and that “us” as a collective group, to eliminate landfill altogether from the state. That has been an aspiration for governments for some time, and I believe it was an aspiration of the previous government. We should take that to heart, and whenever we see landfill occurring, we should consider that to be an undesirable thing and we should do everything we can to stop it.

There has been a reasonable history of legislation on the container deposit scheme. Members in this place would know that the previous Liberal government led by Hon Colin Barnett was intending to introduce parallel legislation to this in its last term. Indeed, there was clear bipartisan support for a scheme to be introduced into Parliament. In 2011, opposition Labor and Green members of Parliament called for the introduction of a scheme. The Minister for Environment at the time, the member for Nedlands, Hon Bill Marmion, said that WA would wait for a national consultation regulatory impact statement to be completed at the end of that year. The then Labor Leader of the Opposition, Hon Eric Ripper, introduced the Container Deposit and Recovery Scheme Bill 2011 into Parliament in October 2011. As I mentioned earlier, the member for Thornlie introduced a private members’ bill in August 2016. In the same month, the then WA Liberal government announced a state container deposit scheme commencing in 2018. The then Minister for Environment, Hon Albert Jacob, said at the time that the efforts to pursue a national scheme had fallen by the wayside, but that Western Australia’s policy should be aligned with recent changes in Queensland and New South Wales. That bill was developed but not introduced into Parliament before it was prorogued in early 2017, but we can see in the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill 2018 and the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill (No. 2) 2018 before us that there are very strong parallels with the legislation that has come out of Queensland and New South Wales. The reason I am speaking now is that the current Labor government introduced its bill in November, through the member for Baldivis in his role representing Minister Dawson in the Legislative Council.

There has been some considerable discussion around issues associated with recycling. Obviously, the focus of this report is beverage container recycling, which, it is estimated, makes up 35 per cent of the total waste stream. This is clearly a very important opportunity to reduce landfill. It was considered in detail in 2014 by the former Council of

Australian Governments Standing Council on Environment and Water. It published a report, “Packaging Impacts Decision Regulation Impact Statement”. It makes for a really interesting read and certainly highlights the complexity of this issue and the range of options that are available when considering it. As I have said, although the opposition and I support this legislation, that report indicated that there are some significant issues. First and foremost, this analysis—I recognise that there is a variety of views on it—from COAG indicated that the overall negative impact on the economy across Australia of a container deposit scheme, which is this scheme, would be about \$3 billion a year. If we pro rata that to Western Australia comprising about 10 per cent of the nation’s population, it equates to a negative impact of somewhere around \$300 million a year. That number contrasts with the estimate from the government in its press releases and in the presentation that was given to us, which indicated a net benefit of around \$150 million over the next 20 years. I guess that is really saying, in effect, that that is a sort of break-even in accounting terms.

COAG saw challenges, including where the cost is. First, we are imposing a cost on consumers, and second, it is not a cheap process. The process that is used for recycling is quite expensive and involved. Interestingly, the report indicated that a container deposit scheme incurs the greatest net cost to the community around the costs of infrastructure to manage it. The report also raises an issue that I will be interested to hear about from the government in respect of the impacts on public places, business settings and commercial settings. In situations in which there is a controlled environment, such as a school or a private home, it is very easy for people to recycle, and in large part they do. I know that people in my area are typically quite fastidious about separating their recycling. That is fine, but imagine a concert in a park or in the middle of a city. Managing that is much harder because there really has to be segregation or else it will become much more complex.

The report also indicated that the council did not think it would lead to a significant net reduction in general litter, but I take the government at its word. It is saying that it believes that this scheme will have a net impact on reduction in general litter, but I think it is important that we remember those concerns when we consider the existing barriers to achieving waste and litter reduction.

It seems likely that the implementation of the bills will lead to improvements. However, it is quite costly and it deals with only part of the problem. Obviously, there is a considerable number of other waste streams that will not be dealt with, but I recognise that the government is making a real effort here and I especially acknowledge the effort the government has already made to reduce plastic rubbish by eliminating single-use plastic bags.

Looking at the scheme itself, it took me a little while to sit down, go through it and draw it out. I must say that I thought the diagrams in the discussion paper and presentation were cute, but they did not quite paint the whole picture. A fair bit has been made of this being an industry-funded scheme. Although that might sound nice, it is in fact quite clear that it is not likely, in net, to be an industry-funded scheme. The consumer will most likely pay for this scheme. For the benefit of members, I will go through the scheme.

