

**WASTE AVOIDANCE AND RESOURCE RECOVERY
AMENDMENT (CONTAINER DEPOSIT) BILL 2018
WASTE AVOIDANCE AND RESOURCE RECOVERY
AMENDMENT (CONTAINER DEPOSIT) BILL (NO. 2) 2018**

Cognate Debate

Leave granted for the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill 2018 and the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill (No. 2) 2018 to be considered cognately, and for the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill 2018 to be the principal bill.

Second Reading — Cognate Debate

Resumed from 21 February.

HON DR STEVE THOMAS (South West) [2.17 pm]: Thank you, Madam President, for this opportunity to address, I guess, a scheme that has been a long time in the making. I will have a little bit more to say about the time frame of this in a little while. The opposition will be supporting the container deposit legislation before the house today but we will go into some details. Let me say at the outset of my address that the issues that need to be fleshed out in relation to the container deposit scheme will largely come under the purview of the regulations that will be developed later rather than the legislation as presented to the house today. We are going to ask the Minister for Environment for a little largesse during the debate to try to get an indication of where these regulations might take us because it is a bit difficult to oppose the bill when the regulations that define how the entire scheme is going to function will appear some months down the track. We will be fleshing out in some detail some of the issues and problems.

Let me start by saying that obviously waste management is going to be one of those, if not sexy issues, then constant issues that we are going to face over the next 100 years or so. It is not an issue that inspires people but when things go wrong, people become very passionate about it, in particular how it impacts on their environment and their capacity to enjoy that environment. We obviously want to try to make sure that we minimise the amount of waste going into landfill that is not managed or recycled as well as it might be. To that end, I thank the government for bringing forward this legislation. It is not dissimilar to the intent of the previous government when it announced some years ago that it would present container deposit legislation to the Parliament. In fact, the differences will be more in the operation than in the intent of the legislation. I do not think we will see a great level of disagreement between the opposition and the government over the intent of the legislation.

Let us go back over a bit of the history of this process. Many members, if they are old enough, will no doubt remember local bottle-return schemes. The first thing that happens when this topic is brought up is that we all remember a local scheme that existed many, many years ago. For me, in the 1970s in particular, the scheme that we partook of was called Finnemore's Cordials. We would receive a bottle of carbonated soft drink and then take it back to receive, at that stage, very small recompense for the effort of taking it back. Most people get quite confused when talking about this legislation because that scheme was always just a local scheme with a local producer. Particularly in rural areas—the major cities would be compartmentalised into suburbs—there tended to be a local supplier rather than the multinationals that now provide most of the carbonated soft drinks sold in Australia. Those local suppliers used to be able to encourage people to bring back the bottles and receive a small payment for that, and they would simply wash out those bottles and recycle them. In those days they could do that because, I guess, the occupational health and safety rules around the re-use of those bottles—the member is about to make a serious comment.

Hon Simon O'Brien: I was just going to suggest the key point is to refill them, as opposed to recycle them.

Hon Dr STEVE THOMAS: Yes, that is precisely right. In the 70s those bottles would be washed, refilled, recapped, and resold. Most of us who are old enough would have some experience with that process. Most of us from regional areas probably knew people who would sneak into the back of the various receival points, collect a few empty bottles, and go and put them back in a second time. I am not accusing anybody in the chamber today of such miscreant behaviour, particularly on a day when we have already seen a couple of Corruption and Crime Commission reports come down, Madam President. We do not want any war stories—do not admit anything, honourable member. Never admit a thing; that is one of the first lessons the member should have learnt. We all know stories of those less upright members of our local community who would go and grab a few extra bottles and wander back out the front, if they were smart, several days later. If they were not so smart, occasionally young people would go and pick up bottles and take them straight back around, and the guys would take the bottles out the back and suddenly realise that where they had placed a couple of bottles there was an empty space for them to place a couple of bottles again.

Hon Colin Tincknell: Honourable member, I wasn't admitting to it. I was remembering the people who did it.

Hon Dr STEVE THOMAS: Excellent! There is a fair bit of corporate knowledge in the chamber of those days when these things used to occur.

The re-use of soft drink bottles was very common. That will not happen in the scheme that will be eventually developed from the legislation before the Parliament. Before we get bogged down in that extreme level of nostalgia from our younger days, the washing out and re-use of those bottles is not part of the scheme that will be captured by this legislation. When members talk to constituents about the container deposit scheme, it will not be like a scheme that historically would wash, re-use and recycle in that way. Personally, I think that was a reasonable solution. I do not remember anybody getting significantly sick from that process. We all drank from washed and re-used bottles, and I like to think that we came out of that fairly unscathed at the end. We are not going back to those days; those days are gone and we have to accept that. This scheme will look very different.

The intent of the scheme is primarily to reduce the amount of waste that either goes to landfill or remains uncollected on the side of the road. Again, members who have been around for a long time will no doubt have heard stories from people who have driven the Nullarbor that on the Western Australian side of the border they saw rubbish, particularly cans and bottles, along the roadside, and in South Australia, which has had a statewide scheme for many, many years—decades—there is a significant difference in the litter component and the amount of litter, and that they attribute that to that state's container deposit scheme. I think there is genuine legitimacy to that view. This legislation has a twofold aim: to reduce the amount of waste that goes into landfill and to reduce the amount of litter on the road. I do not think there is a member in the house who would have a moral objection to the latter objective; that is, I do not think anybody would object to additional waste removal from roadsides. In the south west, we find that not infrequently rubbish is dumped in small state forest blocks and on crown land because sometimes it is easier to do that than to take it all the way to the rubbish tip. I think there is universal support for that component of the intent of the legislation and of the government.

The intention to reduce the amount of waste going into landfill is a noble cause. Perhaps in some circumstances—I know there is a variation in the use of the word “quixotic” or “kee-ot-ic” in Spanish—although it is a noble attempt, on occasions it is perhaps not the most efficient use of resources in relation to recycling. I will repeat that statement a few times during this address because I want to place on the record that the reality of recycling is not always exactly the same as the ideology and the rhetoric. That is not to say that we should not support the intent of the legislation or that the Liberal opposition is opposed to container deposit scheme legislation. We are not; we announced our own version of it some years ago. But we will have to have a fairly honest look at the effectiveness of recycling and be honest about when it is efficient and effective, and when it is somewhat ideological. I will go into a little more detail on that issue later.

Let me say at the outset that it is great to be in a debate about reducing waste. The minister and I are both passionate about that outcome. We would probably do so in a slightly different manner, and that is the normal good functioning of the parliamentary process, and that is great. I do not have a lot of time for those who are directly opposed to this legislation on the basis that people should not have to make the additional effort. I place on the record, Madam President, that I kind of have a vested interest in this area. I have no roadside waste service where I live, in the middle of the sticks, between Donnybrook and Kirup, so I have to manage my waste. I take my waste to the rubbish tip. In order to facilitate that process at the Donnybrook–Balingup waste site, I stream my waste into seven or eight streams. My family has a whole bunch of old chicken feed bags hanging on the wall, one is for steel cans, one is for aluminium cans, one is for clear plastic, one is for milk bottles, another one is for coloured plastics et cetera. We have a section for glass, one for paper and cardboard, and a general waste section. I stream my waste, in the wild hills of Donnybrook, into eight streams for collection. As the shadow Minister for Environment, I look at and talk a lot about the waste management system, and a lot of people say to me that it is far too difficult to stream waste. To be honest with members, I have very limited sympathy for that position, because I stream my waste eightfold. If it is a little bit tough for people to have three bins out the side of their place, I am afraid that is not going to cut the mustard.

I will briefly go into waste collection and bins, because it is important and will become more important down the track in the process of how the container deposit scheme will work. We need to do that in a bit of detail. A push is on at the moment in various local governments to additionally screen waste from originally one waste stream, in which everything went into a 100-litre or 120-litre bin. Most people had a 100-litre bin that they chucked everything in and it was up to the local government to sort that waste as best it could and try to find some way to recycle it. In past years, China was generally happy to take whatever mix of rubbish we sent to it. That is because wages and the cost of labour were low, so China could afford to sort that waste. China is still happy to take a pure waste stream. However, China is no longer willing to take unscreened waste, and that has put us out of that marketplace. Therefore, waste has suddenly become a significant and major issue in not only Australia but also a number of other countries.

Under the current waste disposal system, with the green-top general waste bin and the yellow-top recycling bin, waste is often combined, because if people have filled one of their bins, they put their waste in the other bin, and it is picked

up. It is now proposed that households be provided with a third bin for carbon-based waste, or food waste. I am not a great believer in the use of acronyms, but I believe the expression that is used these days is FOGO. That carbon-based waste is then turned into mulch or fertiliser, or another carbon-based resource, and put into the soil.

Another alternative that should be considered is the conversion of waste to energy. I know this is not the government's bent. However, we need to talk about this in more detail, because it will be a significant player in the future. The government is currently suggesting that is the lowest form of re-use of waste. However, the reality is that the removal of that waste produces a by-product benefit—namely, energy—bearing in mind that this state currently has an excess of energy. The reason waste to energy stacks up is that its business model is based on the removal of waste. People across Western Australia are already converting waste at the individual household level. I congratulate the people who have worm farms. Well done. I hope that is working for them very well. However, the fact that this is being done at both the micro level and the macro level should not exclude waste to energy as a component of the waste management solution. I would like waste to energy to be given a higher priority by this government. I am on record as saying that the proposed biomass plant that the government announced as an election commitment for Collie has fallen over, even though that has not been officially recognised. If we want to go down that path, we will make progress in a serious and sensible way only if we adopt waste to energy, rather than biomass. I believe the biomass plant is going the way—or the wave—of the wave energy plant. I would not be surprised if the proposed solar plant in Collie heads in the same way. Waste to energy needs to be a significant part of the discussion and the process.

