

Dr Peter Boxall AO  
Chairman  
Independent Pricing and Regulatory Tribunal  
PO Box K35  
Haymarket Post Shop NSW 1240

Dear Dr Boxall

Thank you for the chance to comment on draft Terms of Reference for the Independent Pricing and Regulatory Tribunal's (IPART) monitoring and reporting on the impact of the implementation of the NSW Container Deposit Scheme (CDS) on beverage prices.

Under the draft Terms of Reference dated 1 November, IPART is to monitor:

- the effect of the CDS on container beverage prices
- the performance and conduct of suppliers
- any other market impacts on consumers arising from the CDS.

We'd like to offer the following preliminary feedback in the hope that it may enhance the matters IPART is able to monitor and report on in this review.

Container beverage industry members may be involved in manufacturing, distribution, wholesale or retail supply chains. They may or may not make 'first supply in the State' under the relevant laws.

We have heard from manufacturers and retailers mainly and summarise their major concerns below, with the hope that IPART may be able to monitor and report on these elements.

1. projected decreased sales in NSW influenced by price increases, competitors able to recover increased costs in other jurisdictions, and lost sales across state borders
2. loss of customer goodwill in response to product price increases
3. administrative costs of complying with the CDS
4. loss by manufacturers of smaller contract bottling clients who prefer to avoid subjecting themselves to the CDS
5. businesses operating as a collection point finding that to do so is uneconomic
6. TOMRA Cleanaway / Woolworths arrangement for up to 180 collection points and voucher redemption at Woolworths supermarkets attracting custom away from other retailers
7. loss of flexibility in moving container beverages around the country or internationally
8. possible refund in NSW of containers that were bought in other jurisdictions
9. inaccessibility of collection points to some consumers
10. possible diversion from the recycling stream of containers for refund instead.

To discuss any aspect of this submission please contact either myself or [REDACTED]

Yours sincerely  
[REDACTED]

Robyn Hobbs OAM  
**NSW Small Business Commissioner**  
13 December 2017