CORRECTED VERSION

STANDING COMMITTEE ON ENVIRONMENT AND PLANNING REFERENCES COMMITTEE

Subcommittee

Inquiry into environmental design and public health

Melbourne — 6 September 2011

Members

Mr A. Elsbury Mr J. Scheffer Mr C. Ondarchie Mr B. Tee Ms S. Pennicuik Ms G. Tierney Mrs I. Peulich

Chair: Ms G. Tierney Deputy Chair: Mrs I. Peulich

Staff

Secretary: Mr K. Delaney

Witnesses

Mr J. Merritt, chief executive officer, and

Mr S. McConnell, director, future focus, Environment Protection Authority.

The CHAIR — Welcome to the hearings this afternoon; I am sure the committee members have got a number of questions for the EPA. I am sure you have appeared before hearings like this many times. I am obliged to advise you that you are covered by parliamentary privilege, but the comments you make outside this hearing that would be the same are not necessarily covered by parliamentary privilege. The transcript of this hearing will be sent to you in about a week for checking, and if there are any issues that need to be resolved, you could go through Keir Delaney. For the record, I ask you to state your name, the organisation you are representing and the address. After you have done that, you could go into a short presentation and allow us maximum opportunity to ask questions.

Mr MERRITT — My name is John Merritt, chief executive officer of the EPA in Victoria. Our address is 200 Victoria Street, Carlton. I am joined today by Stuart McConnell, director, future focus division, EPA.

We will keep our comments brief to allow as much time as possible for discussion. Our submission really makes a couple of points which I will just touch on in regard to how we might improve the sorts of issues that I think the committee is addressing around that planning in the urban/industrial interface, and the work it is doing.

There are really just two points I make. The EPA would like to be more involved in some of those key planning issues, whether they are local issues or strategic issues involving city and regions, and we think it is logical that we are involved for two reasons. Firstly, we deal with a lot of complaints when it does not work, and in that we are talking outside, just as you do. The one-pager that we have given to you gives you a bit of an idea perhaps of what value the EPA might bring in making sure that lessons are learnt from existing problems that could be injected into future issues.

You can see we take about 8500 complaints — pollution reports — from community members each year. What is interesting is that those complaints are not across the board. They are not spread across the whole of our state. In fact half of those reports come from just 20 suburbs in this state. We took the liberty of plotting those on the map on the other side. The vast majority of them are metropolitan within that half sector, at this stage, and it will probably come as no surprise to you as to where those sorts of issues and unrest come from.

Mrs PEULICH — Three of them are in my region.

Mr ELSBURY — Four are in mine.

Mr MERRITT — I suspect it was part of the catalyst for this committee's work. You can see that we have got those industrial/urban interfaces around the Altona, Brooklyn, Yarraville area; we have got the interface between both legacy and operating landfills around the Clayton South, Clarinda, Dingley Village, Heatherton area.

Mrs PEULICH — Called the Kingston green wedge.

Mr MERRITT — The Kingston green wedge. We have got our Dandenong South industrial precinct which contains a concentration of very intensive industries which involve owners and substances of worry to the community. In that bottom right-hand corner we have got the Hampton Park, Lyndhurst, Lynbrook precinct. That is the big Hallam Road landfill, which is the landfill that services that area, as well as our category B hazardous waste facility there.

Up in the north there is a pocket of complaints in Mitcham which relate primarily to the two metal recycling facilities on Heatherdale Road in Ringwood, and those communities have been upset by the noise, the dust and explosions there for about a decade now, and that little red patch is Alphington, which is around the Amcor paper mill, and there has been an intensification of odour-related issues from there. All of that information tells us a lot about the lessons that we can apply from the experience of these residents to future issues that occur. That is our first point. We have to deal with a lot of unhappy people when the system does not work, and we would like to be able to inject the lessons from that into future planning issues out there.

Secondly, our act requires the EPA to set standards, to say what is good enough in terms of issues of odour and noise and buffer and those things, and as a result we run a lot of scientific capability which requires us to make that assessment and we run a lot of monitoring and measurement capability to know what is going on. We run a network of air monitoring sites throughout the metropolitan area and down in the valley where we collect data — it was every half hour but now it is real time, and we are out there sampling 36 beach spots every week

during the summer period. It is not just that subjective issue that the community might complain about; there is that objective information that we receive as well. It is less scientific in the area of odour because of its nature and the difficulty of measuring it, but we have people who are trained in measuring it and assessing it and we can bring that information to the fore. They were really the two points that I think would support us being more involved in these issues.

There is a third point that I would make to the committee which I do not have an answer for, and that is in these areas here. Whilst they are highly problematic, there is I think, as you would know as well as I do, no easy answer in redressing these planning legacy issues. What, however, we do find, and which I find in particular, is that it has not been my experience that communities just wish these problems to go away or think that they can, but what they do expect is to be treated with respect by those industries that operate in close proximity to them, and where we find really strong areas of complaint and angst and real psychological and health issues is when there is insufficient pressure on those industries to provide their communities with the information and interface that they need to be able to know what is going on, how long it is going to last and it means for their health. I think we certainly have a job to do more in that regard, but a lot more can be done. I think the expectation of that will grow exponentially, as it has in recent years, and will continue to grow in years to come.

