698/1138



1 1 DEC 2012

Senator the Hon Don Farrell

Parliamentary Secretary for Sustainability and Urban Water

C12/20016

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The Hon John Murphy MP Chair Standing Committee on Petitions Parliament House CANBERRA ACT 2600

John. Dear Mr-Murphy

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Thank you for your letter of 17 September 2012 to the Minister for Sustainability, Environment, Water, Population and Communities, the Hon Tony Burke MP, concerning the Standing Committee on Petitions' consideration of a petition for the introduction of a container deposit scheme for beverage containers (698/1138). Your letter was forwarded to me as the matter you raised falls within my portfolio responsibilities.

Australia's environment ministers have been actively looking at ways to better manage packaging waste and litter. Following the completion of preliminary studies, environment ministers agreed in July 2010 to develop a Regulation Impact Statement (RIS) on options to increase packaging resource recovery and decrease packaging litter, including both industry-managed co-regulatory approaches and national Container Deposit Legislation (CDL).

Consistent with Council of Australian Governments (COAG) requirements, a full and thorough analysis of the impacts and potential costs and benefits of regulatory options must occur before governments introduce new arrangements. The COAG RIS process has two stages. Firstly, a Consultation RIS is developed and released for public comment. Secondly, on the basis of public feedback, a Decision RIS is prepared and provided to ministers to inform their decision making.

In 2010, when they agreed to commence the RIS on options to address the environmental impacts of packaging, environment ministers made a commitment that the process will be "transparent and consultative". Accordingly, there was considerable stakeholder consultation undertaken during the development of the Consultation RIS. In addition to ongoing engagement with stakeholders, an initial workshop to scope parameters was held in December 2010, with a follow-up workshop in July 2011 to further refine the options selected for analysis.

The Standing Council on Environment and Water (SCEW) released the Packaging Impacts Consultation RIS for public comment on 7 December 2011. The Consultation RIS examined seven options, including two CDL models. During the consultation period, public forums were held in capital cities as well as three regional centres (Bunbury, Townsville and Albury). In total around 250 people attended the sessions. The closing date for public submissions was 30 March 2012. A total of 197 substantive submissions were received, expressing mixed views on the options presented in the Consultation RIS. In addition, around 3,000 campaign submissions were received with a form message in support of a national CDL. Almost all submissions identified a need to take action to address packaging waste and litter and a large number suggested that industry should take greater responsibility for the environmental impacts of packaging.

When SCEW met on 24 August 2012, ministers carefully considered the submissions received during the consultation process and committed to progressing to a Decision RIS to provide a more detailed analysis of the potential impacts of the options.

In response to consultation feedback, ministers agreed to include three further options in the Decision RIS. In total the Decision RIS will consider ten options, three of which are CDL models. One of the new options will be a national CDL model based on the existing South Australian system.

The Australian Government is committed to ensuring that options for better managing packaging waste and litter are properly considered through the formal process. It would be premature for the government to make a decision on a particular regulatory option before the current COAG RIS process is concluded.

Thank you for the opportunity to respond to the petition.

Yours sincerely

Senator Don Farrell