

Mrs Lisa O'Malley; Mr Shane Love; Mr Bill Marmion; Mr Chris Tallentire; Ms Libby Mettam; Ms Sabine Winton; Dr Tony Buti; Mr Ian Blayney; Mrs Jessica Stojkovski; Mr Zak Kirkup; Ms Emily Hamilton; Mr Reece Whitby

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

*Second Reading — Cognate Debate*

Resumed from 20 February.

**MRS L.M. O'MALLEY (Bicton)** [10.29 am]: In conclusion —

Several members interjected.

**Mrs L.M. O'MALLEY**: It has taken a while to get to this point!

In conclusion, 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 will provide many opportunities for the people of the electorate of Bicton and right across our state. Those opportunities begin, most importantly, with greater protection of our waterways, marine environment and natural landscape through the reduction of waste and an increase in landfill diversion.

This bill provides economic opportunities through the growth of industry around waste management and resource recovery. Additionally, there are exciting opportunities for education and behavioural change around re-thinking our attitudes and approaches to waste. Reduce, re-use and recycle—it is a simple mantra, and one that we can all embrace, as individuals, organisations and, as we are doing here with this container deposit bill, as governments. Environmental protection and preservation is everyone's responsibility.

Finally, and very importantly for the community groups of Bicton and beyond, this bill will provide an opportunity for direct fundraising. There is still more to be done on the detail of how our communities will engage in the process, but I say to the Bicton, Richmond, Palmyra, Melville and Attadale Primary Schools, and all of the community groups, not-for-profits and social enterprises of Bicton: watch this space. I commend this bill to the house.

**MR R.S. LOVE (Moore)** [10.30 am]: I want to say from the outset in speaking to 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 that the Nationals WA support the objectives of this legislation. Indeed, it has been National Party policy since 2013 to introduce such legislation. We know that this legislation enjoys very strong support from many in our community; I think a survey showed that there was 97 per cent support for this measure. Going back over many years, there have been numerous approaches from constituents, local governments and others to get involved at a state level in the area of container deposit schemes.

In fact, in February 2016 there was a motion in the upper house on this very matter and my colleague Hon Martin Aldridge spoke to it and elaborated on the National Party's objectives and its support for such a scheme. In doing so, he highlighted—this is important to highlight—that there are some risks involved in this type of scheme, and that we should not necessarily go into it without making sure that the risks are not addressed.

One of the risks for regional people is that the opportunity to actually participate in the scheme, in the sense of being able to get the 10¢ deposit back, may be difficult if there is not a sufficient number of supply points to make it possible. We do not want to see this turning into an attack on people in smaller, more remote communities, where they cannot get their deposit back. In fact, the National Party had a briefing just the other day on this very matter from the Department of Water and Environmental Regulation and we got a little handout. During the briefing, when we raised this matter with the department, we were told there would be an opportunity for sporting groups and other groups to get involved by collecting containers and in that way contribute to getting them back into the system. That is fine, except that householders are not going to get that money back. We actually want an opportunity for householders, who are paying the money in the first place, to get money back from the return of the actual containers.

Another element of risk is the variability of prices that may be charged by some suppliers to pay for the scheme. We know that it is the suppliers of the containers who will initially put forward the money, and that will be the oil that greases the wheel that gets this process running throughout the state. We have seen in New South Wales, for instance, a fair degree of variability between the prices that the different suppliers actually charge to participate in the scheme. We do not want to see this turn into some sort of price gouge on consumers, either.

Another matter that needs to be considered is the effect the scheme will have on the traditional recycling system. For instance, the yellow bins that councils collect have a revenue stream attached to the operators of those bin

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services, and this scheme will threaten that to some extent. I understand that in New South Wales the traditional suppliers of recycling services are somewhat concerned about that. I will talk about that a little more later on.

A quick search of the internet on these matters comes up with a few interesting little discussions or reports. One is from the ABC's website, dating back to the early days of the scheme being introduced in New South Wales. I refer to an article from 14 February 2018 that actually quotes the Labor opposition in NSW. It starts off by stating —

**A lack of collection points for New South Wales container deposit recycling scheme means consumers are \$110 million worse off after just three months of the bottle and can buy-back, the State Opposition has said.**

It goes on to say that the scheme, which is predicated on getting your 10¢ back, is fraught with difficulties because of a lack of collection points for people to return bottles and cans. The article continues —

NSW Premier Gladys Berejiklian acknowledged the scheme needed to be improved.

“This program had major teething problems,” she said.

...

Nationals leader John Barilaro said the scheme had been made logistically difficult, particularly in regional areas which lack Sydney's density.

As I said before, one of the things my party is concerned about is ensuring that, right from the outset, regional people do not end up basically paying a tax on their foodstuffs and drinks et cetera, just because it is difficult—as the leader of the New South Wales National Party said—for an operator to find their way through the regions. We do not want that to happen. We want to make sure that these problems of access are handled right from the very start so there is not a period during which country areas are being penalised compared with city areas.

I refer to another article, this time from *The Australian* and a little more recent—in fact, 28 December 2018, so not too long ago, in the scheme of things. The article reports that there are worrying signs that the New South Wales container deposit scheme—this is a state with a much higher population than Western Australia's—is costing a lot and returning only a little in benefit. The article is by journalist Anthony Klan and states —

The NSW drinks container deposit scheme ... has cost consumers about \$250 million in increased prices while appearing to deliver a negligible increase in recycling—a blow to proponents calling for a national rollout.

It goes on to say that the New South Wales environment minister had claimed that recycling rates had soared by up to 69 per cent since the “Return and Earn” scheme had begun, but the recycling industry is privately questioning that result. The article states —

The NSW government has said 54 per cent of eligible containers were now being recycled —

Which, as I said, was a 69 per cent increase on pre-scheme introduction. The article continues —

However, the government's own reports say pre-scheme bottle recycling rates were between 50 per cent and 60 per cent —

Prior to the scheme being introduced. The NSW Environmental Protection Agency said that, prior to the scheme, the proportion of cans and bottles sold that typically ended up in home recycling wheelie bins was around 53 per cent, so that is not much different from what was being achieved after the introduction of the scheme. As I said before, one of the issues was the price. The article continues —

Under the Return and Earn scheme, NSW consumers are being charged up to 15c more for each drink they buy but can recover a 10c deposit ...

But there is variability in this, and some of the prices fluctuate from as little as a 1¢ increase up to 15¢ per container. The Independent Pricing and Regulatory Tribunal of New South Wales has carriage of monitoring those prices. The average increase has been around 7.5¢, but in some circumstances there has been a much greater increase. That raises the point that we do not want to see people being charged unnecessarily for this service. I think everyone is approaching this legislation with goodwill and would like to see it work. Again, I am not raising these issues because I am trying to be anti the legislation or trying to say it is not a good idea; I am just raising that these issues need to be monitored and addressed throughout the whole process.

Another issue that has been developing in Queensland and New South Wales was the subject of an article on the ABC online news service as recently as 7 February. It was about the development of a class of people known as

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“bin chickens”. Bin chickens scabble around in rubbish bins picking out bottles and cans to get the 10¢ recycling refund. The article features a very handsome fellow called Simon Goldstein who is very proud of being a bin chicken. He scabbles around in public places like under trees and goes through rubbish bins et cetera—he does not appear to be wearing protective clothing, so maybe there are some risks involved in that—and that is his occupation. He picks up cans and bottles for recycling. Of course, he is cleaning up parks and gardens, and that is great. But there have been reports of people going through other people’s backyard bins and getting into the bins before they are actually put in the street. That of course is trespass, and it is a worry if that is being encouraged. Just the other night I saw an internet post in which people were complaining about a bin chicken operating in their neighbourhood—I think they called him “Chook”. He was scabbling around in their backyards, which would be quite unsettling for some people and not something they are accustomed to.

Of course, the New South Wales waste recyclers also claim that the fact people are going through the recycling bins on the street is leading to a reduction in their revenue streams. They rely upon having those cans and bottles in their bins. I guess it is local government or contractors to local government who are operating those recycle bins and who have traditionally gained money from the sale of aluminium and glass et cetera. That stuff is still going into the waste stream but not necessarily through those suppliers, and they are claiming that their income streams are being lost. We know that Western Australia—at least in the metropolitan area of Perth, Peel and Bunbury and a few other places—is moving towards a three-bin system that will no doubt need to be paid for, and ensuring good revenue streams in the recycling business will enable those businesses to keep going.

I am not saying that the legislation is necessarily bad—not by any means. The Nationals WA strongly support its aims. We have supported it in the past, and I think we will support the passage of this legislation. But I imagine that there will need to be very close examination of the issue I have highlighted—the issue of regional people being able to effectively get their own money back if they wish. Householders may not necessarily want to hypothecate that money off to some sporting group or charitable organisation because they are already paying much more for their groceries than city people. We do not want those people to be taxed and disadvantaged because they cannot get the money back for their own containers. We do not want to see householders being unnecessarily charged by the suppliers under a system that has uncertainty and a lack of transparency around where that money is being charged and where it is going. We want to see complete transparency there.