I turn now to why a container deposit scheme has been so difficult to implement in this state. I am told that everybody loves the idea of adopting the South Australian container deposit scheme. In my view, that scheme is receiving a remarkable level of popular support. However, it obviously has a cost. We need to talk about that cost in some detail. A bit of history would probably be quite useful. I was the shadow Minister for the Environment well over a decade ago, in 2006 and 2007. The current Minister for Environment may even have been advising the then minister —

Hon Stephen Dawson: I was.

Hon Dr STEVE THOMAS: At that time, there was a debate about container deposit legislation. I went to a meeting with a major international beverage manufacturer. We were talking about a deposit of 10¢ a container. In 2006, 10¢ was probably worth a bit more than 10¢ is now, unless that was part of our wage packet, in which case it would probably be about the same. It was a significant amount of money. I said to this beverage manufacturer that because of its size, this would have an impact on its purchasers. That is because for a large group in the population, carbonated drinks, particularly ones that are also caffeinated, are the opiate of the people. Religion was the opiate of the people in Karl Marx's day. I suspect that from the 1960s onwards, it moved to television. Unfortunately, in the 1980s, 1990s and 2000s, carbonated and caffeinated drinks have become the opiate of the people.

Hon Colin Tincknell interjected.

Hon Dr STEVE THOMAS: It might be suggested by members that personal devices and screens have become the opiate of the masses in 2010-plus. However, we digress a little. In my household, that seems to be the fixation of the modern generation.

In the 1980s, 1990s and 2000s, carbonated and caffeinated drinks were a source of relief. I remember the enormous number of studies that were done on how many carbonated soft drinks schoolkids would consume in a day. At that time, there was a particular carbonated and caffeinated product that was the highest purchased item in supermarkets in Australia. The infusion of these particular products into the community was so high that they were the biggest seller in supermarkets. Funnily enough, the areas in which those products were the biggest seller were often low socioeconomic suburbs. That product literally became the opiate of lower socioeconomic communities.

In 2007, which is 12 years ago now, I said that surely a company that was large enough to be international would have done some research on the expected impact on its sales based on a 10¢ a can or bottle increase in price, even if it could claim back that cost at the percentage at which it expected to claim back. I found out that companies had done that research, but they would not give it to me. I accept that a container deposit scheme will have a financial impact on the companies that provide those products. However, that is not to say that that impact cannot be managed. Under this scheme, a person who buys a 30 pack of carbonated drinks from their local supermarket, in particular carbonated caffeinated drinks, will have to pay an extra \$3. In certain communities, that extra \$3 will prevent that customer from buying that product. Therefore, it will lead to a reduction in sales, because those people will not always take back those 30 cans for recycling and get back their \$3. However, that is not a reason to not support this legislation. It is simply an acknowledgement of the history of this remarkably complicated issue and why it has taken so long to get this legislation to Parliament. That is the history. The previous government announced, I think in about 2015, that it would go ahead with a container deposit scheme and the government has presented the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill 2018 and the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill (No. 2) 2018 before the house.

The briefings provided by the department indicated that the differences between the two proposals were minimal. However, at that point nobody in either government had fleshed this out to the operational level, and that is where we need to get to.

I want to talk in a little more detail about the cost, because to some degree the price is a recycling tax, given that the price goes up on the original product. That is why two bills are before the house, the second of which is a small bill to acknowledge that, in effect, we are placing an additional tax on these products. The current proposal is that a price will be set at 10¢ a unit for a number of different units—effectively, cans and bottles up to three litres, and starting at 150 millilitres and up to three litres over a range of products. It will, basically, be funded up-front. The beverage producers will be charged an additional cost, which can, in theory, be reclaimed at the end of the process when the container comes back through the recycling system. There are a couple of specific issues here. The first is: what will this generally cost? Obviously, there will be an administration cost. If there were 100 per cent recycling of all these containers, 10¢ would come out and 10¢ would go back and it would be a simple curve. But the cost of operating this scheme has to be managed somehow. If there is 100 per cent recycling, which we will not get, the cost of running the program will not be 10¢ a unit. Based on the information I have been able to garner, I would think that around the world the average cost of this process is around 13¢ to 14¢ a unit, so an additional cost is involved. If there is 100 per cent recycling, the cost per unit will go up because all the additional costs of administration and distribution will have to come out of the pocket of the producers, unless the government puts significant additional money in, which is an issue I want to come back to later in this address. If the scheme is to be self-funded, it will rely upon a partial success rate. Obviously, we need to be very cautious that we do not reward success too highly; that is, if the operator does not work too hard to ensure that recycling occurs at a maximum level. If only half the containers that attract 10¢ each are returned—on the basis that it is too difficult, so people do not bother, or the distance to a store is too far—we do not want the market operator coming in with a 5¢ profit, less administration costs in the process, so we need to be fairly cautious. I suspect that when Hon Robin Chapple gives his address, he will be looking at that in some detail.

Hon Robin Chapple interjected.

Hon Dr STEVE THOMAS: It is not on your website, is it? No.

Although we need to make sure that we maximise the return of these products, it will have an impact. In my view, some government funding may well be required to make this scheme operate effectively and that is not what I see in the legislation before me. Admittedly, there is some way to go before we get to an operating scheme. In particular, the government will have to look at how it starts up.

I would like the house to consider the cost effectiveness of recycling across the tyranny of distance and whether, after the content has been consumed and the container is returned a short distance, there is some capacity to make sure that the container is recycled not only cheaper than the whole process of mining the aluminium or iron ore out of the ground, but also with a significant benefit to the community. The further people are away from that recycling process, the more difficult it becomes, and there are a few very good examples of that. Members who are old enough will remember that some years ago, glass in Western Australia was recycled, but that has not occurred for quite a long time because it is a difficult process. Original glass is a fairly cheap product and the cost of recycling is not insignificant. Recycled products were therefore sent to the eastern states, which, to be honest, was just a little insane. The cost of trucking it across the Nullarbor far exceeded any potential environmental and cost benefit that occurred from recycling that product. At that stage, we would have been better off taking that product, putting it in the ground and using fresh product. The same thing will apply, I suspect, for the more remote collection points in this system. If the intent is to minimise the impact on the environment of aluminium cans, the cost of transporting them there and back is a consideration. The government will have to make sure that this scheme is available in the regions, which is important. We do not want regional Western Australians to be isolated from this scheme and unable to partake. However, we need to do so in an honest way, which is to make sure that we consider that the cost of returning that product may well make it less than economic compared with simply burying the product and a new one being manufactured through the system.

Recycling is not always the panacea that people think it is. It is sometimes quixotic but we have to accept that those additional costs have to be borne. Those additional costs will also impact on the overall cost of the scheme, so that a 10¢ refund on a glass bottle or a can may well cost 13¢. We need to reflect honestly on what that cost will be, and I expect the minister in his second reading reply to outline the levels of return and the actual cost. It may well be that the state will need to stump up funding to get this scheme going.

Western Australia is not the first state to jump down this road. South Australia has been at it for decades, but New South Wales and Queensland have also headed down this path.

Hon Stephen Dawson: And the NT.

Hon Dr STEVE THOMAS: Sorry, and the Northern Territory. It is always easy to forget the NT, is it not? Sorry.

I think it would be quite informative to look at the schemes in Queensland and New South Wales. They have introduced slightly different schemes, albeit there are a lot of similarities in them. One of the obvious differences between the two is that the market operator in New South Wales comes from the beverage industry and the market operator in Queensland does not. There are varying opinions about what impact that has. If the beverage industry is the market operator, it will potentially have a different set of drivers from a not-for-profit organisation that is operating in the same marketplace. In this state, despite the fact the legislation is before this house, the government has sought expressions of interest and a tender process. I will be interested in the minister explaining either in his second reading response or during the Committee of the Whole House precisely how far down that path the government is and where it sees that going. Given we are talking about the process of appointing a market operator for a scheme for which the legislation has not yet gone through the Parliament —

Hon Stephen Dawson: You've probably answered your own question.

Hon Dr STEVE THOMAS: That is right. Let us see. There is a fair bit of scuttlebutt floating around the industry, minister, on all sorts of topics—not just this one, but we will stick with this one for the time being. We need to know where we are in terms of the appointment of the market operator and the rules that will exist around the market operator.

We have not yet talked about how precisely this scheme will work. The consumer has gone and bought their carbonated drink or alcoholic beverage and they have paid the extra 10¢ on it. They have taken it home, and they then have to work out what they are going to do with it. There will be a range of collection points that need to be delivered and, again, when we look at the New South Wales and Queensland models, we discover that there is a fair bit of difference in the number of collection points, particularly per population. That also has an impact, but they will have to find a way for that to be delivered.

That is pretty easy for me because I stream them at the moment. I take them to my local waste management system, so my aluminium cans get tipped in with the other aluminium cans. But we then have to work out a way in which the 10¢ is claimed. In some cases the expectation is that individuals will potentially use a reverse deposit machine. Basically, every unit will eventually be barcoded and that barcode can be picked up by a reverse vending machine so that people can individually place their aluminium cans and glass bottles in the machine and I imagine that they would receive a voucher for their 10¢, calculated that way. I would expect that, as happens now, local councils would collect enormous amounts of these products in their waste management systems; the good thing is that they do not miss out. If a local council is collecting products that have simply been put into recycling bins by its ratepayers, the processing unit may well split large numbers of deposits.

