



Speech by


**Andrew Cripps**

**MEMBER FOR HINCHINBROOK**

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## **WASTE REDUCTION AND RECYCLING REGULATION: DISALLOWANCE OF STATUTORY INSTRUMENT**

 **Mr CRIPPS** (Hinchinbrook—LNP) (7.41 pm): I rise to support the disallowance motion moved by the shadow minister for the environment, the member for Glass House. The member for Glass House, the member for Bundaberg and I are the non-government members on the Environment, Agriculture, Resources and Energy Committee, which considered the Waste Reduction and Recycling Bill 2011 before it was debated and passed in this House by the Bligh Labor government.

The member for Glass House, the member for Bundaberg and I ultimately were forced into a position of lodging a dissenting report to the recommendation supported by government members on that committee that the bill ought to proceed, because we simply could not ignore the industry representatives, stakeholders and individuals who lined up to appear before the public hearing of our committee to tell us how concerned they were about the possible impact of the bill if it became legislation.

The shadow minister for the environment, the member for Glass House, has canvassed the main technical points that needed to be emphasised about the impact of the waste tax. These witnesses that came to our public hearing tore the Bligh Labor government's argument apart. Labor said there was a problem with cross-border dumping. That was proven to be nonsense. Labor said councils were running out of landfill sites, but that was also proven to be untrue. The logistical arguments put up by Labor to justify the waste tax were found to be completely baseless.

Businesses screamed that difficult economic times, combined with the uncertainty of Labor's carbon tax, meant that the proposal for a waste tax could not have come at a worse possible time. The complexity and inflexibility of the legislation passed by the parliament has been and could only be surpassed by the complexity and inflexibility of the regulations that DERM have managed to develop and dump in the lap of the small businesses who warned them of this very outcome.

In Far North Queensland, the forward-thinking, innovative work of the Cairns Regional Council in investing in an alternative waste technology facility at Bedminster and its partner, the Tablelands Regional Council, has been undermined by the introduction of the waste tax. As a result of the Bligh Labor government breaking yet another promise to the people of Queensland not to introduce a waste tax, this cost will now be borne by the ratepayers of the Cairns and Tablelands regions.

The complexity and the inflexibility of Labor's waste tax legislation means that it is not focused on outcomes in terms of reducing the amount of waste material. It is only interested, as always, in using blunt regulatory instruments to bring everyone down to a one-size-fits-all bureaucratic model that suits its one-dimensional fascination with red tape. After 20 long years in government, Labor has run out of ideas about how to handle new and emerging issues confronting Queensland. Its knee-jerk reaction is always to reach for the regulation and the red tape.

Then there were the individual businesses that sounded the warnings. The small independent skip hire businesses that remove domestic waste and dispose of it on behalf of their customers explained very clearly how their businesses would be impacted. The recycling businesses—surely something the

government would seek to encourage—explained how they would struggle to meet the increased costs of this \$35 per tonne waste tax on their businesses. A classic example of that was canvassed by the member for Glass House in terms of Michael Kennedy's business. Kennedy's Classic Aged Timbers, who recycle used timber, told the committee that it will actually be cheaper for his business to import timber from rainforests cut out of South-East Asia and South America than to pay the waste tax on the residual product that he removes from treated timber such as those timber poles from Ergon and Energex, from Telstra and from the railways. There can be no greater indictment of the inflexibility of Labor's regulatory instrument in this respect than the evidence of Michael Kennedy.

It is one thing to talk about this issue in abstract terms with respect to the inadequacy of the legislation under Labor even when that legislation that has been introduced has been strongly attacked by industry and commercial recycling businesses. The stakeholder groups tried desperately to tell the government, through the committee process, that this was bad legislation and that it would have a perverse impact on the environment.

But the real tragedy occurs when the government continues to ignore the real and serious impacts on businesses in Queensland since the introduction of the waste tax and takes no action to address it. Last year I spoke in the House about how the waste tax would impact seriously on an important business in my electorate in North Queensland. At the northern end of my electorate in Wangan, just south of Innisfail, the Australian owned Northern Iron & Brass Foundry has had its ongoing economic viability made more difficult to maintain following the introduction of the Bligh Labor government's waste tax—another financial and regulatory impost that Labor has placed on Queensland businesses in return for Green preferences.

Unfortunately on many occasions I have had to speak in this House in recent years about the outrageous and seemingly relentless imposition on North Queensland industries of increased compliance costs and regulations as a result of the preference deals between Labor and the Greens. We have certainly been targeted in North Queensland, and this waste tax has made it even more difficult for small businesses and manufacturing industries to survive in the north now that it is paying an extra \$35 per tonne on its commercial waste. Once again Labor seems determined to drive up its overhead costs and increase its red tape.

The Northern Iron & Brass Foundry is not a big multinational. It employs about 100 people in the Innisfail district. Incidentally, it is the single largest employer in the Innisfail area other than the Cassowary Coast Regional Council. It is a very important local business as it diversifies the economic base of the local area outside of the major industries, being agriculture and tourism.

In the 12 months from September 2010 to October 2011, the Northern Iron & Brass Foundry paid for the responsible disposal of 57 loads of industrial waste from its operations, totalling 949 tonnes. With the implementation of the Bligh Labor government's waste tax from late last year, the foundry has recently advised that the waste tax has increased the cost of responsibly disposing of this industrial waste by more than \$125,000 a year, taking the foundry's total bill to more than \$200,000 a year.

The Northern Iron & Brass Foundry has been able to survive, notwithstanding the significant and relentless increases in compliance costs under this Labor government over the last 20 years. It is a real concern to contemplate how long it can keep up this constant battle and what impact the loss of about 100 jobs would do to the Innisfail area. These jobs support many local families in the area.

The foundry puts on trade and other apprentices which provide jobs and presents opportunities for young people in the Innisfail area. As I have already mentioned, the foundry is important because it diversifies the economic base of the area, which benefits the community. Having survived against the odds, the foundry was looking forward to being strategically placed in North Queensland to service the imminent expansion of mining activity in the region mainly in the hinterland area behind the Great Dividing Range between Cairns and Townsville. Being close to the transport routes of both the Palmerston and Bruce highways, the foundry was hoping to be in a strategic position to meet the demand of this imminent expansion and actively compete with imported products from China that would otherwise take their place.

I am pleased once again to reiterate the point made by the member for Glass House: the LNP will axe this waste tax if it is successful at the upcoming election, because it is an ill-conceived and poorly directed piece of regulation that we have already shown will have a perverse outcome for the environment in terms of a reduced recycling effort across Queensland. But we also want to do it to ensure that Queensland businesses like the Northern Iron & Brass Foundry have a fighting chance in the future.