

**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 FOUR

Members

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

Hearing commenced at 12.56 pm

BROWN, MS REBECCA
Manager, Waste and Recycling,
Western Australian Local Government Association,
sworn and examined:

ASPINALL, COUNCILLOR MICHAEL
Chair, Municipal Waste Advisory Council,
sworn and examined:

The CHAIR: I welcome you to the meeting. I ask you to take either the oath or affirmation.

[Witnesses took the oath or affirmation.]

The CHAIR: Would you please advise the capacity in which you appear before the committee.

Ms Brown: I am the manager of Waste and Recycling for the Western Australian Local Government Association.

Councillor Aspinall: I am the chair of the Municipal Waste Advisory Council.

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

The Witnesses: We 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. Please ensure that you do not cover them with papers or make a noise near 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 written submission. Are there any particular points in your written submission that you would like to highlight or expand on in this hearing?

Councillor Aspinall: Yes. The role of local government in waste management: Under the Waste Avoidance and Resource Recovery Act, local government is responsible for waste from households and its own waste, and that is defined as local government waste. In 2006-07 the municipal waste service cost local government over \$130 million. Local government runs landfills, and provides waste and recycling kerbside collection services, transfer stations, community education programs and recycling drop-off facilities. Local government does provide some service to the commercial sector. Waste management is an essential service. If discontinued, there will be substantial environmental, social and economic impacts on local, state and global levels.

The waste stream: Local government is responsible for local government waste under the WARR act. No responsible agency is identified for commercial and industrial and construction and

demolition waste. Local government waste makes up to 25 per cent of the waste stream, yet undue focus by state government is placed on local government. Commercial and industrial and construction and demolition waste are equally important waste streams. The graph gives members some indication of what the waste streams are.

Hon PAUL LLEWELLYN: Is the C and D construction and demolition and the C and I commercial and industrial?

Councillor Aspinall: That is correct. In the Perth metropolitan area you can see that in 2006-07 approximately 1.6 million tonnes of material were recycled and 3.6 million tonnes went to landfill. This means we are recycling about 30 per cent of our waste stream. Seventy per cent of it is going straight to landfill. A lot of this material can be diverted from landfill. Approximately 80 per cent of MSW kerbside waste is recoverable and up to 90 per cent of C and I and C and D is potentially recoverable.

I think it is important to understand the waste sector and support for alternative waste treatment. With population growth and development, waste generation is increasing. However, there are a variety of technologies available to assist waste managers. For local government waste, one of the options is alternative waste treatment. WA is leading the country in AWT. But a greater understanding of the options and implications of all technology is needed. Local government is bearing most of the financial cost and responsibility. To date, there has been only limited definition of roles and responsibility of waste management.

Extended producer responsibility: Extended producer responsibility and product stewardship offer mechanisms to assist with waste management. The waste stream is becoming more complex and consequently more difficult and costly to deal with. Examples are: electronic waste, TVs, computers and DVDs, which all fall to the responsibility of local government. Local government has only limited control on the input into the waste stream; the state government is better placed to influence producers of material to encourage product stewardship arrangements and regulating extended producer responsibility schemes.

The holistic approach: Consideration needs to be given to how products can be reused as a resource, the aim being to move to a cradle-to-cradle consideration of products and activities.

[1.00 pm]

We believe that the leadership from state and local government is important. Both spheres of government need to show leadership by their behaviour regarding purchasing, project planning and operations.

The state waste strategy: A clear strategic plan for waste management in WA is needed. Waste management facilities, such as landfill, are not included in state-level planning schemes; consequently, there is little state-level strategic planning for waste management. Contingency disaster plans also lack strategic focus. Planning is undertaken at local government council level only. That is basically our submission. Do you have any questions you would like to ask?

The CHAIR: Thank you, Mr Aspinall. Have regional councils found it difficult to achieve consensus amongst their membership on waste management issues, and are regional councils the most efficient mechanism in your view for initiating resource recovery centres and other major waste management infrastructure projects?