The other issue is that the effect on the traditional recycling system needs to be understood and exposed to scrutiny. The other place will give the legislation careful consideration, and it may even want to send it off to a committee. I do not know what it will do, but there are certainly some issues that need to be thoroughly examined. Despite assurances that they will be addressed in time, it seems that this legislation is very closely aligned with the New South Wales and Queensland legislation; indeed, the second reading speech points out that there is a close alignment with the legislation of those states. We see reports from organisations, such as the ABC and *The Australian*—so not disreputable organisations—that there have been issues with people getting their money back. Apparently, especially in the early stages, there was a lag between the cost to the community and what was being returned to it. We want to see those measures very, very thoroughly addressed.

It will be a very large logistical exercise to try to enable every isolated community and every small country town to participate in this. I know that there have been —

**Ms M.J. Davies:** Remote communities.

**Mr R.S. LOVE:** Yes, every remote community. Mention has been made in briefings to the National Party that the issues will be addressed, but the detail will largely be in the regulations so we are not really sure just how effective those measures will be. We would also like there to be close monitoring and a review of the effectiveness of these matters going forward, apropos the effect on regional areas especially. It should not go for years and years before it is reviewed, but it should be very closely monitored and the not-for-profit organisation chosen to operate it should be expected to regularly report back on the performance in the areas I have highlighted. If necessary, changes should be made to ensure that especially country people are not disadvantaged by this scheme. I am sure the scheme will bring great advantages in other ways. I regularly participate in litter drives et cetera throughout my communities, and there is nothing more joyous than reaching down along the Brand Highway and picking up all the second-hand cans and bottles, putting them in the orange basket and taking them back. It would be great if that did not have to happen quite so much and they were being taken back to the collection point instead of being thrown out of a window. It would be great to not see pictures on the internet of animals being tangled up in recyclable containers. They are all great objectives; we just want to see it working well and effectively in the way I have outlined.

**MR W.R. MARMION (Nedlands)** [10.48 am]: I rise to add my comments in support of the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill 2018 and the Waste Avoidance and Resource

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Recovery Amendment (Container Deposit) Bill (No. 2) 2018 and add some historical background about what has happened in the past and what I have been involved in. Of course, when I was a young boy we got a return on our bottles when we went up to the local shop. The member for Bunbury is not here, but I recall that we could get about 4¢ on a bottle. In the 1960s that was quite a lot of money. If we could gather quite a lot of bottles, that meant we could get quite a reasonable amount of money. In fact, it taught children the value of money, and the Scouts made money out of bottle-drives. In my day there was a chap called the “Bottle-o”, and I think he got less for beer bottles but because of the volume of beer drunk and the larger bottles —

**Mr M.P. Murray:** He used to get a ha’penny for a beer bottle.

**Mr W.R. MARMION:** It might have gone up a bit—it might have gone to half a penny or something!

There were massive numbers of beer bottles behind the hotel near where I lived, and it was obviously worthwhile gathering those bottles. The economics of the day were such that it cost money to produce the bottles, so the proprietors were happy to get the bottles back. Obviously, they would want them back in a reasonable condition. That issue will come up under this new scheme. In the past, before the 1960s, the economics meant that we had recycling anyway because of the cost of bottles. As packaging changed, with the mass production of bottles, and then cheaper cardboard containers, it became less profitable for the proprietors to pay for the returned bottles.

Nevertheless, South Australia decided in 1977 to have its own container deposit legislation. I have been told that it is the longest running container deposit scheme in the world. I bought a bottle in Western Australia and saw on the label that I could get 10¢ back on it in South Australia. There have been many moves to follow South Australia over the years, but the industry was opposed, and mounted quite a strong campaign. I was working in the office of Premier Richard Court in late 1990s, and I remember sitting in on a presentation by industry, to the Minister for Local Government, Hon Paul Omodei, explaining how a container deposit scheme would be too expensive and that it was better to let industry manage the situation, and come up with a range of options far more effective than a container deposit scheme. In 2012, I was the Minister for Environment.

**Dr D.J. Honey:** Those were the days!

**Mr W.R. MARMION:** Yes, those were the days. Container deposits were on the agenda for a Council of Australian Governments meeting in that year. I rolled up to that meeting wondering what the feel was. I thought it was rather strange, because since 2010, a subcommittee of the environment ministers had been working on the analysis of various options for a container deposit schemes. I think about eight options were proposed at the time, and a draft report had been done, after nearly three years’ work. I detected a lack of enthusiasm on the part of the federal government. Usually, at COAG, the commonwealth drives the whole agenda; we would rock up, and just about everything had been signed, sealed and delivered, but that was not the case with this issue. There did not seem to be much enthusiasm, which intrigued me. There was probably enthusiasm in 2010, but by this time it was running out. However, I detected some enthusiasm on the part of the state ministers, both Labor and Liberal. The more we talked about it with the commonwealth, the more it seemed that the commonwealth was handballing the issue back to the state. At the time, a regulatory impact statement was being done on the eight different options on the table. There were industry options, options for government funding, and container deposit options, but two container deposit options were not being looked at. One was the scheme operating in South Australia, which was not being offered as an option, and also, I think there was an organisation called Boomerang. The member for Thornlie may confirm this.

**Mr C.J. Tallentire:** It was the Boomerang Alliance.

**Mr W.R. MARMION:** The Boomerang Alliance was also promoting a container deposit scheme, although not the same one that was being looked at by COAG, and I suggested, at that COAG meeting, that those two schemes be added to the list of those being investigated. That happened, so then 10 options were considered. Surprisingly, this document of 500 finely printed pages found that the container deposit schemes were the most expensive from a cost–benefit analysis point of view. We had to wonder what assumptions were behind that, and whether some unquantifiable benefits should have been added to that analysis. It still stands as the most comprehensive analysis of the various options that has ever been done in Australia. A summary on the website of the findings of research at Monash University into deposit schemes in the United States, and the South Australian scheme, showed that container deposit schemes have a terrific benefit in the reduction in landfill, particularly for drink containers. I will quote from the summary —

The 47 CDR schemes recovered an average of 76% of drink containers. In the United States, beverage container recovery rates for aluminium, plastic and glass in the 11 CDR states are 84%, 48% and 65% respectively, compared with 39%, 20% and 25% in non-CDR states.

That is a huge difference. The evidence is right there. The research also looked at South Australia —

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... one of the longest-running CDR schemes in the world: 84%, 74% and 85% for cans, plastic and glass compared with national averages of 63%, 36% and 36%.

The evidence is there that the container deposit scheme in South Australia does deliver. However, there is still opposition from industry, which still says that it is costly. We have to wonder where there will be benefits for Western Australia if we bring in this scheme. I believe that the benefits, apart from the recycling of the containers, will come from the education value. There are some unquantifiable flow-on benefits in other areas, such as promoting and marketing the idea of not putting things into landfill. If children are able to get a return on deposit, they can learn the value of money and top up their pocket money. Those intangibles will also be benefits of this scheme.

We gradually see other states coming on board. South Australia has had its scheme since 1977. The Northern Territory came on board in 2012, New South Wales in 2017, and the Australian Capital Territory in 2018, and I am assuming Western Australia will come on board later this year or early next year. I am a strong supporter of the scheme. I was there during the COAG discussions. There are obviously a lot of issues in the implementation. The bills set out the framework for the container deposit scheme. If it is based on the New South Wales scheme, it will provide the opportunity for non-profit organisations, such as scouting groups, to raise funds. However, there will be issues, as raised by the member for Moore, of how the scheme will operate in remote areas. There will be some challenges in that respect. The Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill 2018 mentions a business plan, to be put forward by the coordinator.

It will be very tricky to make a business case when it first starts up because the coordinator will have to know exactly how it will be run, what the staffing will be like, what the distribution outlets will be, and how containers will be collected. That will be a challenge for the coordinator, but I am sure that the department will provide a lot of background work for that. I think the member for Cottesloe raised the funding. My understanding is that if the proprietors put 10¢ per product into a fund and, for example, only 80 per cent of the beverage containers are refunded, the 20 per cent surplus could be used to fund the administration and regulation of the scheme. That raises another issue. If an organisation has a certain amount of money for administration, it often finds that the administration costs that amount. The department, I presume, will have to have some controls to ensure, if that becomes a large amount of money, that a large number of people are not paid unneeded administration fees and that the money is used for something more productive.

I do not want to hold up this bill's passage—we have some other speakers—but I think it is important to give members some background. In 2012 this kind of scheme was strongly supported by ministers. Ministers were concerned about each state introducing a scheme that was different from the other states' schemes. We want there to be some uniformity, so in his reply, I hope the parliamentary secretary will mention the importance of uniformity and any differences between this scheme and the schemes in South Australia and the Northern Territory. If we are going to have a scheme, I think it will be useful for it to be as uniform as possible. We obviously want the best scheme, but it should be as uniform as it can be so that there will not be problems across states. With those few words, I commend the bill.