Mr McCONNELL — I have just a couple of things. Whilst with the Environment Protection Authority we are fundamentally in the job of protecting people's health, so often we are responding to issues because people are concerned about their health, and more generally the functioning of our environment underpins the community wellbeing. There are a few of those issues we need to be mindful of, given the topic of this inquiry.

I would also comment that we have described some of the particular issues we have found in the metropolitan area, but we do find similar issues in regional areas as well. I think in the submission we used an example in relation to broiler farms as another example where we have the compatibility of land use issues coming into play.

In terms of the kinds of input that we really think is most valuable, it is both at the strategic planning stage and at the specific proposal stage, because it is often in the broad layout of land uses and compatibility of adjoining land uses and thinking through those issues where some gains can be made in terms of avoiding land uses which by their nature are going to always be somewhat difficult where you have a significant industry separated from residents simply by a road, and in some cases that is always going to be difficult and there are opportunities to deal with that at the strategic planning stage and also when we are considering specific development proposals. At this stage there is a portion of those for which EPA is mandated, or the planning system is mandated to refer to EPA for advice, but it is only a small portion of the development proposals, and there is the opportunity for us to look at what is the range of proposals that should come to EPA for advice to assist in making more informed planning decisions.

That is probably the key additional information I would like to put. Again in our submission we have provided a number of examples of the kinds of issues we are coming across, and I am happy to answer questions in relation to those or any other issues.

The CHAIR — Can I kick off by asking you to be more specific and give more examples of what sorts of things the EPA would be able to factor into a mix if it had much earlier involvement.

Mr McCONNELL — I think the question is about informing those who are making the decisions about strategic planning decisions what the impacts of different activities may be. Some of the examples we have canvassed are, as we are considering new greenfield development on the fringes of Melbourne, to what extent do you look at where residential uses are placed in relation to major roads and the opportunities to create some separation, possibly using commercial or other type land uses in between, for improvements therefore in air quality and noise as experienced by residents, just as an example of the kinds of things. And then at a different layer, where there is the need for residences to be, for example, placed in areas close to a road, what are the design features of those buildings or those residential buildings that might help to mitigate the impacts of noise and similar from that road activity? What way are the buildings facing? What is the noise attenuation in the design of those buildings, and so on? There are a number of these things which are far easier and more efficient to design in at that early stage rather than seek to retrofit at a later stage.

Ms TIERNEY — Can you give another example that is not road-related with noise pollution?

Mr MERRITT — We are thinking the same way that the community does, and one of the critical issues is the interface between local government and the EPA. Many of these problems have occurred where that does not work, so we are trying to make it work and we are negotiating MOUs with the key councils on each of these areas. One of the simple things there is on some of their key planning decisions. The first MOU we have signed is with Brimbank, and part of that requires our cooperation around new planning issues. The first issue that comes up is an application for a 400-dwelling subdivision fairly close to the Sunshine Quarry. We know from our experience that dust from the quarry will drive those residents mad. This is a massive quarry. The council will want to oppose it, but they will want to do it in partnership with us and say, 'Okay, what might be done here? What is realistic?'. There are just those practical examples. As we have seen around Hallam Road, for example, people have encroached on that buffer. Every time we do a public meeting all of those residents say, 'We were told it was going to be a golf course in 5 or 10 years time'. Everyone is always told it is going to be a golf course. It was never going to be a golf course, and it certainly will not be in five years time. There is an application now for Sunshine Quarry to be a tip. It would be a tip for 80 years before you filled it. They have gone on to the Supreme Court to challenge that. It is being able to provide that realistic perspective. These things do not make good golf courses. They do not make anything really; they are just an open space and you can tree them a little bit. It is making sure people have the information they are entitled to have.

The second piece is that we are doing a major amount of work over the next five years on contaminated land. We do not have an adequate register of contaminated land sites. Councils have got some information and we have got some information, but community members are entitled, when they purchase them, to say, 'Is there a register? Where can I look to it? What is in it?'. It might be benign or it might just be household waste. It could be a methane issue or it might be, as we are finding in a few other sites, that we do not know exactly what is in it because it happened in the 30s or the 20s or something like that. Our aim is to make sure that the information comes to the table on that work.

Mr TEE — Following on from that point, essentially what you are saying is that, whether it is a development on the fringe or whether it is an inner urban development, it will be better to have you there at the start rather than halfway through or, worse still, when the issues emerge 5 or 10 years later. That is the main thrust of what I am hearing you say in terms of the way forward.

Mr MERRITT — In our discussions with the growth authorities, in broad terms, we are putting about 30 000 dwellings a year out at the moment. That is the sort of growth number that we need. About half of that is spread and half is infill. The spread is inevitably around issues of landfills and intensive animal farming. That is contentious. The land is blank because there was either a factory on top of it or it was a landfill for some reason. There is a reason the land is empty, and it is not because someone forgot about it; it is because of its previous use. It is just the ability to work together.

