

Our reference
ECS/JC/CAIR12429-91-9118772

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Sydney
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28 June 2016

By email: adjudication@accg.gov.au
Mr Baethan Mullen
Acting General Manager
Adjudication Branch
Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2601

Contact
James Cameron (07) 3228 9752

Partner
Eddie Scuderi (07) 3228 9319
Email: eddie.scuderi@corrs.com.au

Dear Mr Mullen

Application for Interim and Final Authorisation

We act for Cairns Regional Council which proposes to engage in a joint procurement of waste collection services on behalf of itself, Douglas Shire Council and Mareeba Shire Council (together, the **Applicants**).

The Applicants wish to apply for interim and final authorisation.

Application documentation

On behalf of the Applicants, I **attach**:

- a completed Form B application for interim and final authorisation in respect of agreements affecting competition or incorporating related cartel provisions;
- supporting document relevant to the application titled 'Queensland Waste Avoidance and Resource Productivity Strategy (2014-2024)';
- ACCC letter responding to fee waiver request, reducing fee to \$2,500; and
- proof of payment of the \$2,500 application fee.

Further information

Please contact me if you have any queries or require further information.

Yours faithfully
Corrs Chambers Westgarth

A handwritten signature in black ink, appearing to read 'Eddie Scuderi', written over a faint circular stamp or watermark.

Eddie Scuderi
Partner

Form B

Commonwealth of Australia

Competition and Consumer Act 2010 — subsections 88 (1A) and (1)

AGREEMENTS AFFECTING COMPETITION OR INCORPORATING RELATED CARTEL PROVISIONS: APPLICATION FOR AUTHORISATION

To the Australian Competition and Consumer Commission:

Application is hereby made under subsection(s) 88 (1A)/88 (1) of the *Competition and Consumer Act 2010* for an authorisation:

- to make a contract or arrangement, or arrive at an understanding, a provision of which would be, or might be, a cartel provision within the meaning of Division 1 of Part IV of that Act (other than a provision which would also be, or might also be, an exclusionary provision within the meaning of section 45 of that Act).
- to give effect to a provision of a contract, arrangement or understanding that is, or may be, a cartel provision within the meaning of Division 1 of Part IV of that Act (other than a provision which is also, or may also be, an exclusionary provision within the meaning of section 45 of that Act).
- to make a contract or arrangement, or arrive at an understanding, a provision of which would have the purpose, or would or might have the effect, of substantially lessening competition within the meaning of section 45 of that Act.
- to give effect to a provision of a contract, arrangement or understanding which provision has the purpose, or has or may have the effect, of substantially lessening competition within the meaning of section 45 of that Act.

(Strike out whichever is not applicable)

PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

1. Applicant

- (a) Name of Applicant:
(Refer to direction 2)

A91544 Cairns Regional Council makes this application on behalf of itself and on behalf of Douglas Shire Council and Mareeba Shire Council (together, the '**Applicants**').

- (b) Short description of business carried on by applicant:
(Refer to direction 3)

The Applicants are Queensland local governments.

Under the *Local Government Act 2009* (Qld), each of the Applicants is responsible for the good rule and local government of their respective local government areas, including the provision of waste collection services to residential and commercial premises.

- (c) Address in Australia for service of documents on the applicant:

Eddie Scuderi
Corrs Chambers Westgarth
Level 42, 111 Eagle Street
Brisbane QLD 4000

2. Contract, arrangement or understanding

- (a) Description of the contract, arrangement or understanding, whether proposed or actual, for which authorisation is sought:
(Refer to direction 4)

Cairns Regional Council proposes to procure waste collection services on behalf of itself, Douglas Shire Council and Mareeba Shire Council using a competitive tender process.

In terms of both population and waste generation, Cairns Regional Council is significantly larger than both Douglas Shire Council and Mareeba Shire Council, as evidenced by the following statistics:

Local government	Population	Kerbside Waste (tonnes)	Kerbside Recyclables (tonnes)
Cairns Regional Council	163,496	47,000	11,000
Douglas Shire Council	11,911	4,000	1,300
Mareeba Shire Council	21,859	6,000	Not collected under current waste collection contract.

The Applicants' respective local government areas are located adjacent to each other, as shown in the map below:



The waste collection services that will be procured are summarised in the table below:

Local government	Waste collection services to be procured (‘MGB’ means mobile garbage bin.)
Cairns Regional Council	<ul style="list-style-type: none"> • domestic waste (MGB and bulk bin) • domestic recycling (MGB and bulk bin)

	<ul style="list-style-type: none"> • council facilities (including transfer stations) • potentially public place waste & recyclables
Douglas Shire Council	<ul style="list-style-type: none"> • domestic and commercial waste (MGB and bulk bin) • domestic and commercial recycling (MGB and bulk bin) • council facilities (including transfer stations) • public place waste & recyclables
Mareeba Shire Council	<ul style="list-style-type: none"> • domestic waste (MGB and bulk bin)
	<ul style="list-style-type: none"> • council facilities (including transfer stations) • potentially domestic recycling

The services described above are waste collection services. The processing of the collected waste (including recyclable waste) will not form part of the scope of the procurement or the resulting waste collection service contracts.