Ms Brown: I do not think that we can provide direct experience on the consensus issue because we represent all local governments and regional councils, so we are not involved in their actual operations. But for waste management, regional service provision is certainly very effective. Within the metropolitan area we have got several regional councils and in the non-metropolitan area there are several regional councils as well. One example being the Pilbara Regional Council, which covers a very large area and does a number of things, including waste management, on a regional basis. It is certainly very effective for economies of scale.

The CHAIR: Are you aware of any particular problems that rural regional councils face in dealing with waste management that are different or more expanded than the metropolitan regional councils?

Ms Brown: I think Michael can speak directly to that.

Councillor Aspinall: I can only confer regarding the Shire of Gingin. The problems we have are economies of scale and the distance that we have to look at transporting the waste. Recycling is a problem because of transporting it to a reliable source. We have to pay for the cost of bringing it into Perth, or we look at recycling and using those products ourselves within our own communities. But it is the overall actual cost of recycling that makes it, in some respects, prohibitive. But most of the ratepayers in Gingin are demanding that we recycle. They want to see it happen, but when it comes to the cost of it then they start thinking and then they say, "All right, we'll bear the cost", so this is what we are looking at. We have plans to go ahead and do a lot more recycling. I think part of it is that nice, good feeling that we are doing something for the environment and for the community. The community itself does not see what happens downstream, and I think that is where we have got to start looking at producer responsibility—the end product; what we do with that end product to make it worthwhile.

The CHAIR: Has WALGA done much lobbying on the extended producer responsibility?

Ms Brown: Yes, that was one of the key reasons that we supported the Waste Avoidance and Resource Recovery Act—because there are provisions in there for extended producer responsibility. The cost of waste management is increasing. The example we give in the submission is electronic waste. In order to recycle electronic waste, that is quite costly to do for a local government, even if you do try to regionalise. Local governments may not be the best place to bear that cost when the producer of the product is not really bearing any of the liability. They are putting their product onto the market with no thought about how it will be disposed of at the end of its life. For us, extended producer responsibility for a range of products is one of the key mechanisms to manage them.

The CHAIR: Is there much of that going on?

Ms Brown: In WA? No, it is very limited. There are some products that do a chips scheme. That is when the producers have got together without regulation and put in place a scheme to manage their product. One example is a federal scheme, which is the drumMUSTER. That is for the chemical and agricultural drums in the non-metropolitan area. Local governments collect the drums and then the drumMUSTER scheme, through, I think, a levy on all products, arranges for those drums to be collected and recycled.

The CHAIR: It is interesting that you mention that, because we have a copy here of an article about a firm that actually does that. It says, "160 000 farm chemical drums, is set to close this month because of a lack of demand for recyclable materials".

Ms Brown: Yes, I have received communications recently from drumMUSTER and they indicated that the service will continue. Obviously, that is a huge concern for us. It emphasises again that WA is quite a small market relative to the rest of Australia, and we are quite a long way from everywhere. It is very important for the state government to keep a handle on what is happening with recyclables, but also to develop or assist with the development of local markets for recyclable products. If we are just shipping everything offshore and not adding any value here, we are in quite a vulnerable situation.

Hon WENDY DUNCAN: Can I just follow on with rural and regional councils? What are some of the solutions that you would recommend for the more isolated and the lower population areas?

Ms Brown: I think some of the solutions are around extended producer responsibility and the design of schemes that acknowledge that if a producer can get their product to Broome, for example, they should also have a hand in making sure that their product is recycled or is appropriately reused.

[1.10 pm]

Local governments in the non-metropolitan area have been doing some great things within their own areas regarding recycling. Shires are stockpiling material like concrete, so that when they have two years worth of concrete they can get in a crusher, crush the concrete and use it in their own road construction. They are doing things such as local re-use, if it can be developed in regional cooperation.

Hon PAUL LLEWELLYN: You were talking about two mechanisms, one is product life responsibility, and the second is stewardship. Extended product liability, or responsibility, makes the distinction between the statutory frameworks like container deposit stations and voluntary stewardship programs. What is the evidence from around the world that voluntary stewardship programs are more effective or less effective than statutory requirements?