**MR C.J. TALLENTIRE (Thornlie — Parliamentary Secretary)** [11.02 am]: I am very pleased to rise to contribute to the second reading debate on 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. I will begin by reflecting on what I think must be at least the 17 years that I have been hearing about the possibility of Western Australia having a container deposit scheme and advocating for one to come into effect in our state. I will reflect on some of the good work that was done. I recall the former member for Perth John Hyde leading delegations of parliamentarians and community experts to South Australia to examine its system in the early years of the Gallop government. I recall a succession of studies and research papers put together by groups—as the member for Nedlands mentioned—such as the Boomerang Alliance, which set out how a scheme could work. This is very important for members from regional areas. In my former role at the Conservation Council of Western Australia, I recall receiving letters—both direct and copies—from regional local governments expressing their strong support for a container deposit scheme. I think it is probably the case that different groups—environmental groups through to local governments—have different motivations for being supportive of a container deposit scheme, but they have all come together in the view that it would be of great benefit to the state. Even in the early days of the campaign there was talk of how technology could be used to make it a feasible and viable system. I am sure that the technology has been refined since then and is now highly operational. One of the highlights is the use of reverse vending machines. A person who has consumed a drink from a bottle, can or carton could place the container into a machine and receive a credit for the value of that container. They will get a chit that gives them credit for the number of containers they have returned. This system can be run by all sorts of mechanisms.

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The point of real critical interest is the overarching design. I know there is much discussion about whether the beverage industry should be central to the system's administration. I think that is still to be determined. We know that there will be an entity called the scheme coordinator. I think the experience has been that when the beverage industry has been put in charge, it runs the system for its benefit. We need to look at history and recall that the beverage industry has taken a very negative view of container deposit schemes. In the 2013 state election campaign, the beverage industry ran radio advertisements that told people not to vote for Labor because it could bring in a container deposit scheme. I think a similar round of adverts were run in the 2008 campaign and prior to that. The beverage industry has a long history of opposing container deposit schemes. I am very pleased, though, that it has come around to the idea. I could never understand why it was opposed. One report suggested that it was an ideological position of the Coca-Cola company's global headquarters in Atlanta in the United States. It did not like the idea that as a company it could be somehow held responsible for some element of its product after the point of sale. Whatever the reason, the beverage industry is firmly on the record as having opposed a container deposit scheme, but it has seen that the overwhelming majority—something like 90 per cent—of Western Australians support it. It has been quite amazing! When I was campaigning on this I received some very good research that highlighted how strong the level of support was.

When Eric Ripper was the leader of the state Parliamentary Labor Party in 2012, he and Hon Dr Sally Talbot put together a private member's bill and presented it in this place. They were able to garner vast support across the community and we were very heartened by it. Over the time we were in opposition, I had a petition in my office that called on the state government to implement a container deposit scheme, and it was easy to convince people of the benefits of such a scheme.

Everyone seems to have a past recollection; even some people who strike me as being very young say, "Yes, we used to have that." It is as though there is a collective memory of container deposit schemes. I certainly have recollections of returning bottles and getting refunds on them. At the time I think bottles were re-used. The glass was not smashed and then recycled in some way. The community has a great affection for a container deposit scheme. We need to build on that and use it.

Why are people motivated? Some people have seen footage and photos of terrible scenes of wildlife that has become entrapped in a can or bottle or been killed. Those are terrible scenes. There is also the unseemliness of litter around our state. I am a regular visitor to South Australia and I have to say that my personal observation is that the road verges of South Australia are much cleaner than the road verges of Western Australia. The big difference is that it has had a container deposit scheme for a considerable number of years, as we heard from the member for Nedlands. That makes a huge difference and people have a sense of pride when they see that their state is clean and free of the infestation and ugliness of litter on the roadsides. It seems to be that when somebody starts littering, throwing a few things down in an area—I have seen this in local parks in my electorate—it quickly compounds and other people somehow feel less inclined to make that little bit of effort to pick up their rubbish. They just leave it because it seems to be the accepted thing. An idea must come into people's minds that the local government authority perhaps has people who will come around and clean up the mess. However, once it is established that a park is a clean place, people are less inclined to leave litter. Freeing the state from the blight of litter is one of the major reasons for bringing in this container deposit scheme; it will make a huge difference.

As a cyclist, when I am riding around South Australia I notice that I get hardly any nicks in my tyres. I have talked to other cyclists about this. Smashed glass on the road is a nuisance and probably causes somewhere between 30 per cent to 50 per cent of punctures—little shards of glass get through the tyres. In WA, I am afraid that the puncture rate, and certainly the nicks that do not always cause a puncture but are cuts in the tyre, is much higher than in South Australia. Usually, when I am in South Australia, I am on holiday and cycling, say, 500 kilometres a week, and I come home with tyres that are virtually nick-free. That is my little personal scientific experiment on the comparative benefits of having a container deposit scheme—the roads are so much cleaner with less litter and there is less of a hazard. It is not just cyclists who appreciate roads that are free of smashed glass, people in wheelchairs also appreciate it. I think it is terrible that a person in a wheelchair might be travelling along and if a shard of glass is stuck in the tyre, they risk cutting their hand in some way.

The chance of a bottle that has been left on the side of the road being smashed is greatly reduced by having a container deposit scheme. I have heard people speculate that there could be additional costs to consumers. The reality is that that additional cost will be felt only by those who are stupid enough to leave a bottle on the side of the road and not bother to get the refund for the bottle, can or container. If a person is lazy or not that way inclined, they will have an additional cost. I personally do not think it is unreasonable to penalise those people who cannot be bothered collecting their rubbish and disposing of it in a sensible way.

I am certainly not an expert on the latest design of these schemes. I acknowledge that the parliamentary secretary, the member for Baldy, will be able to go into the detail of the scheme at a later stage. But I just point out that

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the first responsible supplier of the beverage—the entity that puts the beverage onto the market—has to pay the deposit into a scheme run by the scheme coordinator. It is very sensible that the system will operate that way. The well-organised corporations that put their products onto the market through all the retail outlets, as the first responsible supplier of the beverage, will, naturally, be the ones paying into the scheme. In the nature of things, perhaps a percentage of deposits will not be redeemed. All the calculations suggest that that unredeemed percentage could run at about 20 per cent of deposits. The unredeemed funds can help to pay for the administration of the scheme.

It is critical to note the nature of the network of collection points. This is of great interest to community organisations like Scouts WA, Girl Guides Western Australia, men's sheds, bowling clubs and footy clubs that see themselves as potentially part of the network of collection points. By collecting the containers and transferring them to central collection points, they will be able to benefit from the deposit scheme and increase their cashflows. That is really good news. It will help engage those organisations in the process to ensure that we have a network that is easy to access. I know there is great enthusiasm amongst those groups to be involved in helping to ensure we have a cleaner state that is moving towards a circular economy in which nothing goes to waste. Some manufacturers, retailers and providers of beverages may well look to ways to design out the waste. That is always important. The concept of extended producer responsibility is about encouraging manufacturers and producers to design out the waste in the first place. This scheme will be a very important step along the way to that circular economy—the designing out of waste and creating a system in which extended producer responsibility is firmly entrenched in our national psyche. It is a tremendous thing to have.

Going back to some of the people in my electorate who have been passionate about this issue, I must acknowledge Kerry Wilson and the wonderful work that she and her family, friends and associates at Gosnells Primary School have done testing a model for a container deposit scheme. Young students have been involved and have come to realise the value of material that would otherwise go to landfill. These primary school students have drilled down to the point that they are able to say, "Some of these things are plastic bottles, some are glass bottles, some are aluminium containers, some are paper based" and then ask, "What are the various values of these products—this recycle?" This is an interesting question. Of course, the value of recycle will depend a lot on market values. We know that when we have a steady supply stream of a particular waste, we have greater marketability and we can have a better quality product that is more saleable and something that manufacturers can design products around. Interestingly, one of the more difficult materials to find a market for is crushed glass. I think there is great potential for very fine crushed glass to be used as a form of roadbase. That is one example, but of course technology is advancing at such a rate and all sorts of marketability issues come into play.

I was out at Suez in Welshpool not too long ago, and it had quite a high stack of smashed glass. I think at one stage Suez was looking at trucking or railing that glass to South Australia, where a bigger recycling plant was prepared to pay it a rate that would make that worthwhile. All sorts of price variabilities would make that feasible sometimes and not others. There is the possibility for heavy competition for the plastic stream for use in waste-to-energy plants, because of the high calorific value in plastic containers. The essential message is that our waste stream can be used in a way that is far superior to landfill. I commend this bill to the house. I have waited a long time to see it. I know there will be some final stages of development, but this is a really exciting development that I believe just about the whole of Western Australia is right behind. It is something that people will see as a very positive step by the McGowan government, making sure that we are moving fast towards creating a circular economy. I commend the bill to the house.

**MS L. METTAM (Vasse)** [11.20 am]: I also commend 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 the house. I welcome the introduction of a container deposit scheme for drink bottles and cans to help improve recycling in Western Australia. I note that it was a policy of the former government announced in August 2016 under the former Minister for Environment, Albert Jacob, and it was an election commitment of the McGowan government as well. I certainly support its introduction in this house. I should point out that during the consultation period, there was broad support in Western Australia for this scheme, with 97 per cent of survey respondents supporting it. We have seen how successful it has been in other states, in particular South Australia, which records the highest recycling rates in the country. That is certainly something we all want to move towards. According to the 2015–16 Keep Australia Beautiful National Litter Index, beverage containers make up over 35 per cent of the total volume of all litter in WA, and in Western Australia we have more drink containers in our litter than any other state. The top 12 littered items in WA are drink containers. I think it is particularly valuable—I am keen to see it—that this will benefit charities and different community groups in my electorate, in particular the Busselton and Dunsborough Lions Club and others. I am sure they will be very keen to see how they can utilise a great initiative for recycling and the raising of funds for different charity work.

