

**STANDING COMMITTEE ON  
ENVIRONMENT AND PUBLIC AFFAIRS**

**INQUIRY INTO MUNICIPAL WASTE MANAGEMENT IN WESTERN  
AUSTRALIA**

**TRANSCRIPT OF EVIDENCE TAKEN  
AT PERTH  
THURSDAY, 26 MARCH 2009**

**SESSION FIVE**

**Members**

**Hon Sheila Mills (Chair)  
Hon Bruce Donaldson (Deputy Chairman)  
Hon Kate Doust  
Hon Paul Llewellyn  
Hon Wendy Duncan**

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**Hearing commenced at 1.42 pm****BOWMAN, MR BRUCE****State President, Waste Management Association of Australia,  
sworn and examined:**

**The CHAIR:** On behalf of the committee, I would like to welcome you to the meeting. Before we begin, I must ask you to take either the oath or the affirmation.

[Witness took the oath.]

**The CHAIR:** Thank you. You will have signed a document entitled “Information for Witnesses”. Have you read and understood that document?

**Mr Bowman:** I have.

**The CHAIR:** These proceedings are being recorded by Hansard. A transcript of your evidence will be provided to you. To assist the committee and Hansard, please quote the full title of any document you refer to during the course of this hearing for the record and please be aware of the microphones and try to talk into them. I remind you that your transcript will become a matter for the public record. If for some reason you wish to make a confidential statement during today’s proceedings, you should request that the evidence be taken in closed session. If the committee grants your request, any public and media in attendance will be excluded from the hearing. Please note that until such time as the transcript of your public evidence is finalised, it should not be made public. I advise you that publication or disclosure of the uncorrected transcript of evidence may constitute a contempt of Parliament and may mean that the material published or disclosed is not subject to parliamentary privilege.

Thank you for your submission. Are there any particular points in your submission that you would like to highlight or expand upon?

**Mr Bowman:** Thank you. The submission was put together on behalf of the Waste Management Association, which is a voluntary organisation. We have gone through and looked at the issues that relate to members of the association. You must understand that the interests of our members are very varied, and that we come from all facets of the waste industry. There are some areas in which we conflict, particularly in the industrial sector, as opposed to what you may have been hearing about local government, which duplicates itself pretty much right throughout the state. I think there are 18 points in the submission, and all but one of those are still relevant. If we look at those points and try to break them down into a manageable parcel, there are four issues there that I would like to touch on today, if I may. One is the talk of an essential service; I and the rest of our members support the idea of lifting the outlook of the waste management industry so that it can get the recognition and treatment that we think it deserves. If we could get it to the point of being an essential service—potentially by expanding the office of the Waste Authority, or reintroducing the Office of Waste Management—most of those issues on our list of 18 points would be able to be addressed.

In the 1990s, the waste industry worked closely with the government, and prepared the Waste 2020 strategy, which was to work towards zero waste. That was a framework that led to regional councils getting their alternative waste treatment plants up and running. It helped industry develop compost facilities, and it got us into lined landfills—environmentally sound landfills. The Waste Board came out of that, which was the forerunner of the Waste Authority. The Waste Avoidance and Resource Recovery Act came about during reign of the Waste Board. This elevated the importance of waste management with regard to local government, and the WARR act is very much directed at local

government and managing the waste that local government represents. The WARR act has powers through the Waste Avoidance and Resource Recovery Levy Act to change landfill levies. There are also opportunities to look at extended producer responsibility and container deposit legislation. As an overarching document, the WARR act is almost there. A shortcoming of the WARR act is that it does not address the commercial and industrial sector, or the construction and demolition sector. It really only addresses municipal waste, because it asks for local councils to develop zero waste management plans. The commercial and industrial sector and the construction and demolition sector are neglected under the WARR act, in our opinion, and that means that more than half of the waste stream is not controlled or under the focus of an act or administrative body. In the WARR act, the three areas that can be addressed are EPR —

**Hon PAUL LLEWELLYN:** If you use too many acronyms, it is hard to follow.

[1.50 pm]

