

TRANSCRIPT

LEGISLATIVE COUNCIL ENVIRONMENT AND PLANNING COMMITTEE

Inquiry into recycling and waste management

Echuca—Tuesday, 3 September 2019

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Mr Clifford Hayes—Deputy Chair

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WITNESS

Mr Geoff Rollinson, Director of Infrastructure and Development, Gannawarra Shire Council.

The CHAIR: Let us start. I declare open the Environment and Planning Standing Committee public hearing. I extend a welcome to members of the gallery, and I welcome the Honourable Peter Walsh. The committee is hearing evidence today in relation to the Inquiry into Recycling and Waste Management, and the evidence is being recorded. I welcome Mr Rollinson, the Director of Infrastructure and Development at Gannawarra Shire Council. Thank you for making yourself available today.

All evidence taken at this hearing is protected by parliamentary privilege as provided by the *Constitution Act 1975* and further subject to the provisions of the Legislative Council standing orders. Therefore the information you give today is protected by law; however, any comment repeated outside this hearing may not be protected. Any deliberately false or misleading evidence to the committee may be considered a contempt of Parliament. You will be provided with a proof version of the transcript in the next few days. We have allowed about 5 minutes for you to tell us a bit about what you want to present, and then after that we will ask you a few questions.

Mr ROLLINSON: No worries. Thank you very much. Thank you for giving me the opportunity to have a chat with you today in relation to the issues around waste and recycling at the Gannawarra shire. Gannawarra shire, as some of you may or may not be aware, is a small rural council in northern Victoria. We have got a population of around 10 500 people. A number of years ago, back in 1999, just after the amalgamation process, I went through and closed 11 small landfills—what were known as tips back in the day—and we opened at the time four transfer stations and one central landfill located at Denyer Road, which is pretty well in the centre of the council.

We have operated that way for a number of years and we have been very proactive in the recycling space. We certainly have green waste. We have not got FOGO at this stage—the food and organics—but we have got the green waste and we have got the yellow bin, which is for plastics and aluminium and so on, and we have got the general waste. Our current arrangement is that we were working with Ellwaste for a number of years, who were a local provider based out in Cohuna, and then what has happened is the successor to that company is Veolia.

In relation to quantity our quantities are relatively small; however, it is one of the situations with a small community that there is still that need. We view the services as being very important to our community. We keep our transfer stations operating. We have a three-day turnaround at our transfer stations, where the community come in. There is the opportunity to recycle at those locations as well. In terms of quantity basically last year we received 1110 tonnes in recycling, and in waste we received 2142 tonnes. So they are small volumes compared to some of the other people that you will have presenting at these forums. However, the cost to provide these services, given the remoteness, is interesting, and that is one of the issues that we have—the economies of scale, particularly at our landfill operation.

Our costs to operate the landfill are excessive in the first instance, given the quantity of waste that we receive at the landfill. The basic set-up charge for a cell is in the vicinity of about \$700 000 to actually construct the cell. To cap the previous cell is about \$200 000 to \$250 000. So we are talking just shy of a million dollars to operate the landfill before we have waste coming through the gate in a five-year turnaround. Our total waste budget, which includes the landfill operation and the kerbside pick-up, is about \$1.9 million, and of course with an operating budget of around \$28 million—that is our current operating budget—it is a significant part of that budget. The other thing, I guess, to put into account is the rate capping. The rate capping, as you would all be aware, is around 2.5 per cent.

The impacts of the cost of recycling: leading up to the China sword policy our recycling costs were zero. They have gone to approximately \$95 000 per annum. That was one of our concerns when that came in midstream, budget year. We had set our budget. We had not made an allowance for this impact. In the first year, 2017–2018, thanks to the support for \$60 a tonne the costs were only around \$20 000. But last year the full cost to

council was \$95 000, which represents about 1 per cent of rate income and which is making things just a little bit tough once again in a small rural council.

But, look, that is just a general insight into the small rural. I am quite happy to take any questions as you wish, and I welcome them.

The CHAIR: Thank you. With the recycling, you talked about the increase in price. You do not deal with SKM obviously. It is just the general industry. Can you take us through how your recycling is currently handled? You said it is only small, 1000 tonnes, but how do you break that down? Have you got one bin? Have you got two bins? Do you put everything into one? What are the mechanics? What is the process you go through to deal with that?

Mr ROLLINSON: Thanks for the question. Basically we have a commingle situation with the yellow bins, so everything goes into that yellow bin and that goes over here to the Echuca MRF, which is run by Veolia. My understanding is that most of the recycled materials are actually dealt with in Australia. That is the information that I have received, and typically a lot of the metal and paper and cardboard is going either to Sims or Visy. My understanding is the plastics that are taken out of the MRF here go to New South Wales. That is my understanding.

