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Submission: Good morning.

My name is Bob Mathews and I and my family own and run four IGA supermarkets on the Victorian / NSW border around Albury.

My family and I are enthusiastic environmentalists, bird watchers, worm farmers and recyclers. We were enthusiastic and supportive of a CDS in NSW and that enthusiasm has not diminished although the system instigated by the NSW govt has significant issues as I have listed below.

1. The scheme has impacted the livelihood of NSW border retailers by forcing us to absorb the cost of the CDS resulting in a significant reduction in sales and profit. Without ongoing compensation businesses will fail and until Victoria adopt a CDS our position will not improve.

2. Insufficient RVM 's is also impacting rural communities as when consumers are forced to travel to larger centres to redeem their containers they do their shopping which is impacting on smaller communities as less sales leads to less employment. This flow on affect is apparent in smaller towns like Urana, Lockhart and even more obvious in larger towns like Howlong.

3. There is a significant difference between collection (whereas every consumer in NSW pay the CDS levy) and redemption as these redemption rates are significantly less than anticipated. My understanding is that these surplus funds sit with "Exchange for Change" and other "first suppliers" until "Earn and Return" call up funds to cover anticipated redemption. I believe millions of dollars are involved here the interest from which could easily cover any border compensation.

4. Auditing of the scheme does not exist from Woolworths and Coles being audited by their own large suppliers(CUB Lion and Coca Cola) if Exchange for Change and Earn and Return are the same people how can we ever have transparency.

5. Monitoring of borders does not exist resulting in up to 50000 containers per week coming from Vitoria into the RVM's at my supermarkets.

6. Tomra are world leaders in RVM technology and their amazing new age technology was a key component in their being awarded the contract for the creation of a CDS in NSW. The system is hands free which is one of its major flaws. The machines are dirty, smelly and creators of rubbish (non-container types) with the recycling of cans and bottles being offset by the previously recycled cardboard now going to landfill. The hands free nature of the scheme has resulted in the roting I mentioned earlier as the unsupervised nature of these RVM 's encourages dishonesty and other unsavoury practices. Even self-service checkouts in supermarkets and self checkin at airports require some human interface to assist as needed and discourage criminal and bad behaviour. There is no supervision at RVM's placed in supermarket car parks and third party locations. Even across the counter recycling is only successful in traditional waste management centres and is not ideal in restaurants, food shops or dry cleaners which is evident in the number of these venues having pulled out of the scheme.

These rvm's should be at Shire depots in every town with money going to the shire and surplus's used for environmental works.

Current profits go to Tomra via the Oslo stock exchange and to the shareholders of Cleanaway, Woolworths and exchange for change (CUB, Lion, Coca-Cola etc)

In summary the concept is good but the implemtation is flawed the money trail is not transparent and auditing of both compliance and roting is non-existent.

We need a national CDS scheme operating out of council depots and regional recycling depots.

Thank you for listening