**Extract from Hansard**

[ASSEMBLY — Thursday, 21 February 2019]

p748b-765a

Mrs Lisa O'Malley; Mr Shane Love; Mr Bill Marmion; Mr Chris Tallentire; Ms Libby Mettam; Ms Sabine Winton; Dr Tony Buti; Mr Ian Blayney; Mrs Jessica Stojkovski; Mr Zak Kirkup; Ms Emily Hamilton; Mr Reece Whitby

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I understand that in February 2019 as part of the Denmark Australia Day Big Aussie Breakfast initiative, they raised funds through a cash-for-cans initiative.

There are concerns from a small business perspective. As with any other piece of public policy, it is important we strike the right balance, in this case, between the environmental benefits and the impost on small business. There are some outstanding concerns for small businesses in WA, such as the many small breweries in my electorate that find it harder to absorb any costs and will therefore be passing on costs to consumers. How that will play out in regulation is an important concern. I would like to highlight comments in an email received from one local brewery, which stated that it was totally supportive of government taking action that results in better environmental outcomes for future generations. The email states —

However, it is our hope that environmental change can be achieved without any adverse impacts on small businesses and, in particular, West Australian small businesses.

Perhaps it is not widely known outside brewing circles that the margins for bottled beer made by independent breweries is quite small, and our margins are always under pressure in the highly competitive beer market ... It is our concern that new costs associated with the Container Deposit Scheme will need to be passed on to our customers. The WA Brewers Association has estimated that the Container Deposit Scheme will add over \$4 to the price of each carton of beer produced by an independent brewery ... The larger internationally owned operations may be able to absorb these new costs for their operations here, as a minor part of their overall business. Whereas we only sell our beer in WA, as close as possible to where it is made.

We are concerned the introduction of the Container Deposit Scheme will result in a decrease in our market share due to a larger price gap between the products of independent breweries and those of the multinational corporations. Many consumers may not understand why the costs of some beer has increased and will seek a cheaper alternative, one that is owned by multinational corporation, and not one owned by a WA small business.

The WA Brewers Association proposes a rebate of up to \$250,000 for all breweries who produce less than 1,000,000 L of bottled beer per year. We support this proposal, as it will protect our local small businesses.

Any future changes should be widely consulted with WA owned independent small businesses to ensure we are not adversely impacted.

Those are the comments made by one local brewery, but also supported by others in my electorate. I would like some consideration for concerns raised there. As I stated, this is an important initiative and it is important to get the balance right. I commend the bill to the house.

**MS S.E. WINTON (Wanneroo)** [11.25 am]: I, too, would like to make a contribution to the debate on the very important Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill 2018 and the Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill (No. 2) 2018. I will not take up too much time, because I know many members on both sides of the house would like to contribute. It is wonderful to see that we will have broad support on all sides for the speedy passage of this legislation through the house.

Very simply, we are introducing a system whereby consumers will be able to take empty drink cans to get a refund. Mums and dads, kids, clubs and community groups will, with the passing of this legislation, be able to get 10¢ refund for all eligible drink containers, including soft drink cans, bottles, water bottles, flavoured-milk containers and the like. Of course, this legislation will see us deliver on another one of our election commitments, and we are not even halfway through our first term of office.

In my contribution to the Premier's Statement, I highlighted some of the legislative reforms that I am particularly proud of in the social and justice arena, and likewise we are also making great waves in many areas to do with the environment. For example, I would like to remind the house of this government's leadership on bringing in a ban on single-use plastic bags. We introduced this ban that now means that WA's waste strategy will get further support because we are reducing the amount of waste from these plastic bags. Similarly, one of the highlights for me coming to this Parliament was the environment minister's decision not to allow mining in the Helena and Aurora Ranges. That was a very courageous and responsible decision, and I really welcomed yesterday's announcement by the Premier and the Minister for Environment that will now see WA's conservation estate increased by 20 per cent by 2023–24. We are going to create five million hectares of new Western Australian marine parks and reserves over the next five years—a 20 per cent increase, which is fantastic. I know people in my electorate welcome those kinds of decisions. They are important to me. They are the issues that made me put up my hand to be part of this Mark McGowan government. They are important to my children and the people of Wanneroo. These decisions are important beyond our time here.

Mrs Lisa O'Malley; Mr Shane Love; Mr Bill Marmion; Mr Chris Tallentire; Ms Libby Mettam; Ms Sabine Winton; Dr Tony Buti; Mr Ian Blayney; Mrs Jessica Stojkovski; Mr Zak Kirkup; Ms Emily Hamilton; Mr Reece Whitby

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I just want to take a few minutes to explain some things about this container deposit scheme that will see WA have a system whereby people can get cash back for returning drink containers. This will allow consumers to take the empty drink containers to get a refund. I have to tell members that the majority of people I talk to think it is a brilliant idea. I noted the member for Thornlie talked about petitioning and I agree wholeheartedly. This is a long-lasting community issue that people wanted action on, and I am really proud that we are getting on with it so quickly. It is not a new idea. I remember as a child that I had a crate precariously strapped to my bike with ockie straps and did the rounds in my neighbourhood collecting those empty one-litre glass coke bottles. That is showing my age a bit! I think we used to get 5¢ for a one-litre bottle. We thought we were pretty good. We had independence and we had the ability to earn our own pocket money. It was restricted only by our determination and our relationship with neighbours and families to bags the empty bottles for us.

Why do we need this bill? It is obvious. We need look only at any roadside in Western Australia to see that we do not have a strong record on littering. In fact, beverage containers account for 44 per cent of all litter by volume in WA, and that was according to the 2017–18 National Litter Index. We do not have a good record on littering; our rate is one of the highest in Australia. Of course, there is also a cost involved with littering in our community. Main Roads Western Australia, local governments and various volunteer community groups expend a lot of money and energy cleaning up. Some people estimate that the cost to our community is in excess of \$30 million a year. This legislation will help to address our littering problem.

We also need to encourage more recycling. Western Australians do not do badly on that front. We already have kerbside recycling programs, but these bills will allow us to take our efforts to recycle to an even better level. I want to quote some quite frightening statistics about our waste. Around 1.8 billion beverages are consumed in Western Australia every year, and although the majority of them come in recyclable containers, many of them still end up in landfill because they are not sorted or they become litter. A total of 44 per cent of all litter by volume in Western Australia is in the form of beverage containers. This scheme will provide the opportunity to address this. South Australia, the Northern Territory, New South Wales, Queensland and the Australian Capital Territory already have schemes in place. In fact, South Australia, which has the longest standing scheme, has the lowest volume of beverage container litter. We know this scheme will work and I am very confident that it will make a difference. In the first week of the scheme's operation in Queensland, five million containers were returned. In New South Wales, during the first seven months of the scheme, over 700 million containers were dropped at collection points and over one million of them were collected from kerbsides. These statistics mean that 706 million fewer beverage containers are estimated to be littered over the next 20 years. That reduction in littering will effectively reduce the number of containers sent to landfill by 5.9 billion. These bills will address littering. They will support an improved culture and measurable outcomes for recycling and, as a result, reduce the waste that goes to landfill.

This legislation also is important because it will make sure that beverage suppliers meet their responsibilities to our community and our environment through the products and containers they produce. This scheme, in essence, is an extended producer responsibility scheme, which means that the producers of waste are responsible for this waste and that is how it should be.

This legislation creates great opportunities for local communities, and members from both sides have focused on this key element. Local communities and community groups will be able to participate in the scheme and have the opportunity to make money. It will be a win-win for Western Australia and a win for the environment and our local economy. The scheme will also create employment opportunities. I would like to highlight that recycling has positive economic benefits. Many more jobs will be created through recycling than through sending waste to landfill. Every 10 000 tonnes of waste recycled creates 9.2 full-time jobs, compared with only 2.8 jobs when the same waste is sent to landfill.

We have heard a bit of a history lesson from both sides about this scheme being long demanded. The member for Thornlie said it had been for 17 years. I was also interested to note what the previous government did or did not do in this space. The member for Vasse said that in August 2016, the previous Liberal government made an announcement that it was going to introduce the scheme. That is interesting because it was in August 2016—September, October, November, December, January—and then we have an election coming up! After eight years, there was nothing.

Several members interjected.

**Ms S.E. WINTON:** There is a pattern!

**The ACTING SPEAKER:** Members!

**Ms S.E. WINTON:** A pattern developed because a similar sort of thing that happened in the agricultural sphere seemed to happen with this. I will quote from the former Minister for Environment's press release. It states —

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I have been persuaded by the successive schemes in other States and Territories.

It took him eight years to be persuaded to make an announcement.