We have been fairly fortunate compared to our neighbours that have been with SKM. Veolia have been quite good through this process. It was interesting, though, at the start when the sword policy came in because our understanding was that there was going to be no impact. But when the \$60 came along I received a letter asking for a variation to our contract. It was not actually asking for a variation; there was to be an increase in rates. I actually put it back to Veolia and said, 'Hang on. You need to provide us with some substance around why this impact is here and how that's going to affect us', because we had a previous meeting where there was going to be nil impact. They were not forthcoming with any information. However, they did apply a variation, so they asked for that variation to the contract, which we now have. So we are now paying the \$85 per tonne, which is less than some of our other councils are paying, as I understand.

The CHAIR: What was the sort of breakdown of reasons for the extra charge? Was that because they want to look at investing in infrastructure to separate the stuff and meet the China policy requirements of .05 or .5 contamination or was there just no explanation?

Mr ROLLINSON: There was no explanation. The explanation was that these were the impacts caused by the China sword policy and the fact that they were having to find other markets.

The CHAIR: That is what I want to explore. Were they able to tell you what does the other market involve or what they are doing?

Mr ROLLINSON: No. And at this time you have got to understand there were phone hook-ups with the MAV, there were discussions going on, there were other places where contractors were refusing to pick up whilst they were going through a contract variation discussion. What does that look like for your community? We have been working with these communities for over 20 years establishing education around waste and recycling. These are the people that I socialise with. They are part of my community. I am a ratepayer in the community. You enter into a contract negotiation and there is a refusal. They never said that they were going to refuse to pick up, but this is what was happening on the phone with the MAV hook-ups. So we basically, I guess you could say, rolled over to the variation request.

The CHAIR: I have got heaps of questions. Maybe I will come back.

Mr HAYES: Just on the question of cost: \$85 per tonne it costs you on the recycling. Is that correct? And you get \$60 per tonne from the Government?

Mr ROLLINSON: Not anymore.

Mr HAYES: Not anymore, but that is—

Mr ROLLINSON: No, that was for that period of time.

Ms BATH: One year?

Mr HAYES: Just for one year.

Mr ROLLINSON: I do not think it was even for one year, Clifford; I think it was for three months or something like that.

Mr HAYES: It was only three months? Okay. And what percentage of the rates did you say that represented?

Mr ROLLINSON: That represents just shy of 1 per cent of the rates for our small council, so it is a significant impact. I know we are only talking small money, but from a small rural council perspective—

Ms BATH: A small rate base.

Mr HAYES: Yes, it is a significant impact. Also, with the green recycling, are you picking up green rubbish?

Mr ROLLINSON: Yes.

Mr HAYES: Green recycling. Are you thinking of including food-to-waste recovery too?

Mr ROLLINSON: Yes. We like to pride ourselves on trying to be very proactive for our communities, and what we went with in the green organics was an opt-in service. Without patting myself on the back, it has been quite successful to have that opt-in service, because people that want the green bin have the green bin, so there is almost zero contamination with our green waste. There has been a really good take-up in that regard. It is quite cheap as well. It is only \$55 a year for the green bin.

We are looking to roll that green bin out to our smaller communities and we are looking to investigate the FOGO option, the food organics. That, however, will come at an additional cost because once you trip it into that level, there is a different process. At the moment we are processing our own green waste at Kerang. We have actually got the chipper there this week, mulching that up. Once we enter the food organics, then it will need to go offsite to a proper plant to go through the proper composting technique, which will come at additional cost. So we will need to do the business case around that to see how that works.

Mr HAYES: Right, yes, so it will make a significant difference to the cost base there when you include it.

Mr ROLLINSON: Yes, particularly around transport costs.

Mr HAYES: And what do you use your green recycling for now—for council projects?

Mr ROLLINSON: Yes, a bit of both. We have an open day. We charge people around \$6, I think, to bring the green waste in, but twice or three times a year, typically around now, we will have an open day. We will put a loader down there and they can come in and they can purchase the mulch back. It is a ratio of 5 to 1, so 5 cubic metres of green waste will make 1 cubic metre of mulch; 5 cubic metres of mulch will turn into 1 cubic metre of compost. That is how it breaks down, but typically it goes back to our community after it has been through that process.

Ms BATH: Thank you, Geoff, for presenting today. New South Wales have a container deposit scheme, and I got in a little earlier today and went across to Moama and had a look in there—I think it is near a supermarket—and they were recycling cans and glass and plastic. It was a busy line; it was a busy day there. There were people doing that. I understand from talking to Peter Walsh, who is here today, that that happens all the time—he does just go across the border every now and then. But my question is: what is your interest in a container deposit scheme? As a shire have you contemplated it? What are your thoughts around that?