**Mr Bowman:** Sorry; the WARR act is the Waste Avoidance and Resource Recovery Act. The Waste Avoidance and Resource Recovery Act sits back and waits for individuals and organisations to voluntarily come forward and develop their own extended producer responsibility schemes for products. The Waste Avoidance and Resource Recovery Act also allows for the minister, through the Waste Authority, to request or make an extended producer responsibility scheme, for a particular product stream, mandatory. So the power is in the Waste Avoidance and Resource Recovery Act to make that happen; to date, nothing is happening, and it is the same for container deposit legislation. The Waste Avoidance and Resource Recovery Act allows that to happen so all the mechanisms have been set up within the state to facilitate both extended producer responsibility, container deposit legislation and increases in the landfill levy, but none of those are happening. So the WARR act is not doing anything. The Waste Authority is administering the landfill levy. It collects the money from the landfill levy and puts it into a trust fund. It then uses that money to finance the employment or the running of Department of Environment and Conservation employees and also puts money into all sorts of sectors for funding opportunities to divert waste from landfill. So the mechanism is there, through the Waste Authority, to properly manage the levy-collected money. As the honourable member pointed out earlier on, interstate that levy money goes into consolidated revenue; at least in WA, and the work through the Waste 2020 strategy, we got the money to go into a trust fund so that it was only used for waste purposes. The problem that we have is the levy is not high enough to reflect the true cost of disposal. The levy has been set at an arbitrary figure that, before the AWT plants were around, was believed would be a deterrent to take waste to landfill. The cost of disposal of waste to industry, and even the private sector for municipal waste, is quite small when you look at the whole-of-life cost of the waste that we create. If we addressed the whole-of-life cost of waste at its disposal end, you would find that industry and the public would be more careful about what they dispose of.

I have got a letter here which I would like to table if I could. It is a letter that I sent yesterday to the Waste Authority and it follows on from correspondence that we have had with the Waste Authority in the last 12 months about the amount of levy that is charged for construction demolition waste and where it should be. It is a brief letter; I will not read it, but I will just talk while you look at it. At this time last year, the Waste Board, before it became the Waste Authority, made some recommendations on what should happen to the waste levy. It was recommended—and put through an act of Parliament in the Waste Avoidance and Resource Recovery regulations in July of last year—that the inert levy on waste would not be changed. The industry said that we felt this was wrong; we felt that the levy should go up. The Waste Authority held a forum on inert waste levies at the Waste and Recycle Conference in Fremantle last September. Following on from that, the Waste Authority decided to increase the inert levy on inert waste, which is construction and demolition waste. That was minuted in the minutes of the 22 October meeting. The recent meeting that was held in February saw a change of tact on the position on increasing that levy. Our association is trying to have a meeting with the whole Waste Authority to find out why its direction on pushing

forward the increase of the levy has changed. The minutes of the 22 October meeting were quite broad; there were a lot of points made and they addressed all of our issues, even to the point where they minuted that they would carry out a whole-of-life cycle on construction and demolition waste so that we could then set a true levy. The point was made before about what is the true value of a levy. In the eastern states they pick a levy pretty much to reflect what the alternative treatment cost is of waste. So, if the SMRC price here was \$130 to treat municipal waste, then the landfill price needs to be equal to that to allow waste to divert into an alternative treatment because waste will always migrate to the cheapest disposal point.

We have to be careful not to impose too high a levy on waste in the metropolitan area and do what councillor Aspinall was talking about before; that is, push waste out of the metropolitan area into the country areas. Once you get past Bunbury, it is free tipping; once you get past Mindarie, it is free tipping; right up through Geraldton, Carnarvon, the Gascoyne region—it is all free tipping; down south in Wagin, Narrogin and all those sort of places—it is free tipping. So if you put too high a price on a levy in Perth, it will be quite conceivable for waste to be put on road trains and transported further out. So we need to —

**Hon PAUL LLEWELLYN:** That is quite a salient point; we have not heard it expressed that way before. You were saying that we need to limit the waste levy so that we do not push the waste outside the metropolitan area, but really we should also be putting a levy on—there should not be free tipping zones; that is the opposite solution.

