



MEDIA RELEASE

CONTAINERS FOR CHANGE - SCHEME PRICING ANNOUNCEMENT
14 FEBRUARY 2020

WARRRL ANNOUNCES THE CONTAINER PRICE FOR WESTERN AUSTRALIA'S NEW CONTAINER DEPOSIT SCHEME, CONTAINERS FOR CHANGE

With Western Australia's container deposit scheme, Containers for Change, set to begin operation on 2 June 2020, first responsible suppliers (beverage manufacturers) have now been advised of the forecast scheme price per container.

Containers for Change is a product stewardship scheme in which first responsible suppliers share responsibility for the sustainable management of products. As with schemes in other States, first responsible suppliers pay for the cost of operating a convenient and accessible recycling scheme to recover eligible containers.

The McGowan Government has introduced Containers for Change to help reduce litter, improve recycling rates, create new businesses and employment opportunities across the State, and provide a new way for community organisations and charities to raise money.

During 2019 consultations with the beverage industry, WARRRL committed to advising of the price per container in early 2020, well ahead of scheme commencement on 2 June this year.

"With advance notice of the price and our extensive program of industry consultations, the beverage industry has every opportunity to be ready for the scheme's launch," said Tim Cusack, WARRRL CEO.

The estimated range of costs (ex GST) per container, by material type of Western Australia's scheme will start at 11.39c for aluminium, 11.84c for glass, 11.85c for HDPE, 11.76c for PET and 12.17c for LPB.

"We believe the Containers for Change scheme strikes a balance between making sure there are enough funds to pay scheme costs while keeping the costs as low as reasonably possible for first responsible suppliers," said Mr Cusack.

"Our commitment is to deliver an efficient, convenient and accessible container deposit scheme at the lowest cost possible" confirmed Mr Cusack.

The costs of running the scheme will change over time as the scheme is established and customers take up the opportunity to get cashback on eligible containers. The intention is to provide the market with sufficient notice of any changes and keep the price stable, as far as possible.

Containers for Change will provide a 10-cent refund for each eligible container returned for recycling at an approved Containers for Change Refund Point, encouraging recycling and creating a cleaner WA for everyone.

Background

Non-profit organisation Western Australia Return Recycle Renew Limited (WARRRL) is proud to be the Government-appointed Scheme Coordinator of WA's new container deposit scheme, Containers for Change.

Western Australians use more than 1.3 billion eligible beverage containers each year; enough beverage containers to line a path from Perth to Broome and fill Optus Stadium three times over within 10 years.

Beverage containers make up 44 percent of all litter in Western Australia (by volume, 2017-18 National Litter Index), even though they are made from easily recyclable materials such as glass, plastic, aluminium and cardboard. **Over the next 20 years, Containers for Change is predicted to reduce littered containers by 706 million, cut the number of containers sent to landfill by 5.9 billion and see an increase in recycled containers of 6.6 billion.**

Western Australia is the sixth state or territory to adopt a container deposit scheme. South Australia, the Northern Territory, New South Wales, the Australian Capital Territory, and Queensland have schemes in place. In South Australia, where a container deposit scheme has been in place since 1977, containers account for less than 3 percent of litter; much less than the 44 percent currently found in Western Australia.

Western Australia's new container deposit scheme will start on Tuesday 2 June 2020, following the WA Day long weekend. From launch, at least 172 Containers for Change Refund Points will be accessible across the State.

Western Australia's scheme is set to become the most diverse container deposit scheme in Australia, with 40 percent of refund points to be operated by social enterprises including charities, disability sector organisations, Aboriginal corporations, and sporting and community groups; 20 percent by Local Governments; and 40 percent by commercial entities.

Forecast scheme pricing

Based on in-depth analysis WARRRL has set initial scheme pricing as shown in the table below, which indicates a weighted average price of 11.65c (excl. GST).

| Material Type | Cost per container supplied (ex GST) | Plus GST | Cost per container supplied (Inc GST) |
|---------------|--------------------------------------|------------|---------------------------------------|
| Aluminium | 11.39 cents | 1.14 cents | 12.53 cents |
| Glass | 11.84 cents | 1.18 cents | 13.02 cents |
| HDPE | 11.85 cents | 1.19 cents | 13.04 cents |
| PET | 11.76 cents | 1.18 cents | 12.94 cents |

| | | | |
|------------------------------|--------------------|-------------------|--------------------|
| LPB | 12.17 cents | 1.22 cents | 13.39 cents |
| Other materials | 12.17 cents | 1.22 cents | 13.39 cents |
| Weighted average cost | 11.65 cents | 1.17 cents | 12.82 cents |

Scheme timeline to date:

- 30 November 2018 - Legislation to establish a container deposit scheme is introduced into State Parliament.
- 13 March 2019 - Bill to allow the container deposit scheme passes both houses of Parliament
- 15 April 2019 - Ministerial Announcement regarding preparations being on track for launch - refund stamps have been created and bottle suppliers have been notified of two-year period to remove unmarked eligible bottles
- 14 May 2019 WA Return Recycle Renew Limited announced as the operator of the container deposit scheme
- June 2019 - McGowan Government announces its commitment to waste reduction in 2019 - 20 budget, including the scheme
- 18 July 2019 - Environment Minister Stephen Dawson announces launch date of Western Australia's new container deposit scheme and its name, Containers for Change
- 17 December 2019 - Regulations for Western Australia's Containers for Change are completed
- 16 January 2020 – The first 145 Containers for Change Refund Points announced
- 5 and 6 February 2020 – Containers for Change Refund Point Induction
- 14 February 2020 – Scheme pricing announced

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