The issue we identified in our five-year planning was that we had to get much better at partnering with the other arms of government, primarily local government and planning and community development, just so informed decisions are being made. The pressure on this infill and spread is such that it will grow exponentially, as we have to. It is not enough just to put fences around everything and say, 'You can't live there'. We do not have the luxury of saying that, but it has to be worked and okay. If there is a site, it must be determined which part of it should be open space and which part of it is suitable for intensive housing.

The urban planners will say, 'You can't just put these great big buffers around everything because that creates these satellite suburbs in which all the transport issues become linked in'. Nobody wants that, so part of our job is to be accountable for putting the right amount of pressure on some of these facilities so that they are run properly and do not need massive buffers for odour, contamination or methane. It is not enough just to say, 'It stinks, therefore you can't live within a couple of kilometres of it'. It has got to be run to the highest standard, in which case the smells can be adequately managed or the methane plumes can be managed. That is our job.

Mr TEE — One of those areas is that encroachment, particularly around the major hazard facilities. I understand you have been doing some work at the request of the government in terms of the buffers, particularly rising out of the UK where there was an incident. How is that work progressing? This is buffers around major hazard facilities.

Mr MERRITT — We have certainly been working very closely with WorkSafe as the health and safety regulator and principal regulator under the major hazard regulations in the aftermath of the UK experience

where the explosions far exceeded the previous known buffer issues. That has been in relation to Coode Island on the other side of the Maribyrnong and a proposal for redevelopments along there.

Mr TEE — More explicitly, what the minister has indicated is that you are looking at policies and guidelines that relate to appropriate buffer distances. Are you looking at having a policy or a guideline around what is an appropriate buffer around major hazard facilities, and what is the timing of that work if that is what you are doing?

Mr McCONNELL — The work we are currently doing is not so much explicitly on major hazard facilities but around industrial facilities in general, and that also extends through into landfills and similar. In relation to landfills when we released guidance last year we put some additional measures in there in relation to buffers but that was, in a sense, as an early step, knowing that we needed to come back and do the broader piece. That is the piece that we are currently working through with the Department of Planning and Community Development because it is the planning system through which the buffers or separation distances are given effect. I do not have specifically, 'This will be done by a certain date', but it is a current piece of work that we are stepping our way through. We are looking how to best review those buffers and make sure that they are adequate. We are also considering the issue as it is applied from our perspective and as they have often been applied in the planning system. Most of it has been geared around the siting of industrial facilities and to what extent they need to trigger around the encroachment issue where residents are moving closer.

Mr TEE — I suppose there is a disconnect between what WorkSafe is saying, which is that we need a buffer around these facilities because if something untoward happens, then either those houses within a particular area are immediately at risk, or there is a risk because people who live in those residences need to evacuate. There is this disconnect between what WorkSafe is saying in terms of the buffers and its capacity to stop that encroachment, while it appears to me that you are the authority that can stop the encroachment through your guidelines and policies. Where is that work up to? It is a concerning disconnect when WorkSafe is saying that it is unsafe to have development in that area but there is no capacity for WorkSafe to stop that encroachment.

Mr McCONNELL — In both cases WorkSafe and ourselves act as a referral agent to the planning system. The mechanisms to prevent such encroachment et cetera sit within the purview of the systems that are administered through DPCD, and both agencies have from time to time around different issues acted in a referral capacity to draw the planning authority's attention to this question. If we allow residents to move closer, from the perspective of WorkSafe it is around safety and from our perspective it is around the range of broader environmental impacts such as emissions that are harmful to people's health and amenity impacts such as noise, dust and so on. But it is not the case that WorkSafe needs to work through our buffers, if that makes sense. We both interact with DPCD.

Mr TEE — I will give you a copy of this letter, but in a letter the minister has said:

I have asked my department to raise issues relating to major hazard facilities and appropriate distances between new residential developments with the EPA which is responsible for policies and guidelines that relate to appropriate buffer distances.

It is certainly the view of the minister then that it is your responsibility to come up with those appropriate buffers by way of your guidelines and policies. I suppose you should check that you concur with that view and that you agree it is the case that he has referred that issue to you. My next question is: if that is your role, where are you up to with that? I am sorry; I do not want to put you on the spot. I am happy to give you the letter.

Mr McCONNELL — When we receive a copy of the letter we can provide some further written advice to the committee if that is useful.

The CHAIR — Yes, that is fine.

Mr McCONNELL — But I think WorkSafe would be the party that needs to look at the question of explosion safety and those sorts of issues, and we will look at the issues of environmental impact.

Mr TEE — I appreciate that you are taking this on notice, and I will give you the letter, but WorkSafe has said that there should be a buffer. My question and the gap in relation to this issue is that it cannot impose the buffer but the minister says that you can. All it can say is, 'From a WorkSafe perspective, we recommend that you cannot build in this space', and the minister says you can stop that encroachment.

Mr McCONNELL — We will take that question on notice.

