

CONTAINER DEPOSIT AND RECOVERY SCHEME BILL 2011

Second Reading

Resumed from 19 October.

MR C.J. TALLENTIRE (Gosnells) [6.19 pm]: I am very pleased to rise to speak to the Container Deposit and Recovery Scheme Bill 2011 that is before the house, a bill that has been prepared and presented by the Leader of the Opposition. It is very timely that we are discussing this bill on this day in National Recycling Week. I should say that National Recycling Week in Western Australia is an event that is passing by almost unnoticed under the eyes of the Barnett government. I notice that the Minister for Environment has not commented on National Recycling Week. I am also concerned that the Waste Authority has not put out any media release on this issue.

The legislation that is before the house, which was brought to us by the Labor opposition, the side of the Parliament that I am on, is excellent legislation. The container deposit legislation is the way to solve the recycling problem that we have with containers—those cans and bottles that are such a problem and that contribute to the volume of litter we have around the state.

The model that we are proposing is similar to the South Australian model. The South Australian model is very successful, with a 10c deposit on all bottles and cans sold in South Australia. However, our model is slightly different. It has been adapted to Western Australian conditions and has improved somewhat on the South Australian model as well. It is distinguished by two essential features: it would be a publicly owned system so that we would have a higher degree of transparency, greater accountability, and more opportunity for people to be involved in how the system works; and it is a hub-and-spoke system, which means we would have various centres where people can take their recycling material, which can be fed through to the regional centres. Essentially, it is similar to the South Australian system but somewhat improved as well.

I note that the recycling rate in Western Australia is appallingly low. In WA, the recycling rate for bottles and cans is about 20 per cent. That makes us the worst recyclers in Australia. A container deposit scheme would lift the rate to about 70 per cent. At present, 20 per cent of those bottles and cans are being recycled, and this recycling scheme would lift us to 70 per cent. This scheme would apply to all containers under three litres in size—empty plastic and glass bottles, aluminium steel cans, liquid paperboard and composite cartons that contain soft drink, juice, water, milk and indeed alcohol.

How much would all this cost? That is a very reasonable question for the community to ask. It would be revenue neutral—self funded. This is the beauty of the design of the scheme that is before us. It is an excellent initiative and has enormous community support. I have been watching surveys on community acceptance of container deposit schemes since 2006, when a Newspoll survey was conducted and there was a staggering 90 per cent acceptance. In more recent surveys, it has been just about as high, and I will come to the figures later on. There is enormous community acceptance for a container deposit scheme. I note that recently the Minister for Environment made the comment in a public forum that there was strong acceptance for a container deposit scheme. We all know that there is a community wish for it. When I mention the idea, so many people say that they remember such a scheme when they were young and how useful it was, enabling them to get pocket money and, at the same time, to get the litter off the roads. There is strong community support for the scheme.

Members may well ask what the waste professionals in our community are saying about this. What does an organisation like the Western Australian Local Government Association have to say about this? They are the ones involved in the waste collection stream in such a big way through the kerbside collection process. I received a letter, which I think may have been sent to most members, from Mayor Troy Pickard, the president of the WA Local Government Association. It is worth me reading the essential parts of Mayor Pickard's letter. The letter reads —

On behalf of the Western Australian Local Government Association ... I am writing to bring your attention to the Association's position on Container Deposit Schemes and the need for such a system to be introduced into WA without delay.

The Association welcomed the recent introduction of the Container Deposit and Recovery Scheme Bill 2011 to State Parliament by The Hon Eric Ripper MLA, Leader of the Opposition. Mr Ripper noted in his speech that WA currently only recycles 20% of its beverage containers. Action is needed by Parliament to increase resource recovery and reduce litter and a Container Deposit Scheme is a good way to achieve this.

Consistent feedback from communities through Local Government representation and the Municipal Waste Advisory Council indicate there is significant community support for container deposit schemes. Putting a deposit on containers provides everyone with a financial incentive to do the right thing. Such

schemes also increase awareness of waste management issues and provide a good source of income for community groups and Local Governments collecting these products.

I encourage you to support a best practice Container Deposit System for WA.

The mayor concludes by pointing me to the WALGA website, where there are further policy statements.