The producer or the distributor—there is some detail in the bill as to how the point of pay is nominated—has to pay, up-front, 10¢ per container, and that goes into a trust fund that is used to pay back the levy on the containers. The trust fund and the scheme are administered by a scheme coordinator. It is very likely that most producers or distributors will pass this cost on to retailers; therefore, they will add 10¢ onto the cost of the container. That 10¢ is very likely to be passed on to the customer. I do not think there is a lot of profit in most beverage containers; it is high-volume, low-profit, and they are most likely to pass that cost on. If they absorb it, that will obviously reduce the cost to the customers, but I suspect many will pass it on. The customer pays that, but the customer can recover that money only if they—that is, the person who has consumed the beverage—take the container to a collection and recovery point. By their nature, the collection and recovery points are complex; they are not simple. I know many people remember with great nostalgia—I certainly do—as kids taking empty Gest or coke bottles back to the shop, and the shopkeeper paid back the deposit on that container. That was fabulous; kids got direct payback and of course the scouts and various other groups could go around the houses collecting drink bottles and get money. If kids were lucky enough to find a bottle on the street, they could get enough to go and buy a few lollies at the shop!

That is not the way this scheme works. People are not buying a beverage container and taking it back to the shop. It has to go to a collection and recovery point. If it goes into the household bin, obviously the council, in conjunction with the contractor who is managing the process, will collect that money. I am sure councils will work out some sort of system of give and take on both sides so that they both get money. Community groups may set up schemes. I know the local scout group I was involved with at Pelican Point operated an aluminium can collection point. It would get parents to bring them in, and it would sell them for the metal value. Obviously, in this case, it would be able to take that down and collect the 10¢ levy and whatever metal value there was in it. One of the intentions of this legislation is that community and other groups will benefit. The proof of the pudding will be in the eating, but I suspect the customer will just be paying more for their drinks. I will talk a little more about that because I think it could be an issue for some producers of beverage containers. If a person cannot access what will inevitably be a relatively sparse refund point, the refund will go to the party who actually takes it into the centre.

The detail of the legislation will be examined during consideration in detail, but I was interested in the process of the appointment of the scheme administrator. I saw some information that indicated that a process to select a scheme administrator had already commenced. I was a little intrigued by that, because it has been put to me that the larger part of this whole process will not be the legislation—the legislation is reasonably straightforward—and that the regulations will govern it. I am not quite sure how the government could go through a process of selecting a scheme administrator without the regulations being pretty well tied down; clearly, the regulations have not come before Parliament. I am on the Joint Standing Committee on Delegated Legislation and know that the regulations could not precede the legislation.

I like the idea that this is an opportunity for community groups, charity groups and others to get involved. I can see that that may be an opportunity for people who are organised to deposit their containers in a convenient location, and then for that group to get some money by taking it to the ultimate collection point.

The east coast has reverse vending machines. The information on that is that they are very expensive and complex, and subject to cross-contamination, complicating the recycling of material. The discussion paper on this legislation states that the types of containers are quite specific, including soft-drink cans and bottles; bottled water bottles and the like; small flavoured-milk drinks; beer and cider cans and bottles; sports drinks and spirits-based mixed drinks; and most containers between 150 millilitres and three litres. That is a lot of different containers. However, there are specific exclusions, including two-litre milk containers and flavoured-milk containers of one litre or more, and there is a distinction between the two types of cardboard containers and pure fruit or vegetable juice containers of one litre or more. It is interesting that wine bottles are excluded, in contrast with other alcohol beverage containers. I understand that the argument is that wine bottles are not typically chucked out on the road, but of course there is a bit of history to this. All members know that South Australia has had a container deposit scheme of the traditional sort operating for several decades. Hon Don Dunstan, the then Premier of South Australia, introduced that scheme. The principal reason wine bottles were not included was that he wanted to protect the South Australian wine industry.

