

# Ipswich

City Council

11 July 2006

Dear Sir/Madam

**Re: Draft Waste Generation and Resource Efficiency Report Feedback**

The following details comments from Ipswich City Council on the findings and recommendations on the above report.

In general it was felt from our assessment that there is not a genuine consideration of the social and environmental impacts of waste management within the report. It is very much focused on the financial impacts of waste management. Upstream environmental externalities associated with waste management tended to be disregarded throughout the report which flawed much of the logic related to the environmental costs of waste management to the community. The recommendation that State and Territory Governments should consider shifting the responsibility for waste management in large urban centres from local government to appropriately constituted regional bodies also demonstrates a lack of consideration of the differences, such as size and capability, that exist in the various States and localities.

Comments:

*DRAFT FINDING 4.1*

*The total external costs of well located landfills that incorporate gas capture (with electricity generation) and landfill liners are likely to be less than \$5 per tonne of waste.*

- This finding assumes that landfill liners are 100% effective in avoiding leachate migration into the groundwater system both in the short and long term. The initial performance of a liner is dependent on the quality of installation works. This issue can be overcome by stringent regulation and supervision of installation requirements. In the very long term, with no in situ performance data available to prove otherwise, there is a possibility that membrane liners may fail. Therefore total external costs of landfills need to include a component for groundwater contamination costs.

*DRAFT FINDING 4.4*

*The net external benefits of kerbside recycling vary according to circumstances, and are unlikely to be nearly as large as the \$420 per tonne of recovered material figure that is widely quoted for kerbside recycling in Australia. Accordingly, there is significant doubt that kerbside recycling will deliver net social benefits unless it is privately cost effective.*

- The report states that upstream benefits of kerbside recycling could be larger than the considered small downstream benefits and could tip the balance in favour of recycling, but these benefits are uncertain and variable. Therefore the possibility of these upstream benefits appears to have been ignored to allow the Commission to conclude that it is unlikely kerbside recycling will deliver net social benefits unless it is privately cost effective. This is not a valid inference and further investigation is required on the issue before any valid conclusions can be made. Uncertainty should result in caution not disregard.

*DRAFT FINDING 5.1*

*Upstream environmental externalities associated with waste are most appropriately addressed through directly targeted policies. Waste policies should only be used where more direct policies are not able to be used, and then only if there are reasonable prospects of such intervention being effective and producing net social benefits. These circumstances are unlikely to arise.*

- In many cases this finding may be correct but in the upstream environmental externality of mineral resource conservation it is believed that it can be best addressed through waste policies. Encouraging waste minimisation will have a direct impact on the conservation of resources.

*DRAFT FINDING 5.2*

*The most significant upstream sustainability concerns relate to environmental impacts rather than mineral resource conservation. Waste management policies are an indirect and imprecise means of addressing these issues.*

- The Commission appears to argue that in the long term, as resources begin to be depleted, there will always be a viable substitute for use by future generations. This may not be the case. As a resource begins to become scarce it will certainly become more costly to purchase thus making alternative options more economically viable to investigate. However, there may not be an alternative or if there is, is it equitable for future generations to incur the additional costs of the substitute because previous generations wasted the resources available to them?

*DRAFT FINDING 7.1*

*Targets for waste management are virtually impossible to set at an optimal level and are almost always arbitrary. Broad targets do not account for regional differences in waste management costs, nor are they sensitive to changes in market or institutional settings. Whilst they might be argued to have some aspirational virtues, targets such as zero waste to landfill lack credibility and appear to be unachievable. More importantly, the pursuit of recovering resources at any cost can be highly inefficient and result in perverse outcomes.*

*A better approach is to address relevant market failures through other instruments, including regulation of landfill. The right incentives will then exist to guide the emergence of relevant markets for waste reduction and recovery.*

- This finding is based on the assumption that landfilling has minimal total external costs and that resource depletion is not a concern which has previously been refuted in this submission. Instruments that solely rely on the regulation of landfills will not address the social costs relating to resource depletion including the issue of inter generational equity.