The support for a container deposit scheme, as outlined in the legislation that is before us, is something that people of great renown have put forward. Many people have presented statements saying that they support container deposit schemes. I am interested that in South Australia, Tim Cooper, the managing director of one of the major brewers, the Coopers Brewery Ltd—my favourite South Australian beer—has stated —

We think the recycling Scheme (CDL) works very well in South Australia and we've been supporters of it for many years, I think there's merit to the scheme operating outside of South Australia, just in terms of environmental impact. I believe that kerbside recycling systems are compatible with CDL, as the value of the deposits is used to offset the cost of kerbside operations.

Mr Cooper has made a very interesting point there. The other beauty of having a container deposit scheme is that it means we do not have that contamination of the kerbside collection system with the potential for broken glass. Unfortunately, the reality is that much of the waste that we put into kerbside recycling gets contaminated, which means that its value is either degraded or in some cases—I do not have numbers on this—many tonnes of recycling material is sent to landfill because of the degree of contamination. That shows further support for a container deposit scheme in Western Australia. I note as well that Ian Kiernan, AO, the founder of Clean Up Australia, says that on the annual Clean Up Australia days, in Western Australia 40 per cent of litter that is collected is actually bottles and cans; but in South Australia, it is just 8.4 per cent. Members can see the dramatic impact that comes about with a container deposit scheme.

Just on a personal note, as someone who is a keen cyclist, I mention the number of times I have had a flat tyre from riding over some smashed glass. The last time it happened was two weeks ago in the member for Bassendean's electorate. I was cycling through there on a very pleasant road leading down towards the river, but unfortunately I did not see the glass in time and I had a puncture. Each year I go to Adelaide for the Tour Down Under, and each year I am amazed at how clean the roadsides are. I have never had a puncture in the Adelaide hills, which is a beautiful area, and clean—free of smashed glass. When I compare that with where I live in Thornlie, and in Gosnells, especially on a Saturday or Sunday morning, the pavements shine. I am aware there is something shiny ahead and then I realise it is smashed glass. That is not just in the suburbs that I represent; I know that is typical across the metropolitan area. As I say, my latest experience was in the member for Bassendean's electorate.

The problem we are tackling here leads to all kinds of inconvenience. It is also a health hazard. I have had complaints from constituents who say that they want to see our footpaths tidied up because they are worried that their children could cut their feet on the broken glass that is around. I notice as well that we have people who are inclined to leave bottles lying around. Next to my office is a Westpac bank, and I often see a partially emptied stubby next to the ATM. I do not know why somebody would ever contemplate driving to the ATM and leaving a half-empty stubby there, but, unfortunately, it happens with great frequency. I know that we are bringing in fines, and the minister has brought on as urgent legislation some amendments to the Litter Act so that we can impose tougher fines on litterers, but that is only part of the solution. We must have this financial mechanism as well. That will make all the difference. I do not think that, on its own, this increase in penalties that the minister has proposed will do the job. We need to have much more.

I would like to turn to the situation in the Northern Territory. The Northern Territory government has brought in a cash for containers program. The Chief Minister, Paul Henderson, and the Minister for Natural Resources, Environment and Heritage, Karl Hampton, have been very keen to bring it in. They found that some elements of the beverage industry were obstructive and negative about the scheme. I will quote from Mr Henderson. He said —

The beverage industry should stop wasting its money on deceptive advertising and support this crucial environmental legislation which has the broad support of the community, councils, environment groups and the recycling industry ...

I say this especially to members opposite: they need to be aware that some elements within the beverage industry will lobby them with strong campaigns to not support a container deposit scheme. This was well documented recently in an ABC Radio National *Background Briefing* program—that excellent program that members almost probably make a part of their Sunday morning ritual when they tune in to hear *Background Briefing*. Its reports are always of a very high quality. It reported on this problem around Australia whereby the beverage industry uses its financial muscle to attempt to influence parliamentarians. I ask members to be cautious when they hear

from Coca-Cola Amatil Ltd or Foster's Group Ltd lobbying against the container deposit scheme. Members need to bear that in mind.

Dr M.D. Nahan: Are you saying that they shouldn't have an input to it?