I suspect that it will be impractical to have somebody standing there, trying to put these things into reverse vending machines by the thousand, so it is not my expectation that that will be the case. There will have to be mechanisms developed and put into place to make this a practical outcome. I suspect that some of that will involve measurement by weight, if we can stream these containers—particularly glass, because as those who have visited their local waste processing unit in whatever form it takes will know, a lot of glass comes in shattered. If it is not shattered before it comes in, it gets shattered pretty quickly. If a bucket full of glass bottles is tipped into a great big bin, not many of them will not get broken up. I suspect we will end up with some sort of weight management system for larger collections, but it is going to get quite complicated. It is not going to be a simple system and, of course, there is going to be some fudging of the system, but it has to be as reliable as it possibly can be. At the end of that process one would expect that the waste management contractor and the shire will split whatever waste they can do, as well as it can be streamed. It is going to have to be a reasonably flexible system in the process.

There are going to be some businesses that will struggle with this scheme and its implementation. I note that various members, including me and, I suspect, the minister, have been approached by smaller producers—that is, boutique beer and cider companies. They will have an outlay at the start and if their profit margin per bottle on beverages is very small, their initial outlay in getting those bottles could have a significant impact on their viability. I know that a number of members have had issues put to them in this regard, and I think we need to take them seriously.

A second group of people that need to be considered in this process is the micro importers, particularly niche boutique sales; I am thinking Asian food sales, for example. Often one will find there is a specialist Asian food seller that has beverage bottles in small numbers. Everyone is supposed to put a barcode on their product so it can be recognised as a recyclable product, but if a company is importing a dozen bottles of a particular niche product for a specialist marketplace, it may well find it very difficult to partake in a container deposit scheme, and it may find itself inadvertently in breach of the law. If it is required to be part of that process but it has no capacity to deliver on it, it has a problem.

Both those things need to be taken into account, although not in the substance of the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill 2018 and the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill (No. 2) 2018, because they really just set up the legislative framework

through which a container deposit scheme can be run; they provide the skeleton around which the flesh of the container deposit scheme will come, in the form of the regulations. The regulations need to be able to adapt to and adopt processes for those difficult groups. I will be interested, when the minister responds, to talk about small microbreweries, the boutique brewery and cidery marketplaces, and small importers, and how they might be managed, because it will be very difficult to start granting exemptions, and I understand that. I expect the minister to say, “Granting exemptions is too difficult.” I have great sympathy for that, because once we start granting one set of exemptions, it is very hard not to grant them much, much further. I absolutely understand that, and understand why the government might well be resistant to exemptions.

However, I am sure it is open to the government to find other ways to support these small businesses—microbreweries, micro cideries and small boutique shops. The government needs to be a bit clever and find other ways to support them as part of the process. Let me throw this out as an example: if the government were to calculate the cost of the first 10¢ impost on those small groups and, instead of asking industry to come up with that money initially, considered providing a kickstart to the scheme, it could help. I will probably raise this during Committee of the Whole, to go into a bit more detail. Can we find out what it might cost the boutique breweries and cideries and those types of markets, and what kickstart funding from the government might look like, at least in the first year, before we start to see a return from the system? This is supposed to cycle; it is a cyclical proposal. I think the government needs to look at a kickstart in the first year to give it legs at the beginning of the cycle, otherwise we will have to start talking about exemptions, and if we start talking about exemptions, where will we stop? Members probably all have a favourite brewery or cidery, particularly if they travel in the south west, which produces the best of both in Western Australia. I am sure the minister has a favourite he would like to look after in the process; he goes down to the south west not infrequently?

Hon Stephen Dawson: We’ve got hoocheries in the north west!

Hon Dr STEVE THOMAS: Yes, there are actually a couple of reasonable ones in the north west; there are a couple of breweries up there that are not too bad.

How that might be managed is critical. If we are going to be sensible about the introduction of a largely universally supported container deposit scheme, we have to take care to introduce it with the proviso that we watch the impacts and manage them. I put it to the government that a start-up injection of funds might make the difference between this scheme being either universally accepted or sending a few small companies through some difficult times. I will not say it will send them to the wall or send them broke; I would have thought that if 10¢ per beverage is going to send a company broke, it means that it was a marginal company when it started the process. It could have an impact on cash flow, particularly when the scheme is first instigated. In my view, there is absolutely an argument to suggest that some government funding in its initial stages is a good thing and is required.

Hon Robin Chapple: Does the member think that a rural brewery, such as Matso’s with their ginger beer, would need to have that level of compensation?

Hon Dr STEVE THOMAS: It is a really good question. I think the member has had to look at each case on its merits. Is that the one the member drinks?

Hon Robin Chapple: Yes.

Hon Colin Tincknell interjected.

Hon Dr STEVE THOMAS: Everybody cannot interject with their preferred drop!

Regional areas will have a tyranny of distance issue. All that needs to be taken into account as we look at the details of the scheme. I do not have a moral objection. I do not know what Matso’s turnover is, member. We would have to look at its turnover. A boost might happen based on turnover or cost. There are ways and means to look through that.

Hon Darren West: Member, this is sounding a bit like John Hewson’s explanation of the tax on birthday cake.

Hon Dr STEVE THOMAS: I do not think it does. I can explain the tax on birthday cake. That is okay. This is simply a plug for the impact on those small producers. I can tell the member that there are a lot of small producers and small brewers with boutique and microbreweries who are concerned that they might face additional costs that they cannot manage. The government may argue that they can manage it and tell them to suck it up. If that is the government’s position —

Hon Robin Chapple: They do with Matso’s, that is for sure.

Hon Dr STEVE THOMAS: Yes, literally suck it up! If that is the government’s position, that is interesting.

My view is that the government has an opportunity to smooth the passage and make this scheme work more efficiently and effectively with some investment. I do not think it would be a significant amount in the first year. We might find that we do not need to continue it after the first year. I think it is absolutely worth looking at.

I want to raise another issue—that is, the difficulty with recycling some of the products. Aluminium cans are obviously the easy one and are recycled at a pretty effective rate. I think 80-odd per cent of aluminium cans are recycled now. Scouts and Lions Clubs pick them up. It works fairly well. Certainly, a lot of glass gets recycled. Interestingly, as I said before, we do not recycle glass into glass much anymore. The recycled glass in Western Australia goes into road base. We have to be a bit original about how we might use it, because it is not economically or energy efficient to recycle it back into glass when we have to transport it across the Nullarbor to do so. It goes into road base, so at least it is getting recycled and re-used at a reasonable rate. It is not comparative with the rates of other states necessarily, but it is certainly not the case that it is filling up areas of forest in the south west like car bodies and used nappies are. There are certainly roles for that.

I will run through the list. Obviously, pure stream plastics are not too bad. Again, the more purely we can stream them, the better the recycling result. I think a lot of the recycling areas are very good at that now. However, we start to have real problems with mixed packaging and in particular when we have a cardboard–plastic mixed package. Those are very difficult to pull out to stream to recycle and, in my view, they pretty much go to landfill now. Some of those are on the list of recyclable materials that will be caught up in the government’s container deposit scheme. I am very interested to see over time how the government manages those mixed cardboard–plastic items, because I think it is going to find that to turn that into a recycled material is nowhere near as easy as it thinks, particularly again when we add in the tyranny of distance. For example, those little fruit juice boxes and such things are cardboard coated with plastic because cardboard would disintegrate and the juice would seep through. Those products are going to be difficult to recycle. If we have to take them 800 kilometres to a recycle point that ultimately cannot use them, that is not a particularly efficient scheme. That is why recycling is difficult in regional areas.

When we have to travel that sort of distance, we already accept that the cost of transport outweighs the environmental benefit of the scheme, but we are going to suck that up because, in reality, everybody deserves the chance to partake in the scheme whether they live in Nedlands, Meekatharra, Karratha or Esperance. Everybody should have a chance to be involved with that. Bulk travel collection will try to minimise those costs. However, all those items will not be efficiently recycled. On top of that, if an item is plastic and cardboard or combines two or three different types of plastic in a smallish 300-millilitre or 600-millilitre unit, we are effectively transporting it—I suspect, ultimately, a long way—to end up in landfill. It will be a bit amusing because in the country regions and particularly in the south west, we notice a lot of waste trucks coming from Perth. I suspect that they are doing their utmost to avoid the waste levy, which, when I first became involved as a shadow minister, started at \$3 a cubic metre and is now \$105 a cubic metre. A lot of trucks move around to avoid that.

Hon Stephen Dawson interjected.

Hon Dr STEVE THOMAS: It is \$70 a tonne, but \$105 a cubic metre. The tonnage is an estimate. Just before the Minister for Environment raises the point, I will tell him the answer. The tonnage is an estimate. It is measured on cubic metreage. A cubic metre of dry non-compacted sand is somewhere between 1.2 and 1.4 tonnes. Wet compacted sand gets up to two tonnes per cubic metre. Concrete is obviously pretty heavy. Concrete that has lead in it, such as in Esperance, is heavier again. On the other hand, paper waste is not as heavy, so that is why we measure the cubic metre. The levy is \$105 a cubic metre. I suspect that trucks with all sorts of waste try to avoid that levy. I am hoping that at some point we can have a much longer conversation in this house about the waste levy, how it is measured and how much of it may or may not be being collected, and whether we are getting good value for money in its expenditure. There will be an impost over distance on difficult-to-recycle products.

