



Response to:

**Western Australian Container Deposit Scheme
Consultation Regulation Impact Statement August 2018**

The Consumers' Association of WA (Inc.) (CAWA) is strongly opposed to the proposed Container Deposit Scheme (CDS) and contends that perceived consumer support is essentially a kneejerk reaction to misinformation presented and a naivety as to the finer details of the proposed scheme e.g. most consumers are not aware that the increased cost of beverages is likely to be 30% more than the refund available through the scheme. We also note the limited time allowed (less than one month) to respond to this RIS.

The results of the CDS survey are misleading and should not be relied on as a reflection of public perception. The flawed survey first asks if the respondent is in favour of the Scheme and then, after a NO response, asks what the respondent likes best about it, with no questions about or opportunities to comment on its drawbacks.

Most importantly, CAWA is appalled that the scheme will exploit the most vulnerable members of our community: children, seniors, the financially, socially and physically disadvantaged, who are expected to comprise the front line of collectors and receivers. Collecting 500 littered containers (several hours work) is not a practical or viable way to make \$50. Collectors/scavengers will not earn a minimum wage nor be covered by insurance while "working". The RIS (p 53) assumes the value of consumers' time at \$30 per hour, but the value of collectors' redemption time at 10 minutes per 10c refund, except at reverse vending machines, which is not supportable in Australia in 2018.

While the main aim is to reduce litter in the environment, a CDS is also not a practical way to deal with illegal dumping or the plethora of other littered items found on roadsides, unmanaged land and in our rivers. Because they are bulky, beverage containers may represent the most noticeable litter on roadsides, but containers are easy to locate and collect. The CDS offers no incentive to concomitantly collect any other roadside litter, and will dissuade many volunteers from cleaning up anything but intact eligible beverage containers. Furthermore, containers must have new bar codes and be in a reasonably intact and clean condition to be eligible, thus those already littered to date are unlikely to be removed from the environment.

Consumers are forecast to pay an additional 15c per beverage container, estimated to amount to an additional \$195M per year impost on WA beverage consumers (based on 1.3B containers shown in RIS Table 1, although the RIS Summary confusingly says 1.8M



containers), given the “small net cost to the beverage industry”. This is enormous if (as the RIS states) the status quo is that “governments spent approximately \$16M per year on cleaning up litter in WA”.

Under a CDS, some money is to be returned to consumers who have the capacity and choose to participate in a CDS. Although returns are expected to benefit some clubs and charities, a return of \$50 for 500 returned containers will not inspire most consumers to do more than return the occasional container when convenient.

The majority of the money raised will be spent on management and infrastructure which will be of minimal benefit to the community or environment.

There are better ways to return the additional money paid by consumers to the community, through real jobs in litter collecting and recycling and support for organised volunteering. The latest National Litter Index results attest that WA’s new penalties for littering, together with community education and support from KABCWA, have already resulted in a substantial reduction in roadside litter.

KABCs Adopt a Spot and other Clean Up programmes, with thousands of engaged and informed volunteers, have demonstrated massive benefits at minimal cost and need to be further supported. The KABCWA annual budget is about 2% of the \$100M to be levied, essentially on consumers, just for the management and infrastructure to run the CDS.

CAWA would prefer to see an Advance Disposal Fee charged at source to manufacturers (though ultimately still out of consumers’ pockets) to provide \$100M that could be targeted at jobs in comprehensive litter reduction/removal, subsidize recycling facilities, provide community education and ultimately fund research into better beverage containers and world’s best recycling practices. This would also benefit charities and community groups - without the suggested multilayer bureaucratic approach proposed for the Scheme or the unnecessary and unsightly infrastructure associated with it.

Without adequate recycling facilities in WA or proposals to encourage and support these industries, a CDS is economically and environmentally inappropriate.

The Scheme is restricted to eligible containers which will lead to a decreased choice of products on shop shelves. Many imported products will not be eligible causing confusion for consumers who regularly use them.

Some CDS revenue will flow to vulnerable people (though not condoned) through commercial and household bin scavenging activities. Scavengers will attempt to access household, public and commercial bins, an activity with serious health and safety (broken glass, syringes, putrescibles), privacy and security issues. Scavenging also leads to increased littering of other bin waste. It would be better to engage the community in healthy, productive and educational, community based activities e.g. Scouts and KABCWA’s Adopt-a-Spot are currently controlled, resourced and very effective.

There are several other ways a CDS will negatively impact consumers (participation costs are identified but not quantified in the RIS) and the environment e.g. finding space to store an economic quantity of containers prior to recycling (60 bottles or a car boot full is suggested), removal of lids (which legislation should ensure are recyclable), water for rinsing, insect and vermin control chemicals in the environment. Fuel, time and carbon issues around delivery to recycling points are also significant concerns for CAWA. Reduced waste management charges, identified in the RIS as having a positive impact on consumers as stakeholders, are also not guaranteed or quantified.

CAWA likens a CDS to fuel discounts – not worth going out of one’s way for, useful only if fortuitously in the right place at the right time. Because of WA’s larger distances than in other states, there is likely to be a greater distance between facilities and hence a higher cost in time/fuel than in other states.

It is our opinion that we need to reinforce the verge collection recycling system with its demonstrated economy of scale, not make recycling more complex. Most consumers are keen to recycle but many get all their recycling education from under a bin lid. We need to build on this simple system to encourage greater efforts to recycle. Strategic placement and educational design of bins in the community should further encourage recycling. Many consumers are happy to sort their waste and in the absence of individual bins, even with a CDS implemented, transfer stations and tips should be able to collect non eligible recyclables (wine bottles, batteries, plastics, bulk cardboard, clean newspapers, juice and milk cartons etc.) as a one stop shop. Conformity between local government areas is essential to reduce confusion.

Submission prepared by

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President
10 September 2018

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