I also had the opportunity to go back through *Hansard* to see what the former government was going to do as a result of the announcement it made in August. I quote from *Hansard* what the previous minister said —

This is Liberal–National government policy. We are the ones doing this.

No, that did not turn out to be the case. Interestingly, the minister also suggested —

I flag to the house that we possibly may not even need legislation to bring this in. There are existing provisions under the Waste Avoidance and Resource Recovery Act 2007 —

The former government did not have a plan. It just made a bunch of announcements very close to an election to make it look as though it was committed to the scheme.

**Dr A.D. Buti:** How perceptive you are, member for Wanneroo!

Several members interjected.

**The ACTING SPEAKER:** Members!

**Ms S.E. WINTON:** It is in the *Hansard*. The previous minister said no legislation was required. I will quote again from *Hansard* what the previous minister said —

We are ... always listening to the community; we are always open to feedback and input. We firmly believe that now is the right time —

Because an election was coming —

to bring in a container deposit scheme in Western Australia.

There were three Ministers for Environment and nothing happened in eight years. I will also quote a ripper from the former minister. It is a really good one. The previous environment minister, talking about the opposition, said —

They talk a big game in opposition. The Liberal–National government delivers for the environment. We do not faff around.

He said they do not faff around, but in eight and a half years, not delivering a container deposit scheme is faffing around. In less than two years, we are delivering the scheme to this Parliament.

I am really proud to be —

Several members interjected.

*Point of Order*

**Dr A.D. BUTI:** I am battling to hear the member for Wanneroo talk over the interjections. She is not inviting interjections, so could you please —

**The ACTING SPEAKER (Mr R.S. Love):** Thank you, member. Members, I am very interested in what the member for Wanneroo has to say and I would like to be able to hear her.

*Debate Resumed*

**Ms S.E. WINTON:** Thank you, Mr Acting Speaker, for your protection. It would pay well for some members of the opposition to listen very carefully. Some of those members are on really tiny margins and a bit of hard work and listening —

**Mr Z.R.F. Kirkup** interjected.

**Ms S.E. WINTON:** A little bit of listening by the member for Dawesville would be really good —

**Mr Z.R.F. Kirkup** interjected.

**The ACTING SPEAKER:** Member for Dawesville!

**Ms S.E. WINTON:** — because he needs —

**Mr Z.R.F. Kirkup** interjected.

**The ACTING SPEAKER:** Member for Dawesville!

**Ms S.E. WINTON:** He needs to work really hard in his marginal seat, but I reckon the member for South Perth —  
Several members interjected.

Mrs Lisa O'Malley; Mr Shane Love; Mr Bill Marmion; Mr Chris Tallentire; Ms Libby Mettam; Ms Sabine Winton; Dr Tony Buti; Mr Ian Blayney; Mrs Jessica Stojkovski; Mr Zak Kirkup; Ms Emily Hamilton; Mr Reece Whitby

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**The ACTING SPEAKER:** Members, quiet!

**Ms S.E. WINTON:** I do not reckon the member for Dawesville is up for hard work. I reckon he has his eye on the member for South Perth's seat or the member for Nedlands' seat just to make it a bit easier.

**MR I.C. BLAYNEY (Geraldton)** [11.37 am]: I am happy to see 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 get here. It is something I have got into numerous arguments about over the years. I can still remember picking up bottles as a kid that said "10¢ back if bought in South Australia" and thinking all those years ago, "Why haven't we got this in Western Australia?" I had another experience when my Rotary club hosted a group of people from a Rotary club in Victoria who were riding their bikes around Australia. They got to Geraldton, having been through Queensland and the Northern Territory, into the Kimberley and then south. I was curious about what it was like riding bikes on our roads versus the roads in the Territory and the roads in Queensland. I asked, "When you crossed the state border just east of Kununurra and you hit Western Australia, what was your first impression?" The man I asked looked at me and said, "Haven't you mob got any pride in your state?" I asked what he meant and he said, "The amount of rubbish by the side of the road, as soon as we crossed over into Western Australia from the Northern Territory, was absolutely amazing. When you're on a pushbike, you're not going very fast and you can see well into the bush." He said that the volume of litter in Western Australia struck them as soon as they crossed the border. I thought at the time that some of us would love to have container deposit legislation, but we had not got there yet.

When I was in Germany last year, I used a system with a machine that you push the bottle into. When it is finished, it gives you a slip of paper that, in my case, I put in my back pocket and forgot all about, but it was so many cents per item.

Aluminium cans have been described as canned energy. It takes so much energy to produce aluminium that it is one material that it is a tragedy not to recycle. Having aluminium cans is a great thing right from the start. There is a question about what to do with plastics, though, because until now nearly all of our recyclable plastics have been going to China. China has recently decided that it does not want all the world's rubbish—I suppose it thinks it has enough of its own now. Quite a big question mark that now hangs over recycling schemes is what to do with all the plastic that comes into them.

**Mrs J.M.C. Stojkovski:** Will you take an interjection, member?

**Mr I.C. BLAYNEY:** No; thank you. Actually, I will take yours, because I interjected on you enough.

**Mrs J.M.C. Stojkovski:** China has said it doesn't want dirty recyclables; it wants them clean.

**Mr I.C. BLAYNEY:** My reading of it is that China pretty much does not want it—full stop. Others may know more about that than I do.

It is also a pity that when we bring the scheme on, there will not be extra funds put aside that we can use to clean the place up a bit—because we do not have 100 per cent recycling—so that we are in a nice, clean state when we bring this legislation in.

The other experience I had with recycling or deposit legislation was in Zimbabwe in 1985. I spent about six weeks in Zimbabwe. It may have had something to do with the country having just come out of a war economy with sanctions and everything, but every container had a deposit amount on it, and I never saw any litter anywhere. Obviously, people there have a lot of pride in the countryside and the national parks, but there was just nothing. A deposit amount was on everything—wine bottles, you name it. It would be a good thing if we could have it on as many things as we can. A container deposit scheme is obviously useful for community groups, schools and scouts. I saw a program on television about how quite a few people in Melbourne were earning \$90 a week just grabbing stuff out of rubbish bins. I did not realise they were called "bin chickens". It is fair enough if they want to do that.

We do not handle the recycling of car tyres very well. We need to look at how we can recycle car tyres. We used to break up batteries and process them in Western Australia, but any batteries that are recycled now have to go to South Australia. Car batteries is another area to look at, as is sump oil; a material that my council collects. That is a really nasty thing to get into the environment, especially the waterways. However, it can be recycled. These are other things that we will look at down the track.

I am a child of Depression-era parents. My mother put aside just about everything; she was the world's most ultraconservative deep greenie. She put aside bags, paper, string, bottles, cloth and Christmas paper. I always found it embarrassing as a kid that she would give people Christmas presents that were obviously wrapped in recycled paper, because people could see last year's sticky tape on it. Throwing anything out was called "wicked waste"; it was like a sin, so we could not really do that. I remember as a kid taking my dad's king browns to the bottle-o. At

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the time, cordial came in glass bottles and my mother would always insist that we took these cordial bottles down, and then she would have an argument with the bloke that we should be getting 5¢ back, just like all the king browns. I just wanted to say that I remember my old mum when we talk about recycling, because I was about five—that is about 50 years ago—and she was arguing for a deposit scheme then.

**The ACTING SPEAKER (Mr R.S. Love):** Minister for Energy, could you be a little quieter, please? The member for Geraldton is quite softly spoken, and it is a little hard to hear him.

**Mr I.C. BLAYNEY:** To those significant women in my life—my wife, Barb, who I do not know how many times has said, “You are a member of Parliament now, can’t you change one thing, and that is we want deposit legislation in Western Australia?”, and my old mum, Joan—I dedicate to you my contribution to this debate.

**MRS J.M.C. STOJKOVSKI (Kingsley) [11.44 am]:** Members in this house know how passionately I talk about certain topics when I get up to speak, but I am very excited to talk about this particular topic and 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. This topic is very close to the heart of many constituents in my electorate. Firstly, I would like to thank the minister and the parliamentary secretary for their very hard work in bringing this legislation so quickly to Parliament—within two years. Obviously, the aim of this legislation is to reduce empty beverage products that currently account for 44 per cent of the litter volume in Western Australia. That equates to 1.3 billion containers in WA a year contributing to our litter. Many members have highlighted that 97 per cent of Western Australians support a container deposit scheme, but what was really interesting for me is that the support is particularly strong in our younger people and students. The reason I know that is that so many of them have written to me asking for a container deposit scheme and for bans on plastic bags and plastic straws. This is a big concern. I am talking about kids who are eight, nine and 10 years old. They understand the impact that we have and they grasp the need for action now. It is great that we are bringing in this legislation because it is actually doing something for our kids’ future.

As I said, sustainability and reducing waste is a very important issue to the people of Kingsley. We just have to look at some of our local businesses in what is comparatively a very small electorate geographically. We have not one, but two, small businesses that help people to reduce their waste. We have the Weigh ’n Pay in Woodvale, where I took the Premier a couple of weeks ago. People can take their own containers to Weigh ’n Pay and they can get a number of different products including flour, nuts, chocolates—that is always my one—honey, oil, and even dishwashing liquid so that they reduce the amount of waste they are taking home and putting in the bin; even the recycling bin. If we do not have any waste at all, that is an even better outcome. Wasteless Pantry also has the same idea. People take their containers there and fill them up, and they do not bring home excess waste. Having two of these niche small businesses in the electorate is a matter of pride for a lot of us, because it identifies Kingsley as an electorate that strongly supports this waste-reduction method.