The government has been quite ambitious in putting 10¢ on some of those cardboard–plastic combined products, because we will potentially transport them a long way and not have them recycled at the end of it. It will have this reverse and perverse outcome, if you will. Instead of travelling out to the country to avoid a waste levy, the trucks will come back in and the products will end up in some sort of landfill here because there is an issue with being able to stream that product to a point at which somebody wants it. I know the legislation provides that it has to be recycled, but I think that we will have some very interesting outcomes on some of those more difficult products for which recycling is immensely problematic. It will not be a huge component by volume because, in my view, they are literally smaller products anyway, with some exceptions. There are a number of combined cardboard and plastic one-litre containers containing a range of things, so those items are also very difficult to recycle. The easiest ones to recycle are aluminium and steel cans; they kind of make sense. Glass goes to road base. All those are easy and simple to recycle. Newspaper and corrugated cardboard are easy and simple to recycle. Funnily enough, a lot of it does not go back into paper. We do not find that all this cardboard that we recycle is going into paper. Because it is carbon based, a lot of it can end up in our carbon-based stream. That is moving into mulches et cetera and, ultimately, perhaps, one day, it will have a reasonable use in waste to energy. They are the simple ones to recycle compared with some of the more difficult and ambitious products that are caught up in the bills before the house today. We need to have a few simple answers to some relatively complex questions. As much as we would like to know the nuts and bolts of precisely how the container deposit scheme will work, how many reception points there

will be and in what form, how easy will that be to deliver? There is even a big difference between New South Wales and Queensland in how they have managed that process. The power of the overseers, in particular the government, the minister and the department, to oversee the market operator will be absolutely critical. The market coordinator will be absolutely critical in that process.

We cannot really debate at this point where containers are likely to be dropped off. At this stage I suspect the government is likely to have access to an existing drop-off point, but then it has to work out whether it is the recipient of the deposits or whether they will be picked up by somebody else. When a consumer pays 10¢ extra per can when buying a 30 pack of whatever they purchase and takes that to their local existing council-run recycling and waste depot, the council may have a scheme in place in which the depot operator and the council split that 10¢ refund—5¢ each—hopefully putting it towards the cost of the process. It does not necessarily go back to the consumer. This is an additional tax on consumers. I think we need to be brutally honest about the process. It is an additional tax on consumers. It is in place in the form of a user-pays system to manage that waste, which I think we all accept is a reasonable outcome, as much as we do not necessarily like additional taxes on anything. How much of that refund goes back to consumers will be an interesting thing under the government's proposal. How much of that is collected by existing waste stream operators, be it local government or private investors, is also a significant question that needs to be addressed.

The total cost of the system, in particular the total cost per container, is another critical question. It behoves us to try to ensure that this scheme is as effective as possible. There is no doubt that it will cost more than 10¢ for a 10¢ deposit scheme, but how much more? How will that be collected? At what point does the government put its hand in its pocket to support the scheme, particularly in its early days? Probably most importantly, acknowledging all the difficulties of mixed source waste, I think it is that group of small businesses at a micro level that are most at risk if we get the container deposit scheme wrong. They need to be looked after and protected in the process. I intend to say a bit more about that when we move into the committee stage of the bills, because I think there are ways that we can manage that that are not written into the bills. The bills before the house today simply set up the administration—as I say, the skeleton—but when we get to the regulation stage, if we have not had the conversation at the committee stage about how those will come together, it will be very difficult for us to hold the government to account going forward because we would not have raised it at the start.

Those are the issues that I intend to focus on going forward. The opposition supports the intent of a container deposit scheme. We were intent on introducing our own scheme, but we support a container deposit scheme. We look forward to going into more detail about how it might function, but in the thrust of where we need to go to reduce waste, particularly on the Swan coastal plain where watertables become a significant issue and our waste management over many years has been ad hoc, better waste management is an ideal outcome. For those reasons, we will support the bills before the house today.

HON COLIN HOLT (South West) [3.14 pm]: I sought the call straight after Hon Dr Steve Thomas because I really thought that he raised a lot of the issues that need to be raised in the implementation of the scheme. The National Party is supportive of the legislation, which really is enabling legislation. It has some very good aims and some reasons for doing. There is a real challenge in the delivery and implementation of the scheme, especially in regional Western Australia. I will reiterate some of the points that Hon Dr Steve Thomas raised in his speech.

The Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill 2018 and the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill (No. 2) 2018 are aptly named because they are about reducing waste and, in this particular case, recognising that the containers that will be recycled make up a great deal of the litter stream around our state. They are the ones that end up in trash on roadsides or are thrown out car windows and end up in the bush or on the roadside. Forty-four per cent of that litter makes up the containers that this scheme will target. Obviously, less litter means it will hopefully go into the recycling stream so it increases recycling rates. That is another great aim that we should be absolutely trying to get to. This is obviously one mechanism to ensure that that occurs with some of these more high value components of the litter stream going into recycling.

A couple of other opportunities were pointed out in the second reading speech. One was to create employment. I note that somewhere along the line at the briefings it was quoted that the scheme will create about 9.2 jobs compared with the existing 2.8, which is a good thing. If that occurs, that should be applauded. Other options include business opportunities for social enterprises as well as enabling charities and community organisations to raise money. It is worth exploring further how those opportunities will be created and how those organisations will participate in such a scheme.

This is a very popular policy and I think that is why we have come to this point. The community of Western Australia has asked for it. I am not sure that everyone understands the complete detail, and nor do I. I do not think the government does yet because this is really enabling legislation. There will be some detail that not everyone quite understands when the policy in these bills is implemented in Western Australia. Although it is very popular and

the community has been asking for it, it is quite a big shift in the way that we recycle in this state. We have gone down the traditional route of ensuring that all those recyclable materials are put into the yellow bin. They were then taken to the recycling station to be sorted and put into the recycling streams. We are now talking about taking out of the yellow bin all the recyclable containers that are earmarked in this scheme and putting them into a completely new system with a completely new value. This is a massive shift in the way we have been recycling in this state. It will come with some hiccups, as all schemes do. Some of them are known. Although we can ask in this place for the minister to respond to the best of his ability, he will also know that it is impossible to give exact parameters in answer to some of the questions that have been raised. It is our duty to do those things and to get the best answers that we can.

I think from the viewpoint of a regional member, the issue is going to be access to participation in the scheme. If members think about how big, broad and wonderful our state is and the communities in it, including remote communities that are two or three days' drive from any regional centre, it is certainly going to be a real challenge for them and everyone in the state to have an equal opportunity to participate in this scheme, and I think ensuring that will be one of the biggest challenges for the government in its implementation.

We had a debate in this house not long ago to congratulate the government on bringing forward this policy. It raised the same sorts of questions. New South Wales has begun to implement its policy and its container deposit scheme, and it is getting to the point at which it has realised that it has missed a few gaps. I hope this government learns from those experiences because Western Australia is three times as big as New South Wales, and that will create three times as many logistical issues for the government. That is one of the biggest issues that needs to be answered—what plans are going to be put in place to ensure that all Western Australians have equal ability to participate in this scheme? I know that some responsibility will be put on the operator of the system, and that will involve some requirements. I think, minister, that it would be good to indicate the operator's requirements for accessibility to the scheme.

Hon Stephen Dawson: Sorry, member, do you mean accessibility for communities?

Hon COLIN HOLT: Yes—for everybody really. We are talking about someone who has bought a container from a shop, paid their extra 10¢, 20¢ or whatever it will end up being—that is another good question—and they have the right to expect that they can turn up to a recycling depot, a return depot, a machine or whatever it might be to get their 10¢ back. That should be the clear indication when we introduce a container deposit scheme. I know that parameters on what that accessibility will look like will need to be set for the operator. The minister needs to indicate in this place his and his government's expectations of that operator in the discussion on this enabling legislation.

When I was reading some material, especially from the frequently asked questions on the website, the second reading speech and the debate that occurred in the other house, it seemed to me that a return point can have two outcomes. It can have a commercial return point where someone turns up with their container, gives it to an operator or a vending machine and gets back their 10¢. If we are talking about opportunities for community groups and sporting groups to participate, potentially people will give their containers to them and they will get the 10¢ back. I may be interpreting this wrongly, but it seems to me that they will make money out of it by getting a container from someone for free and then get 10¢ for that container after depositing it in the scheme. There might be some slippage in that whereby there is negotiation, but I would hate to see a situation in which footy clubs in remote communities become the recycling point, but everyone is expected to give their containers to the footy club for free so that it can bulk them up, take them away and get 10¢ for each container. Again, that is not the way that we should be encouraging people to participate in this scheme. It should be recognised that everyone has equal ability to get the commercial return of 10¢ a container.

Hon Stephen Dawson: We are not going to be legislating or regulating to say, “You must give your cans to the local footy team.”

Hon COLIN HOLT: I am sure the government is not, but if that is only way to get cans recycled—rather than bulking them up and traveling 300 kilometres to get it done—people are probably not going to do that. They will give them to the footy club so that it can do it. That would be a lack of a commercial outcome for them, which is not fair. They need access to a commercial outcome, the same as anybody else. It might be fine; a person may say, “Yes, I'm not too worried about the 10¢. I'll give it to the local sporting club or the guides or whoever else and they can treat it like a donation.”

Hon Darren West interjected.

Hon COLIN HOLT: Are you mumbling about something, Hon Darren West?

Hon Darren West: Leave our sporting clubs alone.

Several members interjected.

The ACTING PRESIDENT: Order! I have the names of honourable members who wish to speak. Right now I am listening to Hon Colin Holt.

Hon COLIN HOLT: Hon Darren West, that is exactly what I am talking about—the ability for clubs to participate in the scheme. But it should not be at the expense of someone who wants to participate commercially, as set by the container deposit scheme. A person with a container should be allowed to make a decision: “Do I give it to the girl guides or do I take it and get my 10¢?” How will communities participate if that commercial option is not provided? That is a question that the government needs to answer. Hon Darren West should probably get a briefing on it to see how they could contribute to and participate in it.