Large-scale beverage manufacturers may choose to absorb the extra cost, but I am sceptical about whether they will. I think the excuse will be that the government has belted the public for 10¢, and they will pass it on because they do not make big profits per container. Members of my own party have expressed concerns about boutique brewers. The regulations will have the capacity to include or exclude containers. The administrator—I guess it will go through the minister—may have some capacity to do that. We had a boutique brewer presentation at Parliament House, and I was told there are something like 18 boutique brewers in the Swan region and the immediate metropolitan area. A lot of those brewers are on very, very slim margins per container. If they add 10¢ onto the price, that could reduce the consumption of their product and make it less competitive and quite prohibitive. I assume the government will act with sensitivity on that matter. I can appreciate that the government does not want too many exclusions because it will neutralise the scheme, but it is not simple. Looking at the presentation, I think it will take consumers some time to get used to the containers that are recyclable and those that are not, and then get used to the processes they have to go through to recycle them.

I am concerned about the materials that will not be recyclable. Specifically, although plastic-lined cardboard beverage containers, such as for chocolate milk and iced coffee, are described as cardboard containers, members know that they are quite complex. Typically, they have a banner layer, if you like, on the outside that has all the markings and so on, and then there is good old-fashioned cardboard that is obviously recyclable, but glued to that are two layers of plastic. Usually the container has a general plastic that acts as a barrier layer, and then a safe plastic such as polyethylene on the inside that prevents contamination of the drink with any material from the packaging. I am genuinely interested in knowing whether there is a recycling process for those particular containers. I understand that that material is particularly hard to recycle because it is a mix of cardboard and plastic. Those containers may have to go to those excellent plants, one of which is being constructed and the other considered at Kwinana.

This legislation includes very substantial fines of up to \$50 000 for councils and businesses. The administrator of the scheme could cop a \$250 000 fine if the returned materials are improperly disposed of. I understand the need to make sure that people do not scam this scheme. We do not want someone collecting 10¢ per container and just taking it down to the local landfill. I have outlined the serious worldwide landfill issue, and in Australia and Western Australia we collectively have to do everything we can to minimise it. These bills are a step in the right direction to achieving that.

I have a significant concern that some of my Nationals WA colleagues may have picked up on; I know regional members of my party have picked up on it. There is a real concern about the ability of regional people who live in the smaller regional communities to benefit from this scheme, because they will all pay for it. People from Mukinbudin, Kununurra, my old home town of Cranbrook or down in Albany will pay for this. I suspect that in

the larger regional centres like Bunbury, Albany or Geraldton, groups will set up for this and there will be some sort of critical mass. But for people in my home town of Cranbrook, which has a small population of a few hundred people, managing this scheme and segregating, collecting and taking material to a deposit point or having it collected by a contractor will not be trivial. The cost will be potentially prohibitive, especially for transport and the like, as will the logistics of doing this in a small community. I am especially interested, as I know my regional colleagues are, in what the government will be doing to ensure that people in smaller regional communities are not simply once again, as they see it, paying for something that is good for Perth and of no benefit to them. I have spoken to a number of regional communities, and even the smallest regional communities have the same, if not worse, issues with landfill as we have. Most regional communities are really struggling with landfill and really need alternatives.

In conclusion, I reiterate that our party supports this legislation. We welcome constructive efforts to minimise waste, in particular waste going to landfill. I repeat my exhortation that we should remain devoted to the complete elimination of landfill for household and construction waste. We need to recognise and accept that this is very likely to impact on consumers, and will not be industry funded. I will dwell on that a bit. How does the scheme generate a profit? It generates a profit through the containers that are not recycled. If X per cent of containers are not recycled, X per cent times the number of containers times 10¢ is what pays the administrative costs. If 100 per cent of these containers were recycled, there would have to be a net injection of money to run the scheme. Based on other places, the assumption is that typically about 40 to 44 per cent of these containers are recycled. The assumption is that there will be about a 44 per cent improvement in the overall recycle rate. We may see up to 60 per cent of those containers recycled, and the rest will disappear through various means. That will mean that the net amount of money going to pay for this scheme is 40 per cent times the number of containers times 10¢. If there is not sufficient money, the government will go back and say that industry has to fund it. I understand that New South Wales alighted on a figure closer to 13¢. I am sure that if manufacturers or distributors are going to be considerably out of pocket on this, they will be looking to ultimately recover that money from customers.

I understand that the bulk of the detail will be contained in the regulations, and I very much look forward to seeing that detail. I understand that they will be quite significant. Again, I ask the government to pay particular attention to how smaller regional communities will not only pay for, but also benefit from the scheme.

