

**Senate Standing Committee on Environment, Communications and The Arts
Legislation Committee**

Answers to questions on notice

Environment, Water, Heritage and the Arts portfolio

Budget Estimates, May 2009

Outcome:	2	Question No:	123
Program:	2.2		
Division/Agency:	Environment Quality Division		
Topic:	National Container Deposit Scheme		
Hansard Page ECA:	Written Question on Notice		

Senator BERNARDI asked:

After the Environment Protection and Heritage Council (EPHC) meeting, Carmel Tebbutt said there would be modelling done to gain a 'better understanding of the community's willingness to pay and how much they are willing to pay' for a container deposit scheme. (Peter Garrett & Carmel Tebbutt, 2009, Transcript, 22 May)

1. When will this modelling be completed?

Answers:

It is anticipated that this modelling will be completed for consideration by EPHC at its meeting in November 2009.

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Topic:	National Container Deposit Scheme		
Hansard Page ECA:	Written Question on Notice 124		

Senator BERNARDI asked:

Despite the 205-page report from the EPHC Beverage Container Working Group, which was presented to the Council last week, more modelling is apparently required (despite the fact that Clean Up Australia has done research which shows 88 per cent of Australians support the introduction of a 10c refund on drink cans and bottles). (EPHC, 2009, '18th Meeting of EPHC Communiqué', 22 May and Ben Cubby, 2009, '\$35 waste tax to keep old TVs out of landfill', Sydney Morning Herald, 23 May, p.4)

1. What are you expecting to find? Are the results of the report guaranteed to be acted on in the way the report instructs?
2. Why is further modelling required?
3. Has the Department or the Minister met with any companies from the drinks/beverage or grocery industries regarding a national container deposit scheme? If so, please detail the dates and duration and frequency of these meetings.
4. In SA, it has been proved that there is a huge reduction in the amount of beverage-related litter in comparison with other states. Will SA serve as a model example for a nationwide scheme?

Answers:

1. Further modelling is expected to measure the Australian community's willingness to pay for measures, including container deposit, that address resource efficiency, environmental impacts and the reduction of litter from packaging, including beverage containers.

The results of the report will be considered by the Environment Protection and Heritage Council (EPHC), which indicated in its Communiqué of 22 May 2009 that it will take the results of this study into account in making a decision on whether to proceed to produce a Regulatory Impact Statement on a container deposit system and/or alternative measures.

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2. Before coming to a decision on the introduction of any regulatory measure, under the Council of Australian Governments (COAG) *Best Practice Regulation A Guide for Ministerial Councils and National Standard Setting Bodies*, (October 2007), EPHC must first consider the associated costs and benefits (environmental, economic and social) of taking action. At its May 2009 meeting, the Environment Protection and Heritage Council (EPHC) considered a report on options for improving recycling of packaging and reducing litter at a national level, with a particular emphasis on beverage containers. The report compared the relative financial costs of implementing different measures, including container deposits, but did not model the overall benefit to the community of each option. Further modelling, including determining the community's preparedness to pay for relevant measures, will assist with determining the overall benefit to the community of each option.
3. The Department of the Environment, Water, Heritage and the Arts has not met with the beverage/grocery industry specifically to discuss container deposit schemes. The Department has however participated in meetings of the EPHC's Beverage Container Working Group, Stakeholder Reference Group. The beverage/grocery industry was represented on the Stakeholder Reference Group by the National Packaging Covenant Industry Association and the Australian Food & Grocery Council. The Department has therefore participated in discussions involving container deposit schemes with representatives of the beverage industry. Details of these meetings are as follows:
 - 7 August 2008 (1.00pm – 3.30pm) in Adelaide
 - 17 October 2008 (10.00am – 2.00pm) in Brisbane
 - 18 November 2008 (10.00am – 2.00pm) in Melbourne
 - 11 February 2009 (10.00am – 2.00pm) in Sydney

The Department also regularly meets with representatives of the beverage/grocery industry in the course of meetings related to the National Packaging Covenant (NPC), including NPC Council meetings. Discussion regarding a container deposit scheme has occurred from time to time in the context of its relationship to the NPC.

4. Details of any possible national container deposit scheme are yet to be determined, and will take into account South Australia's experience.