I noticed that there will be a requirement in the regulations that scheme coordinators recycle and re-use the containers; they cannot be sent to landfill. I think that raises a lot of questions about the cost of doing that, especially for those who live in regional Western Australia. I know that people incur those costs now with the yellow bin system or scheme, but they will be taken out of that, so two schemes will be operating. If they are not allowed to send it to landfill and have to send it to a recycling depot or a re-usable depot, that will incur transport, bulking up, storage and processing costs, and all that has to be built into the cost of the scheme. As I pointed out, the government’s estimate is that it will create more jobs than traditional waste management—from 2.8 jobs up to 9.2 equivalent. That is also a cost to the scheme. When we build all those costs into it, how will the 10¢ and the 10¢ refund wrap up into a cost to the company and a cost for the consumer, because at some point that cost will have to be transferred? I picked up one point made by Hon Dr Steve Thomas—that is, the up-front costs versus the retrospective costs. I think I read in *Hansard*—perhaps it was a response by the parliamentary secretary in the other place—that some businesses will be dealt with retrospectively and some —

Hon Stephen Dawson: All will be.

Hon COLIN HOLT: All will be; so it is not an up-front cost.

Hon Stephen Dawson: They will be dealt with in arrears. There will be a different time for small brewers to pay it back versus the larger ones, but it is in arrears.

Hon COLIN HOLT: That raises another heap of questions because I imagine that if it were an up-front cost with a bit of money in the system that allowed for slippage out of the stream, that would maintain some way of paying for all the costs incurred in the system. If 10¢ is charged for every can or bottle sold, but only 60 to 70 per cent of them are recycled, there is a bank of money for all those extra costs such as employment, transport collection depots and the rest of it, but if it is done retrospectively, there would not be that bank of money to deal with those sorts of things; there would have to be some sort of retrospective cost of more than 10¢ to deal with all that return. I am glad the minister made that interjection—I welcome it—because although it does give some clarity, it raises even more questions about the retrospective costs when all those expenses are taken into account. Although they will get their 10¢ refund, it seems as though the charge back to the beverage company is going to be more than that to ensure that it can pay for all those other extra costs. To get some indication of that would be worthwhile, because it seems to me that it has to be greater than 10¢. I wonder whether the government has done any modelling on how that will affect the consumer price index in Western Australia. It is usually based on a basket of goods, with rent being taken into account. I do not know how significant containers are in the basket of goods, but I assume that there would be quite a few when we think about cool drinks and other beverages. Even bottled water containers will be caught up in this. I cannot remember exactly how much it costs for a bottle of water in a supermarket. It is probably as low as 50¢ or 70¢. I reckon I could get a bottle of water in a supermarket for 70¢. If 10¢, 15¢, 20¢ or whatever it will be is added to that, it is potentially a 25 per cent increase in price, unless we are expecting every beverage company to wear all that expense. At some point that will change, so some indication of that retrospective charge back to the beverage company would be worthwhile. We must have some indication that the department has done some modelling to at least answer that question. Again, I wonder whether any modelling has been done on whether that charge will increase the consumer price index; and, if it will, what that will mean for the wages case. Will people say that because the CPI has increased from 1.5 per cent to 2.3 per cent because of the implementation of this policy they think they need a wage increase? I do not know whether that will happen, but the government with its resources behind it might be able to answer those questions and outline how it would mitigate against that happening.

I will talk more about costs. I am interested to know from the minister how increasing prices to customers will be monitored and how much of those costs will be passed on to the beverage companies. Is there an expectation that the beverage company will not pass on those costs or a percentage of those costs, and how will that be monitored at the supermarket level? I am interested in the impact of that. I would say that most people think that it is a great scheme because they will buy a bottle for 10¢ extra, put it into a depot or a vending machine and get their 10¢ back. It should be cost and expense neutral, but I am not exactly sure that is the truth of the matter, and we may not know whether that is the case until full implementation of the scheme. Some modelling must have been done on that because I notice that some of the debates and commentary refers to the 10¢ plus other charges for handling and operating the scheme—administration and those sorts of things. I think we need some clarity on that area.

Could the minister also provide some clarity on who will hold the money from that system? Will the money be held by the operator of the scheme or will the government hold some of those funds to use and then distribute? If a not-for-profit organisation holds the funds, how will we monitor the administrative costs of the scheme operator, and how will we assess whether it is a reasonable cost to the scheme and whether it will be passed on to the customer or to the beverage company? I am sure that the beverage companies would ask that question. The administrative cost to the government to monitor, evaluate and regulate the scheme would have to be built in somehow, unless the government is going to pay for the scheme without expecting any extra revenue. Again, how will that happen? What are the responsibilities of the department and of the operator of the scheme, and how will they be monitored? Also, how will Parliament and the community be informed of those situations? Will the process be transparent?

I notice that the second reading speech states that the minister has the ability to direct the operator. I interpreted that as a directive, but that may not be correct, and the minister may be able to set me straight on that. In a lot of situations in which a minister gives a directive, the directive has to be reported to Parliament. Is that the case in this scheme? If there is a directive, which is a fairly significant intervention, is that the expectation of this Parliament? I think it should be if that is the case, but, again, I am happy to seek clarification on that.

I have a couple of major concerns, including ensuring that all Western Australians have an equal opportunity to participate in the scheme. There is a whole series of questions on costs and how that will affect consumers that have to be answered. A remaining question for me is how the remaining recyclable trash stream, the old yellow bin, will operate in the future. If we will be taking some of the most valuable containers out of that stream and putting them in a new scheme, what will happen to the paper, cardboard, wine bottles and plastics that can go into that bin? How will that waste to be dealt with? It seems to me that that waste is the most low-value item in the yellow bin. How will local governments and contractors deal with that particular trash that is left behind, especially considering we really struggle to have a lot of local governments and communities participating in those schemes because of distance and pure economics? We know that schemes cost money. At the moment, I struggle to see how the government will monitor the recycling of that other material. Remember that one of the aims of this scheme is to increase recycling rates and to divert some of those recyclables from landfill into the recycling system. How will the government monitor and support local governments to take that less valuable trash in the yellow bins, and what systems will it put in place? If that plastic trash is diverted back into landfill, I think the whole purpose of the legislation will have failed. We need some answers to those questions. I know that the Western Australian Local Government Association has been calling for the introduction of a container deposit scheme for a number of years and I wonder whether it has done any work on how this scheme will affect the local government sector's use of the yellow bins. It raises a range of questions for me.

The scheme will not stop people putting these containers in their yellow bins, because they can still be separated and recycled. There is a suggestion that the local government and the contractor that picks up the yellow bins have come to some sort of commercial arrangement about who owns that 10¢ container. Can the minister give some indication of the thinking behind that arrangement to give more certainty to the local government sector about what it will mean if a bin with a few 10¢ bottles in it is picked up? Local governments will need to factor that into their arrangements for how they continue to subsidise the yellow bin collection. I think that is a very valid point. It seems to me that there is very scant detail about this and we would certainly like some indication for the local government sector about how that will work. Who will be involved in that process? Will it be an arrangement between the local government and the contractor? Will there be a mechanism to resolve disputes if that is what it gets to, or will they have to work it out themselves and then let the government know how they got on? Again, will those mechanisms be put in place or is there an existing mechanism to help deal with that situation? Those are worthwhile questions to ask.

Obviously, the bigger question, which has been raised in other places, is about when other people start going through a home owner's yellow bin on their property to get that valuable 10¢ container. If a person does go on to a property to take out a 10¢ container, firstly, they are probably trespassing on the homeowner's property, and there are concerns about that; and, secondly, who owns the container in the bin? Is it the local government or the home owner until it is recycled or picked up? Are they taking 10¢ from the local government's revenue stream? A range of questions need to be answered about that traditional trash stream and local government collections.

I think I have covered most of the major issues. I am sure that some questions will be asked when we get into Committee of the Whole. Although the community is definitely calling for this policy, I am not sure that it understands the complexities of the implementation of a container deposit scheme. I do not understand the complexities, and I do not think the government will understand the complexities until the scheme comes into operation, as was the case in other states that have implemented such a scheme. There will be some challenges in the implementation of the scheme. We need some answers in the first instance to give us some indication of how the scheme will operate through this enabling legislation. I therefore welcome the comments from the Minister for Environment in his second reading reply.

HON ROBIN CHAPPLE (Mining and Pastoral) [3.40 pm]: The Greens (WA) are obviously delighted that Western Australia will finally get a container deposit scheme and are happy to support both the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill 2018 and the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill (No. 2) 2018.

Western Australia is currently in a waste crisis. Research tells us that the majority of Western Australians have been calling for a container deposit scheme for a number of years, and I refer to attempts by previous members of this Parliament to introduce such legislation. Western Australia is one of the largest producers of waste per capita in the world, and the Western Australian economy is one of the most resource and energy intensive economies in the world. Waste is a major barrier to sustainability. If Western Australia is to have any chance of moving forward, we must find solutions to the waste crisis. It has always been the Greens' policy to have a society that is actively and collaboratively progressing towards zero waste and a circular economy. We can achieve this only by waste avoidance, reduction, re-use, repair, recycling and recovery. The Greens have always sought to motivate individuals and businesses to understand and support the environmental, social and economic benefits of waste minimisation, and to minimise the use of limited resources.

At this point, I want to touch on some comments that were made earlier by Hon Dr Steve Thomas and Hon — **Hon Colin Holt** interjected.

