

6 November 2019

Queensland Productivity Commission  
PO Box 12112  
George Street  
BRISBANE QLD 4003

To whom it may concern

**Re: Container refund scheme price monitoring review**

Thank you for the opportunity to contribute to the Queensland Productivity Commission's price monitoring review in respect of the Queensland Container Refund Scheme (**Queensland CRS**).

Coca-Cola Amatil acknowledges that the Queensland CRS was designed to incorporate the strengths and opportunities identified in existing schemes operating in Australia. We applaud the efforts of all participants involved in the successful implementation of the Queensland CRS.

The two impacts of the Queensland CRS on productivity that Coca-Cola Amatil would like to comment on in this letter are the Queensland CRS performance and the communication of Queensland CRS rates.

**Queensland CRS performance**

While it is acknowledged that the Queensland CRS endeavours to hold scheme costs flat for extended periods, fluctuations in Queensland CRS rates have an impact on the beverage manufacturers / suppliers that are required to comply with the scheme.

Beverage manufacturers / suppliers do not currently receive any information on how changes to Queensland CRS rates are determined, such as the effect of redemption rates and how they fluctuate month by month, and only become aware of any changes to Queensland CRS rates when the official notification (or an invoice for payment) is received.

As such, it would be beneficial for beverage manufacturers / suppliers to be provided with regular information around the redemption rates (by channel) and export information so that any future changes to costs can be managed by beverage manufacturers / suppliers in anticipation of changes being officially notified. This information would assist with forecasting by beverage manufacturers / suppliers and to mitigate the risk of surprise cost changes for retail customers (and consumers).

**Communications of Queensland CRS rates**

Beverage manufactures / suppliers incur significant costs to fund the Queensland CRS, and it is often the case that these costs are passed through to retail customers (and then to consumers). As a result, advising retail customers of changes (and, in particular, increases) to Queensland CRS rates is a sensitive conversation.

Although notifications of changes to Queensland CRS rates are emailed to beverage manufactures / suppliers, it would be useful for this information to also be published on the Container Exchange (CoEx) and/or Containers for Change website so that our customers (and consumers) understand the rationale for

changes to their pricing as a result in fluctuations in Queensland CRS rates. This would also have an added benefit of providing greater transparency and awareness of the costs associated with the Queensland CRS to beverage manufacturers / suppliers, which will help to manage the risk of price gouging.

In addition to the three points above, I would also like to draw your attention to the submission Coca-Cola Amatil made to the Australian Government's National Waste Policy Discussion Paper in October 2018. In that submission, Coca-Cola Amatil called for national harmonisation of container deposit and refund schemes (where they exist), which would simplify these schemes and reduce inconsistencies (and complexities) in the different designs, redemption methods, charges and invoicing processes of each scheme.

We hope these comments contribute to future improvements of the Queensland CRS and the further simplification of container deposit and refund schemes across Australia.

If you wish to discuss this further, please don't hesitate to reach out to Melinda Wienand on [REDACTED]

Regards



Peter West  
Managing Director, Australian Beverages