



## **Media Statement**

24 February 2022

## Containers for Change Scheme Price Monitoring – Final Report

The <u>ERA today published its final report</u> on the price effect of Containers for Change, Western Australia's container deposit recycling scheme that commenced operation on 1 October 2020.

The State Government asked the ERA to monitor the scheme's effect on drink prices over its first year.

The estimated retail price increases over the first year of the Containers for Change scheme are:

- For non-alcoholic drinks, 13.2 cents per bottle or can in the metropolitan area.
- For alcoholic drinks, 3.9 cents per bottle or can in the metropolitan area.

Overall, regional retail prices also increased by a similar amount, though due to the smaller data set the results were more variable. The findings were also broadly in line with the <u>ERA's draft report</u>, which was published in July 2021.

ERA Chair Steve Edwell said that both the cost of running the scheme and the average beverage price rises were very similar to those seen in other Australian states where there are container recycling schemes.

"Consumers can be reassured that it does not appear that retailers or drink manufacturers are using Containers for Change as an excuse to push up prices," Mr Edwell said.

Containers for Change is run by Western Australia Return Recycle Renew Ltd (WARRRL). Beverage suppliers pay a fee to WARRRL to fund the cost of running the scheme. The fee is based on the number of containers recycled and the material they are made of.

"The average scheme fee is 12.82 cents per container," Mr Edwell said.

"That means that, on average, the drink price increases seen over the first year of the scheme's operation are less than, or very close to, the total cost of running the scheme."

Mr Edwell said that the ERA was recommending to Government that price monitoring should not continue.

"We are comfortable that this scheme is not having an undue effect on drink prices, and that consumers seem comfortable with how it is running, so we do not feel there is an ongoing need to monitor drink prices," Mr Edwell said.

## About the ERA

The ERA is Western Australia's independent economic regulator. We aim to ensure the delivery of water, electricity, gas and rail services in Western Australia is in the long-term interest of consumers. The ERA also undertakes inquiries, which provide recommendations to government on economic issues that are likely to have significant implications for the people and businesses of Western Australia.

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