Hon ROBIN CHAPPLE: Yes—Hon Colin Holt. Thank you, Colin; you are a dear friend, and I apologise for forgetting your name.

Hon Darren West interjected.

Hon ROBIN CHAPPLE: Thank you for the distraction, honourable member.

I want to talk about the problem of getting recycled material from the regions back to Perth. In the 1990s, I was the organiser for LEAF, or the Local Environment Affinity Force. LEAF had come to an arrangement with the mining companies in Port Hedland, with the support of BHP, for the weekly collection of wastepaper from the mining industries in that area. We collected literally tonnes of paper each week, and it was compressed into wool bales and back-loaded to Perth, at no charge, on the empty trucks that were sent to the north west from the then State Energy Commission of Western Australia and the Water Authority of Western Australia. That was a very good economic model. At that time, a company in Perth called Austissue was turning that wastepaper into toilet rolls and other recycled paper products. It even produced A4 paper for photocopiers, although I must admit that the photocopier companies did not like us using recycled paper in their machines.

Hon Colin Holt: That is only one waste stream.

Hon ROBIN CHAPPLE: I know it is only one waste stream. The point I am making is that in the 1990s, it was possible to get that waste material back to Perth at no cost.

Hon Dr Steve Thomas: The issue might be that as soon as you make it a government-funded scheme, you lose that goodwill and voluntary component. Whilst you were able to negotiate free backhaul, which is basically what you are talking about, it might be more difficult for a government to do that. The minister might not go cap in hand to the trucking companies and ask them to bring that back to Perth for free. So although I absolutely agree that you did some good work, we may well find that that can't be replicated in a government scheme where a cost is involved.

Hon ROBIN CHAPPLE: I take on board what the honourable member is saying. The point is that at that stage, government utilities were taking the waste back to Perth; it was not private corporations. In the 1990s, this state had a developing recycling industry for cans and glass. We were fairly progressive.

I now come to the comment from Hon Colin Holt that the average cost of bottled water is \$2.75 a litre, or approximately \$1.35 for 500 millilitres.

Hon Colin Holt: You can get it much cheaper in supermarkets.

Hon ROBIN CHAPPLE: Yes, in some places, but go out to where I live, mate!

Hon Colin Holt: Sure.

Hon ROBIN CHAPPLE: Where I live, it costs over \$2. According to the statisticians, the average price of water across Australia is \$2.75 a litre.

We need to set specific targets to eliminate industrial and hazardous waste streams and drive clean production. In government, we need a policy and financial incentives to develop processes for recycling and recovery of domestic and industrial waste, and to remove economic drivers that encourage waste and wasteful practices.

On the outskirts of Karratha, there is a company called Toxfree. That company, which has now been taken over by somebody else, is recycling all of Fortescue Metals Group's surplus material, such as wood waste and oil. All the waste that is coming out of FMG is going into that facility. That is an industrial-sized system. It is interesting

that that development is adjacent to the rail line. People who know the Pilbara would know that all the rail lines interconnect and it is possible to put a Rio loco down a —

Hon Colin Holt interjected.

Hon ROBIN CHAPPLE: I take the grin from Hon Colin Holt, but that can be done. It is now possible to get all that waste material out of the mining industry and to a facility such as that. That has been very effective. I did a tour of that plant four or five years ago. It was amazing to see the level of recycling from FMG.

The implementation of a container deposit scheme is a great opportunity to deal with our waste, because it places the emphasis on extended producer responsibility. I want to take this opportunity to acknowledge the incredible organisations that have been working hard to tackle this state's waste crisis, in particular the Boomerang Alliance for its research into a container deposit scheme and plastic waste, and the Sea Shepherd marine debris campaign for its tireless efforts in beach clean-ups and its studies of the amount of plastics entering the ocean. According to research by the Boomerang Alliance, the development of a container deposit scheme will deliver, surprisingly, for a relatively small part of the waste stream, the largest outcomes to Western Australia. Some examples of direct environmental benefits include a reduction in waste to landfill, and a reduction in litter. Other benefits are water supply savings, greenhouse gas reductions, energy savings, and air quality improvements. There are also substantial economic benefits in the creation of jobs in WA, opportunities for new plastics and glass reprocessing plants and, as I have already mentioned, hopefully, the reintroduction of a paper recycling facility here in WA. Interestingly enough—I do not know whether I mentioned it—the company that used to do that paper recycling was Austissue Pty Ltd. There would also be a reduction in the cost of kerbside and drop-off recycling.

The WA community is concerned about the environmental issues associated with waste, including single-use plastic waste and the impact on our oceans, wildlife and landfill. The WA consumer is taking the responsibility of our waste crisis seriously by avoiding the consumption of plastics, refusing plastic shopping bags and avoiding prepacked produce and bottled water. I want to deal with bottled water in another capacity shortly. However, as consumers we are still experiencing barriers. This is why the preferred scheme coordinator must deliver the highest customer service standards for not only the metropolitan area but also all areas of WA, including the Mining and Pastoral Region. The container deposit scheme will work if it is incentivised, has excellent customer service standards, is open to expansion into other commodities and diminishes the need to incinerate our waste in WA. To ensure its success, the scheme must take on an infrastructure approach and not be market driven. There must be incentives for not only the consumer to return their container for a refund, but also the scheme coordinator to ensure that the scheme works and works well. In providing the customer service standards and in determining refund points, consideration must be given to not just the population of an area but also beverage consumption within an area. I will come to that again in a moment. It is fundamental that the scheme be designed to maximise convenience at a sensible cost. The most expensive scheme for the community is a scheme in which people cannot get their refund back. The government should use this once-in-a-lifetime opportunity to create a structure that will eventually enable materials beyond just containers to be recovered from regional WA for recycling. We need to have a scheme that drives the container deposit scheme value deep into the community rather than big business capturing it. This is an opportunity to establish a local reprocessing industry that makes WA less prone to shocks from global recycling markets, as we have all recently seen with the issues around China and waste.

I would like to thank the following people from the Department of Water and Environmental Regulation and the minister's advisers for the briefing they provided on the bills, and very comprehensive it has been. They are Louise Holding, chief of staff; Shaun Meredith, senior policy adviser; and from the Department of Water and Environmental Regulation, Sarah McEvoy, Daniel Nevin and Chantelle Power.

In conclusion, I have a few concerns that I would like to raise. I would like to know whether the state is going to invest in infrastructure to ensure the success of the scheme and to ensure that we can recycle here in WA. Obviously, there is a significant amount in the waste avoidance and resource recovery account, which is being hypothecated into general revenue. It would be really good to see some of that money come back out of general revenue and go into dealing with the waste stream.

Another concern I have is that I do not think there is sufficient access for non-metropolitan areas to the scheme, as outlined in the two options provided in the Department of Water and Environmental Regulation's document, "Customer service standards for collection network". Also, it is unclear how remote communities that have access only to bottled water and are at times isolated due to hazardous weather conditions are to be supported to participate in the scheme. I would like to know what the guarantees are that the beverage industry is not allowed to interfere with the scheme coordination and customer service delivery. I am advised that these will all be dealt with in the regulations. Quite often we find the devil in the detail when it comes to regulations.

I would like to touch briefly on where we have been over time on this and commend the private member's bill introduced by Hon Eric Ripper in the Legislative Assembly on 19 October 2011, which, unfortunately, failed to pass, and the Container Deposit and Recovery Scheme Bill 2016, which was also a private member's bill,

introduced by Chris Tallentire, MLA, in the Legislative Assembly on 24 August 2016. The purpose of the two bills was to establish a beverage container deposit and recovery scheme to be administered by the Waste Authority WA and to impose a levy as part of the scheme and for related purposes. I, myself, gave notice on 20 October 2011 that I would seek to introduce legislation into this place. Unfortunately, at that time, the legislation I was putting forward was deemed to be a money bill and could not be introduced. Other places have different schemes, such as those in New South Wales, Queensland, the Australian Capital Territory and the Northern Territory. Victoria has not yet introduced a scheme but polling indicates that most Victorians support such legislation.

I think we need a process that is open-ended and unconstrained so that we can bring other elements into the recycling stream in the future. We must remember some examples of the debate in the WA Parliament on 14 November 2000, when Mr Paul Omodei advised the Legislative Assembly that —

Hon Dr Steve Thomas: It is said “Omoday”.

Hon ROBIN CHAPPLE: I am sorry.

Hon Dr Steve Thomas: He was always here today; not to die!

Hon ROBIN CHAPPLE: There is another line, but I will not go there!

Hon Paul Omodei advised the house that a review by the Keep Australia Beautiful Council advised that a CDS would not be effective in WA. The Keep Australia Beautiful Council rejected the concept because it did not consider it to be an effective litter abatement tool. Fortunately, we have come a long way since then and the Keep Australia Beautiful Council is now firmly behind such a scheme. On 18 December 2001, Hon Jim Scott asked in the Legislative Council what the government intended to do to honour its commitment to consider the introduction of a CDS. Hon Tom Stephens replied that in late May 2001, the Minister for Environment and Heritage had approved a grant for the waste management and recycling fund to investigate the value of container deposit legislation. Again, later on, in 2002, Mr John Hyde, through a grievance in the Legislative Assembly concerned himself with the failure of government to introduce CDS legislation. In 2003, Mr Tony O’Gorman asked Hon Dr Judy Edwards where we were at with introducing CDS legislation and the minister advised the government was still working on it. There have been lots of attempts and questions over many, many years about a CDS. That is why we are very pleased to be here today to see the formulation of this legislation.