**Mr Bowman:** Waste from Perth goes to Dardanup down Bunbury. The way the levy is set, if the waste is collected in Perth, the levy is collected at its point of disposal. Therefore, the waste that goes into the Bunbury-Harvey landfills, if it is generated locally, it does not attract a levy but if it is generated in Perth and carted down there, they are to collect the levy. I do not—I am not close enough —

**Hon PAUL LLEWELLYN:** As if it had come from Perth?

**Mr Bowman:** As if it had come from Perth.

**Hon PAUL LLEWELLYN:** Yes; okay. As if it was a metropolitan —

**Mr Bowman:** Yes.

**Hon WENDY DUNCAN:** The problem identified by councillor Aspinall is that their landfill sites are not manned so it is very hard to collect a contribution or a gate fee.

**Mr Bowman:** Yes.

**Hon PAUL LLEWELLYN:** I just interrupted your flow of thinking. You were saying that the levy needs to reflect the true cost of waste and that waste will always migrate to the lowest cost. Hence, you were talking about the country areas. I interrupted you but I needed to just clarify that point about how you would remedy the problem of having no free tipping areas or no-cost areas for dumping waste.

**Mr Bowman:** In the nine-page submission that I made, I mentioned the strategic waste management plans that local councils have developed. Within the recommendations of a lot of those strategic plans from the country areas, there is, in most cases, a request to man the landfill sites. Until they man the landfill sites, you will not get environmental compliance on waste disposal. It is crucial to be able to put a secure fence around the sites and to have them manned when waste goes in; to have source separation; to stop the burning and scavenging of landfills; and to get proper cover on landfills to stop litter blowing around. From there you can start the generated income stream from disposal fees. If that income disposal fee to properly manage those landfill sites comes out of a higher levy on metropolitan waste, so be it. But there is no opportunity in country areas to impose levies at the moment because the disposal cost for waste in most of those areas is free anyway. If they put any sort of a fee on those country landfills, it will turn into illegal dumping.

There is a raft of issues to address there, but in the nine-page, 18-point submission that we made, I was hoping we could put a recommendation on each of those to kick-start or facilitate some sort of discussion. We need to have more resources in the waste industry—not in the regulatory industry of waste which DEC does, but in the strategic planning and direction and structure of the waste industry—to make it work. There is a whole raft of commercial companies out there that are willing to get involved in the industry if it is seen as a well-structured viable industry to be in.

[2.00 pm]

**The CHAIR:** I might have missed something. In your letter here you state that Waste Authority withdrew its support for the increases in the inert levy. Why did it withdraw its support?

**Mr Bowman:** This is what I want the meeting for—to find out.

**The CHAIR:** You have no idea at all?

**Mr Bowman:** The way I monitor the Waste Authority is through its minutes. When the minutes are released on the web, I look at them. In the last minutes, for the meeting on the levy, there was a change of direction, and that is why we have penned this letter—to ask the authority what it is doing. At the forum we had last year, we believe that as an industry we gave the Waste Authority and DEC a very clear message about what we believe should be happening to inert levies and inert landfills. We believed that that message was picked up by the Waste Authority and evidenced in its minute of the 22 October meeting.

**The CHAIR:** Can you just ring them up and ask them?

**Mr Bowman:** I know Barry Carbon, but Barry works, I think, one day a week. The resources of the Waste Authority to properly administer the waste industry in the manner that we as the industry would want are very thin on the ground. It makes it difficult to get that sort of communication.

**Hon WENDY DUNCAN:** We have had discussions with some of the previous witnesses who have attended the committee about the issue of planning and the encroachment of urbanisation onto landfill sites and waste technology facilities. Do you have any thoughts on how that could be done better, or where the gaps are in the planning for waste sites?

**Mr Bowman:** The Core Consultative Committee on Waste that was set up several years ago was addressing that very subject. It was looking at putting compatible waste industries together in precincts. That was exciting to the waste industry because the industry could see opportunities for synergies with other industries in the one place. It would be strategically placed to reduce the transport footprint of waste. That committee was disbanded. Since then, we as an industry have struggled to site facilities in strategic locations where we can get the best benefit out of them, because of concerns over local planning schemes, and we tend to get pushed out further from the city, so now we have to transport waste out, particularly for compost facilities, process the material and bring it back into its markets again. We are adding to the overall carbon footprint by not being able to strategically place these facilities in locations where we can reduce our overall carbon footprint. There are areas of commonwealth land that could be used, but we are trying to address waste that is generated within the state. There needs to be more cooperation between the state government, the commonwealth and the various departments of government, such as the State Planning Commission, DEC and EPA, to look at areas or zones where we can put these likeminded industries, so that we do not have them too far out of the city.