MR J.N. CAREY (Perth — Parliamentary Secretary) [1.34 pm]: It is my pleasure to speak to the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill 2018 and the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill (No. 2) 2018, which constitute a signature change in improving our waste strategies across the state. I drove to Parliament today through the City of Vincent, which looks a bit like a war zone, because it is the verge rubbish disposal week in my suburb. In slang, we call it the day of the dead, when people bring out their waste and dump it on their verges. Although some people are critical of this, and I know some local governments are moving away from it, it is actually a great way to encourage recycling, even though I understand that it may be a criminal offence, and that there has been some debate in the past about taking people's rubbish off their verges. In my opinion, although it does not look great for the neighbourhood, it is a great impromptu, unregulated recycling scheme in my community.

Ms S.F. McGurk: Modern-day foraging.

Mr J.N. CAREY: It is modern-day foraging, absolutely.

Mr D.R. Michael: We have skip bins.

Mr J.N. CAREY: Yes, I know; the City of Stirling brought in skip bins, and not everyone was happy with that, because they could not forage anymore; let us face it. I know of university students who have collected and sold stuff at second-hand markets, so it is even entrepreneurial—I kid you not.

This legislation is absolutely about timing, because it is still a shock to wander the streets and see how much rubbish we dispose of. We are all guilty of it. We live in a time when we regularly buy and dispose of things. We need strategies that fit within that waste framework. First of all, we should not purchase items in the first place; secondly, we should re-use those items; and thirdly, we should recycle. But the worst scenario is to send waste to landfill. It is obvious commonsense now. In my community, and in many other communities, there is growing consciousness of the need to reduce waste and recycle. That is happening in primary schools. It is evident to me that, under successive governments, in the education system and via P&Cs and active school communities, there has been a massive focus on the reduction of waste. As a result, kids are going home and educating their parents on waste. Behaviour is changing in families and households because of kids. It is one of the great things we are seeing, and I have much hope for future generations.

It is interesting to look at the statistics in “The 2015–16 census of Western Australian local government waste and recycling services”, put out by the Waste Authority. These figures can occasionally shock us. Local governments

reported 150 million tonnes of domestic waste, of which about 38 per cent was recovered. Since 2010–11, annual domestic waste generation per household varied between an estimated 1.4 and 1.6 tonnes a year. Waste to landfill per household has remained at about one tonne a year, and recovery per household has varied between 0.4 and 0.6 tonnes. We still have a long way to go as a state. This government is taking the waste strategy seriously. As we have already seen, this government has announced a waste strategy that will include a three-bin system to encourage the recycling of green waste, this container deposit legislation, and the ban on single-use plastic bags. It is not a radical agenda. We understand that plastic is an everyday part of our lives; we need it. However, this strategy tries to minimise the impact on the environment, which means recovery methods.

The Senate Standing Committees on Environment and Communications report that looked at recovery across the states found that South Australia had the highest resource recovery rate, at almost 80 per cent. It was followed by the Australian Capital Territory on 75 per cent, Victoria on 69 per cent, New South Wales on 65 per cent, and Western Australia, Tasmania and Queensland recovering about 50 per cent. The Northern Territory had the lowest recovery rate at an estimated 28 per cent. The difference between the states is marked. It is interesting that South Australia is leading. Some may argue that part of the reason that South Australia has been leading for a long time is because of its container deposit recovery legislation, which I think is recognised as being highly successful.

I am glad that this Labor government, as part of all its strategies, is seeking to reduce the impact of plastics and other pollutants on our environment, to maintain healthy oceans and rivers, and all those things that we love and enjoy as residents of Western Australia. This container deposit legislation is about improving that recovery rate. We recognise that we are at around 50 per cent and we have to do more.

This kind of legislation has been talked about for a long time. I think that the debate has shifted and moved on. It was discussed during the previous Labor government, and there was some controversy and community debate, but I think the community is now ready for this legislation and wants it. I suspect that this legislation will be incredibly popular for a number of reasons. The scheme's objectives are quite obvious and have already been discussed in this Parliament. It is, critically, about lifting the recovery and recycling rates of empty beverage containers. That is the main game. We are playing catch up with other states, so it has been interesting to note that when these schemes have been introduced into other states, they have been incredibly popular. I think it has been noted in this house before that during the first seven months of its operation in New South Wales, over 700 million containers were collected from collection points and over one billion containers were collected from the kerbside. I think that is an extraordinary recovery rate figure to achieve in quite a short time. We want to increase recovery rates. The second by-product is reducing the amount of this litter in landfill. At the moment, beverage containers account for approximately 44 per cent of litter by volume in Western Australia, which is a very high rate. When we have that kind of high statistic, it makes sense for us to have legislation with a specific strategy to seek to improve recovery and recycling.