Mr C.J. TALLENTIRE: I am happy for them to make comment, but I am sure that the member would be able to critically analyse what they tell him and weigh that up against the wisdom of the community and the research that has already been done. I will refer the member to a number of papers that have been done in Western Australia, because I suppose their ultimate fall-back argument will be that there has not been enough research into this and that more research is needed. That is not the case. I will point the member to a couple of very useful papers. In January 2007, the Stakeholder Advisory Group on Best Practice Container Deposit Systems for Western Australia, chaired by, I believe, the member for Perth, released a very comprehensive report. I also point the member to a report by the Boomerang Alliance called "Container Deposits: The common sense approach towards a zero waste society", which was put out in February 2007. I also point the member to the Barnett government's Waste Authority, which has a draft waste strategy. One of the recommendations of the strategy is that the government legislate to enable up-front charges, including a container deposit scheme. That comes from the government's own expert advisory body on all things related to waste.

I will also quote from others in the beverage industry who take a more enlightened and positive approach. Clayton Ford, the manager of external affairs at Diageo Australia, is reported as saying —

"Maintaining the status quo is not an option if the government of Western Australia wants to reduce the number of beverage containers in waste and litter. Research conducted for this submission suggests that, of the range of interventions available, CDL consistently presents as the preferred option both in terms of recovery rates and cost of operation

He is a significant player in the beverage industry who is supportive of the notion of a container deposit scheme.

I also point out that some other research indicates the sorts of rates that can be achieved. What we are really talking about is away-from-home consumption. Members may think that people have those yellow-topped wheelie bins—many, but not all, local government authorities have those bins—in which people diligently put their recyclable materials. The fact is that many of the beverages we consume are consumed away from home. We are talking about increasing that diversion from the non-residential waste stream—if we brought in a container deposit scheme, there would be a 55 per cent increase in glass bottles, a 30 per cent increase in polyethylene terephthalate plastic bottles, and a 75 per cent increase in aluminium cans. They are dramatic increases that would make it extremely worthwhile.

I turn now to some of the detail of the legislation before the house and I will look at some of the mechanisms that will be used. Essentially, the producer or importer of a beverage would be required to make a payment to an account held by the Waste Authority.

[Member's time extended.]

Mr C.J. TALLENTIRE: The Waste Authority would then forward the money to those people who returned their containers. This could be done in all sorts of ways. Reverse vending machine technology is now available, and it is seen around the world. Instead of people putting coins into a machine to get a drink out, people put their containers into the machine and they get either a chit of paper or cash. It is more likely that we would opt for a slip of paper that would then enable someone to make a claim for cash later on. Reverse vending machines would be a key part of this system. They can mechanise things, and the different streams, whether that be glass, plastic or aluminium materials, can start to be segregated. That is all part of how the system would work. People would get their chit of paper and their money would be reimbursed. Where would that leave the householder? The householder would be ahead in this scheme. That is the beauty of it. Householders will not say that the household budget has received another hit from the government because of the introduction of a container deposit scheme. That will not be the case at all. The experience is that people are usually ahead. Members might then ask: How can this be a cost-neutral scheme? How will this pay for itself? The international experience of a container deposit scheme is that a percentage of beverage containers do not get returned and people do not make a claim for their deposit. The funds to pay for the administration of the scheme would be derived from the deposits that are not returned. I can check my notes, but I think a deposit is not redeemed for about 14 per cent of beverage containers. That means that this program could be funded in a successful way that would pay for the administration of the scheme.

There are a couple of other things that I would like to highlight. I come back to the magnitude of the problem that we are faced with. In Western Australia at the moment, about 1.2 billion containers are purchased each year. That works out to be about 500 containers for each Western Australian. Our current rate of recycling, which as I mentioned is 20 per cent, means that about 960 million empty drink containers end up in landfill or littered around our environment each year. This program would make dramatic inroads into that.

I want to also reiterate the litter saving aspect. At the moment volunteers are called upon and with great goodwill go out and bag up litter. I think the latest report I heard was from Bold Park, which is not quite in the minister's electorate but perhaps in the adjoining electorate of Churchlands. Volunteers at Bold Park, in only a couple of hours, collected between 30 and 40 bags of waste, which was mostly bottles and cans. That confirms what Ian Kiernan said; so much of the waste that we see collected on Clean Up Australia Day and other days is bottles and cans. Bold Park has to hold these clean-up days and draw on the goodwill of volunteers more frequently than the annual Clean Up Australia Day allows. It has to do clean-ups on a much more frequent basis.

