

NSW CONTAINER DEPOSIT SCHEME



Monitoring the impacts on container beverages prices and competition

Our preliminary findings and recommendations based on first three months of the scheme (December 2017 to February 2018)



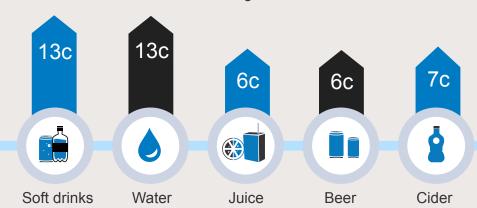
IMPACTS ON CONTAINER BEVERAGE PRICES

We found that prices in February 2018 were around **6 cents** to **13 cents** higher due to the CDS

Increases
in container beverage
prices are in line
with or less
than the estimated
direct costs of
the scheme

too early to tell the impact on competition but

issues may be emerging for some businesses





IMPACTS ON COMPETITION

We are seeking comment whether the following impact on competion:



580 approval fee

First suppliers are required to pay an \$80 approval fee for each class of eligible container (up to a cap of \$3,200 in 2017-18) which may impact on product innovation.

First suppliers are given only seven days to pay their monthly invoice from Exchange for Change for their share of the direct costs of the scheme.

Retailers located close to NSW's border may face a competitive disadvantage due to the CDS if the bordering state does not have a similar scheme – as is the case in the Albury Wodonga area.



We are **seeking submissions** on this Progress Report



SUBMISSIONS ARE DUE BY 8 JUNE 2018