The CHAIR — If you could address that as well, that would be very good.

Mr ELSBURY — Keeping on the theme of buffers and such, and having myself lived in Altona with the beautiful smokestacks just over the back fence, I wonder: do you think there is a lack of understanding in the community of what the buffers are there for and what they actually do? You will have people who complain when they get a whiff of petrochemical, and that is when the wind is at 120 kilometres per hour in a direction in which it does not normally blow. However, by the same token you have the people in Brooklyn who have very real concerns when you have got what is basically a dust storm rising up out of the operations that are happening there and dumping all over their homes. Do you think that part of the community does not understand what the buffers are doing or what their practical use is? Then you also have the problem of bad neighbour industries that have got things they are supposed to be doing — that is, they are supposed to be keeping their sites clean but they are not.

Mr MERRITT — It varies. The Altona and Brooklyn scenarios are different. You will know better than I, but the Altona industries have been in place for a long period of time. There are usually community groups intimately involved with each of the facilities who have got a very highly educated understanding of what goes on in the plant, what the procedures are and how that works.

Mr ELSBURY — By the same token, especially in Altona, you have got this complete change of demographic occurring. You have got people who would once have worked at the refinery, at the petrochemical plants or at the gas manufacturing liquefaction plants. They would have been working there, and therefore it would have been a case of, 'Work is just down the road; that's cool'. Now you have got the \$1.2 million home sitting on the Esplanade. You have got more BMWs in Altona than I have ever seen before. You have got this changing attitude and people working in the city, not at the factories — but certainly their company is probably well and truly involved in it — so they do not understand what the buffers are doing and they are more than willing to jump up and scream in reaction to any slight discomfort that they cop. By the same token, it is very fortunate that we are getting a hydrocarbon processing facility in Altona. I know that the community is completely rapt about this — though I hope you will pardon the glum look on my face at the moment. We have this expectation of what people want in what they see as a bayside suburb versus the practicalities of the history of the area. As you said, people have historically known what to expect in that area because they have worked in those industries, but now it is starting to dilute to the point where you have got these larger groups that are not intimately involved.

Mr MERRITT — There is no doubt that the very change you articulate is very evident at every community meeting we go to. It is very evident in Altona. It is very evident in the Brooklyn discussions as well. One of the suburbs which is heavily affected is Yarraville, and Yarraville is going through a massive transition. The people in the room, their demographic and how long they have been there is opposite to the Brooklyn scenario, where they lived there because the job was there. That is true; there are very different expectations from different groups.

Mr ELSBURY — On one other point, as those areas become gentrified and a lot more upwardly mobile there is going to be a lot of pressure put on the companies in those areas. The cost of doing business is going to start going through the roof as they have to put further restrictions on their industry. The price of the land will go up, which means that the rates and land taxes that they pay will go up. Do you think there will be a transitional time at the end of dealing with the operational issues of the site? Are there any plans for when it goes from being operational to being converted into commercial or residential properties? Are there strategies in place?

Mr MERRITT — It is interesting. We are seeing that scenario play out right now at Brooklyn, where the master plan has been commissioned for that precinct. At the last community meeting a fortnight ago the consultants came and began to address or listen to the community as to what the master plan for that site will be. We are seeing that debate play out every day now. We have businesses out there, particularly the major odour generators on that site — —

Mr ELSBURY — That is a nice way of putting it, yes.

Mr MERRITT — They are now really having to weigh up every week their commercial viability. It is 'If I move, what will it cost and where do I move to?' versus 'A major capital upgrade of what I have to perhaps stay here for another 10 years'. That is going on as we speak. We have seen some of the businesses pack up and move. The windrow composters have moved because it is just not viable on that scale, and there are major pieces of work to put consolidated composting facilities around the outer metropolitan area. It is really playing out right now. It is part of what spawned this master plan for the area because the businesses are wanting to know what their future is there. There are so many factors such as roads and transport networks that play out with that, including future land values.

Mr ELSBURY — Tell me about it.

Mr MERRITT — It is also, from our point of view, a very interesting time.

Mr ELSBURY — But do you have strategies in place to deal with this transition when it happens? You were saying here that you do not have adequate information on sites for the mapping of contamination. Is that sort of work already being done now, where you can say, 'Over here we have some problems with some chlorates that have got into the soil' or 'Over here we have to deal with the fact that there is an asbestos area that has been capped, and we will not be able to touch that'? Has that been done?

Mr MERRITT — A lot of work has been done on Brooklyn, and a lot of work is being done as part of this master plan because obviously we have the old Huntsman site there at the north end, as well as the landfills on the west, which are filling up, and a host of other pieces of land. In a precinct like that it is not that difficult to do that testing, and that work will be done as part of the master planning for the site.