This week, from 7 to 13 November, is National Recycling Week. I think it is an excellent opportunity for the minister to embrace this legislation and recognise the experience of the opposition based on the time when it was in government. The knowledge that we were able to assemble, the research that was put together and the ongoing work that has been done with the Waste Authority enables the minister to have confidence that this scheme would work for the benefit of all Western Australians. The advice provided by the Western Australian Local Government Association also confirms that this legislation is fully accepted by local government authorities and indeed is something that they desperately want to see.

I conclude my remarks there, but I commend the bill to the house.

MS L.L. BAKER (Maylands) [6.42 pm]: I stand to agree with my colleague, the member for Gosnells, that the Container Deposit and Recovery Scheme Bill 2011 put forward by WA Labor is a fantastic piece of legislation; it is a no-brainer. I do not understand how anyone cannot support giving an incentive to Western Australians to not litter and to not pollute and to be better and cleaner, to tidy up the environment and to make a bit of pocket money while they are doing it. I remember being a little girl in South Perth with my mum and dad and collecting tiny Coke bottles and other bottles for my pocket money. It was a fantastic incentive. Goodness knows how much I made. It was probably in pounds, shillings and pence back in those days, but it was a very good system. I do not remember the day the process stopped or why it stopped, but it occurred to me that there was no logic in a decision to stop it. It seemed so counterintuitive.

Mr W.R. Marmion: You got fourpence on the big bottle.

Ms L.L. BAKER: That is right; we would get fourpence on the big Coke bottles.

Mr W.R. Marmion: It might have been a tuppence or a penny for the little one.

Ms L.L. BAKER: I think perhaps we should stop talking about this because it ages us quite significantly.

Mr C.J. Tallentire interjected.

Ms L.L. BAKER: Of course I was born in 1987, I think, from memory. Do not hold me to that, Hansard!

Mr W.R. Marmion: What was that? Did you want a date? 1966.

Ms L.L. BAKER: No, my colleague suggested that I might have been born around 1967. I suggested that it might be more like 1987.

I remember living in South Perth as a little girl and then when we moved to Darlington I remember the bottle-oh coming to collect mum and dad's bottles and cans. I do not wish to imply that my mother and father drank an awful lot of beer or wine, but they had a bottle now and then. We used to collect the bottles and build a pile near the incinerator in the back garden over several months. Then at certain times of the year, maybe two or three times a year, a little chap would turn up in a scruffy blue singlet and blue shorts and come down the side of the house with a wheelbarrow. I will never forget the sound of the bottles as he clanked and crashed them about in the crates. If I had been particularly good, I was allowed to keep some of the refund that we got from that. I have some treasured memories of bottle-ohs and recycling as a young girl in Western Australia. I cannot believe that we stopped doing this.

Next I would like to talk about my recently adopted sport of sculling —

Mr W.R. Marmion: You are joking.

Ms L.L. BAKER: I am not having a great deal of success with it because I do not get much time to do it —

Mr W.R. Marmion: Oh, sculling as in sculling in water!

Ms L.L. BAKER: Sorry, I should define that; I am not talking about elbow bending sculling!

Mr W.R. Marmion: I cannot imagine you sculling, member.

Ms L.L. BAKER: It is appropriate though, is it not? I am talking about the kind of sculling we do in boats. I do sculling on the river and, as members who have been involved in this sport know, it takes a bit of balance and time to master. Before we lowered the boat speeds—thank you very much to the minister involved in that—on the Swan River, when the boats went past me at fairly high speeds, I got to know the bottom of the river very

intimately, far more intimately than I had anticipated. I have managed to end up with some pretty nasty cuts from the bottles on the bottom of our river. Although they do not do any harm to the fish, they certainly do harm to very unprofessional and low skilled rowers who attempt to scull and then fall upside-down in their boats and have to walk across the riverbed to get out of the water. It is not a pleasant experience.