**Hon WENDY DUNCAN:** So are you also indicating that local planning schemes, in addition to placing other essential services like water, power and roads, should have a requirement to consider where waste management facilities would be?

**Mr Bowman:** Definitely, but I think it is a bit bigger than local planning schemes. I think it is more of a regional issue, because you could have waste from several local councils going into one area. My experience is that local councils are happy to site your landfill or compost facility on the

extremity of their own council area, but the neighbouring council might not be happy about that. That does happen.

**Hon WENDY DUNCAN:** I am probably just straying a little from where we are now, but I note in your submission that you talked about waste management in regional areas being done under the regional development commission boundaries. Would you like to expand on that?

**Mr Bowman:** The strategic waste management plan development scheme that was instigated by the Waste Authority to be a precursor to the zero waste management plans that would be required under the WARR Act, was a very good scheme because it gave local councils more money if they got together as a group. We have found, in rural areas, that we are getting several councils together. In the Wagin area, we had 12 councils together, and they pooled quite a pot of money to prepare a regional approach to their waste management. That is a precursor to the regional councils that have developed in the city. That regional approach to waste management has worked very well to develop joint infrastructure and synergies for the management of waste. It is more difficult in the country areas because of the tyranny of distance. In some cases in the Gascoyne region, there are 300 kilometres between towns, so it is very hard to put a materials recovery facility up there when you have to transport materials 300 kilometres and there are only 20 000 tonnes of waste in the whole area. It does not work. It is a precursor to what happened, and I think that regional structure works well when they are talking. Once you develop regional councils such as we have in Perth now, you get to the point where they are quite mature and they have to look across their own borders, otherwise they start to act as silos. The Forum of Regional Councils allows that cooperation or that interaction between the regional councils, so it then has a role to start to get some synergies out of the regional councils.

**Hon PAUL LLEWELLYN:** You have mentioned that there are a number of quite good processes that have started and stopped, and this seems to be the history of the waste industry. One of these was the Core Consultative Committee on Waste, which was looking for synergies in siting. If we can identify the things that were working well, and somehow or other have been unfunded or stopped, where do we go to from here, given that we have an opportunity to make some recommendations about what programs might be kick-started again and what structures might be put in place. What is your view about where this essential service delivery should be located? We can see that councils are filling the void by forming regional alliances, but where does the overarching essential service get delivered from? Where does the extension service happen?

**Mr Bowman:** I am sorry, but I am not experienced in how to structure government. My experience is in waste management. I can see where the problems are —

**Hon PAUL LLEWELLYN:** It is almost the same sort of stuff; we do a lot of waste management in government.

**Mr Bowman:** I can see where the problems are, but the problem we see with the waste industry is that we have a regulator that licenses our industry because we have the potential to pollute land, water and air, but that same administrative body then tries to administer our waste industry. Our waste industry is far different from its ability to cause pollution. It is about technology, opportunities, transport logistics, and the various waste streams and the ways to treat them. I do not believe that DEC as a regulator is in a position to offer us assistance in that.

[2.10 pm]

**Hon PAUL LLEWELLYN:** That is good. You have answered the question relating to where it should not be. That is a good start.

**Mr Bowman:** Where do you plant it?

**Hon PAUL LLEWELLYN:** That is the kind of conversation that we have to have. Whether it is a difficult one or not, it is the kind of conversation that we have to have. We are even further away from the waste industry than you are. The purpose of having these inquiries is to get your insights

and free and frank views about the pathways forward. This is as good a place as any to say, "If it was up to you, how would you do it?"

