

21 September 2016

Container Deposit Implementation Team
Waste and Resource Recovery Branch
NSW Environment Protection Authority

Via email: container.deposit@epa.nsw.gov.au

WFA Submission to the *Regulatory Framework Discussion Paper: NSW Container Deposit Scheme*

The Winemakers' Federation of Australia (WFA) is pleased to provide the following comments in response to the *Regulatory Framework Discussion Paper: NSW Container Deposit Scheme*. We note our previous submission, dated 25 February 2016, to the *NSW Container Deposit Scheme: Discussion Paper*. These comments should be read in conjunction with those earlier representations.

The New South Wales Wine Industry Association also supports WFA's following comments in addition to those submitted earlier this year by the Association.

The WFA supports the Premier's goal of significantly reducing the volume of litter in New South Wales by 2020, and notes that the stated key objective of the proposed Container Deposit Scheme (CDS) is litter reduction.

Scope of eligible containers

We are pleased to note that the scope of eligible containers as described in the proposed regulatory framework reflects our earlier comments and appears to be consistent with the South Australian and Northern Territory schemes.

The WFA supports the container exemptions as described in the Discussion Paper, noting that this excludes the majority of wine in containers. Given that the stated primary objective of this legislation is litter reduction, it is entirely appropriate to exclude wine in glass bottles and casks as they make up only 0.8% of containers found in public litter bins¹, as noted in the EPA's earlier CDS Discussion Paper. This is also supported by the South Australian experience, operating a CDS scheme that excludes wine in containers, with the KESAB litter report² finding last year that of the 10,735 litter items counted across 151 sites, just 198 were glass litter items and just three of these were "wine and spirits", as we reported in our earlier submission.

Given the above, and the wine industry's demonstrated commitment to waste reduction and recycling (as noted in our previous submission), we strongly support this exemption continuing for the life of the scheme.

¹ NSW Container Deposit Scheme: Discussion Paper (2015), NSW EPA, page 32.

² WAVE 69 – May 2015 Report, Keep South Australia Beautiful (KESAB)

To retain consistency with the South Australian legislation, the scope of eligible containers and definitions specifically for 'wine' and 'wine-based beverages' should be the same as that in South Australia, and allow for the same exemptions within those definitions. For example, the South Australian legislation currently exempts wine which is flavoured with cordials and fruit concentrate. It will be very important that these exemptions are maintained in the New South Wales scheme.

The WFA notes that the proposed variation with other CDS jurisdictions in relation to the introduction of a 150 ml minimum size is not of significant concern to our members.

The Discussion Paper indicates that the NSW Government will engage in consultation with other CDS jurisdictions prior to any future change in scope³. The WFA urges the Government to commit to thorough consultation with industry in regard to any future change in scope of this legislation, given the potential significant costs and cross border issues.

As more state and territory governments seek to develop and implement CDS schemes it is critical to industry that the legislation and regulatory framework be nationally consistent. On this issue, the WFA supports the views of the Australian Food and Grocery Council (AFGC) relating to the scheme structure and the need to achieve harmonisation with other jurisdictions, specifically in relation to consistent scope of containers.

General comments on the regulatory framework

Many of our members also produce other beverages that will be included in the scope of this legislation. These general comments are provided with a view to ensuring that their overall businesses are not subject to inefficient regulatory requirements, at a time when Australian wine industry businesses, most located in rural and regional areas, are being subject to low profitability and proposed changes in taxation systems that may leave many producers significantly worse off.

We support a CDS scheme that is run by a single coordinator, with a consistent deposit rate, scope and labelling requirements. The design of the scheme must include incentives to minimise costs and maximise efficiencies. The New South Wales scheme should also be designed so that any future cross-jurisdictional or nationally-coordinated scheme could easily operate across New South Wales, thereby maximising efficiencies. We support the concerns and views expressed by the AFGC in their submission to this Paper.

We look forward to ongoing consultation. If you have any queries relating to this submission, please contact Nicole Cosgrove, Manager, Government Relations (nicole@wfa.gov.au 02 6239 8301).

Yours sincerely



Tony Battaglione
Chief Executive Officer

³ Regulatory Framework Discussion Paper: NSW Container Deposit Scheme (2016), NSW EPA, page 12.