***DRAFT RECOMMENDATION 7.1***

***Governments should not allow the priorities suggested by the waste hierarchy to override sound policy evaluation principles based on a net social benefits approach. All of the costs and benefits of alternative waste management options should be carefully evaluated.***

- In Queensland the waste hierarchy tends to be used as a tool to promote consideration of alternative waste management options rather than being prescriptive and imposing options that override sound policy evaluation principles.  
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***DRAFT RECOMMENDATION 7.2***

***Governments should not directly or indirectly impose waste minimisation and recycling targets as part of waste management policy.***

- As previously mentioned this finding is based on the assumption that landfilling has minimal total external costs and that resource depletion is not a concern. Waste minimisation and recycling targets are a valid part of waste management policy when the objective is to reduce resource consumption.

***DRAFT FINDING 8.1***

***Mandatory standards for including recycled content in products are unlikely to produce net benefits for the community.***

- The possible benefits to the community cannot be discounted without consideration of the upstream externality benefits of conserving virgin materials.

***DRAFT RECOMMENDATION 8.1***

***Governments and retailers should not proceed with their foreshadowed plan to eliminate plastic shopping bags by the end of 2008 unless it is supported by transparent cost-benefit analysis. The analysis should clarify the problems that the ban would seek to address, the response of the community to a ban, and whether or not alternatives - such as tougher anti-litter laws and means for encouraging greater community participation in controlling litter - would achieve better outcomes for the community.***

- It is agreed that a transparent cost-benefit analysis should be undertaken when assessing the need to ban the use of plastic bags. However, the issue of the impact of plastic bags entering the

marine environment does not appear to be adequately investigated by the Commission. Just because only less than 1 % of plastic bag litter enters the marine environment doesn't mean that it is not having an unacceptable impact on marine wildlife. These impacts need to be quantified before any conclusions can be made on this issue.

*DRAFT FINDING 8.3*

*Compliance with landfill licence conditions in Australia appears to be relatively poor, and enforcement somewhat variable and lax.*

- The report notes that there were no reported instances of major prosecutions and infringements at landfills in Australia states in 2004-2005. There was no factual evidence provided in the report to lead to the finding that compliance with landfill licence conditions is poor. This finding is simply an unsubstantiated opinion.

*DRAFT FINDING 8.5*

*Regulation and enforcement for litter and illegal dumping are necessary but not sufficient. Measures such as education, community involvement and moral suasion make regulation more effective.*

- This finding is strongly supported. Due to the nature of littering and illegal dumping it is often very difficult to identify the perpetrators. Therefore other measures are essential when attempting to reduce the prevalence of littering and illegal dumping.

*DRAFT FINDING 9.1*

*Charges for household waste collection that vary with the amount of waste could promote more efficient behaviour, where they are cost effective to introduce. This will depend on the implementation costs and any consequent increase in illegal disposal. Wider adoption of simple forms of variable charges, such as charging an additional fee for a larger than standard bin would seem desirable, with more sophisticated pay-as you throw' approaches adopted as and when they become feasible.*

- Preliminary investigations of simple "Pay as you throw" approaches such as the provision of different sized household waste containers may be an option for Ipswich City Council. However, it would need, to be tested for both cost effectiveness and community acceptance. Multi-residential premises are difficult to incorporate in such a scheme as many of these premises are provided with shared bulk bin waste collection services. More sophisticated approaches such as charging by weight of waste do not appear to be cost effective for this Council at this stage.

*REQUEST FOR FURTHER INFORMATION*

*The Commission seeks further information from inquiry participants on the extent to which State and Territory local government legislation limits the ability of local governments to implement variable charging systems for collection and disposal of municipal waste.*

- Current Queensland legislation allows the charging of a utility fee for the provision of waste services on a property's rates. Variable charging systems for the provision of different sized waste containers are currently in place in some Local Government areas in Queensland. Charging by weight could also be implemented in a similar fashion to water charging regimes. The main concern with the rating of variable waste services charges is that a significant proportion of households within Ipswich are not owner occupied. Therefore variable charging of waste services would only directly impact the property owner- not the tenant. Property owners would need to set up a system to on charge any additional costs for waste services through their rental agreements.