This concept that beverage suppliers have stewardship responsibility for the products they produce is well versed in Europe, particularly in Germany. It is good to see that the principle of making the producer ultimately responsible for the waste that they produce has been highly successful in other states. It is not a radical idea.

An added community benefit, as the member for Cottesloe referred to, is that it will provide an incredible opportunity for not-for-profit groups, schools, and social enterprises to fundraise. It is fair to say that we will not be going back to the old days. I remember that we used to recover aluminium cans. I remember doing that as a kid and it provided great pocket money.

[Quorum formed.]

Mr J.N. CAREY: It is great to speak in front of three more people!

Mrs A.K. Hayden interjected.

Mr J.N. CAREY: I thank the member for Darling Range. I agree that we have to keep people on their toes.

As the member for Cottesloe said, container deposit legislation will offer incredible opportunities for social enterprise. I remember collecting aluminium cans as a kid to raise pocket money. I think that schools will be able to run their own drives. A school could have its own collection point and take containers to one of the 150 official collection points. By encouraging community organisations and not-for-profits to be involved, this will become a further education campaign. The momentum will build because kids will be talking to other kids and families will be engaging with other families. It will become a fundraising opportunity for schools. Ultimately, this scheme will create opportunities for employment—particularly for long-term unemployed people. South Australia has had a credible long-term scheme and believes that approximately 1 000 people are employed through its collection network. The Queensland scheme has been going since November 2018 and has created over 600 jobs. The final benefit of the scheme is that it will encourage more debate and education about recycling, recovery and waste, which I think can only be a good thing. Let us face it, waste is not a sexy topic.

Mr D.J. Kelly: Oh yes it is!

Mr J.N. CAREY: It is not really sexy.

Mr D.J. Kelly: It is.

Mr J.N. CAREY: I am sorry. It is not a sexy topic! I know that the parliamentary secretary to the Minister for Environment goes on to Instagram and follows and watches any Instagram pictures of waste, but the reality is that it is not a sexy topic, so we need to encourage debate about waste recovery and ways that we can minimise waste. Ultimately, waste affects our living environment. This bill is about protecting our environment. It is also about the environment that we want to leave for future generations. Plastics and metals are things that we use in everyday life. That is the simple reality, but we should generate debate and look at strategies to minimise waste to landfill. I will end on this note: I believe that this scheme will be incredibly popular in my community and that it will be embraced wholeheartedly. It is great to see that both sides of politics, Liberal and Labor, are embracing this legislation because that also sends the message to the community that reducing the amount of waste going into our environment is critically important for future generations.

MRS L.M. O'MALLEY (Bicton) [1.49 pm]: I rise to add my contribution to debate on the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill 2018 and the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill (No. 2) 2018. These bills are an important next step in the McGowan Labor government's action on environmental protection. I speak not only in my capacity as the member for Bicton, but also as a long-term community activist with a deeply personal commitment to protecting and preserving our local natural environment for now and for future generations of Western Australians.

This government is delivering on preserving our environment and building healthy and resilient communities. The devastating impacts of plastic waste on our marine environment and across our landscape is undeniable. I commend the Minister for Environment for his commitment to environmental legislative reform and in particular for bringing this bill to the Parliament.

The electorate of Bicton is blessed to be bordered by the beautiful Swan River and its ecologically important surrounds. The electorate is incredibly fortunate to have several active and dedicated environmental community groups including the Swan Estuary Reserves Action Group, the Bicton Environmental Action Group, the Friends of the East Fremantle Foreshore, the Friends of Attadale Foreshore and Santa Maria College's Eco Sisters. I also acknowledge the many individuals who regularly participate in positive environmental action along the river and its foreshore and thank the many community volunteers who dedicate their time, knowledge and skills to care for natural places throughout the electorate of Bicton. I greatly admire the commitment of these individuals who go about their activities of weeding, planting, rubbish collection, revetment work, citizen science data collection and many more important actions with no expectation of thanks. They all recognise the need for the measures the McGowan government is undertaking in waste reduction and landfill diversion.