The tender document that will be used to procure the waste collection services will be a Request for Tender document (**RFT**). Separable portions will be attached to RFT such that respondent waste collection contractors will be able to respond to one or more of the separable portions. The separable portions are likely to be:

- (a) waste collection services for the local government areas of Cairns Regional Council, Douglas Shire Council and Mareeba Shire Council;
- (b) waste collection services for the local government area of Cairns Regional Council;
- (c) waste collection services for the local government area Douglas Shire Council; and
- (d) waste collection services for the local government area of Mareeba Shire Council.

This flexible approach means that smaller waste collection contractors who may lack the capacity to service all three local government areas (but which do have the capacity to service one or more of the smaller local government areas) will be more likely to submit a response to the RFT.

The participation of each of the Applicants in the joint procurement approach is voluntary.

Due to:

- (a) existing waste collection service contracts between each of the Applicants (on the one hand) and current waste collection contractors (on the other) expiring toward the end of 2017; and

- (b) new waste collection contractors generally requiring a period of at least 10-12 months to prepare, acquire resources, lease premises, establish depots and recruit personnel before being able to commence performance of waste collection services for a large regional area,

it is necessary for the Applicants to issue the RFT as soon as possible, ideally, by the start of August 2016. For these reasons:

1. Urgent interim authorisation is sought by the Applicants for:

- discussions between the Applicants about the procurement of the waste collection services;
- the negotiation and entry into an agreement between them that will govern the procurement process, including the evaluation of tender responses;
- the preparation of the RFT;
- Cairns Regional Council to issue the RFT to the market on behalf of the Applicants;
- the evaluation of tender responses by the Applicants; and
- the negotiation and entry into waste collection contracts between each local government and one or more successful waste collection contractors (with such contracts each being subject to a condition precedent of final authorisation being granted by the ACCC).

2. Final authorisation is sought by the Applicants for:

- the conduct the subject of the request for interim authorisation above; and
- giving effect (including giving effect to any future extensions of term) to the waste collection contracts made between each Applicant and one or more waste collection contractors.

The Applicants submit that a grant of interim authorisation for the conduct summarised under paragraph 1 above will not have any anticompetitive impact because the market dynamics will not be affected unless and until new waste collection contracts become effective. No new waste collections contracts will become effective unless and until final authorisation is granted by the ACCC.

During any period between a grant of interim authorisation and a grant of final authorisation, the existing waste collection contracts and the collection services performed pursuant to their terms will remain in place.

In addition, with respect to urgency, the Applicants have only recently been able to form a sufficiently certain view about the overall benefits of proceeding with a joint procurement together and how that process would be documented and implemented.

- (b) Description of those provisions of the contract, arrangement or understanding described at 2 (a) that are, or would or might be, cartel provisions, or that do, or would or might, have the effect of substantially lessening competition:
(Refer to direction 4)

The proposed contract, arrangement or understanding between the Applicants will involve them jointly cooperating to procure waste collection services.

Each of the Applicants will conduct its own evaluation of responses received to the RFT to determine their preferred waste collection contractor. The Applicants are likely to consult with each other following their evaluation of responses prior to contracts being awarded.

It may be that each of the Applicants decides to appoint the same waste collection contractor. However, even if each of the Applicants decide to appoint the same contractor, each of them will still negotiate an independent waste collection contract with the successful contractor and will be responsible for administering the resulting contract. This is so that each local government has a degree of 'autonomy' with respect to the delivery of waste collection services in their local government area.

Subject to the conditions described in the following paragraph, each of the Applicants is free to negotiate a separate waste collection contract with the contractor that it chooses. Each contract will be based on the waste collection service contract issued with the RFT.

Due to the range of separable portions that will be issued with the RFT, respondents to the RFT will be able to submit pricing proposals to provide waste collection services to some or all of the local government areas of the Applicants. This allows the Applicants to consider pricing based on them each appointing a different waste collection contractor or more than one of them appointing the same contractor.

- (c) Description of the goods or services to which the contract, arrangement or understanding (whether proposed or actual) relate:

The waste collection services summarised in the table in answer to question 2(a) above.

- (d) The term for which authorisation of the contract, arrangement or understanding (whether proposed or actual) is being sought and grounds supporting this period of authorisation:

The proposed waste collection service agreement between each of the Applicants and the successful waste collection contractor(s) will be for an initial term of 9 years with options to extend the initial 9 year term of the contract for two additional 12 month periods (ie. up to 11 years).