Mr SCHEFFER — I want to ask you about asbestos removal in homes. As you would know and for the committee's information as well, the projections are that a major source of asbestos-related disease is going to come from the renovation of domestic houses over the next 20-year period, and that is estimated to be in the many thousands, as I understand it. Considerable work has been done around the area in various ways in developing asbestos removal kits and so forth. It seems to me it is a bit stuck. It has to have a bit of a gear change, be ratcheted up and really start moving, given the enormity of the public dangers that are involved in this. There were also airings of this on the ABC in the last few days. ABC news ran a story on the issue, so it is certainly growing. Just to start off, what is the EPA's role in that particular policy space in relation to monitoring and what you talked about with the importance of working with local government?

Mr MERRITT — We just closed a funding round in the last 10 days, where there is access to funds for local government or regional waste management groups to enhance their facilities for asbestos receival to target that domestic market. I think the problem you are alluding to is that obviously all the councils are subject to the one insurer and the insurance that the councils have has a blanket exemption for asbestos-related manners. That has caused some of those councils to pull back from wanting to expand their facilities at the local transfer stations. We have been working with MAV to see if we can find a way through that particular problem. Despite it I think we have had nine applications for funding to increase that receival, most of which are pre-conditional on resolving the issue. We are just going to have to find a way to resolve that particular issue.

Mr SCHEFFER — That is a liability issue. What about the overall policy for the example of people buying houses who do not know whether they contain asbestos. Do you think it is a useful strategy to have audits done on houses at point of sale? What would that do to the market? Have you given thought to all these issues?

Mr ELSBURY — Yes.

Mr SCHEFFER — I am serious. It is a major public policy issue.

Mrs PEULICH — You would have a lot of oldies being bankrupted.

Mr SCHEFFER — That is the nature of my question.

Mr MERRITT — The current advice for people purchasing a house or who own a house is to assume that if the house was built before the late 1970s, the wet board in the wet areas around the kitchen and bathroom and probably the eaves will be AC sheet. You should assume it is AC sheet. You can assume it is not a friable in

that form. It poses no risk until you start drilling it, hammering it and knocking it around. But you should assume it is AC sheet and treat it as such, as with any flues around old hot water services and the like.

Mr McCONNELL — On our particular role within that, there are several government agencies involved in the asbestos question, and the EPA's particular role is in the transport and disposal of waste asbestos. In terms of clarifying those questions of policy coverage etcetera, advice to householders about management of asbestos within the home is led from a Department of Health perspective.

Mr SCHEFFER — Is the number of agencies involved unwieldy?

Mr McCONNELL — I think we are working through the problem with those other agencies — so the Department of Health, WorkSafe and SLs.

Mr SCHEFFER — Yes, but with respect, that is not an answer. Do you think it is an unwieldy structure. You said it is led by DH, which I understand and accept, but is enough coordination then given? What is the figure we are talking about? Is it 8000, 20 000? People might be susceptible nationally in relation to this; it is not just Victoria.

Mr MERRITT — It is not known, yes.

Mr SCHEFFER — They are fairly alarming figures. Given the enormity of the number we are tracking for that and what I would suggest is the fairly low levels of public understanding about it, is it enough? I do not know whether it is your place to form an assessment about it — —

Mr MERRITT — I do not think it is unreal. I think there is a requirement on the agencies to work together to do just that. We are convening a meeting with DH, WorkSafe, ourselves and the MAV in the next couple of weeks to progress through this drop-off issue or the lack of facilities. I think it is reasonable that we should be expected to navigate through those issues and resolve them without having to expect some single point of accountability on it. I think asbestos continues to be such a difficult issue to deal with. Some of what we see in the efforts to assist on the issue by alerting people to the risk have had the unintended effect of creating a level of alarm, which is also not helping in regard to how it is dealt with.

Mr SCHEFFER — Yes, I understand that.

Mr MERRITT — We have been trying to work through that place now for about 20 years or so; hence the need for us to get around and try to work through some of these disposal initiatives. The issue that has been put up about the kit, that advice and all of that is a logical process to enable people to, in the first instance — if they have any doubt about it, you should be encouraged to get someone in who knows what they are doing, but if it is a small amount under so many metres it can be done with the risk managed through wearing a mask and having the gloves and putting it in a bag and taking it off to the right spot.

Mrs PEULICH — Before I start, I thank you for the information on the chart. The reason I do that is that a very substantial part of your work is connected to and within my own electorate. I would say probably about 70 to 75 per cent of the calls or complaints that you have logged arise out of the South-Eastern Metropolitan Region, and probably about 35 per cent of the logged complaints arise out of the Kingston green wedge. I think what this signifies is a real turning of the corner for the EPA, and for that, John Merritt, I think you ought to be commended. You operate in a very difficult area, with many stakeholders and many overlapping responsibilities and issues that cannot be resolved overnight or even in the short to medium term in many instances. It is a politically charged area, and despite my scepticism I say that I am impressed with the progress that you are making in turning the culture of the EPA around. I think the Auditor-General's report on the mismanagement of hazardous waste, particularly on the fragmented databases, was explosive, and I think you have taken the bull by the horns. You have taken an organisation out of the cave and its hermit-like existence into the public arena, and you are dealing openly and honestly and being up-front with stakeholders. This is exactly what is required.