I recently attended a capacity-building workshop hosted by the South West Group where I joined the Bicton Environmental Action Group, along with many others dedicated to positive environmental action. The focus of the morning was on upskilling and creating greater collaboration between these groups. It was fantastic to be part of the day's on the ground and river community environmental action. All of these groups, along with the entire electorate of Bicton, are greatly supportive of the work this government has already done in environmental protection: from banning plastic bags to protecting the Helena and Aurora Range, allowing carbon farming on pastoral leases and introducing new regulations to protect biodiversity. I am proud to be a member of a government delivering the kind of environmental action my community expects. All of these groups are excited by the progress already made and welcome this new legislation.

The legislation before us will amend the Waste Avoidance and Resource Recovery Act 2007, referred to as the WARR act, and provide the necessary legislative head powers to deliver that commitment. For those of us who can recall container deposit schemes and cash for cans initiatives of years gone by, this is an old but vastly improved idea made new again. Everyone I speak to in my electorate, and me, is very excited about and ready to embrace the scheme, either again or for the younger members of my community for the very first time. I recall when my son started at Palmyra Primary School. A cage by the entrance gate was always full of aluminium cans. It was an important income stream for the P&C at the school at that time and one that in years since has been sadly missed. The kids also loved to have a go at lobbing a can into the crate to see how they would go with their aim.

Many members in this place will be eager to speak to the mechanics of the bill, but I will focus on the opportunities contained within it. Certainly, the opportunities for our environment are clear. The container deposit scheme will continue the important tasks of landfill diversion, waste reduction and greater protection of our waterways and marine environment. I am also particularly excited to see the educational and behavioural change opportunities that can occur when we rethink waste management. In my own personal experience, my two children have attended Palmyra Primary School, which is a waste wise school. The school has participated in the Waste Wise Schools scheme for many years and has a very active kitchen garden program. The program started in 2012 and was initially part of the Stephanie Alexander Kitchen Garden Foundation initiative. We are

talking about a whole generation of kids since 2012 who have gone through primary school and transitioned to high school who have learned the importance of taking care of our environment, waste reduction, recycling when appropriate and separating waste, and that we ensure we reduce waste as much as we can. The program is fully integrated into the school curriculum, which is also incredibly exciting. It means that the kids are gaining important experience in and understanding of positive environmental action, but also achieving curriculum outcomes within the program.

There are also many economic opportunities, with the potential for businesses to establish themselves around the supply chain of recyclables. The bill gives primary responsibility to the scheme coordinator for ensuring that containers used for beverage products collected from refund points are recycled or reused and are not disposed of to landfill. Further, it will be a condition of payment of a claim by the scheme coordinator under supply agreements and material recovery facilities for which a claim or payment is made that they are sent for recycling or reuse and again are not disposed of in landfill.

There are also many community opportunities in the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill. It provides for a collection network established by a not-for-profit scheme coordinator through contracts with refund point operators, transporters and processors that will operate various elements of the network on a for-profit basis. These contracts will provide for the refund point operators to be reimbursed for the cost of refunds paid as well as the agreed handling costs incurred in operating the refund point. The community opportunities exist in this collection network, which was laid out in the second reading speech as follows —

The collection network will be designed in a way that allows a range of different types of operators to participate to generate revenue, either through a single refund point or a network of points. The government is seeking an open collection network that allows community groups, social enterprises and small businesses to participate rather than a network operated by one or two large companies. It is for this reason that the objects of the container deposit scheme directly provide for social enterprise participation.

This opportunity for participation has environmental community groups and P&C associations in the electorate of Bicton paying close attention to the passage of this legislation. As a former P&C president at Palmyra Primary School and state counsellor with the peak parent body the Western Australian Council of State School Organisations, I know firsthand how important fundraising and additional revenue streams are to our schools and school communities. I know firsthand how important it is that parents in our school communities do what they can to provide additional income and revenue streams for our schools. I certainly know what it is to run cake stalls and flip sausages, and to organise and supervise school discos, fetes and markets stalls so that my children's school's P&C could donate to the school so it could provide students with the extras that do not quite otherwise fit into the school budget. P&Cs do this right across WA and I would like to take this opportunity to acknowledge and thank the support they provide to their schools, and the many volunteer hours they contribute. There is still more to be done on the detail of how our communities will engage in the process, but I say to Bicton, Richmond, Palmyra, Melville and Attadale Primary Schools, and all of the community groups, not for profits and social enterprises in Bicton —

Debate adjourned, pursuant to standing orders.