*DRAFT FINDING 9.2*

*Deposit-refund schemes are typically costly and would only be justified for products that have a very high social cost of illegal disposal. Container deposit legislation is unlikely to be the most cost-effective mechanism for achieving its stated objectives. Kerbside recycling is a cheaper option for recovering resources, while general anti-litter programs are likely to be a more cost-effective way of pursuing litter reduction.*

- Council strongly support his finding. The implementation of any container deposit legislation within Queensland would significantly undermine the cost effectiveness of our current kerbside recycling services and place additional cost burdens on the community.

*DRAFT FINDING 11.2*

*Using government procurement practices to create demonstration effects for the broader community and assist the development of markets for recovered materials, is an indirect and, most likely, a relatively ineffective way of pursuing those waste policy objectives.*

- Current government procurement practices may have resulted in little social benefits because of poor implementation. It is important that governments show leadership.

*DRAFT RECOMMENDATION 12.2*

*State and Territory Governments should consider shifting the responsibility for waste management in large urban centres from local government to appropriately constituted regional bodies.*

- The discussions relating to this recommendation in the Commissions report are primarily focused on the Sydney and Melbourne situations where there are a large number of very small Councils. This is not the case in South East Queensland. Some Council's in this region have the ratepayer capacity to fund large scale waste management solutions that meet the needs of their residents. Similarly, local governments, particularly in SEQ, have sufficient professional

planning resources to allow a fully informed assessment of the implications of locating waste management facilities within or near local government areas. There is no need to enforce regional bodies to manage waste in this area.

***DRAFT RECOMMENDATION 12.3***

***State and territory environmental regulators should undertake a review of those regulatory requirements that lead to the unnecessary regulation of byproduct materials where it can be demonstrated that the materials can be safely reused or recycled.***

- This recommendation is strongly supported by Council.

***DRAFT RECOMMENDATION 12.4***

***Governments responsible for specifying the use of materials for products, including building and construction, should review all product standards that frustrate the use of recycled products and/or call for the use of virgin materials, with a view to replacing them with performance-based equivalents where this is feasible.***

- This recommendation is strongly supported by Council

***DRAFT FINDING 13.1***

***Performance indicators of the amounts of waste being disposed to landfill or recovered have limited value because they do not provide any information on the costs and benefits of these options.***

- The value of this information is related to the policy objectives. If waste minimisation is a goal then the amounts of waste to landfill or amount of recovered resources do provide meaningful indicators.

***DRAFT FINDING 13.2***

***Indicators relating to compliance with license conditions at landfill sites may be useful in revealing the extent of externalities, and whether a further policy response is needed.***

- As previously discussed such indicators are only useful for measuring the downstream externalities and other indicators are needed for the upstream externalities.

***DRAFT FINDING 13.3***

***Indicators of cost effectiveness can have a role to play in measuring the cost of achieving social and environmental objectives in waste management, and in benchmarking performances of local governments in providing kerbside collection services.***

- Cost effectiveness should always be a key consideration when implementing any policies or project. However, it is important that the full social and environmental impacts be considered.

***DRAFT RECOMMENDATION 13.1***

***The Environment Protection and Heritage Council should coordinate the development of a concise, nationally consistent, data set for waste management that would facilitate evaluation and comparison of waste management policies across jurisdictions. It should have regard to data collection practices already in use.***

Local Government in Queensland is currently required to provide a large range of waste data to various bodies. Significant data manipulation is often required to meet the requirements of these requests. For example some information is requested as totals for the calendar year – some for the financial year etc. Co-ordination of data collection would assist Councils to minimise costs associated with data collection.

Yours faithfully

Carl Wulff  
**CHIEF EXECUTIVE OFFICER**

C/c Local Government Association of Queensland  
Mr Bernie Ripoll MP  
Mr Cameron Thompson