Obviously in representing that area I am very keen to see progress, and I am very keen to see improvement and amenity and appeasement or response to the various health concerns that people have arising from the hot spots you have so clearly identified. I have five questions, but I wanted to start with that preamble because I think a pat on the back in an area where you guys get a lot of kicks in all parts of the nether regions and all over the body probably needs to go on the record.

You indicated earlier some of the basic principles that need to be applied when we create new subdivisions. How are you communicating that insight to local government? I understand that you want to be a referral agency, and there is probably enormous merit — not to use a pun — in that, but in the meantime I think that type of insider information needs to be communicated to local government. How are you doing that?

Mr McCONNELL — It is a fair comment to say that it needs to be communicated to local government. At this stage most of our focus has been about trying to establish the links with the Growth Areas Authority and with DPCD to, I suppose, look at it at that sort of structure planning level, but you raise an important issue. As John mentioned earlier, we are stepping through a process at the moment to try and establish MOUs et cetera with key local governments around just how we are going to work together, and I think these kinds of issues about bringing forward information we have that could help in the design of subdivisions and so on will be part of those MOUs, particularly in the fringe or peri-urban councils.

Mr MERRITT — The MAV asked the same question. They have a standing environment committee, and we are now a standing member of that committee. The idea is to bring this information to those councils through that form and say, 'What are we learning? What are we seeing? How is that injecting your planning?'.

Mrs PEULICH — I urge that you do not overlook, for example, the Kingston green wedge and Kingston council, the reasons being that they are currently undertaking a Kingston green wedge plan and that those plans could be informed by the more recently found wisdom of the EPA — or perhaps rediscovered wisdom of the EPA — as they move forward.

I move on to my next question. Looking at the hotspots you have identified, could you just talk about general principles — not the specifics but the general principles — of what you are doing to address some of the concerns arising out of the hotspots, maybe in order to improve amenity and address the health concerns that people have and still express? I say that many of those complaints under the old EPA would not have even been logged, as we know from public meetings. It is great to see that not only are they logged but that they are plotted, and it is great that you are actually taking them seriously.

Mr MERRITT — Our first job is to gather the evidence, because the EPA's actions are governed by an act, and our actions are triggered by the law. Our first piece of work is to gather the evidence. Where the offence is dust, we have set up dust monitoring equipment. In Brooklyn we put up a monitoring bit of kit in the primary school playground, and we track it through and we have reported those numbers. That has been the catalyst for us to act quite strongly there.

In the Clayton South area where the issue was primarily odour, we have a field officer through that area every day when we think the weather conditions might be conducive. We are gathering evidence. That is the only thing we can do to make sure. We have our office in Dandenong and they rotate driving through morning and night to make sure we are gathering evidence, and it is the same for the landfill at Hallam Road. That is our first step. Then we use our own scientific background to look at their plans for managing it, whether it is a dust or an odour issue. In the case of the landfill, we know exactly what the cause is and the flooding of the landfill gas extraction — —

Mrs PEULICH — Due to the unusually wet weather?

Mr MERRITT — Obviously the wet weather. It is a lack of adequate infrastructure.

Mrs PEULICH — And old technology.

Mr MERRITT — Not enough investment made in infrastructure. Obviously it is exacerbated by the heavy rains of the last 12 months, but that is a reason; it is not an excuse.

Mrs PEULICH — But that is winter, and then in summer we have dust.

Mr MERRITT — And in summer we have the dust issue. Dust is easier in landfill because you can spray water around and keep it down.

Mrs PEULICH — Not at Mount Heatherton. It would be a lot of water.

Mr MERRITT — That is true, and getting it topsoiled and sown where it has been capped. Then it is the issuing of formal notices and making sure they are public and that businesses are held to account.

Mrs PEULICH — So you are tracking and you are enforcing. What capacity is there to secure more investment in infrastructure? One of the limitations has been that we did not know where they were, they were not being enforced and compliance was not required, so you are doing a great job there and I would like to commend you on that. But, of course, many of those permits were old permits — for example, at Mount Heatherton it is my understanding that they are able to stockpile to a level where, obviously, dust becomes a factor because there is no height limit on the stockpiling in the existing permit. Obviously that is a legacy issue.

Mr MERRITT — We are not restricted in requiring the owners or the operators of those landfills to make the infrastructure investments that need to be made for those facilities to comply with the law. That is what is in our notices and that is the money that is being spent. We have the authority we need. I think where we are challenged is in our resolve to make sure it is done, and done in a timely way and keeping on with those. I think we are seeing, particularly in the Clayton South area, that more issues have been emerging — landfill gas and leaks and pumping issues and things like that.

Mr McCONNELL — And then we convert that knowledge into the standards for future sites and developments. Last year we updated the landfill guidelines. We are currently consulting on buffers and technology requirements around composting facilities. That is an example of how that then translates through so that the new sites get the right level of investment and the right sort of technology.