Authorisation is sought for a 12 year period to cover the potential term of the waste collection service agreements, plus an additional 12 month period to account for any further extensions that may be necessary to conduct future waste collection procurement for the local government areas.

3. Parties to the proposed arrangement

- (a) Names, addresses and descriptions of business carried on by other parties or proposed parties to the contract or proposed contract, arrangement or understanding:

None.

- (b) Names, addresses and descriptions of business carried on by parties and other persons on whose behalf this application is made:
(Refer to direction 5)

Each of the Applicants are local governments responsible for the good rule and local government of their respective local government areas. The addresses of the Applicants are:

- Cairns Regional Council, 119-145 Spence Street, Cairns, QLD 4870.
- Douglas Shire Council, 64-66 Front Street, Mossman QLD 4873.
- Mareeba Shire Council, 65 Rankin Street, Mareeba QLD 4880.

Attached to this application are letters from both Douglas Shire Council and Mareeba Shire Council authorising Cairns Regional Council to make this application on their behalf.

4. Public benefit claims

- (a) Arguments in support of authorisation:
(Refer to direction 6)

Attraction of a wider range of waste collection contractors

The proposed joint procurement approach between the Applicants will be structured in a way that will allow respondents to the RFT to submit tender responses to provide waste collection services to some or all of the three local government areas of the Applicants.

The Applicants anticipate that this will result in a wider variety of waste collection contractors (both larger and smaller waste collection contractors) submitting responses to the RFT. This is likely to assist those local governments with a much smaller population (namely, Douglas Shire Council and Mareeba Shire Council) to consider a wider range of tender responses which they might not be able to attract if they were to attempt to procure the waste collection services independently.

Environmental benefits

The joint procurement approach proposed between the Applicants is likely to result in environmental and public health benefits from improved and standardised levels of waste collection services.

For example, presently, Mareeba Shire Council does not have waste collection service for recyclable material. The RFT that the Applicants propose to release to the market will call for pricing for waste collection service for recyclable material to be provided to the Mareeba local government area. This will facilitate Mareeba Shire Council to evaluate whether a waste collection service for recyclable material would benefit its local government area.

The anticipated increase in the volume and standardisation of recyclable material also has environmental benefits by reducing the volume (and increasing the quality) of waste, which ultimately consumes landfill space.

Efficiencies and transaction cost savings

The joint procurement approach proposed between Applicants is likely to deliver material transaction cost savings to each of the Applicants.

The Applicants have agreed to share relevant costs associated with the preparation of the RFT and with respect to this application for authorisation. Any cost savings are likely to benefit the ratepayers of each of the Applicants, who ultimately fund the services and operations of each of the Applicants.

The Applicants will also be able to combine their technical waste management expertise and procurement resources rather than each having to separately engage specialists.

The joint procurement approach is also likely to benefit waste collection contractors that respond to the RFT because they will only have to prepare one tender response, rather than having to spend time and resources responding to different tender documents issued by each of the Applicants at different times.

Finally, the negotiation of waste collection service contracts with each of the Applicants will be based on single template waste collection service contract that will be issued with the RFT. This is likely to result in efficiencies in contract negotiation and administration for both the Applicants and the successful contractor(s).

Increased purchasing power leading to lower costs

By issuing an RFT that will enable waste collection contractors to submit tender responses to provide services for all three local government areas of the Applicants, they will benefit from the economies of scale that would otherwise not be achievable if each of the them were to conduct their own procurement process independently of each other.

This in turn is likely to increase the level of competition between potential waste collection contractors (both in terms of price and non-price factors) wishing to submit tender responses to provide the waste collection services.

While price will be one aspect of the evaluation criteria, it is anticipated that the pricing to provide waste collection services to two or three local government areas is likely to be lower than the pricing to provide those services to only one of the local government areas.

Alignment with best practice waste strategies

In the 'Queensland Waste Avoidance and Resource Productivity Strategy (2014–2024)', published by the Queensland government and attached to this application, Principle 4 (Recognising regional differences and opportunities) states (emphasis added with underline):

Queensland's geographic, demographic, socioeconomic, and environmental and health differences all require consideration. This principle recognises that a 'one size fits all' approach is impractical, given the divergence of circumstances around the state, and that local solutions are best fit.

Strategic regional collaboration can effectively maximise the benefits from shared services, infrastructure and expertise to deliver viable, accessible and sustainable local resource recovery solutions. This principle also recognises that local solutions create local jobs and minimise the impact of transport of waste and resources.