**Mr Bowman:** If you asked me 12 months ago, I would say within Industry and Resources. We have explored this idea of essential services. We have water and power as two of our essential services and they are treated independently. From the waste industry's point of view, I would have to put my foot forward and say that we need to have an office of waste management or a completely separate body to look at the issues that we have. They are quite broad. You have had submissions from the local government side, from FORC and WALGA, and they talk about alternative waste technologies but they look at taking municipal waste and turning it into compost. The alternative waste technology industry is far bigger than that. If you look at what is happening in the Kimberley and up through the Gascoyne, those regional areas where they do not have recycling, the waste that they take to landfill is totally different to what we take to landfill in Perth. Municipal waste contains a very high proportion of organic material, which lends itself to organic composting through the alternative waste treatment plants. Up north you have huge quantities of tyres and materials left over from the mining industry. You have no recycling so if you go to a landfill up there, you do not see organic material; you see post-consumer products—paper, cardboard, plastic and things of this nature. All of the materials up there have a very high calorific value. It lends itself to different types of alternative waste technologies. They are looking at gasification up there, where they have subsidised power stations and wind farms. All of these things are heavily subsidised to get operating. They cart diesel in to run generators in some of the remote areas in the mining camps and places like that but they have very high calorific hydrocarbon waste which they just bury in the ground. We have to be able to look at those sorts of technologies within WA to address our waste in certain areas, particularly regional areas.

**Hon KATE DOUST:** It is an interesting point you raise about power and water and essential services. The Economic Regulation Authority has that overarching management in terms of licensing and monitoring and even research capacity. Is this something where we look to the future and say that is possibly another role for the ERA in terms of licensing of waste management facilities, monitoring, how it operates and maybe some other factors? Is that perhaps an option rather than leaving it up to DEC?

**Hon PAUL LLEWELLYN:** Government trading enterprises are managing electricity flow streams and water flow streams but this is waste and it is a slightly different animal. You said that there used to be an office of waste management. Is that true?

**Mr Bowman:** As I understand. That was told to me by my members.

**Hon PAUL LLEWELLYN:** We have the Waste Authority as a directorate of people looking at policy and strategic direction and an office of waste management that might provide another set of circumstances sitting under it—I do not know—and then the regulatory functions in the Department of Environment, where they rightly should be, could be a model. I do not know whether the office of waste management is the same as the Waste Authority in your mind.

**Mr Bowman:** The Waste Authority in my mind is a chairman and four members of the authority. They meet once a month to make decisions on expenditure of the levy fund.

**Hon PAUL LLEWELLYN:** It is principally a municipal waste stream that they deal with.

**Mr Bowman:** Yes. I understand that the chairman works part time, possibly one or two days a week. There are not a lot of resources in the Waste Authority. Just to respond to a letter takes resources. A member of the Waste Authority was here earlier. They divvy up their activities to share the load but it is almost on a voluntary basis. They do not have the resources to carry out their role properly.

**Hon KATE DOUST:** We got that fairly clear message today.

**The CHAIR:** The impression I got was that it was not of their volition that they do not have the resources. There seems to me to be a bit of a demarcation dispute between them and DEC.

**Hon PAUL LLEWELLYN:** The issue here is that the Waste Authority is set up under the WARR act. The WARR act principally deals with the municipal waste stream. There is a big black hole in terms of the statutory structure for dealing with the other 70 or 80 per cent of the waste stream. You are saying that we do not have any legal architecture at all to deal with that. That is a big hole. If we had to plug it, we might end up with an office of waste management that is dealing with both of those streams and bringing them together and also dealing with metropolitan and regional issues. This is what I have been struggling with—what architecture to put in place.

**Mr Bowman:** What we have been doing as an association, particularly in the past 12 months, is getting our working groups active. We have two new working groups this year. One is the commercial industrial and the other is alternative waste technologies. We are putting together those working groups with like-minded individuals from industry so we can address what our objectives are and what our position is on those topics, where the issues are, so when assistance is required by government, we are in a position to at least make comment or we have a united view or a view from industry on where we should be going and what we should be addressing.

**Hon PAUL LLEWELLYN:** Are there models around the world that you could look to, even across Australia, in terms of industry structure that could shed some light on this?

**Mr Bowman:** There would be various models but they are in various states of disrepair, too. New South Wales would be one that is probably not one to follow. Again, I am not in a position to comment on what is happening in the other states.

**The CHAIR:** Thank you very much for attending today. It is much appreciated.

**Hearing concluded at 2.18 pm**