I want to touch on a couple of things. Given that, to some degree, this will affect local governments, it will be interesting to note how we will deal with the issue of container deposit systems on the Shires of Cocos (Keeling) Islands and Christmas Island. Interestingly enough, they are two of the most bizarrely over-represented areas. They have a Western Australian local government and their health and education departments are Western Australian, but they vote with the Northern Territory and are administered by a federal administration office. We actually do play a role there; the Shires of Cocos (Keeling) Islands and Christmas Island are part of the Western Australian system, so how we deal with issues in those areas will be very interesting. Again, I turn to the issues faced in some of the remote communities in Western Australia—Kiwirrkurra, Kunawarritji, Tjuntjuntjara and many others—and how they are going to participate in this scheme.

On that note, I again reiterate the Greens’ absolute support for the legislation, but point out that the devil will be in the detail.

HON AARON STONEHOUSE (South Metropolitan) [4.00 pm]: The Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill 2018 and Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill (No. 2) 2018—to which I will refer throughout my contribution as simply the container deposit scheme—aim to replicate what has been set up in other jurisdictions and has been operating in South Australia for several decades. I will quickly lay out how the scheme will function before I get into my critique of it.

Essentially, a scheme operator will be established—a not-for-profit organisation—that will procure the network for the scheme. From there, responsible suppliers will need to be determined and these will be, as I understand it, those suppliers that introduced the container into the market in the first instance. When there is some dispute over who the responsible supplier might be, suppliers can enter into an agreement to determine who will take responsibility. It may be a supplier that trucks containers across state lines, into a depot perhaps, before they are then distributed to retailers or other warehouses. For instance, Coca-Cola, which trucks containers to a central depot in Western Australia, could likely be a responsible supplier, as opposed to a fish and chip shop that sells a bottle of Coca-Cola. This ensures that it is generally the larger businesses and suppliers that are responsible for the registration of containers and the payment of a levy, as opposed to small, mum-and-dad shops.

Containers will also have to be approved or registered with the department to be compliant with the scheme. As I understand it, every unique container will have to be registered and approved and be compliant with the scheme, as long as it is an eligible container. The government has provided a list of which containers will be included, and we heard a little about that from previous speakers. They include containers of carbonated beverages ranging from

150 millilitres up to three litres, excluding certain types of glass containers, such as wine bottles and such. I will not go through the entire list, as it is quite long.

Containers will then presumably be returned to a collection point by the consumer, at which point the consumer will be paid a refund of 10¢. The collection points and the scheme operator will keep track of returned deposited containers and will keep an exact track of where the containers came from. For instance, if they are Coca-Cola cans, the operator will keep track of how many Coca-Cola cans have been returned. In other cases, it may use some kind of estimation of how many containers are collected in situations in which counting individual containers is impractical. I imagine those could include circumstances in which somebody comes along with a great big bag or crate of containers and returns them all at once; there may be some kind of method used to estimate where those cans came from and how many of them there are for each responsible supplier.

The responsible supplier will then pay the levy for the containers deposited. It was cleared up by the minister through an interjection that the payment of the levy is in arrears; the supplier does not pay in advance, as in other jurisdictions. In New South Wales, I believe they pay in advance. The model being proposed today is a model in which suppliers pay in arrears. For instance, if 10 000 containers are produced, the responsible supplier does not have to pay the levy at that time. Let us say that if 40 per cent of its containers—4 000 containers—are returned and deposited, the responsible supplier will then be issued with, I imagine, some kind of invoice or bill by the scheme operator to pay for the 4 000 containers that were returned and deposited. The minister, through his interjection, indicated that there may be a longer payment period for smaller suppliers, such as small craft breweries and the like. That was interesting; it was the first I had heard of that. There may be some leeway for smaller suppliers to pay those fees.

At the heart of the argument for the scheme is, I believe, that there are externalities for producers that produce containers that end up in our waterways, on our streets and in our litter. Landfill, I suppose, is less of an externality because people pay a waste levy to contribute to landfill, so presumably costs are already recovered for the externality of landfill. It is not really an externality; it is already a user-pays system, in some ways.

Hon Dr Steve Thomas interjected.

Hon AARON STONEHOUSE: Of course, so there is already a user-pays system for access to landfill. The environmental impact of landfill is really rather small; we live in an enormous state with a massive landmass, so having a cost-recovery system for landfill seems to negate any environmental impact, in my view.

For litter there is an externality, of course, so the logic here is that there should be a user-pays system for those who contribute to litter; someone—a responsible party—should have to pay for it. Somehow, we have landed at a point at which we think the responsible party is the party that produced the container in the first place. They are not the ones littering; they are not breaking the law by littering. They are merely producing a product. Some people who are irresponsible and perhaps lazy are discarding these containers in the street or in waterways, but we have decided that it is too hard to prosecute those people, so we are going to go straight after the suppliers.

This logic seems to get somewhat twisted in the levy system that is proposed. Let us take, for example, the scenario I painted earlier. The responsible supplier produces 10 000 containers; let us say that 40 per cent of those are returned to a collection point, so 4 000 containers. The supplier pays a levy on the containers that are returned and recycled. For the remaining 6 000 containers that end up in the ocean and get eaten by a dolphin or a turtle, it does not pay a levy at all. The responsible supplier is punished for its customers doing the right thing and recycling their containers, but it is not punished for all the containers that end up in litter. It seems that we are creating almost the opposite of an incentive here for producers and suppliers—that is, it is in the best interests of their consumers to litter, rather than to recycle and do the responsible thing.

It is interesting; I wonder whether the government has considered a reverse model in which perhaps track is kept of the number of containers produced and a levy is charged on the number of containers that are not recycled. We would then create a direct incentive for the supplier—the producer of these containers—to do everything in its power to encourage its customers to recycle their containers. Imagine the marketing power of a company like Coca-Cola to encourage its customers to recycle and do the responsible thing. Instead, we have created a kind of reverse incentive here. It is a very interesting system that we are putting in place.

In the briefing on the bills, there was a long list of containers that are and are not included, and that raised for me some concerns about the complexity of compliance, especially for smaller operators. We are talking about small craft breweries or distilleries, or a small company making non-alcoholic beverages, having to comply with a system in which each container has to be registered and approved. The number of containers sold has to be recorded, and then there is the possibility of having to pay a levy for each container that is recycled. The complexity here is for a small operation. I think of Whipper Snapper Distillery, which I visited in early 2018 or late 2017. That is a three or maybe four-man operation, from what I could tell. I think it had a female employee, so I misspoke. It has no time to employ a full-time regulatory compliance officer or something like that. It is a very small operation and the owners and the people who have a stake in this business are there working every day. I imagine they

probably do not get much free time, and now we are piling on top of them an additional burden. It seems counterintuitive, given that this Labor government seems very interested in supporting a small bar and small pub culture through its recent liquor reforms. Premier Mark McGowan, at the time the Minister for Tourism, originally brought in small bar licences. Just last year, we saw further reforms to the Liquor Control Act to facilitate further small bars and small pubs to grow this niche drinking culture. This legislation will layer additional regulations, red tape and burdens on small producers in this space. This scheme will impact on the small breweries and distilleries more than it will impact on anyone else. Once again, this kind of red tape is always regressive. Large soft drink and alcohol producers, such as Coca-Cola, have teams of lawyers and compliance officers. Large organisations have that structure in place to comply with government regulation. Those smaller operations do not, and it creates a real barrier to entry for smaller operators to pop up and enter this space. It disincentivises enterprises and entrepreneurial people from starting a business from the ground up and from innovating and creating new products to challenge those larger, almost monopolistic, entities in that beverage space.

Aside from the red tape and compliance issues, I think we have overlooked something here with small businesses—that is, their cash flow. We are talking about a levy that will have to be paid when containers are recycled, in arrears, which I think is probably a good policy. Paying in arrears as opposed to paying up-front should make it a little easier for some of these small operators, considering I believe that the recycling rate will be lower than what we are predicting. These schemes are notoriously over-hyped and under-deliver. Paying in arrears at least gives operators time to catch up and pay for the recycled containers. What if an operator is assuming 60 per cent of its containers are recycled, which I think was one of the targets thrown around—it is certainly the target used in New South Wales—and it turns out that 100 per cent of the containers are recycled? Suddenly, this producer has to come up with the cash required to pay for that levy. I suppose some producers can think ahead of time and earmark funds for paying that levy in the event that it arrives, but we are not taking into account the behaviour and the activity of the consumers who will be recycling these containers and their actions. We cannot count on a regular stream of recycled containers from one producer on regular intervals and say that every month however many containers will be recycled. No. Consumers who recycle their containers will not behave in a rational way that suits the producers or even government. Perhaps from the government's view or producers' view, consumers can be perhaps quite erratic, although they are working to their internal logic.

An article by Lily Mayers on the ABC website dated 14 February 2018 refers to the New South Wales container deposit scheme. Halfway through, the article has some comments from members of the public who have been using the New South Wales container deposit scheme. It states —

Members of the public have told the ABC they are stockpiling their bottles until they have enough to justify a trip to the collection point.

“A boot full of 1.25 litre soda bottles earned me \$12, it took 30 minutes for the round trip to the bin and back, not a good use of time,” one person said.

Another said it was an effort to get rid of the bottles but a good job for children's pocket money.

That describes the behaviour of consumers recycling containers. They are hoarding and stockpiling them until they have enough to make it worth a trip to the collection point. That is completely rational behaviour in the eyes of a customer wanting to recycle containers, but that means that the stream of recycled containers and the frequency with which the producers will have to pay the levy will be almost seemingly random from the perspective of the government and the producers. Producers have to account for “Maybe today is the day or this month is the month that several thousand containers are returned and we have to suddenly pay this levy for all these containers”. Keep that in mind in the context of a small producer who is maybe having a hard time just keeping their business afloat. Certainly, a lot of small businesses in this state have a hard time keeping their head above water, especially with the recent payroll tax increases. As members know, the \$850 000 threshold before the payroll tax kicks in means that a lot of small businesses are paying that tax. Again, another additional sort of impost on small business that is infrequent and hard to predict certainly cannot help these businesses at all.