Mr ROLLINSON: Yes, look, with the container deposit scheme I have dwelled around this over a number of years and I have seen the people, when you go into South Australia and other locations, collecting the containers, and it is great in that regard. I guess my trepidation or concern would be: what does that mean for our recyclers? At the moment what is guaranteed from our recyclers is that out of our transfer stations we

currently have a market for cardboard, we currently have a market for aluminium and we currently have a market for steel. They are established markets. The issue is around the plastics and paper. Not that I am into running a waste service like a Veolia or an SKM, but my thoughts would be that you have those established markets already. If you were to take aluminium out of that market—and I think aluminium is going for about \$1500 a tonne—is that cross-subsidising in the other aspects of the MRF operation? Is that part of their model and their business plan that aluminium makes up a percentage? I am just thinking if I was running it. If all of a sudden people were hoarding their aluminium cans, putting them through another system, what does that mean for the MRF or the recyclers that are struggling now if you were to take that out of the equation? So then where does that cost of running that operation or that burden come back to? Does that come back through the council which then would on-pass that cost to the ratepayer? So I think the decision to go into container deposits just needs to be really thought through in a holistic sense. If the thoughts are that you get everybody picking up litter off the road, that is a great aspect. I can remember recycling the Coca-Cola bottles, getting my 20 cents and sneaking around the back of the shop and selling them back through the front again. I can remember doing all that.

The CHAIR: You were not caught, though.

Mr ROLLINSON: No, but I got my chips. But I guess it is just thinking through in a holistic sense what that means for the broader aspects, particularly if it is taken away from the—

Ms BATH: And I guess, Geoff, that relates to, as you said, the scalability in your region. You are dealing with low volumes, so if you take some out of the marketplace, what would that influence for you?

Mr ROLLINSON: Yes, and who picks up that burden back from the recyclers. Exploring the why you would do this—if the why you would do it would be that once again it becomes a market for your scouts and your community groups and there are people feeding these machines, that is a great outcome. But there would be an impact, I think, if all of a sudden aluminium cans went out of the supply chain.

Ms TERPSTRA: Thanks, Geoff, for your contribution today. I just have a question around procurement policies for council. Does your council encourage the use of recycled content in any of its procurement policies? Do you have some, and if you do, what are they?

Mr ROLLINSON: Look, we certainly try to build into our projects recycled content. One we are doing is particularly around recycled timber. Just a bit of a plug for Gannawarra, we basically have three pillars, which are sustainable agriculture, renewable energy and nature-based tourism. One thing that we have changed is recycling of bridge timber into our parks and gardens areas. You will see some unique bespoke-type furniture that we create out of those aged bits of timber. The guys have gone for trying to use, as we can afford, the plastic pipes, so they are recycled plastic pipes in our stormwater applications. We are trying to build that into our model.

But having said that, I have got a pile of concrete out at my landfill that I am being encouraged to crush. I could spend \$200 000 on a big pile of concrete and turn those big chunks of concrete into small chunks of concrete, but I still do not have a home for them. This is where I have challenged my project managers to go back and have a talk to someone and say, ‘Okay, I don’t want to be spending \$250 000 on crushing concrete to just make small bits of concrete that I don’t have a home for’. This is concrete that has bits of reinforcing sticking through it and so on. I have been told that people are doing this and they are using it, and I asked them to come and show me where they are doing it, what the application is. Typically it is used, I believe, under footpaths, and I do not construct enough footpaths for me to use the lot. So therefore I have got some of these issues around processing and usability of some of the stuff that I have got.

Ms TERPSTRA: So it might be because it is a low quantity of how you can actually use that recycled product.

Mr ROLLINSON: Yes.

Ms TERPSTRA: You may or may not be able to answer this, and I do not know enough about council’s processes in terms of if you were to tender for a new road or something. Would you say to market, ‘We want to build a road or repair roads over your capital works budget’, and would you then say to potential bidders that

they should have a percentage of whatever they are building for you as recycled content? Are you able to do that or is that not something you could do in your council?

Mr ROLLINSON: Look, that is something we could do: to make that as part of their valuation. Certainly part of the procurement policy is that we have the ability to set the weighting around reputation within the industry, local content, value of works and that sort of stuff. So we have the ability within our procurement policy to actually adjust those figures up and down. We can also ask the question within our tender or quotation documents as to the level of recycling. We have that ability now to do that, yes.

Ms TERPSTRA: And do you do that now?

Mr ROLLINSON: Most of the recycling we do is the in-house stuff we do ourselves, so I have not asked for that in the external contracts that we have done, but certainly that is a great idea, to put something like that in there to ask the question.

Ms TERPSTRA: Encourage, yes.

Mr ROLLINSON: Yes, absolutely.

Dr RATNAM: Thank you, Mr Rollinson, for that submission, for being here today as well and for your good account of what the changes in the waste recycling industry have meant for your council. It has been really useful to hear actually. It sounds like some of the significant impacts are the fact that it costs now to recycle rather than it being cost-neutral. Was there ever a time when you were paid for recycling—because some councils were paid for their recycling—or did you always have a zero and then you went to 85?

Mr ROLLINSON: Thank you for the question because, yes, we were at zero and we have gone to the 95, I think it was.

Dr RATNAM: Ninety-five, is it?

