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**Submission to:**

**Consultation Regulatory Impact Statement - Packaging Impacts**

The President of the Consumers Association of WA is also a Consumer Member of the Keep Australia Beautiful Council WA.

KABC holds the opinion that a two-pronged approach is required where the Australian Packaging Covenant should continue with the support of legislation which requires all producers and packagers to be members of the APC and which includes targets and penalties (2c. - Extended Packaging Stewardship) together with Option 4., a Container Deposit Scheme to be introduced across Australia. The Consumers Association of WA (Inc) (CAWA) does not support this contention.

It is only through national legislation and a supporting regulatory framework that consistency and compliance across all Australian jurisdictions and throughout the supply chain from container manufacturer to container recycler can be assured. For this reason, CAWA supports Option 2., particularly option 2a., together with Option 3 (ADF), without which enforced compliance is not possible.

Survey results agree that consumers would like to see a noticeable reduction in litter and an increase in recycling and are prepared to pay for these outcomes. CAWA contends that Container Deposit Legislation (CDL) however cannot assure consumers of either result.

KABC supports Option 2c., however Extended Packaging Stewardship on its own is not sufficient to achieve the required outcomes. Adding CDL is expensive and only targets a limited range of beverage containers. Without adequate recycling facilities in WA, CDL is economically and environmentally inappropriate.

Because they are bulky, beverage containers represent the most noticeable litter on roadsides, but containers are easy to locate and collect. CDL offers no incentive to concomitantly collect any other general litter, unlike KABCs Adopt a Spot and other Clean Up programmes. Beverage containers are the only littered materials which will be targeted by CDL.

The 2001 NSW research calculated the cost of CDL per dwelling at around $81.50 per annum to each household, including consumers’ time/inconvenience, increased actual cost of beverages, increased council fees etc. Extrapolating from the 2006 Australian census there are now more than 830,000 dwellings in WA and increasing exponentially.

The cost per household is also likely to have increased from the 2001 figure (ie closer to $100 per household). One component of the NSW research suggested a cost to households of $135, so $100 is not an unreasonable basis for my broad calculations. Hence the outcome is an annual extra cost to the consumers of WA in the vicinity of $83,600,000.

Compared to this, the $50,000 earned by the Scouts is quite insignificant to the pro CDL argument.

$83,600,000 (in WA) will be lost by a Container Deposit Scheme into the general economy instead of being targeted at litter reduction. Any extra cost to consumers should be collected, accounted for and targeted appropriately. If charged as a direct cost to manufacturers (hence eventually actual beverage consumers) through collection of Advance Disposal Fees, money could be directed towards educating consumers and/or subsidizing recycling facilities. This is far preferable to a Container Deposit Scheme.

Some Container Deposit Scheme money may flow to poorer people through scavenging activities, however scavenging leads to increased littering of other bin waste and can be a dangerous activity for children. Householders would be loath to allow scavengers to go through household bins with the associated safety, privacy and security issues. Surely we would be better to promote healthier, more productive and educational, community based activities than scavenging e.g. scouts and adopt a spot are currently both controlled and resourced.

CDL also offers a small encouragement to litter beverage containers. In the 1960s, adults deliberately littered bottles so they could send the kids (outside to play) to collect them for pocket money.

### According to the 2010 Willingness-to-Pay Report, consumers would not be prepared to pay anything unless a greater than 10% reduction in littering could be achieved and even then they wouldn’t be prepared to pay as much as is being suggested. I am not assured that CDL will achieve a 10% reduction in litter generally.

I also don’t believe participants in the survey were given time to consider their responses. At first glance, a Deposit/Refund scheme seems like a good idea but if respondents were given access to the full estimated costs and outcomes, they may not be so keen.

Many socioeconomic groups (eg elderly, health conscious) do not buy beverages in containers, or litter. These groups may be unfairly disadvantaged by CDL, because the costs will still impact on these people through increased council rates and a decrease in the range of less popular products on shop shelves. The decreased range of products (to free up shop floor space for storage of recyclable empty containers) is predicted to be another unfortunate outcome impacting consumers.

The worst beverage container littering offenders (young male alcoholic beverage users) are unlikely to participate in any scheme.

“Away from home” locations (institutions, restaurants, hotels, large workplaces) are responsible for more than 30% of unrecycled beverage containers ending up in land fill. Some incentive to separate waste for recycling in these industries would be appropriate due to the large volume of containers involved. These industries are also unlikely to use “reverse vending machines”.

Reverse vending machines (e.g. Germany) have to have a recognizable bar code to read. Any damage to the label renders the container unrecyclable. The process of reverse vending is also time-consuming for consumers and limited to specific containers.

There are several other factors to be considered in determining the impact of CDL on consumers 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 could render recyclable), water used in rinsing, ant, cockroach and vermin control and associated chemicals in the environment. Fuel, time and carbon issues (environmental/lifestyle issues rather than costs) around delivery to recycling points are also significant concerns for consumers.

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 than in other states.

And this is just for beverage containers. It is our opinion that we need to reinforce the current simple verge collection recycling system, not make recycling more complex. Most consumers get all their recycling information 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 should further encourage recycling.

Genette Keating

President

29 March 2012