The joint procurement approach proposed between the Applicants is consistent with this principle (and equivalent principles relevant to waste collection services provided by local governments in other States of Australia), because it involves an approach of regional collaboration that is likely to result in the efficient sharing of services and infrastructure. This type of collaboration is particularly suited to the Applicants because of their shared local government boundaries.

(b) Facts and evidence relied upon in support of these claims:

(As described in answer to question 4(a), above).

5. Market definition

Provide a description of the market(s) in which the goods or services described at 2 (c) are supplied or acquired and other affected markets including: significant suppliers and acquirers; substitutes available for the relevant goods or services; any restriction on the supply or acquisition of the relevant goods or services (for example geographic or legal restrictions):

(Refer to direction 7)

The Applicants consider that the relevant market at least as wide as the Queensland market for the supply of waste collection services to residential and commercial premises and street bin locations. Cairns Regional Council notes that the ACCC has not generally considered it necessary to precisely define the relevant market in determining applications for authorisation by local governments to jointly procure waste collection services.

6. Public detriments

- (a) Detriments to the public resulting or likely to result from the authorisation, in particular the likely effect of the contract, arrangement or understanding, on the prices of the goods or services described at 2 (c) and the prices of goods or services in other affected markets:

(Refer to direction 8)

Cairns Regional Council submits on behalf of the Applicants that the proposed joint procurement arrangement between them and giving effect to the contracts awarded to the successful waste collection contractor(s) is unlikely to result in any detriment to competition or the public. If any detriment did arise, it is likely to be significantly outweighed by the range of public benefits discussed above.

- (b) Facts and evidence relevant to these detriments:

Not applicable.

7. Contract, arrangements or understandings in similar terms

This application for authorisation may also be expressed to be made in relation to other contracts, arrangements or understandings or proposed contracts, arrangements or understandings, that are or will be in similar terms to the abovementioned contract, arrangement or understanding.

- (a) Is this application to be so expressed?

No.

- (b) If so, the following information is to be furnished:

- (i) description of any variations between the contract, arrangement or understanding for which authorisation is sought and those contracts, arrangements or understandings that are stated to be in similar terms:

(Refer to direction 9)

Not applicable.

- (ii) Where the parties to the similar term contract(s) are known — names, addresses and descriptions of business carried on by those other parties:

Not applicable.

- (iii) Where the parties to the similar term contract(s) are not known — description of the class of business carried on by those possible parties:

Not applicable.

8. Joint Ventures

- (a) Does this application deal with a matter relating to a joint venture (See section 4J of the *Competition and Consumer Act 2010*)?

No.

- (b) If so, are any other applications being made simultaneously with this application in relation to that joint venture?

Not applicable.

- (c) If so, by whom or on whose behalf are those other applications being made?

Not applicable.

9. Further information

- (a) Name and address of person authorised by the applicant to provide additional information in relation to this application:

Eddie Scuderi
Corrs Chambers Westgarth
Level 42, 111 Eagle Street
Brisbane QLD 4000

Dated 28 June 2016.

Signed by/on behalf of the applicant


.....
(Signature)

EDDIE SCUDERI
.....
(Full Name)

PARTNER, CORRS CHAMBERS WESTGARTH
.....
(Position in Organisation)

DIRECTIONS

1. Use Form A if the contract, arrangement or understanding includes a provision which is, or might be, a cartel provision and which is also, or might also be, an exclusionary provision. Use Form B if the contract, arrangement or understanding includes a provision which is, or might be, a cartel provision or a provision which would have the purpose, or would or might have the effect, of substantially lessening competition. It may be necessary to use both forms for the same contract, arrangement or understanding.

In lodging this form, applicants must include all information, including supporting evidence, that they wish the Commission to take into account in assessing the application for authorisation.

Where there is insufficient space on this form to furnish the required information, the information is to be shown on separate sheets, numbered consecutively and signed by or on behalf of the applicant.

2. Where the application is made by or on behalf of a corporation, the name of the corporation is to be inserted in item 1 (a), not the name of the person signing the application and the application is to be signed by a person authorised by the corporation to do so.
3. Describe that part of the applicant's business relating to the subject matter of the contract, arrangement or understanding in respect of which the application is made.
4. Provide details of the contract, arrangement or understanding (whether proposed or actual) in respect of which the authorisation is sought. Provide details of those provisions of the contract, arrangement or understanding that are, or would or might be, cartel provisions. Provide details of those provisions of the contract, arrangement or understanding that do, or would or might, substantially lessen competition.