Mr ROLLINSON: Yes. But there have been times, particularly from the stuff from our transfer stations. If we just park the kerbside to one side at the minute, from the transfer stations it goes up and down and fluctuates on market demand. There were times when to send a semi load of bales of cardboard to Melbourne you would get \$200 back, there were times when it would go to Melbourne and it would be cost-neutral and then there would be other times when it would go to Melbourne and you would have to pay \$100 or something like that. It really depends. You are a little bit at the mercy of the market at the time in relation to that. It has fluctuated over time. Certainly with kerbside, I cannot recall if we have ever got money back from our kerbside collection, but it has been zero, because basically once it enters the bin and it is in the back of those trucks, it is their property then.

Dr RATNAM: Thanks very much for that. You said in your submission—and I think the Chair has investigated this with you as well—in terms of the contract variations, it sounded like there was some frustration at being able to get some clarity about why there were contract variations and what was justifying those as well as the fact that it has been hard to get information from your provider about them. And it still remains the case—that they are not giving much that they are saying is commercially sensitive information.

Mr ROLLINSON: That is correct.

Dr RATNAM: Right, and also you mentioned that you all had asked about where your recycling was going, whether it was the local or international markets.

Mr ROLLINSON: Yes.

Dr RATNAM: And is there still a lack of clarity from your provider about that?

Mr ROLLINSON: All we have been told is that typically the metal and paper and cardboard go to Melbourne to either Sims or Visy and the plastics are typically going to New South Wales. Now, my understanding is that—because we are with Veolia, so it would be a great question for them but the information we have got, which is a little bit scarce, is that then it is processed in Australia and then the pelletised form is

sent overseas. So that is my understanding—that it is not sent as a raw product, that it is actually processed and then is sent overseas.

Dr RATNAM: That might be a good line of inquiry. We are hearing that from a number of people as well—about a lack of transparency about what then happens. So the industry providers have a lot of knowledge and information there, but there is a lack of clarity for the public about where that material is going.

Mr ROLLINSON: So I guess my concern was our initial meeting to discuss the issues around China's decision was around that there was going to be no change, but when the \$60 came through then there was—they were made available, and I just got a sense there was a possibility of just gouging. Then as I said it just came through as a letter in the first instance, when I said you cannot just vary a contract based on that.

The CHAIR: Just to follow up from that, and you can take it on notice, are you able to check with Veolia, for example, and basically double-check where the product is going? You are saying paper is going to Visy and metal is going to Sims, but the interesting one, which I am really curious about, is that this stuff going to New South Wales has been obviously sorted to an acceptable level in accordance with the new China Sword policy, which is that you use clean pellets. So are you able to verify from Veolia that these are the processes and that is where they end?

I will take it that that is probably one of the justifications for increasing the charges to you. If that is what they are doing, at least we will have a good idea. It is basically maybe changing the way they are sorting the product. So if you are able to do that, and then when you get the answer if you do—and I am happy for you to say that you have been asked by the committee to ask for that—then maybe perhaps you can send us an email hopefully with the answers. That would be great.

Mr ROLLINSON: Yes, not a problem, and look there is an open day at the MRF here in Echuca on 11th of this month anyway, so I will be catching up with them and the other councils that are using Veolia at the moment anyway.

Dr RATNAM: Great, and one more question. In your submission you talked about the response to the China sword policy and not a great deal of communication or understanding. I think you talked about it seeming like with all the agencies involved in waste and recycling for years in this system that we have been going through almost on autopilot: you know, there was not good clarity about what agency's role was what and so that led to some more confusion. I am interested in what can help councils going into the future in terms of the type of communication, the type of support you all will need. Can you talk to us a little bit about what type of communication you are having now with agencies or the State Government—I think you mentioned the MAV being a conduit as well—and what you would like more of in the future?

Mr ROLLINSON: Certainly through our waste groups, which are a great group—so they are the group of councils that get together through our waste groups. We go right up to Mildura and down to Macedon Ranges, our waste group. I think what we are seeking is a better understanding of what each player in the government sector is doing in each of those spaces. Local government, and this is the joy of getting old I guess—I can remember the time when council was 100 per cent responsible for the waste chain. Albeit not environmentally well done, but we picked up the rubbish, we provided the tips, we did the whole lot—100 per cent we were involved in it. Then we entered the new regime, where we started to contract out, dealing with I guess waste segregation in where stuff was going.

I guess there is an element of trust that the next level of government is doing their part in that chain, being the state government and the EPA and looking over the shoulders of those big suppliers, and then on a national level, what is happening to those international markets, and where does the private sector sit within all of that, because as we have privatised a number of services—I am not against privatisation—we have lost an understanding of what happens once it leaves our doorstep. We just need that loop closed back so that there is some certainty around—not necessarily going to the cheapest tenderer is going to give you the best outcome. What happens to our products when they do go internationally? Are they going into not very good businesses overseas? What does that look like when our product leaves our shores and goes over there? Is it being burnt, is it polluting over there as well? I do not know. So I guess it is just that feedback and an understanding.