Ms Brown: I think it very much depends on the sector. The number of voluntary product stewardship schemes in Western Australia is relatively small. DrumMUSTER and ChemClear are probably some of the more successful ones, and Mobile Muster, through the mobile phone industry. But large-scale projects have not got up to this point. Part of the problem is this idea of orphans within the system, which basically means products that do not have a producer anymore; the producer has either gone bust or is just no longer around. There will always be a percentage of products that just do not have anyone to be responsible for them at the end of their lives. Part of the reason you would look at a regulatory mechanism is to ensure that whenever a product is sold onto the market, its disposal is assured. Another issue is free riders: if something is voluntary, there has to be a really good imperative for industry to be involved. I am not aware of too many —

Hon PAUL LLEWELLYN: Just give us an example of a successful regulatory mechanism for extended product liability.

Ms Brown: I suppose one of the ones you have already mentioned is the container deposit legislation. That has been in place in South Australia for over 20 years, I think, and it is pretty successful. They have just increased their deposit, and that has had a good effect on decreasing litter and recovering the product.

Hon WENDY DUNCAN: When we went to the eastern states with our inquiry, some of the people involved in waste management there were saying that container deposit legislation really only scratches the surface and only deals with a very small percentage of waste. They said that, in fact, if you get sidetracked down that path, it does not deal with the big issues.

Ms Brown: There are certainly a number of products that would benefit from extended producer responsibility or product stewardship schemes. If there is a strong imperative for industry to get involved, product stewardship is a great idea because industry can create its own solutions. But if not all of the industry is prepared to come on board, that is when the regulatory mechanism is needed.

The CHAIR: The committee has received submissions on the benefits of introducing a three-bin system for household waste, whereby waste can be separated into recyclable waste, general waste and organic waste. We saw evidence of this when we were looking at this in the eastern states. Is there support for the introduction of the three-bin system within local government?

Ms Brown: Local governments have in place a number of different systems in Western Australia. Our focus very much has been on outcomes-based regulation. If a local government can achieve a benchmark—say 60 per cent, 70 per cent recovery, whatever the benchmark is—then the actual system itself should not be mandated. It should be up to the local government to work out the solutions that best fit their community.

The CHAIR: We only found out this morning that residents in the City of Stirling, which is one of the biggest councils in the metropolitan area, have only one bin. How do they set a benchmark?

Ms Brown: The City of Stirling has a materials recovery facility, so all the waste collected in the City of Stirling is sorted. It goes through a facility where they remove the recyclable products, and then the organic material goes to a farm where it is composted and applied to land.

Hon WENDY DUNCAN: What percentage is kept out of landfill from that process?

Ms Brown: As far as I am aware, I think they probably look at about 50 per cent to 60 per cent recovery, but you would have to ask them directly for that kind of information.

The CHAIR: What sort of facility have they got that does that sort of separation with one bin?

Hon PAUL LLEWELLYN: Sorting.

The CHAIR: Is it hand sorted?

Ms Brown: Yes. It is run by a firm called Atlas, and if you approach the City of Stirling, they may be able to give you a tour.

Hon PAUL LLEWELLYN: I thought the wisdom in the waste industry was that you should be separating as much waste as possible earlier on at source, rather than trying to mingle it all up and then trying to disentangle it. Is there a view about that in the industry?

Ms Brown: As I said before, I think it comes down to the solutions for the local community. At the time, the City of Stirling made the decision to go with that process.

The CHAIR: I would be interested to see how they benchmark. Do they put their green waste in the bin as well?

Ms Brown: They have verge-side collections and people are encouraged to put out large tree clippings and things like that every so often during the year. They also have verge-side collections for bulk waste, like many of the other local governments. They encourage separation at that point, so people keep their fridges separate from their plastic chairs.

Hon KATE DOUST: How do they deal with newspapers, glass and tin? Does it all just go into one bin?

Ms Brown: Yes. Things like the paper would probably end up being composted rather than being recycled into the paper, but the metals and some of the glass can be recovered through that process.

Hon KATE DOUST: On page 36 of WALGA's main submission there is some discussion about the need for an independent waste agency.

Ms Brown: Yes.

Hon KATE DOUST: I must say, it is a very well-drafted submission.

Hon WENDY DUNCAN: Excellent.

Ms Brown: Thank you.