In providing these details:

- (a) to the extent that any of the details have been reduced to writing, provide a true copy of the writing; and
 - (b) to the extent that any of the details have not been reduced to writing, provide a full and correct description of the particulars that have not been reduced to writing.
5. Where authorisation is sought on behalf of other parties provide details of each of those parties including names, addresses, descriptions of the business activities engaged in relating to the subject matter of the authorisation, and evidence of the party's consent to authorisation being sought on their behalf.
 6. Provide details of those public benefits claimed to result or to be likely to result from the proposed contract, arrangement or understanding including quantification of those benefits where possible.
-

7. Provide details of the market(s) likely to be effected by the contract, arrangement or understanding, in particular having regard to goods or services that may be substitutes for the good or service that is the subject matter of the authorisation.
8. Provide details of the detriments to the public which may result from the proposed contract, arrangement or understanding including quantification of those detriments where possible.
9. Where the application is made also in respect of other contracts, arrangements or understandings, which are or will be in similar terms to the contract, arrangement or understanding referred to in item 2, furnish with the application details of the manner in which those contracts, arrangements or understandings vary in their terms from the contract, arrangements or understanding referred to in item 2.



Your ref: ECS/JC/CAIR12429-91-9118772
Contact officer: Kabita Prasad
Contact phone: 02 6243 1187

10 May 2016

Eddie Scuderi
Partner
Corrs Chambers Westgarth

By email: eddie.scuderi@corrs.com.au

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Dear Mr Scuderi

Fee waiver request

I refer to your letter of 4 May 2016 to the Australian Competition and Consumer Commission (ACCC) in respect of a proposed application for authorisation. In your letter you have requested that that the ACCC grant a fee waiver with respect to the proposed arrangements.

In particular, you have requested that the fee to be paid in relation to an application for authorisation to be lodged by the Cairns Regional Council, Douglas Shire Council and Mareeba Shire Council (the Applicants) be waived in part.

In support of your request, among other things, you submitted that a partial fee waiver will:

- (a) help avoid funds being diverted from other important local government functions and activities aimed at improving the governance of the local communities of the applicants; and
- (b) reduce the burden on rate payers, who ultimately fund the application fee through council rates paid by those rate payers.

I have considered the information provided and, as a person authorised to assess fee waiver requests for and on behalf of the ACCC, I have decided that the application fee to be paid by the Applicants will be waived in part. An application fee of \$2500 will apply for the related application for authorisation to be lodged by the Applicants.

This decision will remain in force for a period of three months. The three month period will expire on 10 August 2016.

A copy of this letter should accompany the application for authorisation to be lodged by the Applicants. The cover letter to the application should mention that a letter from the ACCC regarding a fee waiver is enclosed with the application. The application together with this letter will be placed on the public register at that time.

If the application for authorisation is lodged by the Applicants after 10 August 2016, a full application fee of \$7500 (plus a related application fee of \$1500 if applicable) will apply, unless a subsequent request for a fee waiver is made and approved by the ACCC.

If you have any questions in relation to this matter, please contact Kabita Prasad on (02) 6243 1187.

Yours sincerely

A handwritten signature in grey ink, appearing to read 'B Mullen', written in a cursive style.

Baethan Mullen
Acting General Manager
Adjudication Branch

OUR REF: 775673

Administration Office
64 - 66 Front St Mossman
P 07 4099 9444
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31st May 2016

By email: n.crumpton@cairns.qld.gov.au

Nigel Crumpton
Waste Business Coordinator
Cairns Regional Council
119-145 Spence Street
Cairns City QLD 4870

Dear Nigel

AUTHORISATION APPLICATION – JOINT PROCUREMENT OF KERBSIDE WASTE COLLECTION SERVICES

Cairns Regional Council (**Cairns RC**), Douglas Shire Council and Mareeba Shire Council (together, the **local governments**) intend to issue a joint tender for the procurement of kerbside waste collection services.

Cairns RC proposes to apply, on behalf of all three local governments, for authorisation from the Australian Competition and Consumer Commission (**ACCC**) under the *Competition and Consumer Act 2010* in relation to the joint procurement of kerbside waste collection services (**Application for Authorisation**).

This letter is to confirm that Douglas Shire Council agrees to be listed as an applicant in the Application for Authorisation and supporting submissions by Cairns RC.

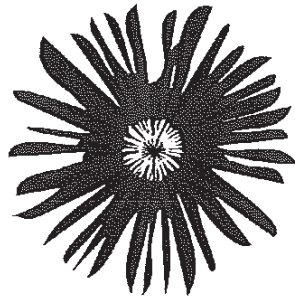
We are happy for you to provide a copy of this letter to the ACCC. Please contact Paul Hoyer on 4099 9444 should you require any further information.

Yours sincerely



PAUL HOYE
General Manager Operations

DOUGLAS SHIRE COUNCIL



Mareeba

SHIRE COUNCIL

31 May 2016

By email: n.crumpton@cairns.qld.gov.au

Nigel Crumpton
Waste Business Coordinator
Cairns Regional Council
119-145 Spence Street
Cairns City QLD 4870

Dear Nigel

AUTHORISATION APPLICATION – JOINT PROCUREMENT OF KERBSIDE WASTE COLLECTION SERVICES

Cairns Regional Council (**Cairns RC**), Douglas Shire Council and Mareeba Shire Council (together, the **local governments**) intend to issue a joint tender for the procurement of kerbside waste collection services.