Just to take a slight sidestep, my background is farming. One of the interests my father always had was when our wool left our shearing shed and went through the marketplace, he knew where our wool was going, and it was either going to France or China; they were the two locations. I am not sure why that feedback loop is not coming back. I cannot stand here right now and say to you that that aluminium that leaves our place is going to this market, or that the plastic that leaves our council is ending up in wherever. I cannot tell you that. So that feedback loop just is not happening. Basically it leaves my council, goes through the MRF and I have got no idea where it goes.

Ms TAYLOR: I have two questions. I guess I am just thinking that ideally with the contractual relationship you have with whichever proprietor is doing the recycling it would be nice if it was in the contract, wouldn't it?

Mr ROLLINSON: Yes.

Ms TAYLOR: So that it is spelt out exactly where. I suppose markets can vary and so if they put a specified proprietor and that proprietor may change over time—

Mr ROLLINSON: Absolutely.

Ms TAYLOR: and that may be where it is hard to put that in. I am not saying they should not, but that may be where it is hard to lock it into a contract or have it written into the contract. I am just thinking of the vicissitudes. Do you think that might be part of the issue?

Mr ROLLINSON: Sorry?

Ms TAYLOR: Like, the actual nature of the contract that you write, ideally you would think that there would be a clause somewhere in there that lets you know what happens.

Mr ROLLINSON: Yes. Look, I think so.

Ms TAYLOR: I said 'ideally'. It may not be feasible.

Mr ROLLINSON: Yes, and look, how much say we have in where it goes as well. Obviously if they are entering into a contract with us, they want the freedom to go with what drives their income stream the best. I totally get that. But councils are also being encouraged to share resources, have collaborative contract agreements. We are going through one at the moment with our neighbouring councils, where we have got together to do a collaborative contract. So all of us are getting together and almost creating, some might say, a monopoly in the market because there will potentially be only one contractor servicing potentially six, seven councils. So what does that look like when the others are put out of business because we have gone with the one? Who knows.

Mr HAYES: Always the danger, isn't it?

Mr ROLLINSON: So that is interesting, and that is the situation we are in with our own landfill. I have got a study going right now as to the viability of our landfill. As I said in my introduction, we have got our own central landfill, a licensed landfill. It is licensed to take asbestos and some contaminated material, and basically the cost of that landfill is getting so prohibitive to operate that I am looking to put it into abeyance and send all our product to potentially Patho, which is the Veolia's one.

Dr RATNAM: Sorry to interrupt, but can I just take up that point. Were you mentioning that your landfill is not full?

Mr ROLLINSON: No.

Dr RATNAM: So you would want to close it before it is full?

Mr ROLLINSON: Correct.

Dr RATNAM: Because there is just not enough demand or the costs are just too prohibitive—the initial outlay costs or operational costs are just too prohibitive—but you have actually got space?

Mr ROLLINSON: That is right. Given our smaller volumes, given that we have only got two thousand one hundred—I apologise if I have gone on, because you had a second question, didn't you?

Ms TAYLOR: Yes, that is all right. I do have a second question. It is on a different tangent.

Mr ROLLINSON: So stick with this one—the landfill?

Ms TAYLOR: You can answer her question, through the Chair, if that is agreeable, and then I will do the second one.

Dr RATNAM: Thank you.

Mr ROLLINSON: Given we only receive 2150 tonnes, the cost of operating that landfill, the regulatory cost, is what is impacting council. So our cost per tonne due to economies of scale is what is impacting my community. As an example, if I was to stop recycling right now, if I turned my trucks around and took all my waste to my landfill—so the additional 1110 tonnes—I would immediately save our council \$58 000, just like that, and that is 0.5 of a percent of rates. So this comes back to where is the incentive to recycle, other than that it is environmentally friendly.

And with the landfill, I am looking at actually ceasing to take rubbish or waste and I will just park it. It took a lot to get that landfill up. I have been with council for a long time—it is one of our babies—but given the cost of operating it with the volume of material I am receiving, I cannot warrant keeping it open. I would estimate just off the top of my head, just back-of-the-box figures, that I am going to save about \$200 000 by closing it—not closing it, ceasing to receive rubbish.

The CHAIR: The food waste and organic waste, basically at this stage a lot of it is not going to landfill. Is that right?

Mr ROLLINSON: The green waste. We are not into food organics yet.

The CHAIR: Okay. The food is still going to landfill?

Mr ROLLINSON: The food is still going to landfill, yes, and the green waste is going to the transfer station, which I am processing.

The CHAIR: So have you got any plans to consider what you do in diverting the food waste away from landfill, because of the methane issue?

Mr ROLLINSON: So we are looking at investigating food organics, but that would be a more expensive process again, because once that goes into the green waste—we would use the fourth bin, which is the little kitchen tidy, and you drop the bin into your green waste bin, and then the whole of that load would need to go to a processing facility.

The CHAIR: With the discussions you are having with other councils, was that something that could be in the discussions about doing larger scale waste to energy? Is that an option that has been contemplated?

