Impact Analysis Statement

Summary IAS

Details

Lead department	Department of the Environment, Tourism, Science and Innovation (DETSI)
Name of the proposal	*Waste Reduction and Recycling (Variation of Waste Levy) Amendment Regulation 2026*
Submission type	Summary IAS
Title of related legislative or regulatory instrument	*Waste Reduction and Recycling Act 2011* *Waste Reduction and Recycling Regulation 2023*
Date of issue	June 2026

Proposal type	Details
Minor and machinery in nature	There are <u>four</u> proposals seeking to amend the *Waste Reduction and Recycling Regulation 2023* (WRR Regulation). <u>Two</u> relate to clarifying and simplifying processes and decision-making under the WRR Regulation. These proposals are **minor and machinery in nature with no or negligible regulatory costs:** *Regional levy rate* 1. Section 14 and schedule 1 of the WRR Regulation prescribe the *level 2 (regional)* waste levy rates until 2023-24. The regional levy rate beyond 2023-24 has been calculated annually using government indexation, which is inefficient as it requires applying indexation to multiple years. The proposed amendments are to update the last prescribed regional levy rate to the 2025-26 rate, to streamline future calculations of the regional levy rate. This proposal is minor and machinery in nature as it is implementing, through amendment to the WRR Regulation, existing government policy with the most recently prescribed regional levy rate (see DETSI website https://www.qld.gov.au/environment/waste-reduction-recycling/disposal-levy/about/levy-rates). *Annual payments to local governments* 2. Section 26 and schedule 5 of the WRR Regulation prescribes the amount payable to local governments affected by the waste levy out to the 2026-27 financial year. Annual payments are provided to local governments to mitigate the direct effects of the waste levy on households. The proposed amendments provide the relevant payment amounts beyond the 2026-27 financial year out to the 2029-30 financial year.

The annual payments continue to decline by 10 per cent per year, reaching an end point aligned with the targets in the new Queensland Waste Strategy: 50 per cent for major regional councils and 30 per cent for metropolitan councils – instead of reducing to the former government's level of only 20 per cent. The annual payments for Mount Isa City Council, Somerset and Toowoomba Regional Councils are adjusted in accordance with the change in levy zones (see proposal 4 regarding levy zone changes).

This is a routine amendment to provide clarity and certainty to local governments and give effect to the government's decision on the outcomes of the levy review.

Figure 1

	Annual payments to local government trajectory			
	2026-27	**2027-28**	**2028-29**	**2029-30**
Metropolitan	60%	50%	40%	30%
Major Regional communities	60%	50%	50%	50%

Regulatory proposals where no RIA is required

One proposal has **some (but not significant) impacts,** that decision makers should be aware of, directly supporting the objectives of the *Waste Reduction and Recycling Act 2011* (WRR Act) and WRR Regulation. **This proposal does not require regulatory impact analysis under the Better Regulation Policy**.

Metropolitan levy rate

3. Section 13 and schedule 1 of the WRR Regulation prescribe the *level 1 (metropolitan)* waste levy rates until the 2025-2026 financial year. The proposed amendments are to provide the level 1 waste levy rate until 2029-30 increasing by $10 per year.

Figure 2 – Level 1 rate

	2025-26	2026-27	2027-28	2028-29	2029-30
Current levy rate	$125 a tonne	Not stated therefore reverts to Government indexation rate	Not stated therefore reverts to Government indexation rate	Not stated therefore reverts to Government indexation rate	Not stated therefore reverts to Government indexation rate
Proposed levy rate	$125 a tonne	$135 a tonne	$145 a tonne	$155 a tonne	$165 a tonne

This proposal has some impacts (but not significant). The proposed increase in the metropolitan levy rate continues the annual increases since 2021-22 and is not considered to impose any additional regulatory burden or compliance compared to the status quo.

Without stating the financial value of the waste levy rate proposed above, the levy rate increases for future years by the indexation rate based on the previous financial year.

The government has approved the levy rate continuing to increase by $10 per year for the metropolitan zone. This will ensure the levy continues to meet its objective to act as a price signal, helping reduce the amount of waste being disposed of to landfill. The inclusion of the levy rate out to 2029-30, in the WRR Regulation, provides clarity and certainty for local governments, industry and the community broadly.

	One proposal is **deregulatory and does not increase costs or regulatory burden on business or community** and focuses on improving flexibility and supporting key stakeholders under the WRR Regulation. **This proposal does not require regulatory impact analysis under the Better Regulation Policy.** 4. Schedule 2 prescribes the metropolitan and regional local government areas for the waste levy zone. The proposed amendments will rezone: a) Somerset Local Government Area from the metropolitan levy zone to the regional levy zone (from 1 July 2026); b) Toowoomba Local Government Area from the metropolitan levy zone to the regional levy zone (from 1 July 2026); and c) Mount Isa Local Government Area from the regional levy zone to the non-levy zone (from 1 July 2027). The re-zoning of these local government areas (LGAs) follows assessment of the volumes of waste generated and disposed across all councils in those zones, with these three LGAs significantly less than their counterparts. This proposed rezoning is supported by feedback received from these councils seeking to be rezoned. These amendments will reflect a reduction in levy rate payable on levyable waste for those councils and therefore is considered de-regulatory in nature.

*Refer to *The Queensland Government Better Regulation Policy* for regulatory proposals not requiring regulatory impact analysis (for example, public sector management, changes to existing criminal laws, taxation).

Impact assessment

	First full year	First 10 years**
Direct costs – *Compliance costs**	**Zero**	**Zero**
Direct costs – *Government costs*	**Zero**	**Zero**

* The *direct costs calculator tool* (available at qpc.qld.gov.au/best-practice-regulation) should be used to calculate direct costs of regulatory burden. If the proposal has no costs, report as zero. **Agency to note where a longer or different timeframe may be more appropriate.

Patricia O'Callaghan
Director-General
Department of the Environment, Tourism
Science and Innovation

Date: 9.6.2026

Andrew Powell MP
Minister for the Environment and Tourism
Minister for Science and Innovation

Date: 16.06.2026