Mrs PEULICH — Which brings me to the next question — that is, obviously we have some legacy issues. The local community is very keen to see a time frame around tips and landfills so that they are phased out. You have already indicated that there is a limited use to which capped landfills can be used. Is there new research as to the types of uses that capped landfill, which was the basis of the old Moorabbin chain of parks concept — —

Mr MERRITT — Yes.

Mrs PEULICH — Which dates back to the 1980s. Is there new research which can perhaps broaden our understanding of what those capped landfills can be used for?

Mr McCONNELL — I would need to check, but to my knowledge at this stage the discussion is still largely around passive uses of one kind or another for these sites, because there are both environmental questions around them but also structural questions with settlement and so on, which makes more intensive uses quite difficult. There is the need for many of these sites to be managed for several years into the future, or several decades into the future — —

Mrs PEULICH — Thirty years.

Mr McCONNELL — It depends on each case.

Mr MERRITT — It depends on what is in them.

Mrs PEULICH — It depends on whether they are inert or in vitreous form.

Mr MERRITT — I am expecting the technology or the science in this area to progress very rapidly over the next decade mainly because there is so much valuable land tied up in Europe. There is an enormous amount of research being done on various bacteria that actually consume the waste inside.

Mrs PEULICH — It accelerates the process of decomposition and rehabilitation.

Mr MERRITT — Yes, it actually eats it and it then dies. Where we have liquid wastes and hydrocarbon-based wastes, there is an enormous amount of research work being done in universities and, in fact, there are some products out now that are being used on oil spills and things which literally just eat it. The issue of our legacy sites is that the cost of cleaning up is more than the cost of the land, whereas in Europe there is actually an enormous windfall to be made if these sites can be cleaned and used in the future. A lot of money is going into fixing them and that has been accelerated by the consolidation of the chemical industry over the last 10 years as well. A company buys another company and ends up with these legacies and puts some real effort into cleaning them up.

Our big issue is our old Tullamarine landfill, which is our big liquid waste legacy site, which will sit there for a long time because we do not have an answer for that site today. We do not have an answer other than to cap it.

Mr ELSBURY — It is not sitting there — —

Mr MERRITT — No, it is not. They do not actually sit there; they migrate and move. Fortunately it is not moving quickly because it is thick and gluggy. It is moving fairly slowly. My expectation is that it will not be there for a century. Technology will come up with ways for that to be rehabilitated.

Mrs PEULICH — Let me say that the local communities of Clayton, Clarinda, Dingley Village and all of those are very keen to see some better outcomes. Specifically in relation to the Kingston green wedge investigation or review that is currently taking place, and in view of your comments that you believe — and I agree with you at face value; I have not seen the detailed argument — that the EPA should be a referral agency, and given that only 21 per cent of the Kingston green wedge is not zoned for special uses, which means it is green wedge and all of the rest can be used potentially for landfill and waste management and other uses, naturally we would like to see more compatible uses given the proximity of residential housing around it.

Do you think it is appropriate for the EPA to be making a submission as part of its next consultation on the Kingston green wedge plan? Given the insights that you have, do you want to perhaps answer that or take that on board? I think it is really important, and it is really important to take the politics out of it because the communities surrounding that area deserve better than what they have had for far too long.

Mr MERRITT — I think one of the consequences of the recent months is that we have forged a much closer relationship with the City of Kingston both here and also with the Mordialloc Creek issue.

Mrs PEULICH — Yes, and you have been absolutely fantastic in resolving the issue.

Mr MERRITT — We have all worked well together and that has been a good result. I think it is a good example of how keen we are to work together and find opportunities to work together and knock things off. It would make good sense for us to get involved in the green wedge issue as well.

Mrs PEULICH — Thank you. Lastly, where should we be placing tips and landfill? In particular with these hot spots, obviously the lifespan of some of them is much longer than others. The legacy issue again is the old technologies and some of the unlined pits — that is, the new pits are fine but the old pits are not. What should the grand plan be in relation to these hot spots?

Mr McCONNELL — The simple answer on that is I suppose the minister has asked the DSE to commence a review of waste policy. Fundamentally that is looking at those sorts of questions such as what ought to be the arrangements for waste management in Victoria? That goes through to things like the role of landfill versus other technologies and the opportunities to see us move forward in that space. That is the process that will deliver us those answers and find the opportunities for new technologies and where the costs and benefits sit for the community as well.

Mr MERRITT — The issue for us is that one of our resources is holes in the ground. We have fantastic clays that make fantastic bricks and pavers. We have great resources of sand. We have got basalt railways and — —

Mrs PEULICH — What do we do with the holes? Karkarook Park has a lake as a result of the sand obstruction.

Mr MERRITT — We have a lot of holes and they are cheap. Therefore it is an easy way to get rid of rubbish. The future is not putting rubbish in the ground. There are a number of ways to stop that. The levy creates a market mechanism that puts a real cost on that and that is driving some tension. We are not seeing that move as quickly as it can in terms of supporting the recycling industry coming up, but if you look at what gets trucked into these landfills, a third of it is food and that can be composted. The Metropolitan Waste Management Group is letting parcels of green waste contracts. It has let the north-west contract, which will be out at Bulla Road. There will be at least one north-east and south-east contract. There might be a fourth one, but they will be big in-vessel composting facilities, all of which will have the capacity for food. A third of it is food.

