

**WASTE AVOIDANCE AND RESOURCE RECOVERY
AMENDMENT (CONTAINER DEPOSIT) BILL 2018**

Consideration in Detail

Clauses 1 to 5 put and passed.

Clause 6: Part 5A inserted —

Dr D.J. HONEY: I am interested in proposed section 47A(c). How will it be determined whether a producer or a distributor takes product stewardship?

Mr R.R. WHITBY: This proposed section ensures that the first responsible supplier of beverage products takes product stewardship responsibility for their beverage products. That is the first supplier to a market.

Bear with me; I am just getting my notes together. Perhaps the member would like to repeat his question.

Dr D.J. HONEY: How will it be determined whether the producer or the distributor will be the first responsible person? Is there criteria to be met or is it simply something the coordinator will determine?

Mr R.R. WHITBY: The issue becomes which one is the first supplier to the market. It may be the producer if it were Coca-Cola Amatil, or it may be another organisation if it were someone importing the product and introducing it to Western Australia. I am happy to get some further detail from an adviser if the member wants more information than that.

Dr D.J. HONEY: I am interested to know how that differentiation is to be made.

Mr R.R. WHITBY: I am informed that proposed section 47D sets out the criteria to determine the first responsible supplier. I will give the member a brief rundown. The first responsible supplier is a person who has to pay the coordinator the supply amount that will fund the refund and the scheme. Generally, if a transporter only transports a beverage product between the supplier and the recipient, it is not deemed supply of that beverage product. Generally it is not deemed to be relevant supply of a beverage product if a person is engaged under contract to make a beverage product or fill containers with a beverage for another person. When the beverage is manufactured solely for the contract counterparty on transfer of the beverage product from the contract bottler to the contract counterparty following completion of manufacture, regulations may provide for circumstances in which a person can and cannot be the first responsible supplier of a beverage product, which may include when a person has entered into an agreement with another person about who is the first supplier of a beverage product.

Dr D.J. HONEY: I did look at that and it is under the regulations as well, so it is clearly defined in the regulations outside of that initial definition in proposed section 47D(1)(a).

The ACTING SPEAKER: Parliamentary secretary, the advisers cannot respond on your behalf. You have to answer the questions. If you would like to respond.

Mr R.R. WHITBY: That is right; the legislation provides the heads of power and that provides an explanation. The regulations will further clarify that detail.

Mr W.R. MARMION: Further to proposed section 47A, I am interested in 47A(d). I strongly support these main objectives. Paragraph (d) talks about opportunities for social enterprise and benefits for community organisations through participation in the container deposit scheme. When I was Minister for Environment, the scouting association in Australia, and particularly in WA, was very keen to get involved. I thought that was a worthwhile thing, so I would be interested whether the parliamentary secretary could give us an outline of how, to use scouts as an example, they might be able to be accommodated so the scouting association can benefit from this object of the bill.

Mr R.R. WHITBY: It is true that some of the great beneficiaries of this legislation will be sporting groups, community groups and so forth. As it works in other jurisdictions, and as it is anticipated to work here, those groups will be taking these containers as a donation from the public so they can then be the beneficiaries of the refund. The idea would be that clubs, organisations or schools could set up a collection point, a cage, and encourage their supporters to supply those containers. Then the organisation itself, whether it is a scouting group or a football club, could take those cans to a collection point that will then pass on the refund. Some major sporting organisations will be able to actually become the refund point themselves. That is a possibility. I am not sure that many will want to take on that responsibility, but a large organisation might choose to do so. Again, that would negate the benefit of the money going to the club rather than the person bringing in the product for refund. I think most community organisations would simply be a collection point. There would be no transfer of money at that point, but certainly the scouting group in the member for Nedlands' analogy would then take all of those cans to an official collection point for refund and retain the money in that way.

Mr W.R. MARMION: That raises another point I had not thought of. The parliamentary secretary said that the sporting scouting association could become a collection point. How would they get remunerated for that? Has the administration around that been worked out in terms of there being someone big enough to do that? Theoretically,

the scouting association could make its headquarters in Perth a collection point, for instance, but as the parliamentary secretary says, if the containers are collected and the money goes back, is there an administration fee they can get for doing that service?

Mr R.R. WHITBY: They would then operate as any other official refund collection point. They would have a contract with the scheme coordinator and they would receive payment for the handling of that as well.

Dr D.J. HONEY: Just to facilitate the passage, I do not have any other questions until proposed section 47D on page 9 of the bill, so I am happy to progress all clauses through to, but not including, proposed section 47D on page 9.

The ACTING SPEAKER: Thank you member. That is all still actually part of clause 6. If you have a question on 47D, then fire away.

Dr D.J. HONEY: I listened before, and in relation to those responsible suppliers, would it be possible to provide a couple of examples that maybe differentiate between different first responsible suppliers?

Mr R.R. WHITBY: The idea is to keep the responsibility for this at the very highest level of the beverage industry so we do not get the situation of the mum-and-dad corner deli having to worry about the bureaucracy involved. It is essentially about who is bringing the product into Western Australia. With the vast majority of beverages sold in this state, it is likely to be a major supermarket chain or perhaps one of the major drinks companies such as Coca-Cola Amatil. That would overwhelmingly be the case.

Dr D.J. HONEY: I think, as the parliamentary secretary says, it is going to go as high as it possibly can, which clearly makes sense. In relation to that though, if there were a boutique beer supplier, for example, such as one in the member for Darling Range's electorate, would they be the first possible supplier—that is, the smaller business?

Mr R.R. WHITBY: Yes, indeed. I think the vast majority of products would fit the category of the very large producer or supplier, but there will certainly be some minor producers, and small breweries would be among them, that would be introducing the product into the state. That is why we have done a lot of work to accommodate their concerns and we continue to do so.

Dr D.J. HONEY: I refer to proposed section 47D(4) at the top of page 10. This may be a technicality, but it talks about the transport of beverage products. I know sometimes trailers transporting equipment are stored in depots and the like. Is that included in the definition of "transport"—that is, where it stops at a depot, maybe for a night or two?

Mr R.R. WHITBY: We are trying to ensure that that responsibility is not passed from a major producer, someone like Woolworths, onto someone who happens to be transporting and holding a product in a warehouse and then taking it to the consumer. The idea is not to complicate this and to keep things to the highest level of industry. Does that explain it?

Dr D.J. HONEY: I am just trying to elicit if it is not continuous transport, if it is broken transport and it stops in a yard, it is still considered to be transport?

Mr R.R. WHITBY: Yes, despite the number of stops, there is still a protection to ensure that responsibility does not move on down the chain, so that is right.

Dr D.J. HONEY: I am still on clause 47D(6) at the bottom of page 10. If I am reading this correctly, I note that in some circumstances, the first responsible supplier can make an agreement that someone else down the chain is the first responsible supplier. Let us say that someone wants to shirk this responsibility; could that supplier transfer the responsibility to a vendor? My concern is that perhaps a large supplier with a lot of market power could force all the local delis and others to be the first responsible supplier through agreement.

Debate interrupted, pursuant to standing orders.

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