Councillor Aspinall: Rebecca can take the credit for that.

Hon KATE DOUST: I thought that might have been the case. It is very, very easy to read through. On page 36 you talk about the need for an independent waste agency. Given the things that we have heard this morning about how the waste agency is currently unable to operate to the capacity it should really be operating, and the feedback we have had from FORC this morning, where does WALGA currently see the waste agency? What do you think needs to happen to get it to that point where it is an independent body?

Ms Brown: I do not know if we have a specific view on what steps should be taken. I am sure the discussion you had this morning was about the need to separate the regulatory versus the policy function for waste management. That is our position as well, particularly regarding the separate agency.

Hon KATE DOUST: We understand that FORC has also recently just become a member of WALGA?

Ms Brown: I am sorry, I cannot answer that; I do not know.

Hon KATE DOUST: You do not know?

Ms Brown: No. The regional councils who make up the Forum of Regional Councils are all associate members of WALGA. Also, the Municipal Waste Advisory Council is a delegated committee of WALGA for waste management.

Hon KATE DOUST: How is that different from the Forum of Regional Councils? They seem to be doing the same thing.

Ms Brown: Some issues are, I suppose, regional-council specific, and some are related to local government as a whole, which the regional councils are also a part of. I am sure the Forum of Regional Councils told you a bit about what they do, but the WALGA waste function does policy for the entire sector and program delivery and advocacy.

Hon KATE DOUST: You also have a list of recommendations at the front of this submission. Is there any specific legislative change that you would want to see that would assist local government in the management of waste recovery and recycling?

Ms Brown: There are certain regulatory changes. The process for extended producer responsibility is to initially attempt to get voluntary schemes up, and then to provide for regulation. For the priority products that have been identified, regulation for extended producer responsibility schemes where necessary would, in the future, be a key issue for local government. The inclusion of waste management in the consideration of federal assistance grants was also one of the key things, but I do not know whether that is a recommendation for this committee.

[1.20 pm]

Hon WENDY DUNCAN: Do you believe that local government is the best place for waste management to be handled, or do you think it has become such an essential issue in the management of urban populations that maybe it needs to be handled at a higher state level—at a different level, not necessarily higher?

Ms Brown: We have certainly flagged in the submission the need for more strategic planning for waste management. At the moment the situation is that the regional councils and local governments are planning for waste for their area. They are trying, obviously, to look at the state as a whole, but generally local government is doing it at a local level and providing that service. I think what we have flagged is the strategic needs.

Councillor Aspinall: I think local governments are the people to handle it, because they are directly involved with the local situation. It is certainly beneficial for local governments to be involved. Just going back to what Rebecca was saying regarding the bigger planning—the wider planning for things like AWTs, the planning of areas for these to be located, and disaster planning—with 70 per cent of recyclable waste going to landfill, if we can recycle, that will leave a bigger area of land space to be used for municipal waste. If there was a national disaster—let us hope there never is—where there was a great destruction of property within the metropolitan area, where would all that waste go? When we think of all the buildings, where would we put all that waste in a short period of time?

The CHAIR: We had an example this morning. It was not a major destruction of buildings, but there was a cyanide spill at one of the landfill sites, and for days the place was shut down. Where do you put all the waste, even in a circumstance like that without anything major? That is a good point.

Hon WENDY DUNCAN: You mentioned planning. One of the issues is the encroachment of urbanisation against landfills and advanced waste technology. Are there suggestions that you could make about planning for these sites? Is there a need for developers to perhaps submit a waste

management plan, and is there a need for the WA Planning Commission to be aware of local government landfill sites? I am aware, for instance, that local government cannot have an opinion about where state government facilities are located and so on. What are your thoughts there?