It is also worth pointing out that there are no exemptions for volume. The minister mentioned that there may be some leeway on the time allowed for producers or responsible suppliers to pay the levy, but there is no exemption for volume. This levy would apply to producers who are producing a few hundred to a few thousand containers. There is no distinction in the scheme. There is no threshold. A producer may be going through a rough time and not have the income to keep producing at large volumes, but it would still have to pay this levy just the same as everyone else. I understand the complexities of having to carve out exemptions. It was pointed out by a previous speaker that once we grant one exemption, rent-seekers come out from every which direction asking for their exemption too. That is understandable. Let us not forget that this scheme will be regressive. This will hurt the smaller producers more than it will hurt anyone else. The smaller producers do not have the large economy of scale that larger producers or larger suppliers have.

The proposed refund is 10¢. That is consistent with other jurisdictions. It is 10¢ across the board. How the government arrived at this number is a bit less clear to me. I think there is some historical precedence for 10¢. It is a nice easy round number. Bureaucrats and legislators alike seem to think that this is enough incentive for consumers to get out and recycle their containers. I have not had a chance to look at this yet, but I wonder whether a higher levy would provide a greater incentive to increase the rate of recycling of these —

Hon Stephen Dawson: I thought you were against this.

Hon AARON STONEHOUSE: No, I am not advocating; I am just wondering, because 10¢ is an arbitrary number. Is there any direct connection between the enthusiasm of consumers recycling and the levy or the refund for which they are eligible? Most people think that a 10¢ refund on top of whatever they pay for a can of Coke is no problem. A can of Coke, depending on where we go, is now \$1.50 or \$2; it used to be \$1 when I was in high school. An amount of 10¢ on top of that seems reasonable; it helps the environment. However, we do not know the operating costs. In briefings I have received, it has been suggested that it may be 6¢. I am a little sceptical about that number. We live in a very, very large state with a very large landmass. Also, 6¢ is not in this legislation. It is not in the bill that we are debating right now. We are debating a bill that will allow an operating cost to be levied on responsible suppliers, but we have no idea what that operating cost will be. I think it has become evident through the debate so far that we are almost voting blind here. We are saying, “Set up the framework, establish a scheme operator, and let’s just let the bureaucrats figure the rest out.” I think that is very dangerous, especially when we are talking about taxes. This is a levy for an operating cost that is supposedly going to be based on cost recovery. We have no idea what it will be. Will it be 6¢? Will it be \$1? Will it be \$100? We really do not know. It could literally be anything. There are obviously some internal and external checks on what it could be—political pressure and things like that—and consultation will be required as they go through this. What checks are in place to stop that operating cost from ballooning? The government has gone down the route of establishing a not-for-profit scheme operator, which is interesting. What is the incentive for a not-for-profit scheme operator to provide an efficient service? What is their incentive to reduce the cost of their service to all the other businesses that they will interact with—the transport companies, the collection point operators, and the local governments? There is no downward pressure on their operating cost, aside from the oversight that will be provided by the board. If members trust that the board will be able to put enough pressure on the scheme operator to reduce the operating costs, sure, we have no problem, but I am concerned that with a not-for-profit operator like this, there is a real direct lack of incentive to reduce costs. Obviously, the incentive for a for-profit scheme operator is that they want to make more money, but I am afraid of a lack of direct incentive for a not-for-profit operator to reduce operating costs and to provide an efficient service for the taxpayer.

A moment ago I mentioned local governments. Local governments can partner with the scheme operator to provide collection points. They can also refund containers. A couple of previous contributors raised how this might work exactly. I am still a little fuzzy on how this will function. Will local governments go to their own yellow-top recycling bins and take out eligible containers and hand those over to the scheme operator for a refund? That seems to be the idea of how local government might benefit from this scheme. If that is the case, that is really interesting because, presumably, these containers are already being recycled. I am not sure I understand the merit of a scheme that provides an incentive for people to recycle in instances in which they are already recycling. That does not seem to be of any benefit to anybody, unless one likes the notion of rewarding people who are already doing the right thing. I would not mind having clarified exactly how this will interact with local government and how local government practices might change in light of a container deposit scheme.

I want to talk again about how this might impact on small business. I raised this during my briefing. Again, it is something I have not been able to fully nail down yet. Not having a full understanding of this scheme is a recurring theme with my criticisms of it because it seems to me that this scheme will pass, perhaps even unamended. I do not want to pre-empt what the will of the Legislative Council might be, but I am a little concerned about a lack of critical scrutiny of these bills. We really have no idea what they will do. I seriously doubt that every member in this chamber has read the bills or read the regulatory impact statement that came before the bills. I have not had a chance to read either in their entirety or to get my head around either of them yet, and I am asked to vote on this.

I was given a briefing last Wednesday. It was an effective briefing; it was very helpful. I appreciate the Minister for Environment making his staff and people from the department available to give me a briefing. I wonder whether anybody else has had a briefing on these bills. I asked a couple of fellow members of this chamber whether they had had a briefing and I have had at least one response so far that they have not had a briefing. Perhaps that is because they do not have much particular interest in this scheme. It is of great concern that we are about to vote on something, potentially tonight, to pass it into law when members have not read the bills or fully understood the implications.

I go back to a point about small businesses. It is not just small producers or suppliers who I feel might be impacted by this; it is small retailers, too. I have a few examples. In my electorate of South Metro, there are quite a lot of South African migrants and there are South African specialty stores that sell South African smallgoods—biltong and things like that. Quite often, they also sell packets of chips, lollies, and soft drinks—things that people who

Extract from Hansard

[COUNCIL — Tuesday, 12 March 2019]

p799c-816a

Hon Dr Steve Thomas; Hon Colin Holt; Hon Robin Chapple; Hon Aaron Stonehouse

have migrated from South Africa to Australia may get a little nostalgic about. I think in South Africa they have Iron Brew or Irn-Bru or whatever they call it; it is a little different from the Scottish variant. They long for these soft drinks. Some of these small retailers may be using an established supplier to import these soft drinks, in which case that supplier would be the responsible supplier under this scheme. The supplier that imports South African goods for Australian businesses would pay the levy, register the container with the Department of Water and Environmental Regulation and do all the other things that may or may not be required in compliance with this scheme. If they do not use a supplier, it is the little store run by an old South African expat who now has to do all that compliance themselves. We are talking about the registration of the containers and the payment of the levy.

A British confectionery store not too far from where I live on Hokin Street in Warnbro sells lollies and things like that. I have not had a chance to ask this gentleman yet, but I dispatched my research officer to the task and I am waiting to hear back. If that gentleman and his wife who run that confectionery store on Hokin Street use a supplier, there is no problem; it is not their concern. If they do not use a supplier, this couple who run this business on their own—just the two of them—will have to go through all this compliance. They will get a bill from the Department of Water and Environmental Regulation at the end of every month or every quarter, or whatever it is, stating, “These are the fees you have to pay for compliance with this scheme for the refund of your containers.” It is not just the payment of the scheme, because that is probably not too hard; it is the registration of each container. Each container needs to be registered and will have to be compliant with the scheme in terms of its packaging. These containers will have to have some kind of special label or sticker on them for recycling to make them compliant with the scheme. Again, this couple who run this little confectionery store would have to go to every single eligible container in stock and register it with the Department of Water and Environmental Regulation, and wait for that registration to come through. They would probably have to take the items off the shelves and keep them locked away in a back storage room somewhere where no customers can see them—heaven forbid! When they finally get approval, they will have to get their labels and label every single container. At what point do the operators of this small confectionery store say, “You know what? It’s just not worth the hassle stocking these containers. We’ll just take them off the shelves entirely”? Perhaps for some of the environmental zealots out there—some people are really passionate about reducing litter, and that is a good outcome—we have got containers off the shelves. But for all the British expats who live in that area who rely on that store to get that little taste of nostalgia, they will now be denied the choice of that one soft drink they enjoy from their home country that brings back all those fond memories. They will have to go elsewhere to try to hunt down that obscure soft drink from their home country.

It is not just confectionery stores and it is not just South African or British stores; a lot of small stores import smallgoods, soft drinks and the like, including those in Vietnamese, Chinese, Taiwanese and Singaporean communities. All these different migrant communities, wherever they are located, seem to stick together somewhat. We get almost enclaves of migrant communities springing up around WA, but they normally end up with these little specialty stores that provide these imported smallgoods, soft drinks and other things. All of those communities will be affected by this unless they are using a separate supplier who will be the responsible supplier. I am not too sure how many there are. I would hope that the Department of Water and Environmental Regulation has conducted some research on this and maybe can tell me how many stores might be affected. That would certainly be the responsible thing to do before passing legislation that will make changes to the way people import and consume goods. I thought it might be of some concern to our intersectional friends on the left that these small, non-white migrant communities will be affected and inconvenienced by government regulation. I hope they have done their research on this matter, too. I have been conducting research in my electorate trying to find out how many of these people might be affected. But, again, I was briefed on this legislation Wednesday last week and in the six days that have passed, I have been busy trying to conduct research and consult stakeholders and here we are discussing this bill already. I am only one guy. I do not have a spokesperson on this issue—I do everything.

Debate interrupted, pursuant to standing orders.

[Continued on page 826.]