I visited some constituents and all through the laneway at the back of their house were myriad smashed bottles and shards of glass. Those constituents have little children. I got out of my car and had to look for a pathway through the glass. I am not saying that a container deposit and recovery scheme would fix those kinds of problems, but it would do a pretty good job of giving people an incentive to not stand there and smash bottles on people's fences.

Before I was elected, I stayed with some friends in upstate New York in a little country town called Nunda. Hansard will ask me to remember how to spell that; I will have to go back to my *National Geographic* for that one. My friends took it as a matter of course that when we went shopping on a Friday afternoon, we would take with us any empty glass or containers that we had, including milk and juice containers. We would load them into the back of the car in cloth or hessian bags and take them to the local supermarket. The Walmart or whatever it was on the corner had big recycling bins and we would simply stand in front of the bins and put the cans in one or two at a time and the machine would give us some vouchers. We could use the vouchers for shopping in that store. It is a fantastic exchange and it works. My friends recently came from America to visit me and stayed with me in Western Australia. I was embarrassed when they looked at me incredulously and said, "Where's your recycling for all the glasses and containers that you can take down to the store for a refund?" I said, "I'm sorry, we don't actually do that here." They could not believe it. They were incredulous that in our state, in our developed country, we would not have legislation or incentives for people to far better manage this kind of pollution.

I also remember that when the Liberal-National government was first elected, it tripled the waste avoidance and resource recovery levy. That was a subject of huge debate in this house. To this day I shall hold the Liberal-National government personally accountable for the additional rubbish that is now left on my street because the local tip put up all the fees. We do not have a rubbish collection in my street. Every week we have to go to the refuse centre to deposit our refuse. When the Waste Avoidance and Resource Recovery Act went through and these costs were passed on through local government to ratepayers, people simply would not bother going to the tip and paying the \$5 or \$10 fee; they would just drive down my road and drop the trailer load of rubbish on the side of the road. About eight weeks ago, I had to start ringing DEC and the Shire of Mundaring every Saturday morning to report that a tree lopper had decided to lop trees, clean up dirt and do whatever else he was doing, and dump the rubbish by the truckload within about four metres of the side of the road. Eventually six truckloads of rubbish were deposited on the side of the road. That included bottles and glass, refrigerator bodies, and televisions that had been smashed—all sorts of things, which this legislation would not cover, of course, but a lot of rubbish—and it took the council several weeks to book the right equipment to come along the street and pick up that rubbish. As members would be aware, when rubbish is left on the side of the road, people see that as an incentive to drop more rubbish, because they assume that the people who live there do not care.

I really hope that the minister will see the logic of supporting this kind of legislation. I have heard that the minister has given some indications that he is waiting for national legislation on this matter. I cannot see that that will be coming in a hurry. I think the minister is just putting it off and just deciding not to support this legislation politically because he does not wish to support a Labor bill. Although I understand the politics of that, it is very short-sighted when it comes to a subject that should be near and dear to most of our hearts—that is, pollution in this state.

This week we have heard a lot about the investments that the Minister for Fire and Emergency Services and the government have made in the purchase of new firefighting equipment. I would also like to point out the impact that glass has on the fire risk in our state. I walk my dogs every day near the forest, and bottles and glasses are littering the side of the tracks that I use. They are a huge fire risk. When the weather heats up and the forest start to go brown, the light reflecting on the glass is highly likely to start a fire. I think the minister knows the pattern of bushfires caused by this sort of pollution.

There are many reasons I believe the government should absolutely support a container deposit scheme. What would be the benefits of this kind of scheme? I think I have covered some of them, but I will go into a bit more detail. A container deposit scheme would do much more than relieve the pressure on landfill. It would remove a huge amount of rubbish from our beaches, parks and roadsides. A container deposit scheme would provide millions of dollars to community groups. As an example, I think members have heard about how the South Australian Scouts make about \$7 million a year from collecting containers. A container deposit scheme creates jobs as well. For every 1 000 tonnes of waste, recycling creates 36 jobs, compared with six jobs if the waste ends up in landfill. It saves water. Enough water could be saved by recycling bottles, cans and cartons in Western Australia to supply more than 4 000 homes.