I want to give a shout-out to dedicated local resident Sharon Pengelly who set up a Facebook page called “Growing a sustainable community—Kingsley and surrounds”. It creates an opportunity for people in my local community to talk to each other and give each other ideas on how to reduce waste and become sustainable. Sharon should be congratulated because she has just secured the first event for the group, a worming workshop. We can all go along and figure out how to create our own worm farms on our properties. Because of the great interest taken by the people of Kingsley in waste and waste reduction, the parliamentary secretary will remember me making quite a detailed grievance last year about how important it was and how much my community wanted to see waste reduction become a bigger focus for the government. This legislation will show my community how important we think waste reduction is. This is just the second step, after the plastic bag ban, but is still something we lag behind the rest of Australia on. As many members have said, South Australia has had a container deposit scheme since 1977, Northern Territory since 2013, New South Wales since 2017, Queensland since 2018, and the Australian Capital Territory since 2018. We are definitely not the last state, but it is probably about time that we had this scheme up and running.

When I put up some information about this legislation coming into Parliament, there were quite a few comments that it was about time and that this should have been done years ago. I agree that it should have been done years ago. We should not be the ones doing it now; it should have been done under the former government or even the government before that. I have to disagree with my great friend the member for Perth. He claimed that this was not a sexy issue. I have to disagree with him on that. I put up a single post yesterday when we introduced this bill, at one o’clock yesterday afternoon, and in less than 24 hours I have had over 6 500 impressions on that post and over 1 000 people engaged on it. I agree, however, with my friend the member for Perth that it is an issue that people are interested in and it is something that impresses them on Facebook.

The great thing about the plastic bag ban and the container deposit scheme is that they have started conversations in our communities. They have also started conversations in larger organisations that can make a genuine impact.

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Because there has been so much interest and so many people in my community have contacted me about waste, I wrote to the three local supermarket chains in my electorate—IGA, Coles and Woolworths—to ask them what they were doing about reducing waste generally, and specifically about reducing waste on fresh produce. I was amazed to get great responses back from all three of them about some of the things they are doing. Woolworths advised that it would stop selling plastic straws by the end of last year. Coles has the REDcycle program, which recycles soft plastic in store. IGA—or Metcash, which runs IGA—said that it is liaising with its suppliers to support a reduction in plastic packaging across private labels and the fresh product range, and that it is working to meet government recycling expectations by 2025. This is a really important outcome from what we have been doing, because it shows that government can lead the way on these issues. We will see organisations and industries follow, and that is fantastic.

A couple of last points. I was in Japan earlier this year and was very pleased to see that they are once again packaging milk in glass bottles. They do not have the containers, and they actually recycle the glass bottles back to the milk suppliers to get refilled. I might be showing my age a little bit, but I actually remember when we had that here, and I would love to see it again. I was very young, member for Dawesville, but I do remember; I am a little older than you are! But I remember peeling off the little aluminium cap to lick the cream before mum could see. I think that is another great way we can look to reduce our waste in WA. I know that we are looking at other alternatives to waste creation.

Another thing I really want to highlight is that we need to make sure that waste from the container deposit scheme is not buried or shipped overseas in a way that is unsustainable. Part of the legislation requires the scheme coordinator to make sure that it is disposed of in the proper way—to be recycled, pelleted, used for printer filament or used for road base, if it is glass, and things like that. I think that is a really important part of the legislation that we need to acknowledge. We are not just saying that we are going to collect it; we are actually requiring the coordinators to do something productive with it.

As many members have already said, the fundraising opportunities and social capital that can come from this is fantastic. I remember collecting cans when I was at Eddystone Primary School. We had a big shed into which we threw them and it would be an honour to be selected as the can monitor for the week. It is a really good thing to foster in our children a sense that they can participate in making sure that our state is a better state.

I commend the bill to the house and I offer very big congratulations to the parliamentary secretary and the minister for their fabulous work on this bill.

**MR Z.R.F. KIRKUP (Dawesville)** [11.53 am]: I rise to join the opposition in commending 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. At the outset, I commend the member for Cottesloe on the shepherding of his first bill through the house. He did a great job in his briefings to the party room, and certainly in this place he has been very, very thorough.

**Ms S.E. Winton** interjected.

**Mr Z.R.F. KIRKUP**: It is basically a replication of the Liberal Party's bill, indeed. There is very little original thought from the member's side of the house. We talk endlessly in this place about the so-called legislative achievements of the government, but I can tell members that most of the legislative achievements of the government are simply reflections of legislation it inherited from members on this side of the house. We did the hard yards; once again, the government is just riding on the coat-tails of the work of former ministers of this place who retain their seats, and in 750-odd days' time will once again become ministers.

Several members interjected.

**The ACTING SPEAKER (Mr R.S. Love)**: Thank you! Settle down, member for Wanneroo and member for Armadale. Member for Dawesville, continue, please.

**Mr Z.R.F. KIRKUP**: The member for Wanneroo gets excited about these things. I admire her passion when it comes to waste. Maybe it is a career opportunity she can look at in 750 days' time when she loses her seat.

The container deposit scheme is a great piece of legislation to see in this place —

**Ms S.E. Winton** interjected.

**Mr Z.R.F. KIRKUP**: The member does indeed, and that is something I admire about the member for Wanneroo.

The environmental side of things has always mattered a great deal to me, and I am going to speak very quickly on this piece of legislation. A short story: I have always been quite worried about our environment and the issues are many and varied when it comes to the environmental impacts that humans have. I remember when I was younger,

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my mother was a member of Greenpeace, and she would often talk to me about environmental issues. She relates the story often in my family about the time when the French were doing nuclear tests in the Pacific in the mid-1990s. I said to her that I wanted to go over in a rowboat and throw stones at the boats that were part of the testing. She asked me how I would survive, and I said that she could come and give me sandwiches in the middle of throwing stones!

But the environment has always been a serious concern of mine, so I am very lucky to represent the seat of Dawesville.

**Ms S.E. Winton:** On 300 votes!

**Mr Z.R.F. KIRKUP:** It was 343 votes, member for Wanneroo, and indeed that will increase in margin. If the result in Darling Range is anything to go on, we will hit double digits—something that the member will lose very quickly.

The districts of Dawesville, Mandurah and Murray–Wellington form a contiguous boundary around the Peel–Harvey estuary, which is a Ramsar internationally recognised wetland with a number of migratory bird species. I am quite interested in birds and ornithology generally—to read about them, more than anything—and they are very reliant on the wetlands that exist in the Peel–Harvey estuary. As part of that, I would like to recognise a couple of community groups that help care for the environment.

One of the best attributes of Mandurah is that, almost universally, everyone goes there as a lifestyle choice because they love the environment that they live in, which includes the beaches and the estuary. In my district, the majority of people live no more than 600 metres from either the estuary or the beach, so that is something they surround themselves with by choice. It is quite obvious why they make that decision when we look at the nature of the wetlands we have.

There are three groups I would like to recognise, very quickly as part of my contribution, that help foster and care for the environment. I would like to recognise Mel Horton and the Bouvard Coast Care Group. This group looks after the environmental issues that happen in the sand dunes and beach-facing coastline, particularly in the southern portion of my district. A lot of household refuse ends up being dumped there, especially around Tims Thicket. I hope the container deposit scheme will go some way towards reducing that waste impact.

I would like to also recognise Jane O'Malley and the Peel–Harvey Catchment Council. The catchment of the Peel–Harvey estuary is a very large area. I think the estuary itself is 26 000 hectares or thereabouts, in terms of the actual water, but the catchment is bigger again, of course. A number of farmers—particularly in the member for Murray–Wellington's electorate—feed into that catchment. Jane O'Malley and her team at the Peel–Harvey Catchment Council do a great job and I am very proud to support them. I also recognise that both state and federal governments have given a number of grants to help keep the Peel–Harvey Catchment Council going.