Mr ROLLINSON: Yes, certainly. We have got a gentleman around at the moment talking about waste to energy, but my understanding is that you need significant volumes to run a waste to energy plant, which at only 2000 tonnes we cannot provide with our smaller community. It would be something that would need to be centralised, I think.

Ms TERPSTRA: Can I ask my other question?

The CHAIR: Absolutely you can. I was going to ask the questions about glass. You did not say anything about glass.

Mr ROLLINSON: Sorry, I do not separate glass at the moment, so glass—

The CHAIR: Okay. So what are your thoughts on that? Should we be separating, not separating, because of the contamination issue?

Mr ROLLINSON: Yes, and that is a great question. It has not come back to us that it is a contamination issue, but I have heard it is a concern for getting impregnated in the cardboard.

The CHAIR: Right. That is correct.

Mr ROLLINSON: I was only talking this week of approaching Veolia about putting in three bins, and paint them up of course to make them consumer friendly. This is at the transfer stations. So put in the white bin, clear glass; brown bin, brown glass; and green bin, wine bottles, and just see what that looks like. As far as putting in an additional kerbside bin solely for glass, we have not considered that at this stage. I am still going down the green waste for the smaller towns, such as Quambatook and Leitchville, which are small little hamlets, and the food organics. That is the next thing we are looking at.

Ms TAYLOR: Just talking about the food organics, and I am empathetic to the economies of scale and difficulties in rural areas, so I am just trying to tease out where you are heading with that. I am certainly a proponent of FOGO because you can deal with dairy and meat and bones and all that—

Mr ROLLINSON: Yes.

Ms TAYLOR: and so it is sort of the whole package, but I am just wondering: what is the inclination of people generally? This is a very general question about composting at home. Are there drivers to get people to do that or what inhibits them from doing that? I just generally want to know rather than making a presumption.

Mr ROLLINSON: Yes, look, years ago we gave away worm farms—

Ms TAYLOR: Good.

Mr ROLLINSON: for composting. So we actually supplied them. So these initiatives come and go. It is interesting; a lot of people in rural Victoria do have veggie patches—grow their own vegies—and they also have their own fruit trees, which then brings another issue around fruit fly and so on. But there is still that desire in a number of areas where they will actually do a little bit of home composting. I am not so sure about the food scraps. That is the thing.

Ms TAYLOR: Why do you think that? Sorry, I will not keep going, but I just thought—

Ms TERPSTRA: Good question, because I am interested to know that, too.

Ms TAYLOR: I wonder why not. I imagine there is a little bit more space than in a lot of parts of the city, where we really have to have FOGO and that, or we are kind of stuffed.

Mr ROLLINSON: Yes, so certainly the peelings—the pumpkins, the vegetable scraps—are not a problem. It is more the meat.

Ms TAYLOR: Oh, the meat I get.

Mr ROLLINSON: I think they do not get the whole bones and the meat thing and how that can be added into FOGO as well, so that is the issue. But as far as vegetable peelings, potato peelings, pumpkins and that sort of stuff, they do do that sort of stuff.

Ms TAYLOR: Good. That is good.

Ms TERPSTRA: That is where you have a dog or a cat.

Mr ROLLINSON: Yes, my daughter has got a chook.

Mr HAYES: While we are talking about FOGO, I understand that you can put meat scraps now into the FOGO system, so all kitchen organics are okay. I did hear of another council operating their own waste system that produces fertiliser or fertilising mulch in the end. Would that provide any interest to you?

Mr ROLLINSON: Absolutely.

Mr HAYES: And supplying it back to the community?

Mr ROLLINSON: Yes, so we did a trial with a company called Pinegro many years ago. I am not sure if they are still in existence or not, but we did a trial where we did go down the compost line. Out of that trial we made some really good compost. We had it cooking and it was up around 70 degrees, which is hotter than your hot-water service. It was brewing away nicely. The problem once again was volume, for us. We would need to partner, and we were bringing in pig waste from farms and we were looking at dairy waste. We were looking at all that sort of stuff and we were making a very good product, in their words—that was the report that came back. But our problem was that in terms of green waste we were only getting around about 400 tonnes, so we just were not getting the volumes.

Mr HAYES: Economies of scale.

Mr ROLLINSON: Again, yes.

Mr HAYES: Another question on economies of scale, and this is about landfill. You talked about the less that you are sending to landfill, the more it is costing you. I suppose one of the objects that is often talked about in the whole waste thing is reducing the amount of waste going to landfill. Is it generally a problem that the more we reduce what is going to landfill, the more it is costing?

Mr ROLLINSON: That is exactly right. But our volumes are not that big anyway; we are diverting 1000 tonnes and another 400 tonnes of green waste, so we are diverting around 1500 tonnes—it is not a large volume. It is still too small. I could be wrong here, but the figure that I am working on is that you need about 8000 tonnes per annum to just really become somewhere near breaking even to cover off the bureaucratic running costs of the landfill. We are well below that.