A third of it is moisture — most of that goes — and a third of it at this stage needs to go into the ground, but even some of that can be recycled out. In my view the answer is not putting this stuff in the ground.

Mrs PEULICH — I understand that, but even recycling has offsite impacts unfortunately.

Mr MERRITT — It does, but again the technology in terms of that composting issue, because it can be an odorous issue, has advanced significantly. They are enclosed now, and there is energy that comes off it as well.

Mr TEE — Earlier you talked about a contaminated site and you are doing some work in terms of ameliorating or at least investigating the contaminations. One of the areas that the committee is interested in and I think it is going to have a look at is Fishermans Bend. Have you done any work in relation to the contamination there and what have you found?

Mr McCONNELL — We have probably had involvement with particular sites at different times over the years in the Fishermans Bend area, but at this stage we have not done the proactive piece in a sense to say, 'Where are all the sites?'. That is part of the work we would kick off now generally and that would include the Fishermans Bend area. One of the things we have had in place for many years is a system to make sure that every site is checked properly before it is redeveloped — that is, a system of environmental audits to make sure that before land is used for residential purposes it goes through a thorough independent verification that it is actually safe for use. Whilst at this stage we could not say exactly what the concentrations are in each piece of land, we have a system in place which seeks to make sure that the checks are done before the development occurs. That is the process that will roll through.

Mr TEE — Clearly that is one of the red areas in terms of the history of quite heavy pollution. Have you started that work or are you still waiting?

Mr McCONNELL — The process of checking and so on will happen as the agencies that seek to develop the land will undertake in the first place the assessment work to say what is there. Clearly many of those sites would be in the category of being potentially contaminated and the process then, as part of the development process, is that they must take the samples, test them and make sure what the levels actually are, and then that is subject to an independent third-party audit to make sure it is right.

Mr TEE — Does it vary? What is the length of time that you would expect that sort of examination would take place in broad terms?

Mr McCONNELL — It is a process that runs over often months to years, and I suppose a similar process was worked through to underpin the development of the Docklands area, for example. In many cases the capacity for the development, or in a sense, the market capacity to absorb the development, also runs out over many years too, so the two run in parallel.

Mr TEE — So it would be months or years probably. The other issue your submission talks about is the encroachment in relation to ports. Airports have got the same issue where this is sort of a fear that as housing developments particularly come closer, those residents — I think we have already spoken about this — get concerned about the lights, noise, dust and so on and complain, and that puts pressure on the operating hours at the ports and indeed at the airports. We have seen that issue being activated. You talked there about the planning panel's advisory committee report. Can you give us a flavour of what sort of issues are emerging there?

Mr McCONNELL — In our submission to the port environs inquiry, what we were looking to do was firstly to identify the range of impacts the port can have in terms of the nature of those impacts, their severity and the kind of areas they might cover spatially so that that information can then be factored into the planning arrangements around those ports. It is things like noise, but it is also air emissions from the ships and the large number of vehicles operating both within the port and in and out of the port. It is taking into account all of those issues to identify how far our submission to that inquiry looked at those issues to factor them into the planning decisions.

Mr TEE — Can we have a look at that report? Are you able to make that literally — —

Mr McCONNELL — I believe so. We can provide you with a copy of that submission.

The CHAIR — Just before we close, another site we are going to visit is Armstrong Creek. I was just wondering what the role of the EPA has been in the development of Armstrong Creek and the key issues you thought were imperative from the EPA's perspective in that development?

Mr McCONNELL — To be honest I would need to take that issue on Armstrong Creek on notice.

Mr MERRITT — There were two issues that I was aware of; one was that there either was or is a broiler farm in that area, which I think has subsequently decided to move on. That was an early contentious issue for us, because of our experience with broiler farms and other issues, particularly in the Seymour, Nagambie and Bendigo areas of the state. The second issue is with the cement kiln down there — the Blue Circle kiln. Whenever we have community meetings in that area, community members are often concerned about access to information about what is coming out of the stack of the cement kiln. Because kilns are such voracious consumers of heat and therefore energy they are often used to burn other substances to try to substitute coals and electricity in there. Communities become alarmed and ask, 'What does that mean for the emissions?'. Generally because they burn at such high temperatures there is no cause for alarm, but that is an issue for residents. They hear about it; it travels by word of mouth and they get alarmed about it.

The CHAIR — Are you involved in the discussion about the location of an industrial precinct within the development of something like an Armstrong Creek?

Mr McCONNELL — That is the kind of discussion we would like to be more involved in. Currently it is on a discretionary basis. Sometimes that might occur, and sometimes it does not. From our end we seek to maximise those chances through our engagement with local government and the planning sector more generally, but there is that opportunity to flag the importance of that.

The CHAIR — We are running a bit over time. Thank you very much; that was a really informative session.

Mrs PEULICH — Keep up the good work. We want more results.

Witnesses withdrew.