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Container Deposit Scheme Project Team  
Energy, Environment and Climate Change  
Department of Environment, Land, Water and Planning  
MELBOURNE VIC 3000

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## ARA SUBMISSION IN RELATION TO VICTORIA'S CONTAINER DEPOSIT SCHEME DRAFT REGULATIONS AND REGULATORY IMPACT STATEMENT

The Australian Retailers Association (ARA) welcomes the opportunity to comment on Victoria's proposed Container Deposit Scheme (CDS) regulations and regulatory impact statement (RIS). We have also appreciated participating in Victoria's CDS Advisory Group, which has been most helpful and informative.

The Australian Retailers Association (ARA) is the oldest, largest and most diverse national retail body, representing a \$360 billion sector that employs 1.3 million Australians and is the largest private sector employer in the country. As Australia's peak retail body, representing more than 100,000 retail shop fronts and online stores, the ARA informs, advocates, educates, protects and unifies our independent, national and international retail community.

We represent the full spectrum of Australian retail, from our largest national and international retailers to our small and medium sized members, who make up 95% of our membership. Our members operate more than 100,000 shopfronts nationally, across all categories - from food to fashion, hairdressing to hardware, and cosmetics to computers.

In the context of the Victorian CDS, it is important to note that some of our members act as both retailer and brand owner in the beverage value chain, selling products under their own home brand or private label. Some also play an active role in transporting beverage products to stores and yet are not the manufacturer.

In this regard, the ARA is uniquely placed to provide a multi-stakeholder perspective of these changes, particularly on behalf of those members that we represent who play multiple roles in the scheme.

In principle, we strongly support the introduction of a CDS in Victoria, noting the positive role that similar schemes have played in reducing litter, increasing the volume of waste recovered for recycling and aiding the development of a circular economy in other jurisdictions.

For the scheme to be effective, we believe that the following elements are key:

- Clear economic and environmental benefits for the community.
- A practical collection model that is straightforward and readily accessible for users.
- Co-ordination and consistency with other states to make implementation efficient for suppliers and easy to understand for consumers.

The ARA therefore broadly agrees that Option 1 (as outlined in the RIS) is the preferred way forward as it provides clear community benefits, has a sound collection model and is harmonised with regulation in place in other states and territories.

It is also important for the long-term success of the scheme that all retailers who wish to participate in the scheme have opportunity to do so from the outset, with a focus on the recycling and redemption process. This will also ensure consumer accessibility targets are met.

It is equally important that the scheme is supported by a comprehensive consumer education campaign. The ARA would appreciate the opportunity to partner with the Department around consumer awareness and outreach, as well as in encouraging industry participation across our sector and along the retail supply chain.

We also make the following recommendations in relation to the definition of a first supplier in the draft regulations. We note that the draft regulations state that a person who supplies or intends to supply an eligible container in Victoria must notify the Head of Recycling Victoria, who will then provide a determination of whether a person is or is not the first supplier of the eligible container

We note also that draft regulations do not expressly define a first supplier and that the determination process is yet to be defined. We find this lack of clarity to be problematic, with the potential for free-riders and the risk of making the scheme more complex and costly than necessary.

We therefore recommend that:

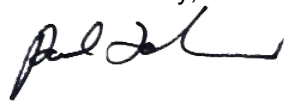
- the regulations should define a first supplier, rather than leaving this to be determined at a later date; and
- the equivalent Tasmanian regulations should be adopted in the Victorian regulations because, in our view, they provide the best model for defining a first supplier with responsibilities under the scheme.

This would provide certainty for retailers, brand owners, manufacturers and transport partners in respect of which entity will play the role of first supplier for the purpose of the scheme. Specifically, this would provide clarity for those retailers and brand owners that use their own logistics networks to transport beverages to stores, where the first supplier would be the manufacturer and not the retailer.

Thank you again for the opportunity to provide a submission to the CDS project team on the draft regulations and RIS. We look forward to further engagement as discussions progress on this important initiative.

Any queries in relation to this submission can be directed to our policy team at [policy@retail.org.au](mailto:policy@retail.org.au).

Yours sincerely,



**Paul Zahra**  
Chief Executive Officer