Cairns RC proposes to apply, on behalf of all three local governments, for authorisation from the Australian Competition and Consumer Commission (**ACCC**) under the *Competition and Consumer Act 2010* in relation to the joint procurement of kerbside waste collection services (**Application for Authorisation**).

This letter is to confirm that Mareeba Shire Council agrees to be listed as an applicant in the Application for Authorisation and supporting submissions by Cairns RC.

We are happy for you to provide a copy of this letter to the ACCC.

Please contact Morris Hamill on 4086 4721 should you require any further information.

Yours sincerely

pp: Peter Franks CEO
Morris Hamill
Manager Water and Waste

I take a drink bottle with me so I can fill it up with tap water

I put my food scraps in our backyard compost bin instead of the garbage

We share resources with other local businesses to reduce costs and waste

We are helping to develop our industry's action plan to recover more waste

We are using recycled goods in the manufacture of our products

We are thinking of new ideas and developments to make sure we treat waste as a valuable resource



Waste—Everyone's responsibility

Queensland Waste Avoidance and Resource Productivity Strategy (2014–2024)

This document has been prepared with all due diligence and care, based on the best available information at the time of publication. The department holds no responsibility for any errors or omissions within this document. Any decisions made by other parties based on this document are solely the responsibility of those parties. Information contained in this document is from a number of sources and, as such, does not necessarily represent government or departmental policy.

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EHP. 2014. *Waste—Everyone's responsibility: Queensland Waste Avoidance and Resource Productivity Strategy (2014–2024)*. Brisbane: Department of Environment and Heritage Protection, Queensland Government.



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December 2014

#30681



Message from the Minister

Through *The Queensland Plan*, our community has voiced the expectation that our state should have the best balance of environmental protection and economic development in Australia. *The Queensland Plan's* 30-year vision was developed in consultation with over 80,000 Queenslanders, who recognised the importance of valuing the environment, and the role of waste generation and disposal in our overall environmental footprint.

The Queensland Government is committed to help making *The Queensland Plan* a reality. Every initiative our government introduces from this point forward is aimed at helping achieve *The Queensland Plan's* vision. *Waste—Everyone's responsibility: Queensland Waste Avoidance and Resource Productivity Strategy (2014–2024)* is a part of how we can deliver on those expectations for our future prosperity and wellbeing.

This strategy sets out the headline goals, priorities and targets for waste and resource management in Queensland over the next 10 years.

A top priority is to recalibrate the way we treat waste, because we are currently missing opportunities to realise the jobs and business outcomes that would flow from recovering all the value and resources in waste, and hence missing substantial environmental benefits too.

The strategy shows how Queensland can unlock employment and regional benefits from keeping waste circulating in the economy as long as possible, and at the same time reducing the environmental footprint from waste generation—in line with community expectations identified through *The Queensland Plan*.

Waste impacts on the environment, economy and communities, and requires a shared responsibility to tackle the problem. Everyone can contribute towards our goal of better waste management—from individuals recycling items and using the appropriate bins, business owners and governments purchasing recycled products, right through to waste management companies deciding what services to offer customers.

I must acknowledge the efforts of those who worked collaboratively to develop this new approach. In particular, the members of the Waste Avoidance and Resource Productivity Steering Committee who worked to draft the strategy on behalf of the waste and resource recovery sector, agriculture, government, construction, resources, tourism, environment, academia and the community.

I hope to see this collaboration continue through a shared commitment to implementing the strategy, as we change the way we think about waste and look for the business opportunities that can be found.

The next step will be to develop and deliver the government and industry action plans, which will focus on improving the management of high priority wastes such as organics or plastic litter, and achieving the strategy's objectives.

The Queensland Government will release an action plan in 2015, and will work with industry sectors to develop their own action plans.

There is no doubt that Queensland faces many challenges in improving the way we manage waste and resource recovery. The cost and difficulty of providing recycling services increases with the distance from reprocessing hubs—which are currently concentrated in the south-east of the state. At the same time, businesses everywhere must overcome significant cost and knowledge barriers to successfully reduce waste management costs and benefit from new resource recovery opportunities.

We must search for better and more effective ways to cut waste, find savings for businesses and households, and grow the resource recovery industries in all regions of the state.

The strategy will only succeed if we can unlock the value in the materials that are considered to be waste, and work in partnership to better manage waste in Queensland.