Councillor Aspinall: If you take the northern suburbs and how quickly that area is developing, as far as I am aware there is no planning for any landfill sites for that area, because a lot of it will be going to alternative waste treatment, but then you still have to put in what is left over. That is where the Shire of Gingin is being pressured by businesses that are looking at creating landfills within the shire. We have got four companies that are looking at opening up landfills. We have put processes in place where hopefully we can restrict this. But you have got to be mindful that we have got to find an area for our own landfill as well. We have taken a strategic position where we have four landfills in the Shire of Gingin. We are hopefully closing all those four down. We have purchased a property where we will just have one modern landfill site, because at the moment they are all out in the country and you can basically put anything in. There are some regulations that we have to abide by, but who knows what is put in those landfills. They are all on the coastal plain. We have taken the position that we have looked for an area away from anywhere, well away from housing and industry. As I say, we are closing those landfills down. We will be putting in transfer stations, and all the waste will then be transferred to this one landfill site. That will then give us the options of doing a lot of separation and recycling, which at the moment just does not go on in Gingin.

Hon WENDY DUNCAN: Where, in your opinion, are the flaws in regulation and legislation that allow urban encroachment of landfill sites or lack of planning for landfill sites?

Councillor Aspinall: I just do not think it comes into the consideration when they are looking at the development. They look at the town planning scheme. They see where they want to put the shops and everything else, but they do not consider where all the waste is going to go from these developments. The Department for Planning and Infrastructure does not have any particular guidelines for anything like that.

Hon WENDY DUNCAN: That is probably where it should be, is it not?

Councillor Aspinall: It is ultimately responsible for town planning or advance planning. Certainly, looking at the northern corridor, it does all the things for the roads, transport, power supplies and everything else, but it does not look at waste.

The CHAIR: In WALGA's view, what would be the appropriate amount to set a landfill levy at? Western Australia has the lowest in the country.

Ms Brown: We do not have a specific number in mind. Our policy position is that there are several reasons why you set a levy. The first is to raise revenue for strategic waste activities. Part of the reason you set a levy is to fund programs and to fund things to happen. One example is the household hazardous waste program, which WALGA currently administers, which provides collection days so that people can take their paint and pesticides to a convenient location and drop them off. That is funded through the landfill levy. The other reason that you set a levy is to change behaviour by putting a price signal in place. I am not an economist, but there are certain points that you can set the levy at that will change behaviour. That will be different for the putrescible levy and for the inert levy. The other reason that you set a levy is to include the externalities that are not currently covered. The carbon pollution reduction scheme at a federal level may start to incorporate some of those externalities and put an additional price on landfill. As I say, there are lots of reasons why you set a levy and how it should be calculated.

The CHAIR: New South Wales has the highest levy in the country. It was designed specifically to take material out of landfill and put it into alternative waste management technology.

Ms Brown: Yes.

Hon PAUL LLEWELLYN: I want to go back a couple of steps. You have said in your recommendations that waste should become an essential service and that we should deal with all

waste streams. We need guidance about how you think that should be given effect. Is this something that we would give to the Waste Management Board? Where should a centre of excellence for waste management be housed, and how should the service be delivered? Do you have views about that? You can speak with a lot of latitude here. We need ideas on the table.

Ms Brown: If I can speak just to the consideration of waste as an essential service, we have already talked about the planning issues and the lack of consideration by the state government in actually taking on board that waste is an essential service, and that every development—everything that happens—needs to be considered in that context, so within a decision-making context actually taking waste into account. Regarding the idea for a centre of excellence for waste management, WA, as you have said, is doing exceptionally well with alternative waste treatment. In the coming years, pretty much every council in the metropolitan area will have some form of alternative waste treatment and will be diverting that material from landfill. However, we still do not know a lot about the technologies in some senses. It is not really out there in the public arena. So the idea of a centre of excellence is somewhere to focus research. I believe that South Australia has a cooperative research centre, and that gets funding from state government and industry, and research occurs on identified key issues. It is somewhere to house the knowledge of the waste sector.

Hon KATE DOUST: Is that something that perhaps the Waste Authority could handle if it had the capacity to provide that research? I note that in your report you talk about there not being enough information about how chemicals react to Western Australian soils, just as an example, which I would have thought would be an interesting area to look at. Rather than setting up another centre, is it something you could house underneath the Waste Authority?

Councillor Aspinall: I think the Waste Authority could in some ways look at part funding, leading the way and showing, but I think it has got to be set in a university situation. I think you need the academic support that they have. It may be that the Waste Authority directs the areas in which research should be done, but I believe it should come under the auspices of one of the universities or colleges.