The last group I would like to speak about is the Coastal Waste Warriors. The Coastal Waste Warriors is a fantastic group that started only recently. It is entirely dedicated to the clean-up of the Dawesville Cut, the estuary and the beaches in southern Mandurah. It was started by the Field family, who were inspired by their daughter Amber Dawn Field, who unfortunately passed away at the age of five years as a result of complications stemming from heart surgery. Amber Dawn was the beloved daughter of Kirstin and Tim, and the sister of Patrick and Daniel. She attended three-year-old and four-year-old kindergarten at St Damien's Catholic Primary School in Dawesville. Following her passing, a teacher at the kindergarten—St Damien's is recognised for its environmental practices—wrote a children's book titled *Amber Dawn Princess Warrior And the Dolphin Rescue*. Jenny Dowie, a much-loved kindergarten teacher at St Damien's wrote it, and it was illustrated by Belinda Joynes and published by Maggie Dent. The inspiration for that book was Amber Dawn, who, I was told by her mother, loved the beach and the areas that surrounded her primary school and was really concerned about the environment. She inspired a movement that her family started, and the Coastal Waste Warriors regularly go out and clean up the waste in the estuary. That type of community activity is really the epitome of all the things that are great in Mandurah. People are concerned about the environment because it is where they live —

**Dr A.D. Buti:** Did you look at the pictures or did you read the words as well?

**Mr Z.R.F. KIRKUP:** No, I have been in touch with the family. I turn 32 on Saturday, and on Sunday I will go out with the Coastal Waste Warriors to the Dawesville Cut to participate in cleaning up around the cut —

**Dr D.J. Honey:** A good Liberal.

**Mr Z.R.F. KIRKUP:** That is right; I thank the member for Cottesloe.

I place on record my appreciation for the Field family and all the volunteers who participate in the Coastal Waste Warriors. It is a really good example of how community engagement will benefit from the container deposit

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scheme—a scheme put together and conceived by the Liberal Party that is once again being passed by Labor in government. I commend the bill to the house.

**MS E. HAMILTON (Joondalup)** [12.01 pm]: I rise to make a contribution to the second reading debate on 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. With approximately 1.3 billion containers a year used in WA, equating to 44 per cent of litter by volume, it makes sense for the government to introduce a legislative framework to implement a container deposit scheme that will provide a 10¢ refund to consumers when they deposit containers at a refund point. At the core of this scheme is the intention that this legislation will address the issue of litter in our environment, and also to continue to encourage, grow and further develop our recycling habits, culture and the industry in this space. I take a moment to thank the Minister for Environment and his parliamentary secretary for bringing these bills to the house. I know they will be welcomed by the broader Joondalup community.

This scheme will ensure that our state reaches better environmental outcomes and creates employment opportunities for social enterprises, while providing opportunities for local groups and organisations in the not-for-profit sector to raise money and reinvest that into the local communities they support. The container deposit scheme, as we all know, is an election commitment that is being delivered. It is an initiative that residents in the Joondalup electorate support, and more broadly has received support from 97 per cent of the Western Australian population. Those statistics came from an online survey completed by over 3 000 respondents. The scheme is part of our strong commitment to waste reduction and, as mentioned by other members, comes at a time of the positive implementation of the ban on lightweight single-use plastic bags in WA. The plastic bag ban was the first major step in the review of our waste strategy, and it has been broadly accepted by the community to the point that conversations are taking place among local residents about further steps that can be taken in this space. There is excitement about getting on board with waste reduction initiatives. For example, in August last year I was gardening on a Sunday afternoon when young Charlotte stopped by with her family. She had a handwritten letter to the government in a nice little envelope with some drawings on it. According to my notes the letter said —

Dear Government,

Just for a suggestion, what if you banned plastic bottles but made sure that everyone had a re-usable bottle so people had something to drink out of. This would stop a little bit of plastic pollution.

That resonated with me—a mum of two school-aged kids. It was a reminder that the priorities of today and the priorities of this state government will have an impact on our kids and their future. Members have commented that even when we were at school there was the reduce, re-use and recycle program and a whole host of initiatives that instilled recycling as part of our normal habits. I think that is still very alive today. I attend many schools, and one of the awards I have seen is for cleaning outside of a classroom and making it tidy for the week. At the school assembly there is an old-fashioned style broom that has been painted gold, and, gee, there is some competition on a week-to-week basis to win that and display it in the classroom.

Before the plastic bag ban came into effect there had been a significant amount of advance notice, a community conversation, advertising campaigns and numerous free re-usable bags handed out at different locations to make sure that everyone was on board, understood the transition and was invested in the positive impacts that would come from making just that small change in habit. I also had some re-usable bags produced for my electorate office—gee, they went out the door like hot cakes! My electorate office is located across from Lakeside Joondalup Shopping City, and people would come in, get their bags and off they would go to do their shopping. It was very well received.

Local residents have now embraced the plastic bag ban. It takes time to change habits and behaviours, but that has been successful and it will be good to see this container deposit scheme come into play. This small and not onerous change in habit will be embraced by our community. It is a simple change, and if, like me, members now drive around with a bunch of re-usable bags in their boots, it is really not too much of a change to take those into the shopping centre with us. I envisage that small change—obviously the community conversation is commencing—will see a positive implementation of the container deposit scheme. We are having the conversation, and that will give people time to understand and to prepare for what this looks like and what it will mean for them. It could be as simple as starting to think about the location in our houses or near our kitchens where we will put a box to pop our containers into that we can then take on a weekly, monthly or whatever basis down to the refund point.

South Australia has had a container deposit scheme in place since the 1970s, and it has the lowest volume of beverage container litter. That shows that its scheme is successful and that a small monetary incentive for consumers results in positive recycling. Western Australia will be joining the states that already have a container deposit scheme. I have said that South Australia has had one since the 70s, the Northern Territory since 2013, New South Wales

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since 2017, and the ACT and Queensland have had one since last year. Through this legislation it is expected that the scheme will become operational in 2020.

The scheme will require waste generators to deal with their waste. It will be an industry-funded scheme and the onus will be on the first responsible supplier of the beverage product to pay the coordinator of the scheme the cost of the refund given to the consumer. The bills detail the appointment, functions and powers of the coordinator. Importantly, this scheme differs from those in other states in that it will be a not-for-profit company. The government will be the administrator and will have oversight on setting targets, giving direction and setting the objectives. It will also have the power to ensure that participants in the scheme are held accountable.

Earlier this month our government released the “Waste Avoidance and Resource Recovery Strategy 2030”, which this scheme is part of, which is a blueprint for managing WA’s waste into the future. It will guide this state in the ways in which it will become sustainable, and residents in the Joondalup electorate will embrace that. The ambitious targets in the strategy include a 20 per cent reduction in waste generation per capita, and a 75 per cent rate of material recovery by 2030.

The container deposit scheme will target beverage containers that currently end up as litter. A community conversation needs to begin to understand what can be recycled. It will include plastic and glass bottles, paper board cartons and steel and aluminium cans with a volume of between 150 millilitres and three litres. Examples can include soft drink cans, bottled water bottles—both plastic and glass—small flavoured-milk drink cartons, beer and cider cans and bottles, sports drinks and spirit-based mixer drinks containers. Each and every one of us as global citizens have a role to play in working to personally generate less waste, recover more value and resources from waste, and protect WA’s environment by managing waste responsibly. I have stated that this early education starts with our kids, and the reduce, re-use and recycle focus has been around for a while. I have two children who have grown up in a school system and a home environment that have supported recycling. They know the importance of it, and have received many lessons in school and at home about ways of recycling. They particularly like up-cycling, making sure we have different ways of reusing the materials throughout the house. As I mentioned, as a young girl in the Girl Guide movement, I saw many clean-up days, but also at school we would spend 10 minutes a day collecting litter. It was a way of getting out of the classroom, but also a way of making sure that we were doing our part to clean up the playground. The benefits of a container deposit scheme are broad and wideranging, from the basic reduction in litter to a respect for the environment, and it is a sentiment that we want to continue.

Another point that I want to touch on, which is particularly relevant in the northern corridor, is that recycling has a positive economic benefit, creating more jobs and sending less waste to landfill. Every 10 000 tonnes of waste recycled creates 9.2 full-time jobs, compared with 2.8 jobs when the same amount of waste is sent to landfill. Additional jobs will be created to operate the collection network, as has happened in previous schemes. For example, South Australia estimates that approximately 1 000 people are employed through its collection network. For WA, there is an expectation that around 500 jobs will be created by this scheme. Drawing on the experience in Queensland, it has had the scheme in operation since late last year and early reports show that around 600 jobs have been created.

Another point is the benefit of the social enterprise that this scheme will enable. It cannot be underestimated. Exciting opportunities will exist for people in the Joondalup electorate, and in the state more broadly, to become involved, and for the wider community groups and organisations to play their role in this scheme. I am sure that as people start hearing of the conversations happening in this place, there will be an early and strong interest and involvement from many corners of our community, such as the local Rotary club, the scout group, the high schools, environmental groups and the like. Everyone will get involved. I stress the importance of fundraising, particularly for P&C groups, and the same could be said for many other community groups. This scheme will provide a possibility for an additional fundraising scheme.

I want to take a minute to note the hard work and dedication of many groups in my electorate of Joondalup that are focused on making sure that the environment is well looked after and cared for. Joondalup Rotary, of which I am a member, continually holds clean-up events. It will be holding a Clean Up Australia Day event at Mullaloo, which I will try to get to. The Connolly Residents Association is holding a Sunday morning clean-up in Connolly this weekend. Family centres and a host of other groups participate in this space and I commend them and thank each of them for the work they do for our community, particularly in Joondalup where we have a pristine coastline to the west and Lake Joondalup to the east. There is definitely a depth and breadth of places where we can spend our time cleaning up the environment.

In summarising my comments today, the container deposit scheme will reduce beverage container litter, maximise recycling rates for certain materials, and provide for the costs of collecting and recycling beverage containers to be incorporated into the costs of producing beverage products. It will have a flow-on effect for individuals taking

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their items to the refund point, and also the not-for-profit groups that may benefit. The design of the container deposit scheme strikes a balance between an accessible and extensive collection network, making sure that returns are convenient for consumers throughout the metropolitan area and the state of Western Australia. It will also make sure that we keep the collection and administration costs as low as possible.