Mr HAYES: Well, congratulations on that. I mean, from an environmental point of view that is great that we are reducing what is going to landfill, but it is an expensive process all the same.

Mr ROLLINSON: Yes, thank you.

Ms BATH: Geoff, in your submission you say that the State Government needs to look into research and development in relation to recycled product, and I just want to overlay that comment that you make in your submission with the question in relation to how you are coping now with your e-waste and what is happening there, and what would you like to see if you had a magic wand in that department?

Mr ROLLINSON: The e-waste has been taken up well by our community. It is going well. We were successful, we were one of the first ones to put our shed up through the grant funding to actually weather-proof the e-waste. I guess what I would like to see is just a little bit more support. I had—do not laugh—a seniors advisory group ask me what they should do with their toasters and could we set out a special trailer for them to bring their toasters out and recycle, which I thought was lovely because they are considering things like toasters. So I would like to see some support around that, particularly given our volumes. Once again, we are having to charge for people to bring e-waste in. It is not cost-free. I guess if I am asking for a magic wand, I would like some support around e-waste because when the plasma TV came in and you ended up with these big TVs on the roadside, my crew had to go and pick them up.

Ms BATH: That was my next question: what is happening with dumping? Is that an issue?

Mr ROLLINSON: It was an issue. It does not seem to be an issue as much anymore. I think just the support I would like to see is around the cost of transportation. I would love to see some support around that, specifically around e-waste, until we get into that space, because I think the volumes are only going to increase with the amount of electrical equipment that we are using daily. I think the big-backed TV session that we went

through awhile ago—some of which still worked—that has almost passed. That dumping is not continuing like it used to.

Mr HAYES: You have still got flat screens and things like that appearing now. What has changed the situation with the dumping, which I know was a big problem for regional councils?

Ms BATH: And other communities, yes.

Mr ROLLINSON: Yes, it was. It was for us. I would like to think we have got a community that values, as I said before, our three pillars of really sustainable agriculture, renewable energy and nature-based tourism. We do not have a huge roadside dumping problem. When it appears it really stands out, if that makes sense, almost like a—

Mr HAYES: So it is community education in a way, that has changed behaviour.

Mr ROLLINSON: Absolutely.

Ms BATH: And you do not have the hide, i.e., the forests, necessarily that other places may have.

Mr ROLLINSON: No, that is right, we do not have those locations where people can easily hide it. When we did get it though it was typically in the same spot, which we would monitor regularly with our guys. We do not have that issue.

Mr HAYES: And how do you dispose of e-waste now?

Mr ROLLINSON: We have got a set-up now where they come in to the transfer station and they bring their e-waste in. We have got a shed, which we were successful in getting a grant to construct, so it is all under cover and they bring it in, but there is a cost associated with that.

Mr HAYES: So it has just been stored?

Ms BATH: Stockpiling at the moment?

Mr ROLLINSON: Yes, we are stockpiling it in there. Veolia are taking it. They have got the contract to take it.

Mr HAYES: So it is taken and disposed of somewhere else?

Mr ROLLINSON: Yes, and I am not sure.

Mr HAYES: And once again you do not know what happens to it, I suppose?

Mr ROLLINSON: No. My understanding was that it is broken down and the monitors are degassed and it is done properly. That is my understanding, but I do not know too much about it other than I believe it goes to Melbourne.

The CHAIR: What would you like to see the State Government do in relation to an overall policy? The areas the State Government is looking at at the moment is the declaring of waste as an essential service. Infrastructure Victoria is looking at putting a plan together by October. We had a draft put out about looking at a statewide policy. You made various comments about the lack of coordination. What would you like to see? If you were designing a system, what would you like to see from your council's point of view about changes?

Mr ROLLINSON: Certainly I agree it is an essential service. The older people in the room would remember the waste strikes that were back in the late 80s, where the unions went on strike and did not pick up waste in the streets and we saw the impact of that.

I guess what I would like to see from the State Government is a level of scalability. Unfortunately the State Government tends to jump into either metro or regional. That is how they work. It is either metropolitan or it is regional Victoria. Regional Victoria is Ballarat, Geelong and Bendigo. They need to add in the rural sector.

They need to understand the scalability when it comes to things like, I have got a landfill here and I am copping the same costs to operate that landfill as a large metro. I am still providing an essential service to our community—to my community—and there is no scalability. So I would like to see in their policy development some sort of scalability that acknowledges rural Victoria and the smaller communities that I believe have a right to have proper waste services and have the ability to recycle, the ability to actually participate as responsible citizens and the small councils in the same boat. I know that they lean towards a business case being required for everything if you are going to get some level of funding, but quite often as far as rural councils go the business case just does not stack up. It does not stack up and it will not stack up, because you do not have the population and you do not have the volume, so therefore what happens? It goes elsewhere, and perhaps those other places do have the means of actually self-funding somewhat.