[1.30 pm]

Hon KATE DOUST: I imagine the new chem centre out at Curtin would be an ideal place to hold that sort of inquiry, wouldn't it?

Councillor Aspinall: Yes; well, it is a start.

The CHAIR: The environment department at Murdoch.

Hon PAUL LLEWELLYN: Can we go back to the costs then, because all of this stuff comes at a cost. We know that to run an advanced waste treatment facility you are looking at \$150 to \$200 a tonne or cubic metre to manage it. That gives you some sense of how much you have to load the waste stream at. Therefore, we are talking about our current levy and our gate fees. Can you give us a sense of the interaction between gate fees and the levy in funding the responsible management of our waste?

Ms Brown: Okay, so the gate fee will be how much the landfill charges to whoever it is to dispose of the waste there, and that gate fee will include the levy. However, the gate fee will primarily be geared towards the running and operations of the landfill and also its post-closure management. Therefore, at the moment the levy is included in that gate fee, but most of the gate fee is operational.

Hon PAUL LLEWELLYN: Can you give us a sense of how much that is across metropolitan regions and local councils?

Ms Brown: Sure, it varies a bit. There would be some local governments who would be charging around \$100 a tonne as a gate fee. That would be for mixed waste; so, if someone turns up with a trailer full of waste, approximately \$100 a tonne, or from a commercial business, \$100 a tonne.

Some other local governments have a slightly lower gate fee, probably down to about \$70, and that will depend on their operations. They may choose to charge less for ratepayers than for people coming from outside the area or charge more for commercial businesses. Some of the local governments may say that if you are bringing them recyclable material, they will not charge any gate fee, so you can come in and they will separate it and they will recycle it.

The CHAIR: My council does that; it is very good.

Ms Brown: So, it is an incentive for people not to make their waste together; to separate it.

Hon PAUL LLEWELLYN: How does that apply with regard to commercial and industrial waste? How are we getting paid for those waste streams? Who is paying? How is it happening? About 70 or 80 per cent of our waste stream is disappearing into holes somewhere: how is that happening? Because it is happening, are local governments administering this?

Ms Brown: Local governments are taking—local government landfill facilities are taking some of the material. There are also private landfill operators who take construction and demolition waste and I think there are a couple of private putrescible landfills as well. I do not know whether you want to talk about specifically what the shire does.

Councillor Aspinall: The Shire of Gingin?

Ms Brown: Yes.

Councillor Aspinall: It is basically a free-for-all because we cannot afford to man our waste facilities. I say that we have one facility in Gingin itself, which is manned by a volunteer and she takes a percentage of the recycles —

Hon PAUL LLEWELLYN: That is very good.

Councillor Aspinall: — and that is working quite well. However, the problem we have is that a lot of the waste is coming from Perth. Now, we cannot stop them bringing it. There is a sign that says we will only accept waste from Gingin—prove it! Once it is in there, we cannot do anything because we are a licensed landfill, so we are licensed to take waste. That comes at a cost because one of the—and we are trying to catch the gentleman who is doing it—is tyres. For every tyre, we have to pay \$4, \$5, \$10 or \$15 a tyre to get rid of them. He is obviously running a business where he is charging somebody that amount, trucking it in to Gingin, dropping the tyres off and disappearing. Therefore, we are bearing that cost. That is one of the reasons why we want to close our sites down, so that we can control them a lot better. But it comes at a cost; to build this it will cost us well in excess of \$2.5 million. Somebody the size of Gingin cannot afford that at this stage, so we have to do it bit by bit by bit, so it will take time. We do not have any control over what sort of waste goes in there. We cannot charge people for coming because if it is not manned, how will we collect the fees? People have been used to dumping their waste in there free of charge because we charge them for a pick-up service as well. You are not in the metropolitan area; in the metropolitan area the only place you can take it is to a licensed landfill site, which is run by one of the councils and they have the set fees. Some of the councils provide you with a couple of passes a year to bring in that little bit extra or they have rubbish collections. We do not provide those services other than a regular pick-up service for the ones who are in the rural residential areas, the town sites, and one or two other facilities that are on the direct route of the waste rubbish collection.

