# SUBMISSION to Standing Council on Environment and Water

# Packaging Impacts Consultation Regulation Impact Statement (PICRIS)



SOUTH AUSTRALIAN WINE INDUSTRY ASSOCIATION INCORPORATED

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30 March 2012

DATE:

#### About the South Australian Wine Industry Association

The South Australian Wine Industry Association (SAWIA) is an industry association representing the interests of wine grape growers and wine producers throughout the state of South Australia.

SAWIA is a not for profit incorporated association, funded by voluntary member subscriptions, grants and fee for service activities, whose mission is to provide leadership and services which underpin the sustainability and competitiveness of members' wine business.

SAWIA membership represents approximately 96% of the grapes crushed in South Australia and about 36% of the land under viticulture. Each major wine region within South Australia is represented on the board governing our activities.

SAWIA has a strong track record as an industry leader and innovator in many areas. SAWIA pro-actively represents members and the greater wine industry with government and related agencies in all aspects of business in the wine sector.

### Submission

Background:

We have reviewed the *Packaging Impacts Consultation Regulation Impact Statement, December 2011* (PICRIS) released by the Council of Australian Governments' (COAG) Standing Council on Environment and Water and published on the web site of the Environment and Heritage Protection Council (http://www.ephc.gov.au/product\_stewardship/packaging\_impacts).

SAWIA supports efforts to increase packaging resource recovery rates and decrease packaging litter in general.

SAWIA has been an active participant in the Australian Packaging Covenant (APC) and its predecessors, the National Packaging Covenants, and has maintained a mentor program since 2002 that assists and encourages industry members to participate in the covenants. The SAWIA mentor program has been successful in encouraging the South Australian wine industry to responsibly manage recovery of its packaging resources through participation in the existing co-regulatory system. In 2006, the Mentor Program was awarded the Action Challenge Packaging Evolution award by the National Packaging Covenant Industry Association. This award provides further evidence of the success of SAWIA's mentor program to support the pro-active and self-regulatory approach to management of packaging waste that has been taken by the wine industry.

#### Position:

SAWIA considers that the wine industry has a strong track record in managing the impacts of its packaging in a proactive and self regulatory manner and considers that a mandatory regulatory approach would not be cost effective or appropriate.

SAWIA does not support any options in the PICRIS that might increase the compliance costs to the wine industry, or those that might have a negative net present value to the economy or benefit-to-cost ratio of less than one.

SAWIA would strongly oppose any national Container Deposit Scheme (CDS) that might be adopted unless it provided the same exemptions for wine packaging as currently exists in South Australia.

SAWIA agrees with and supports the arguments presented against a national CDS by the Winemakers' Federation of Australia in its submission to the PICRIS<sup>1</sup>. Key aspects we highlight are:

- 1. the wine industry has a strong record of responsible packaging stewardship (e.g. through the SAWIA APC mentor program); and
- 2. wine packaging constitutes a very low proportion of litter (much less than half a percent<sup>2</sup>), because of the nature of the product and consumption patterns.

Of those considered in the PICRIS, option 2(a) which is the Australian Packaging Covenant (APC) transitioned under the *Product Stewardship Act 2011,* emerges as the only cost effective option. SAWIA believes that option 2(a) offers a flexible and collaborative approach to positively reducing the environmental impacts of packaging in a cost effective manner.

 <sup>&</sup>lt;sup>1</sup> Winemakers' Federation of Australia, submission on Packaging Impacts Regulation Impact Statement, 30 March 2012.
<sup>2</sup> National Litter Index 2011: <u>http://www.kab.org.au/litter-research/what-we-do/national-litter-index/</u>