That is an overview. There is a bit more detail around those benefits. I will start by looking at the litter aspect. Beverage containers are a significant component of litter, which this kind of legislation would drastically reduce. It does this by giving containers a value, thus providing a financial incentive for people to return rather than dispose of them. Container deposit legislation also encourages people to return their own or collected litter containers and receive their refund for doing so; so there is virtually no beverage container litter, no overflowing of public bins, and very few beverage containers in the waste stream. It also helps keep all of the scene clean, because people will litter less if they are in a clean environment. I referred to that earlier when I talked about my experience on my street with the rubbish dumping that has occurred.

We then need to look at waste and recycling. If we do not have container deposit legislation in place, kerbside recycling will continue to be very expensive to operate. We already know that because of the glass that is broken during kerbside collections, a lot of what is collected is simply sent straight to landfill because it cannot be used. Kerbside recycling operations are very expensive for councils and ratepayers. In fact, beverage and packaging companies are being heavily subsidised by having their packaging collected for them. That is an aspect of this bill that I think is particularly attractive—that is, the whole lifecycle of the product. We have heard this talked about in the manufacture of cars and what happens to cars. I have cars dumped on my road as well, members will be pleased to know. I can give members a long lecture about them. It is interesting to look at the whole lifecycle of products: first of all, how they are manufactured, and then how they are sold and put into the community, how they are treated during their lifecycle, and, most importantly, what happens at the end of their life. Up to \$60 per household, or around \$100 million a year nationally, is spent propping up the kerbside recycling system. Despite the huge expense of the kerbside recycling system, most containers are still thrown away and end up in landfill because they are full of glass. Container deposit legislation would reduce the cost of this kerbside recycling and provide a much more popular alternative for the collection and re-use or recycling of virtually all beverage containers.

So, it is extremely obvious that this is a good thing to do. It is not a good thing to wait for a federal decision on this matter. Why would we wait? We are a strong state. We have our own view of how to progress things. We should be progressing this immediately. The possibility of returning containers to shops, collection depots and via kerbside collection services will ensure a range of convenient options is available. Returning containers to shops or shopping centres could be part of our next shopping visit. As I said from my experience in America, many options exist for local collection depots, such as in council compounds, at shopping centres, at the local shops, or at community groups like scouts and guides. Those are just a few of the places where we could put these collection bins.

A container deposit scheme would also be helpful in encouraging the use of refillable containers and changing the way products are packaged for sale and put into the marketplace and what we do with them. The philosophy behind this is to influence manufacturers to change the way they produce the packaging for products and to be far more environmentally conscious of what they do so that they can save money. Again, it is not a complex argument. It is a very simple argument. Refillable containers are in widespread use throughout much of the world.

I would like to mention some of the countries that are using container deposit legislation. I am not sure whether my colleague ran through them. But I have done some research into this, and I will read to members some of the countries that already have this legislation. Some of the other states of Australia also have this legislation—namely, South Australia and the Northern Territory—and I think New South Wales has looked at it several times but has not been able to get it across the line. The countries that already have this legislation are Canada, Fiji, Germany—of course those Germans would have that; they are pretty efficient at this kind of thing—the Netherlands, New Zealand, Denmark, Norway, Sweden, Finland, the United Kingdom and the United States. I have also seen a reference to Kurdistan as having a container recycling program as well. So, hello! How far behind are we in a developed country that we cannot quite manage this ourselves? May I have a very short extension, please, Mr Acting Speaker?

Mr D.A. Templeman: At least an hour!

[Member's time extended.]

Ms L.L. BAKER: There is quite a bit to say about containers. I was going to bring some in to show members.

On the subject of benefits to both the consumer and the community, there is no reason to believe products in refundable containers will be more expensive. As I pointed out, savings should be available due to efficient container deposit legislation pushing down prices as the products are more refined and better developed. Another benefit would be that the collection cost is funded by unclaimed deposits. Members heard my colleague talk about the unclaimed deposit theory and how that works. Only consumers who do not return their containers fund the system. So councils and ratepayers who subsidise the beverage and packaging industries by collecting containers would no longer need to do that. Container deposit legislation would end this situation and would

provide all people in the community with an opportunity to earn some extra money and also perhaps have a bit of fun.

Debate adjourned, pursuant to standing orders.