By working together to adopt innovative resource recovery approaches and managing all products and materials as valuable and finite resources, Queensland can position itself as a national leader in avoiding unnecessary consumption and waste generation.

Andrew Powell
Minister for Environment and Heritage Protection





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Introduction

The *Queensland Waste Avoidance and Resource Productivity Strategy (2014–2024)* outlines the many opportunities and challenges ahead for Queensland as we work to improve our collective waste avoidance and recovery performance.

Queensland industry took the lead on developing the draft strategy and has fostered a strong focus on shared responsibility for improving waste and resource recovery performance.

This strategy provides a high-level direction for waste management and resource recovery in Queensland over the next 10 years—broadly focusing on waste from all sectors, including household, agricultural, mining, commercial and industrial waste, and solid and liquid hazardous (or regulated) waste. This 10-year strategy complements and supports *The Queensland Plan*.

The vision for this strategy is for Queensland to become a national leader in avoiding unnecessary consumption and waste generation—adopting innovative resource recovery approaches, and managing all products and materials as valuable and finite resources.

To achieve this vision the strategy sets a framework (Figure 1) of guiding principles and objectives, and priority areas which underpin the development of action plans. The strategy is also informed by the waste and resource management hierarchy (Figure 4), which sets out an order of preference for options for managing waste—from avoiding, to reusing, recovering, treating and disposing of waste. Taken together, the principles and hierarchy help shape the objectives and priorities, and in turn inform the development of action plans for implementing the strategy.

The strategy sets targets for improving resource recovery and recycling rates and reducing landfill disposal over the next 10 years. These targets take account of the different circumstances and opportunities in metropolitan, regional and remote parts of Queensland.

The strategy also identifies the highest priority wastes for action—wastes that are of national concern or that are of particular concern to Queensland.

The strategy will be implemented through a series of action plans that are intended to be developed at a government or sectoral level and will complement the objectives and priorities of the strategy. Specific or sectoral targets within the plans will help contribute towards achieving the strategy’s targets. Action plans under the strategy will address improved management of any relevant priority wastes, as well as key waste generated or handled by the sector that have potential for improvement.

Implementation of the strategy will be reported on every three years, as required under the *Waste Reduction and Recycling Act 2011*. The Queensland Government Action Plan will also be reviewed every three years, in line with the strategy review, to ensure Queensland is achieving the vision and objectives of the strategy.



Figure 1: Strategy framework

Why do we need a waste strategy?

Changing patterns of consumption, economic changes, and projected population growth over the next decade mean that across Queensland, business industry and regional areas are facing many challenges. We need to re-think our approach to managing waste and resource recovery.

On current trends in population growth, waste generation and disposal from everyday business and domestic activities is expected to increase to more than 11 million tonnes by 2026. In addition, wastes from heavy industrial activities can also be expected to grow over the next decade as population and our demand for resources increases, and as industries expand to meet this growing demand.

Queensland has a population of 4.7 million—3 million live in the south-east corner which covers only 1.3% of the state

Queensland's large size, combined with a significant proportion of the population being located in decentralised coastal communities or vast areas of low-population regional areas inland, presents logistical challenges for managing waste. Small to medium sized businesses often lack the resources and expertise in the waste industry to find the most beneficial waste solutions, and economies of scale and distance create significant challenges to improving practices. A Chamber of Commerce and Industry Queensland survey in 2010 highlighted how difficult it can be for businesses to determine the volume, nature and cost of the waste they create. The resource recovery industry is expanding and material recovery is increasing each year; however investment in the industry remains a challenge due to the difficulty in locating and gaining approval for infrastructure, and the acceptance of recycled materials in the market place.

This strategy provides a roadmap on how Queensland can best deal with waste. The Queensland Government is implementing the strategy to position Queensland as a leader in sustainable waste management and resource recovery, and to realise the vision of *The Queensland Plan* by protecting the environment while encouraging greater opportunities for the economy.

In 2012-13 Queensland sent more than half of the waste produced from everyday business and household activities to landfill

In 2012-13 Queensland produced almost **8.5 million tonnes** of general waste from everyday household, business and construction activities.

55% of general waste was sent to landfill

14.9 million tonnes of hazardous wastes—not all of which can be recycled—was generated by heavy industrial activity including:

- ▶ Ash from power generation
- ▶ Asbestos
- ▶ Food processing waste
- ▶ Industrial process waste such as galvanizing liquid

45% of general waste was recovered, from the following streams:

- ▶ 61% construction
- ▶ 33% household
- ▶ 42% business

Figure 2: Management of waste in Queensland 2012-13

The true cost of waste generation and disposal includes a variety of environmental and economic costs to business and the community. Queensland has historically followed a linear pattern of waste management—manufacturing of raw materials into products, followed by consumption and disposal. This is now shifting to look at wastes as resources, cycling through the economy in different forms to extract their full potential. Landfills will remain a necessary part of waste management practices; however, the way that resources are managed will shift so that the resource value of wastes is more readily recognised and realised.

