



Government of **Western Australia**
Department of **Water and Environmental Regulation**

Container deposit scheme: Minimum network standards review

Summary of submissions and recommendations –
First review April 2021

Department of Water and Environmental Regulation
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1 Background

The container deposit scheme (CDS), Containers for Change, started on 1 October 2020 to allow people in Western Australia (WA) to return their empty beverage containers to a refund point and receive 10 cents for each eligible container returned.

The Department of Water and Environmental Regulation (the department) developed the [Minimum network standards: Refund point locations and hours of operation](#) (May 2019). The Minimum network standards seek to balance consumer convenience with scheme costs.

As part of developing the Minimum network standards, the department consulted key stakeholders and the public in 2018. Following consultation, the department released the [Minimum network standards consultation summary](#) (May 2019), which modelled the collection network to provide indicative locations and refund point numbers.

The department started the first review of the Minimum network standards in April 2021, in accordance with the legislative requirements detailed in section 2. This report provides an overview of comments provided by the scheme coordinator, WA Return Recycle Renew Ltd (WARRRL), and the Western Australian Local Government Association (WALGA), along with the outcomes of the review.

2 Legislative requirements

The CDS was established under the *Waste Avoidance and Resource Recovery Act 2007*. The Waste Avoidance and Resource Recovery (Container Deposit Scheme) Regulations 2019 require that the Minimum network standards be reviewed:

- as soon as practicable after the six-month anniversary of the scheme commencing
- after that, at intervals of not more than six months for the first three years
- after that, at intervals of not more than one year.

The scheme started on 1 October 2020.

3 Review process

In April 2021, the department commissioned Metrix Consulting to conduct a benchmark study: *Community perceptions of Containers for Change*.

Metrix Consulting undertook an online survey of the WA community (aged 18 years+) between 3 and 17 May 2021. The survey took 10 minutes to complete. Targeted interviews were used in some Perth metro and regional areas to achieve the target samples in locations where refund points have reduced operating hours (refer to section 4.2). A total of 955 online surveys and 208 telephone interviews were completed. The scope and key findings of the benchmark study are summarised in Appendix 1.

In parallel to the benchmark study, the department prepared an issues paper that summarised the matters identified for consideration in the first review.

The issues paper supported consultation with key stakeholders, WALGA and WARRRL.

The department considered all comments and feedback received and has made decisions that seek to balance consumer convenience with scheme costs.

4 Issues identified

4.1 Operation requirements on public holidays, following unforeseen circumstances and because of legal constraints

Context - Public Holidays

The Minimum network standards (section 1.2, page 2) states:

On and from the date of commencement, the coordinator must ensure that the following minimum hours of operation requirements are achieved and maintained in respect of full-time refund points and stationary flexible refund points:

- Full-time refund points must provide at least 35 hours per week including at least four weekend hours.
- Stationary flexible refund points must provide at least 16 ordinary business hours per fortnight, at least eight of which must be weekend hours.

The Minimum network standards refer to hours per week, ordinary business hours and weekend hours, and does not specify the application of public holidays.

Context – unforeseen circumstances and legal constraints

Unforeseen circumstances (e.g. fire, floods, cyclones, pandemic) or legal constraints (e.g. insolvency, injunctions) may prevent the requirements being met.

Such circumstances were not considered in the Minimum network standards but would place the coordinator in non-compliance.

Options

The Minimum network standards could be updated to:

1. Exclude public holidays from the calculation of minimum hours of operation (aligned with the terminology used for 'business day').
2. Accommodate unforeseen circumstances and legal constraints that may arise.
3. Incorporate a reasonable timeframe (e.g. three months, six months or 12 months) for the coordinator to procure a replacement, where a business's infrastructure is damaged or the business fails.

Table 1: Summarised stakeholder comments – operational requirements

Issue	WALGA comments	WARRRL comments
<p>Operational requirements:</p> <ol style="list-style-type: none"> 1. Exclude public holidays from the calculation of minimum hours of operation. 2. Accommodate unforeseen circumstances and legal constraints that may arise. 3. Incorporate a reasonable timeframe (e.g. three months, six months or 12 months) for the coordinator to procure a replacement operator. 	<p>Options</p> <ol style="list-style-type: none"> 1. Support: This should not prohibit sites from operating on public holidays. 2. Support: Emergency incidents should be excluded from operating hours. 3. Support with 6–12 month timeframe. 	<p>Options</p> <ol style="list-style-type: none"> 1. Support the option. 2. Support the option. 3. Support the option.

