





24 February 2022

Effects of the container deposit scheme on beverages in Western Australia

Publication of final report

The Economic Regulation Authority <u>has published its final report</u> on the effects of the container deposit scheme, Containers for Change, on beverages in Western Australia. This final report covers the scheme's first year of operation.

The ERA has found that, on average, the drink price increases over the first year of the scheme were less than, or very close to, the fee the scheme operator charges to beverage manufacturers.

Overall, container prices increased by an average of 13.2 cents for non-alcoholic beverages in the metropolitan area, and 3.9 cents for alcoholic beverages. Results in regional areas were broadly similar.

The ERA finds that there is no evidence to suggest that suppliers and retailers of drinks have exploited the introduction of the container deposit scheme to increase drink prices by more than the additional costs incurred from the scheme.

Containers for Change, Western Australia's container deposit scheme, commenced on 1 October 2020. The State Government introduced the scheme to increase the rate of recycling and reduce littering in Western Australia.

In May 2019, the Treasurer asked the ERA to monitor beverage prices to help ease community concerns about possible price rises.

Further information

General enquiries

Jason Dignard Ph: 08 6557 7917 info@erawa.com.au Media enquiries

Natalie Warnock Ph: 08 6557 7933 | Mob: 0428 859 826 media@erawa.com.au