Hon PAUL LLEWELLYN: Can I just pursue this one about the commercial and industrial and demolition waste, because these are all going to be within local government jurisdictions. How is that happening? This is the question I am asking: where is this 70 per cent of the commercial and industrial waste going to? We have heard that the municipal waste streams are monetised and charged and all that sort of stuff. You are saying that we should treat all waste streams equally, what is happening and where is that other 70 per cent of the waste going to, and how is it getting financed or charged? Rebecca, this is a hard question.

Ms Brown: The construction and demolition—C&D—waste stream would largely be going to inert landfills, so there are a few of those around the metro area. Some of them are local government run, but I think the majority are private landfills, so it is then up to them to charge what is appropriate—how they consider—with the construction and demolition waste —

Hon PAUL LLEWELLYN: Is there a levy on that?

Ms Brown: There is a levy on that —

Hon PAUL LLEWELLYN: But it is \$7.

Ms Brown: It is \$3 a cubic metre, currently.

Hon PAUL LLEWELLYN: It is \$3 a cubic metre for construction waste and a private operator can just dig a hole and fill it up with inert waste, effectively.

Ms Brown: They have to licence it, but yes.

Hon PAUL LLEWELLYN: And then you were going to tell us about the other stuff; the commercial and industrial stuff.

Ms Brown: Yes, so the C&I waste would be going to, generally, probably a putrescible landfill site because of the nature of the material.

Hon PAUL LLEWELLYN: What does that mean?

Ms Brown: Putrescibles are things that rot; therefore, cardboard, organic waste, offcuts from factories, and that kind of thing would be the C&I waste stream. Pubs and clubs' glass, food scraps —

Hon PAUL LLEWELLYN: Why is that different? Why is putrescible waste and inert waste different? What is the difference—are there problems?

Ms Brown: The difference is probably definitely with the impact. Putrescible waste in landfill decomposes and you get methane, so, obviously, lots of the larger putrescible landfill sites have gas capture, but then that is only ever going to capture a certain percentage of the emissions.

Hon PAUL LLEWELLYN: Up to 60 per cent, isn't it?

Ms Brown: With the inert landfill sites, they are less likely to have methane emissions, although there may still be some depending on the amount of wood that has gone into the landfill over time. Therefore, the putrescible sites have the immediate effect when you put material in there; you do not want to put cardboard in there because it decomposes in to methane. With the construction and demolition—C&D—waste, when you put it into landfill, you are losing a resource and all of the energy and material that went into making that resource. Think about how much energy goes into making a brick and then it is put into an inert landfill; it is not going to do a lot in the landfill, but you are losing the resource.

Hon PAUL LLEWELLYN: Does the commercial and industrial waste have to go into registered municipal wastes? Is that causing a problem for local governments to actually deal with that stuff? What is the proportion of that? I think you have that in your report.

Ms Brown: Yes. The pie chart shows the proportion of C&I waste that is currently going to landfill. Also, keep in mind this is just the metropolitan area, so this does not cover the non-metropolitan area because this data comes from the landfill levy, and the landfill levy is only collected on waste either generated in the metropolitan area or land filled in the metropolitan area. Therefore, we are looking at about 23 per cent C&I, and that material will be going to either local government facilities or to private landfills, if they are available.

Hon PAUL LLEWELLYN: Does that cause a problem for local governments to have to deal with commercial and industrial waste coming their way?

Ms Brown: Lots of them have been doing it for a while, but it is a potential issue and a potential liability. As I said, the carbon pollution reduction scheme will cover landfill sites, so local governments will be liable for this waste in the future if they are running the landfill. It is also quite different from the municipal stream, because as you can imagine, waste from households is fairly consistent—food scraps and packaging; you may get some batteries and things like that—but waste from the commercial sector can vary enormously because there are so many different commercial areas. The problem with diverting waste is that there are lots of different commercial areas, and there is no real overarching strategy for looking at the commercial sector.

The CHAIR: Thank you very much for coming along today and making your contribution. I am going to move that your document is tabled and be made public.

Ms Brown: Thank you very much.

Councillor Aspinall: Thank you very much for your time.

Hearing concluded at 1.40 pm