We are making sure that we are working now for the future of our children and setting the groundwork for a sustainable future. Like we teach our kids—reduce, reuse, recycle. To the Joondalup community and the broader WA community, get on board; let us get ready and work together to ensure that we are creating a better environment for future generations. I am looking forward to the scheme commencing next year, and I commend the bill to the house.

**MR R.R. WHITBY (Baldivis — Parliamentary Secretary)** [12.14 pm] — in reply: I begin by thanking all members for their wonderful contributions, today and yesterday, to this debate on 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. I acknowledge that all parties represented in this chamber have expressed support for this legislation, which is very encouraging. Again I thank everyone who has contributed to the debate over the past couple of days. If there is a consensus view of everyone's contribution, it is that this is a law whose time has definitely come. I will run through some of the contributions of members. Some issues were raised that I am happy to address, which will put to rest any concerns that members might have.

[Quorum formed.]

**Mr R.R. WHITBY:** I will begin by referring to the contribution of the member for Cottesloe. It was detailed and in depth, reflecting his experience and knowledge in this area. We heard from the member that he is enthusiastic and passionate about the elimination of waste, which is a view that we can all share. We learnt about impermeable caps, and the fact that the Perth coastline once stretched to Rottne Island, which would have been a big blow for property values in Cottesloe. The member raised a number of concerns and issues that I am happy to address directly. I will do so briefly now, but I will also come back to them. One was his concern that this is not an industry-funded scheme, but would be paid for by the consumer. I am very happy to set the member's concerns on that at rest in a moment. Another concern raised by a number of members was about boutique or small breweries in Western Australia, which is an evolving and vibrant industry. They have been very much at the heart of negotiations about this legislation, and already this legislation reflects their particular situation and has created some benefits that will allay their concerns. Another issue is that we live in a very big state, with many regional and remote communities, so the idea of allowing all consumers to get this 10¢ refund is part of the framework that is being developed, and minimum service standards for that will be achieved. I will speak about that shortly also.

The member for Perth praised the legislation and he spoke about the need for producers to be responsible for the waste that they produce. He was very excited about the social enterprise concept behind this. The member for Bicton could barely contain her excitement, being a former community activist, and was lining up every P&C and sporting organisation in her electorate to immediately embark on a fundraising drive. The member for Moore expressed the support of the National Party for this legislation, which we appreciate, but he also expressed the concern that everyone who wanted to avail themselves of the 10¢ refund would be able to do so. We also learnt from the member for Moore about the scourge of the bin chicken. Although I was very much involved in preparing this bill, that was the first reference I had heard to the bin chicken, but I can speak briefly about that later on.

**Mr P. Papalia:** You've got teenage kids!

**Mr R.R. WHITBY:** Yes, I have. I am sorry, but I missed that one.

The member for Nedlands was very impressed with the increase in recycling rates that came from container deposit scheme legislation in other jurisdictions. He was also very concerned that the scheme will have some consistency across state borders and around the country. Indeed, our scheme is very much modelled for consistency. I will talk about that in a little while. The member for Thornlie talked about the long wait for this legislation, and rejoiced that as a cyclist he would get far fewer punctures in the future. The member for Vasse was very supportive and noted the advantages the scheme would have for charity groups and service clubs in her electorate. She also spoke about the issues of small brewers and small businesses. The member for Wanneroo was very supportive. The member for Geraldton found this to be almost a piece of legacy for his mum who railed against "wicked waste". The members for Kingsley, Dawesville and Joondalup all made significant and appropriate contributions to the debate.

I will go through some of the issues that were raised. We want to make the point that we are in a very beneficial situation in Western Australia. We have been able to sit back and watch this kind of legislation be introduced in New South Wales and Queensland quite recently. We have learnt from their mistakes, and have been able to pick out the best features and make changes to address issues that have caused concern in other jurisdictions. Some of those

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changes involve the way payments will be made and calculated, and making the scheme coordinator a not-for-profit organisation. Again, I can go into detail further.

This is very important for small businesses that might have cash flow issues. The likes of Coca-Cola Amatil will have no problem a big up-front charge for the 10¢ refund and the cost of handling and processing, but it is an issue for small businesses and small brewers. That is why we have decided to make sure the charge for the refund and handling fee is paid in arrears, so it is paid by the producer after they have sold and received income from their product.

The regional issue of making sure that as many people as possible in Western Australia have access to the scheme and can get hold of that refund will be dealt with by setting a minimum standard for service across Western Australia. Indeed, a report about that is out for public comment. The issue will be dealt with so that as many Western Australians as possible—indeed, everyone who wants to get a refund—can get one. The scheme coordinator, as a last resort, could possibly step into that role itself in order to provide that refund point of contact.

Transparency is built into our system, with an independent audit of rates of return and refunds that have been paid. I will return to the issue of national consistency, because it is important. I forget which member raised it, but I think it was raised a couple of times. There needs to be a nationally consistent scheme to benefit producers and consumers. The issue of who would pay for the scheme was raised a couple of times. We state that it will be the beverage industry and not the consumer. I will explain why. The beverage industry will be required to pay 10¢ plus a handling fee to the scheme coordinator for each beverage container returned. It is a charge allocated not on the basis of production or sales, but on the actual container that is returned. Producers will not be charged for a product that does not come back into the system. Because the scheme operates in arrears—that is, beverage suppliers are charged for the containers that are returned, rather than sold—the average cost to the industry will not be greater than the 10¢ refund plus handling cost. We can point to the example of New South Wales, which did a price review on the impact of the scheme when it was introduced in that state. The report found that the overall average price increase due to the container deposit scheme was 7.5¢ per container. The average increase in the cost to the consumer of the CDS container was 7.5¢ per container. That should be compared with the cost of 9.2¢ per container, which is the cost of the scheme to the producer. The reason is that not all containers are returned to the point of collection for a refund. Therefore, the cost being charged to the beverage producer will not always equal the 10¢ and the cost of the handling fee because not all CDS containers will be returned for a refund. Overall, the beverage industry will not, therefore, pass on the full price of that. On average, it has been about 7.5¢ per container. Queensland and the Australian Capital Territory have found that the price increases are in line, roughly, about or below the 10¢ refund. Consumers will probably have to pay an increased cost for the product that is less than the 10¢ refund, but if they decide to take up the refund offer they will receive a 10¢ benefit. It is quite possible that across the scheme the benefit to consumers will be a net benefit, because they will receive 10¢ but the cost of product will be somewhat less than that.

Small beverage suppliers raised particular concerns. In Western Australia, unlike other jurisdictions such as New South Wales, the charge will be made in arrears, so it will be calculated only on products that are returned for a refund. When the New South Wales version of the scheme started, it resulted in a cash flow problem for some small producers and the state was forced to offer emergency loans so that producers could pay the up-front charge. Here, it will be paid in arrears. Suppliers will be able to sell their product and get money back at an increased rate before they are charged the scheme coordinator's fee for the refund and the handling costs. In Western Australia, we will not charge a container registration fee. In other states, a fee of \$80 is charged for each container design registration. That cost can add up for small producers because they often have a range of products and they sometimes change the labelling. When it is re-registered, they are charged another fee. Producers in Western Australia will not have to pay such a fee.

**Dr D.J. Honey:** Does that mean that for every container that is returned, the operator or coordinator will have to identify precisely which supplier the container came from under the proposal the member has just outlined? If it is only containers that are returned that will be paid for, that will have to be calculated for every single supplier.

**Mr R.R. WHITBY:** I understand a barcode label on every container will be registered, and that will identify the producer. Therefore, the charge will be made against the beverage producer only for cans or containers returned for refund.

**Dr D.J. Honey:** Thank you.

**Mr R.R. WHITBY:** Getting back to the small beverage producers, they are present on the technical working group and we are, and continue to be, very aware of their concerns. Some of the initiatives I have described address many of the problems and issues raised by small beverage producers. It is important to the success of the scheme overall that as many products as possible are included in the scheme to make it consumer-friendly and simple for people to use. If some alcohol containers were not included, they would stand out, because the vast majority would

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be included. We continue to work with our friends in the small beverage and small brewer community; they are part of the working group and we hope to further assist them through the development of regulations at a later date.

Regional participation in the scheme is very important to us. As I said, there will be customer service standards for the collection network. Again, through regulation we will ensure that those minimum service requirements are met throughout Western Australia. I know we can go into consideration in detail on the bill later, but, as I have said previously, this legislation has the overwhelming support of the Western Australian community and all major parties in this state. I have addressed some of the issues members have raised, but I have not spoken about the great benefit to the community. Many sporting clubs and football organisations, scout groups and services will be able to raise money for schools and for charities, and the scheme will quite dramatically reduce litter and ensure that many more containers are redirected into recycling. With that, I commend the bill to the house.

Question put and passed.

Bill (Waste Avoidance and Resource Recovery Amendment (Container Deposit) Bill 2018) read a second time.

Leave denied to proceed forthwith to third reading.