The department's response and recommendations

1. Refund points should not be required to open on public holidays to meet minimum operating hours. Providing opportunities for public access to Containers for Change should be based on an ordinary working week. This does not prevent refund points choosing to open on public holidays.

The department's recommendation: Exclude public holidays from calculation of minimum hours of operation.

2. Meeting the minimum operating hours under emergency conditions such as fire, flood or pandemic is not in the best interests of public health and safety. While requiring refund points to be open during such circumstances was never intended, it is important to provide this clarification. Other unforeseen circumstances including legal constraints, such as injunctions or insolvency, should also be excluded from minimum operating hours requirements.

The department's recommendation: Exclude emergency incidents (fire, floods, cyclones, pandemic etc.) and other unforeseen circumstances such as legal constraints from calculation of minimum hours of operation.

3. Establishing a replacement refund point requires sufficient time for a tender process and due diligence checks as well as time for the business to obtain planning and development approvals, and to establish facilities.

The department's recommendation: Allow the coordinator up to 12 months to facilitate establishment of a replacement refund point where a business's infrastructure is damaged, the business fails or is incapable of operating (financial or legal constraints).

4.2 Definition of flexible refund point

Context

The Minimum network standards (section 2, page 4) define a flexible refund point as:

Flexible refund point	<p>Flexible refund points can be stationary facilities which must provide at least 16 ordinary business hours per fortnight, at least eight of which must be weekend hours.</p> <p>Flexible refund points can be mobile refund points, which will not be required to adhere to specified minimum hours, as they need the flexibility to cater for seasonal, mobile or event-based circumstances.</p>
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The definition and application of 'flexible refund point' in the context of minimum hours of operation is an important issue for customer convenience and access, particularly in remote areas where travel distances are relatively high.

Options

Where flexible refund points do not meet the minimum hours of operation the following actions could be undertaken:

1. The coordinator may investigate the provision of a bag drop facility to make up the operating hours shortfall.
2. The coordinator may investigate whether additional/alternative opening hours (i.e. opening mornings on the weekend) could be provided.
3. The coordinator may invite applications for additional refund points, which can provide minimum hours of operation or provide alternative operating hours.

Additionally, the Minimum network standards could also be updated to include consideration of caveats to accommodate 'economic viability' for where flexible refund points cannot meet the minimum hours of operation.

Table 2: Summarised stakeholder comments – definition of flexible refund point

Issue	WALGA comments	WARRRL comments
<p>Definition of flexible refund point:</p> <ol style="list-style-type: none"> 1. The coordinator may investigate the provision of a bag drop facility to make up the operating hours shortfall. 2. The coordinator may investigate whether additional/alternative opening hours (i.e. opening mornings on the weekend) could be provided. 3. The coordinator may invite applications for additional refund points, which can provide minimum hours of operation or provide alternative operating hours. 	<ol style="list-style-type: none"> 1. Partial Support: Bag drop facilities are not suitable for all locations. 2. Support: The community perceptions survey states that a preference for morning (9am–noon) is strong overall but particularly on the weekend. 3. Support: Flexible refund points must provide 16 ordinary business hours per fortnight, at least eight of which must be weekend hours. <p>The department should assess and approve any proposed reduction in services.</p> <p>The scheme coordinator is required to provide the baseline level of service.</p>	<ol style="list-style-type: none"> 1. WARRRL is proposing fence-line bag drops be available at all depots. 2. Pop-ups provide cash options and a staffed service to customers in convenient Perth metro locations and remote towns where depots could not be located or are not viable. 3. WARRRL will not invite any further operators to the scheme but will work with existing operators to provide more service to the Perth region. <p>Perth operators have embraced the need for weekend hours, with many now opening depots on Saturday and Sunday. Some regional locations have said that opening additional weekend hours will not be viable.</p>

The department's response and recommendations:

The definition and application of 'flexible refund point' is an important issue for customer convenience and access, particularly in remote areas where travel distances are relatively high.

WARRRL is encouraged to negotiate with refund point operators to provide bag drop facilities to enhance community access to Containers for Change.

WARRRL is encouraged to work with existing refund point operators to enhance community access in the first instance, rather than seeking additional competing

operators. The department notes that introducing additional operators in marginal areas may exacerbate refund point viability, with a potential loss of service.

Consideration of the economic viability of individual refund points while maintaining or improving the convenience of the return network will require further investigation as part of the ongoing review of Minimum network standards.

The department's recommendation: No change to the definition of a flexible refund point. Further consideration should be given in future reviews to whether a provision for economic viability should be included to allow for flexibility in operating hours.