The total impact of waste is complex and is closely connected to the consumption of other resources, such as water and energy that goes into the goods we use. This means that there are multiple benefits and efficiencies from 'closing the loop' and better valuing the resource potential and embodied energy in waste items. Closing the loop recognises everything as a resource and this waste strategy recognises the importance of keeping waste in the economy for as long as possible (Figure 3).

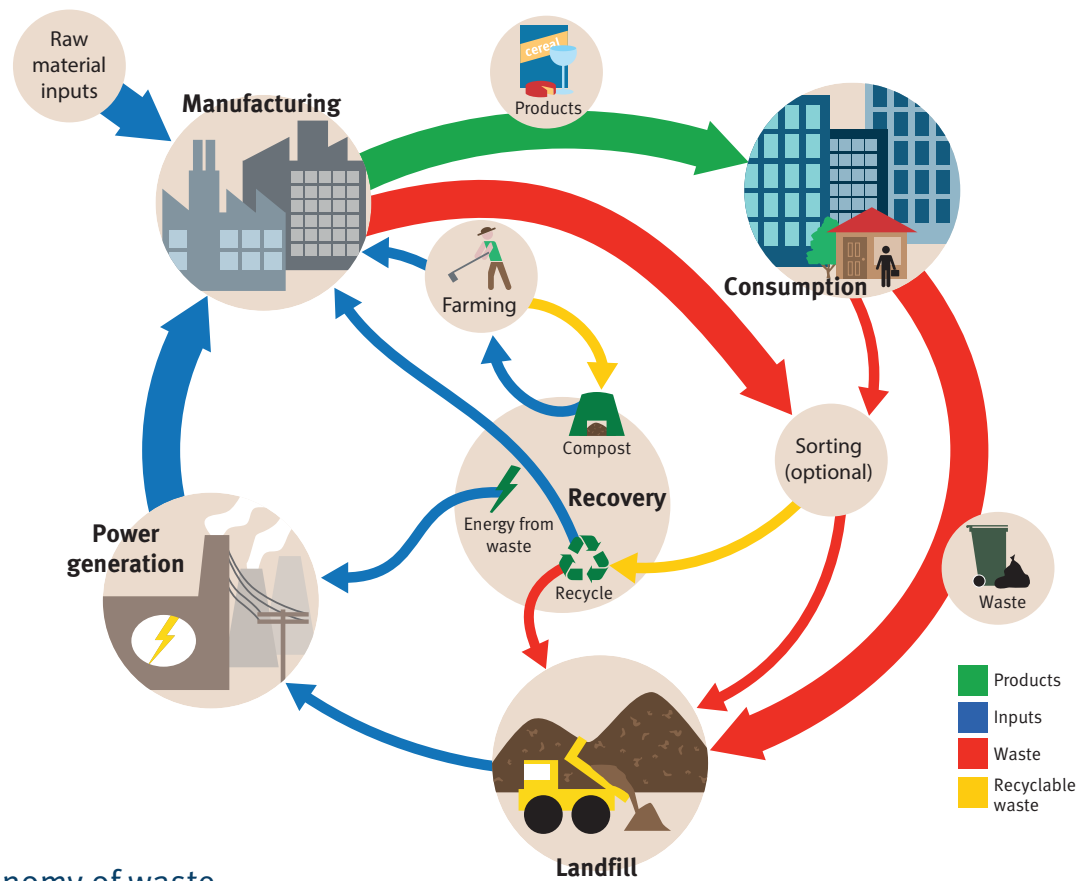
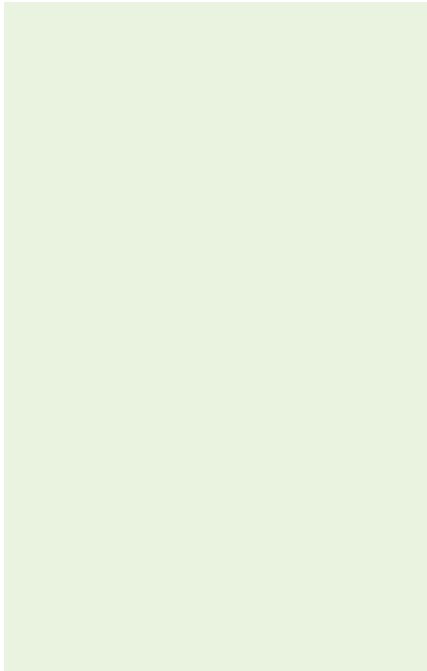


Figure 3: The cycle/economy of waste

Queensland snapshot



Strengths/achievements:

Opportunities/challenges: