

# Waste Reduction and Recycling and Other Legislation Amendment Regulation 2022

Explanatory notes for SL 2022 No. 85

made under the

*Environmental Protection Act 1994*  
*Waste Reduction and Recycling Act 2011*

## General Outline

### Short title

*Waste Reduction and Recycling and Other Legislation Amendment Regulation 2022*

### Authorising law

Section 580 of the *Environmental Protection Act 1994*  
Section 271 of the *Waste Reduction and Recycling Act 2011*

### Policy objectives and the reasons for them

The objective of the *Waste Reduction and Recycling and Other Legislation Amendment Regulation 2022* (Amendment Regulation) is to provide for:

- the introduction of a differentiated levy zone, creating a metropolitan and a regional levy zone similar to the approach in New South Wales;
- the metropolitan levy zone to consist of the local government areas making up South-east Queensland;
- the regional levy zone to consist of the remaining local government areas in the levy zone;
- an annual levy rate increase, commencing on 1 July 2022, of \$10.00 per tonne for the proposed metropolitan levy zone local government areas;
- an annual levy rate increase, commencing on 1 July 2022, by the consumer price index for the proposed regional levy zone local government areas;
- the continuation of the annual payments framework to local governments disposing of municipal solid waste in the metropolitan or regional levy zones;
- an extension to the day for reviewing particular matters under section 271(2)(g) of the *Waste Reduction and Recycling Act 2011*, which extends the discounted rate for the waste levy for residue waste to 30 June 2026;

- changes to the definition of exempt waste to:
  - include waste received from Norfolk Island for disposal; and
  - extend the exemption for road planings generated by or for an eligible local government until 30 June 2023; and
- changes to the storage threshold for used lead acid batteries to increase the limit from 4 tonne to up to 45 tonnes or 3,000 intact used lead acid batteries.

Changes to the levy rate and levy zones and the continuation of annual payment arrangements were announced by the Queensland Government on 11 December 2021. This provides certainty for local governments, business and industry regarding future levy rate increases and payments. This will assist with budget and fee adjustment planning and specific issues concerning application of the levy.

The *Waste Reduction and Recycling Act 2011* provides that an annual payment must be made to each local government affected by the levy, without specifying that payments are limited to local governments within the levy zone.

Extending the day to review the discount rate for the waste levy for residue waste maintains the framework that helps reduce the costs for recycling activities where residue wastes from those activities require disposal.

In January 2022, the Queensland Government assumed administrative responsibilities for Norfolk Island, taking over this role from the New South Wales Government. A Heads of Agreement supports the delivery of critical services including health and school education to one of Australia's most remote communities as the first priority. The agreement also provides for the Australian and Queensland governments to continue to consider inclusion of other State services progressively over time to provide Norfolk Islanders with comparable services and regulatory support to similar mainland communities. Norfolk Island currently sends general waste to Queensland for disposal. The inclusion of waste received from Norfolk Island as an exempt waste will help reduce the cost of disposal of this waste in the short term as Norfolk Island works towards sustainable options for on-island management.

The changes to the storage threshold limit increase the quantity of used lead batteries that can be stored before an environmental authority is required. This enables businesses in regional areas to store sufficient quantity to make it viable for transporters to collect them for recycling. The change reinstates storage threshold limits that were in place for battery storage prior to changes made to the regulation in 2018 and ensures that used lead acid batteries can be diverted from landfill. As used lead acid batteries have a market value, there is a low risk that collected batteries will be stockpiled or dumped. There is however a risk that should the costs of collection exceed the value of the material that used lead acid batteries will be disposed to landfill, which does not work to achieve the government's resource recovery or landfill diversion targets.

## **Achievement of policy objectives**

To achieve the objectives, the Amendment Regulation amends the *Environmental Protection Regulation 2019* and the *Waste Reduction and Recycling Regulation 2011* to provide ongoing certainty around the levy rate and scheduled increases and clarity on what wastes the levy applies to and how the levy is applied.

## **Consistency with policy objectives of authorising law**

The Amendment Regulation is consistent with the objectives of the *Environmental Protection Act 1994* and the *Waste Reduction and Recycling Act 2011*.

## **Inconsistency with policy objectives of other legislation**

No inconsistencies with the policy objectives of other legislation have been identified.

## **Alternative ways of achieving policy objectives**

The Amendment Regulation is the only effective means of achieving the policy objectives as the issues to which the amendments relate are all legislated.

## **Benefits and costs of implementation**

The Amendment Regulation aims to provide stability and certainty for local governments, landfill operators and businesses in relation to scheduled levy rate changes. It also reduces costs to businesses by extending the residue waste discount arrangements and re-instating a framework that helps create more business viability for the collection and transport of used lead acid batteries for recycling.

The Amendment Regulation also ensures that impacted local governments have visibility over the amount of annual payment they will receive and certainty that the costs of disposing of municipal solid waste will be offset.

## **Consistency with fundamental legislative principles**

The amendments are consistent with fundamental legislative principles, as defined under the *Legislative Standards Act 1992*.

## **Consultation**

Announcements in respect of changes to the levy zone and levy rate and adjustments to the annual payment framework were made on 11 December 2021. Prior to the announcement, discussions with the impacted local governments were held. No consultation was undertaken prior to the scheduling of actual annual payment dollar values for local governments; however, local governments have subsequently been advised of this.

Scheduling the out-year values for payments provides local governments with the clarity that is needed in order to meet their obligations under the *Waste Reduction and Recycling Act 2011* to include a statement on rates notices that informs ratepayers of the amount paid to the local government.

Consultation on, and discussions with, affected parties on the recycling activity residue waste discount, the exempt waste definition and the used lead acid battery storage threshold limit occurred. Industry is supportive of continuing the discount arrangements and of increasing

the storage threshold as this helps reduce operating costs for recycling activities and creates viable regional solutions for the collection and transport of used lead acid batteries to recycling facilities.

The Office of Best Practice Regulation was not consulted in relation to the regulatory proposal as the Amendment Regulation is implementing a government decision.

As part of the 2021-2022 Budget, government approved the Department of Environment and Science undertake an urgent review of key elements of the levy framework (including levy rates, including the potential to establish a separate levy rate for regional Queensland; annual payments to local government; and waste levy exemptions for clean earth and landfill operational purposes) and present recommendations on their implementation to drive improvements in waste outcomes.

The government also authorised negotiation with local governments on the proposal to phase down annual payments to south-east Queensland councils and seven major regional councils, directing that the recommendations be provided for further consideration.

The department has also undertaken to review the levy framework in 2025, with the Amendment Regulation providing levy rate increases and annual payment arrangements to 2025-2026 to allow the review to take place and any consultation and further resulting changes to be made ahead of the end of the 2025-2026 financial year.