

28 July 2010

The Project Manager
Queensland's Waste Strategy Consultation
Natural Resources and Environment
Department of Environment and Resource Management
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BRISBANE Q 4001

And by email: waste.paper@derm.qld.gov.au

**Australian
Construction
Materials**



BORAL WASTE SOLUTIONS

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Dear Sir/Madam,

**QUEENSLAND'S WASTE STRATEGY 2010 – 2020
WASTE AVOIDANCE AND RECYCLING CONSULTANT DRAFT (2010) AND PROPOSED
INDUSTRY WASTE LEVY CONSULTATION DRAFT (2010)**

We refer to the draft *Queensland Waste Strategy 2010 – 2020* (the '**Draft Strategy**'), comprising the *Waste Avoidance and Recycling Consultation Draft* (the '**Draft Avoidance and Recycling Policy**') and the *Proposed Industry Waste Levy Consultation Draft* (the '**Draft Levy Policy**'), which was released by the Department of Environment and Resource Management (the '**DERM**') in June 2010.

Boral Limited is an ASX listed company and one of Australia's largest building and construction materials suppliers with significant operations in the USA and in Asia. With A\$5.2 billion worth of sales, Boral has over 15,900 employees working across 717 operating sites. In Queensland, Boral (Australian Construction Materials) ('**Boral**') operates more than 100 sites including 30 quarries, 48 concrete batching plants, and 16 asphalt plants, with operations in major centres from the Gold Coast to Cairns and west to Longreach.

At present, Boral also operates a major landfill facility at Deer Park, west of Melbourne, Victoria. Boral is currently investigating opportunities to establish a landfill operation in South East Queensland.

Boral congratulates the Queensland Government on the preparation and release of the Draft Strategy, which we have reviewed to inform the preparation of this submission. The grounds of this submissions, along with the facts and circumstances relied on in support of those grounds, are set out hereafter.

1 The exemption of municipal solid waste from the levy will likely encourage levy rorting and other unscrupulous practices.

Boral is concerned that the exemption of municipal solid waste (MSW) from the structure of the new Waste Levy will encourage rorting and other unscrupulous practices on the part of some unscrupulous waste collection service providers to avoid the payment of levies. These concerns are informed by Boral's experience in operating landfill facilities elsewhere in Australia where some businesses, industries and waste transporters have deliberately disposed of waste on which the levy would otherwise be payable in the MSW waste stream.

The Victorian government has recently acted to close this loophole from 1 July 2010 by establishing uniform levies for Municipal Solid Waste (MSW), Commercial & Industrial Waste (C&I) and Construction and Demolition Waste (C&D).

Boral requests the review of the proposed approach and the incorporation of measures which prevent unscrupulous operators from rorting the levy regime. We believe that a uniform levy across waste streams will have the appropriate effect in overcoming this potentially very significant issue.

2 In respect of the application of the proposed Industrial Waste Levy, the apparent requirement that landfill operators determine the source or volume of levied waste streams is unworkable.

Having reviewed the Draft Strategy, we understand that the responsibility for determining and charging the Industrial Waste Levy, and levy exemptions, will rest with the operators at landfill facilities. The proposed approach is unworkable from the perspective of landfill operators who may have no ability to confirm the source of waste or, in the case of mixed loads, confirm the percentage of individual waste streams.

Boral requests the review of the proposed approach. We believe that this potentially very significant issue can be overcome with the adoption of a uniform levy across waste streams.

In the event that forthcoming waste management legislation includes penalty and enforcement provisions related to the misapplication of the Industrial Waste Levy, Boral requests that those penalty and enforcement provisions be directed at waste transporters, rather than landfill operators, to protect landfill operators in the event of misleading information or operational difficulties in the calculation and charging of levies.

3 The possibility of declaring waste management services as an essential service is supported and should be further investigated, including to establish opportunities to provide exemptions from the ordinary requirements of the statutory planning framework (for both public and private landfill operators).

Boral supports the further investigation of the declaration of waste management services as an essential service, or other means of increasing the level of certainty and reducing the time, risk and cost involved in the establishment of new waste management facilities, including landfill operations.

The statutory planning and environmental framework in Queensland, together with increasing sensitivity amongst local communities, can present significant impediments to the establishment of critical waste-management infrastructure and facilities, regardless of the merit of, or need for the facility. The Draft Strategy rightly acknowledges the limited timeframes in which new waste management facilities need to be secured, particularly in the high-growth regions of the State.

The use of new, or existing, legislation to make provision in the planning and environment framework for waste management infrastructure would reduce the time, risk and cost involved in these critical projects. Any proposed exemptions should apply to both public and private operators so as to encourage industry development and investment.

4 Boral supports the preparation of a State-wide planning framework, including the preparation of Regional Waste Infrastructure Plans.

Boral supports the preparation of a State-wide planning framework, including the preparation of Regional Waste Infrastructure Plans. The development of a comprehensive and integrated planning framework will assist both public and

private waste management providers in planning and developing facilities that respond to the current, and future, needs of the State.

In the preparation of a State-wide planning framework and Regional Waste Infrastructure Plans, Boral encourages the Queensland Government to take a comprehensive and integrated approach which reconciles competing interests (including existing development, land use planning, environmental values, amenity considerations and infrastructure provision) in a manner that will encourage and facilitate the development of critical facilities in appropriate locations.

5 Boral supports the preparation of a new legislative framework to implement the Queensland Government's proposed policy approach to waste management.

Boral supports the preparation of a new legislative framework as a means of implementing the proposed policy direction. Boral encourages the Queensland Government to consult widely with the industry in the development of legislative instruments to ensure that the resultant legislation is appropriately robust and efficient.

We thank you for the opportunity to provide this submission and respectfully request that these matters are given due consideration. If you have any queries, or wish to arrange an opportunity to meet and discuss these matters further, please contact me on 0401 897 574.

Yours faithfully,

BORAL RECYCLING PTY LTD



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NATIONAL MANAGER
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