4.3 Requirement of full-time refund point in each region

Context

The Minimum network standards (section 1.1, page 2) states:

On and from the date of commencement, the coordinator must ensure that each region of Western Australia has at least one full-time refund point.

At the time of publication of the issues paper the Gascoyne was the only region without a full-time refund point. Carnarvon, the major regional centre for the Gascoyne, had a flexible refund point which operated on Wednesdays from 1.30pm–5.30pm and on Saturdays from 8.00am–noon.

The Gascoyne has the lowest population of all regions in Western Australia and Carnarvon has a declining population (Mackintosh, 2021).

The benchmark study of community perceptions of Containers for Change found that perceptions of the scheme are very positive in the Gascoyne (Metrix Consulting, 2021).

However, the study also found that those living in the Gascoyne region are significantly more likely to desire opening hours on a weekend: 85 per cent wanted weekend hours (particularly in the morning) and, of those, 41 per cent only wanted to visit a refund point on a weekend (Metrix Consulting, 2021).

Options

The Minimum network standards may be updated to provide an exemption for a full-time refund point in the Gascoyne region.

Table 3: Summarised stakeholder comments – requirement for full-time refund points

Issue	WALGA comments	WARRRL comments
Requirement for a full-time refund point in each region.	WALGA does not support the loss of a full-time refund point in the Gascoyne region.	WARRRL continues to negotiate with the refund point operator to provide a bag drop facility to meet full-time operational requirements.

The department's response and recommendations:

WARRRL has advised the department that the Carnarvon refund point operator is now providing a bag drop facility to meet the full-time requirement for the Gascoyne region.

The department's recommendation: No change to the requirement for a full-time refund point in each region.

References

Containers for Change, 2020, [Where to return](#)

Department of Water and Environmental Regulation, May 2019, [Minimum network standard Consultation summary](#)

Department of Water and Environmental Regulation, May 2019, [Minimum network standards: Refund point locations and hours of operation](#)

Mackintosh, A., '[Carnarvon Shire population down 25 per cent in 20 years, but residents skeptical of tourists](#)', *ABC Pilbara*, 7 April 2021

Macmillan Dictionary, 2021, 'Unforeseen circumstances', 'Legal', 'Constraints', available at www.macmillandictionary.com/

Metrix Consulting, June 2021, *Community perceptions of Containers for Change*, unpublished report provided to Department of Water and Environmental Regulation

Appendix

Appendix 1 – Community perceptions of Containers for Change

In April 2021, the department commissioned Metrix Consulting to undertake a benchmark study to understand community perceptions of Containers for Change across WA. Key areas of the study were perceptions of convenience and the resulting impact on use of the collection network, with particular focus on refund points with limited operating hours.

Metrix Consulting undertook an online survey of the WA community (aged 18 years+) between 3 and 17 May 2021. The survey took 10 minutes to complete. Targeted interviews were used in some Perth metro and regional areas to achieve the target samples. A total of 955 online surveys and 208 telephone interviews were completed.

Target samples included metro and regional locations with reduced operating hours, shown the table below. The Gascoyne was also captured as a separate regional sample because it is the only region without a full-time refund point.

Metro sample locations		
Baldivis	Iluka	Ocean Reef
Coogee	Koondoola	Padbury
Girrawheen	Mindarie	Warwick
Hamilton Hill	Mundijong	Whiteman Park
Regional sample locations		
Balgo	Mount Magnet	Pinjarra
Bidyadanga	Nannup	Toodyay
Boddington	Northam	Warmun
Coolgardie	Onslow	Waroona
Kalumburu	Pannawonica	Wickham
Laverton	Paraburdoo	Wyndham
Leonora	Pemberton	Yungngora (Noonkanbah)

The study concluded that there are differences in community perceptions and behaviours in locations where refund points have limited operating hours and in the Gascoyne.

Other key findings included:

- 93% of the WA community are aware of the scheme
- 60% of the WA community aware of the scheme have returned containers to a refund point
- the proportion of people who have used a refund point is slightly higher in regional areas (64%) than in the metro area (58%)
- engagement with the scheme is highest in the Mid West and Wheatbelt regions (80%)
- families (and those aged 35–54 years) are most likely to have used the CDS
- awareness, understanding and use of the scheme is lower among those aged 18–34
- cash refunds are the most common type of refund, particularly in regional areas
- key motivators for using the scheme are environmental benefits and the monetary refund
- key barriers to using the scheme are largely attitudinal – i.e. the perceived effort relative to the size of the refund
- forgetting to use the scheme and lack of convenience are barriers to greater uptake.