So a lot of the time when opportunities arise to undertake an initiative, we cannot even raise the matching funding. If they offer a dollar-for-dollar or a two-for-one type grant, we cannot even raise the dollar to go with their two or their one. The business case will not stack up because we do not have the volumes, as is the case with our landfill. So I think what I would like to see the State Government do is investigate that scalability to give some allowance for, I guess some would say 'Third World Victoria', but the rural areas that would like to participate and be environmentally conscious but cannot because we just cannot get there. So I guess that is what I am looking at.

Ms BATH: Excellently said, Geoff.

The CHAIR: So basically you looking at, we need to have an across-the-board policy or set of policies for the whole state, and then take into account that smaller councils, like some rural councils, may not be able to meet that without some sort of support that needs to be provided as far as that—but have that consistency and clear direction.

Mr HAYES: Maybe a statewide policy direction and regional execution.

Mr ROLLINSON: Absolutely. Without digressing too much—I realise there are other people here—if you consider the issues around septic tank waste, they are not even discussed. Across our municipality there around about 5000 septic tanks. On average a septic tank is emptied once every five years, about 2000 litres, so this week in our council there will be about five septic tanks emptied. Therefore there is about 10 000 litres of septic waste going somewhere.

The CHAIR: Where is it going?

Mr ROLLINSON: Into the environment. It is not staying in the container, so where is that going? That is just Gannawarra. You consider when you go home today, every house you go past is not connected to a reticulated sewer system. Echuca is fine, but you drive about 1 kilometre that way, every house you go past has a septic tank, all the way back to Melbourne.

The CHAIR: Is that because there is no regulation or people are not following the regulation?

Mr ROLLINSON: I think it is a little bit of both, but it is the availability of where to deposit it. So if you consider the locations, or the night soil depots, as they are known, we have one in our council at Quambatook—only one. I know the volumes that go in there versus the volume of tanks that we have in our municipality. You have got, I think, two in the Coliban Water district, so where is it going?

The problem you have is that whilst it is in vessel it is a council issue—so when that tank is sitting there with septic waste in it that is a council issue. Once it gets pumped out of there and put in the back of the truck it is an EPA issue, because you are exporting or transporting human waste, and then where that goes I am not sure. But when it is still in vessel, in the tank—

The CHAIR: I think mentioned in another submission was stewardship of product, so this is something similar. Would you say then that residents should be responsible every five years for putting in a form, for example, 'Where my waste went'? Is that something that should be considered, to have some accountability? Because you just raised that issue. It is the first time we have heard about it.

Mr ROLLINSON: Possibly. It is an unknown at the moment. I know where mine goes. Mine goes to an approved night soil depot.

The CHAIR: How can you prove that?

Mr ROLLINSON: I would use my invoice.

Mr HAYES: On that very situation, is that an example of something that, rather than it being an EPA matter, would you like to see a regional solution or regions being able to decide how to dispose of that and making the regulations about it?

Mr ROLLINSON: I think the issue is around the disposal facilities. That is the issue, that there is a lack of disposal facilities.

Mr HAYES: And who do you think should control that?

Mr ROLLINSON: I think it is a coordination between council and the EPA.

Ms BATH: I guess the other comment that you make, or that I am making and would like your opinion on, is that in many ways rural and regional people have enough burdens in terms of distance from a whole range of services et cetera. Septic systems are a cost burden that they have to wear, and on top of that I do not want State Government to overlay another burden of responsibility to chase your excrement. There needs to be some support around that, and on top of that I know in our shire there is also a requirement through the EPA act that every X-many years—I think it is three years—you have to have an assessment by a plumber and have them check out your septic system and that cost must be worn by the householder as well.

Mr ROLLINSON: Yes, the user.

Ms BATH: I am concerned that we do not want to be in this situation where we just go, 'Let's put it all back on the rural and regional person as well to wear more and more of the burden' for the 'luxury' of living in the country.

Mr ROLLINSON: Yes. So that is the question?

Ms BATH: Would you like to make a response to that?

The CHAIR: It was a statement. Do you agree with that statement?

Mr ROLLINSON: I do. I agree with that statement. I think it is the tyranny of distance, but having said that it is a wonderful place to live in northern Victoria. There is only one thing nicer than the weather today, and that is the people that live here.

Ms BATH: And the people visiting.

Mr ROLLINSON: Absolutely. I think the whole issue around septic waste is something that needs to be acknowledged.

The CHAIR: Just one last question about your landfill: have you had any requests from people in metro Melbourne trying to send their stuff here to yours because yours is cheap—for example, whether it is recyclable stuff or other stuff? Have you had any inquiries about this?

Mr ROLLINSON: No. Look, many years ago I had an inquiry from Bendigo at one stage. They were having some issues around their Eaglehawk facility and they were wondering whether to send it here or send it to Deer Park and I think they ended up going to Deer Park.

The CHAIR: On that note, Mr Rollinson, thank you. You have been very helpful and thank you very much for your time and for your good work.

Mr ROLLINSON: And thank you.

Witness withdrew.