

## NSW CONTAINER DEPOSIT SCHEME (CDS)

Dear Clients,

The CDS starts 1-12-17 but the prices for all products applicable will rise on 1-11-17 when the suppliers have been asked to pay for the scheme "float" one month prior to the start.

We will work closely with our customers and suppliers to minimise the fees and charges associated with the introduction of this scheme.

Our business will also comply with the associated legislation for the CDS and we will only be changing prices 1-11-17 the additional CDS charges that have been passed onto our business.

Currently, we are also building more competitive pouring and ranging programs through our national association NILWA and our marketing communications and our sales representatives will begin to detail these to you. We will continue to ensure our pricing is competitive and our services continues to grow

If you have any questions please do not hesitate to contact myself or your Novocastrian Wholesale Liquor sales representative.

Martin O'Mara  
CEO

### ABOUT THE SCHEME

The NSW Government has legislated that containers for non-alcoholic, beer and ready-to-drink beverages between the sizes of 3-litres and 150-millilitres will be eligible for a 10 cents refund to the end user or collector from 01/12/2017. (To reduce incidences of littering in NSW)

Prices for these products will rise by more than 10 cents per unit because the recycling fees are additional to this. We have been advised by our suppliers e.g. Diageo and CCA that the price increase on their products will be approximately 12.9 to 13.59 cents per unit or approximately \$3.10 to \$3.26 per case (Excluding GST)

The scheme coordinators "Exchange for Change" comprise CCA, Asahi, Lion, CUB and Coopers. All producers (or first suppliers) of CDS applicable products will be required to create a float and will be invoiced 01/11/2017 (one month sales) for the scheme coordinators to build working capital (or float) for issuing refunds from 01/12/2017.

### PRICE IMPACT from 1-11-17

Subsequently Novocastrian Wholesale Liquor (like all liquor wholesalers in NSW) will receive new price lists from suppliers for the products that contain the CDS levy. Our prices on those products will rise accordingly on or after 01/11/2017 as we purchase at the new price (\$3.10 to \$3.25 approximately per case).

Many wholesalers and retailers will increase their stock on hand prior to the price rise on 01/11/2017 and will either sell at the old price or will sell at the CDS price. It will be a very challenging first few months for consumers, retailers and wholesalers as the prices in the market adjust for CDS. Prices in the NSW market may vary significantly during November and December.

QLD will bring in its CDS next year and ACT may follow and VIC has made no firm commitment to a start-date yet. It is broadly expected CDS will be a national scheme in the future. The "first supplier" of CDS applicable products selling into NSW must register and pay a contribution to costs of the recycler and must label their products accordingly, or fines apply. As wholesalers, it is our responsibility to ensure all the stock we purchase (in NSW and outside NSW) the supplier is registered for CDS.

## ADDITIONAL INFORMATION

### KEY FACTS (from Exchange for Change Website)

[http://www.exchangeforchange.com.au/ReturnAndEarn\\_MediaRelease.pdf](http://www.exchangeforchange.com.au/ReturnAndEarn_MediaRelease.pdf)

- Eligible containers will attract a 10 cent deposit and a fee to cover the costs of operating and administering the Scheme.
- The exact costs per container will depend on redemption rates via the chosen redemption channel and container type.
- Consumers need to return eligible containers to a collection point in order to receive the 10 cent refund for each eligible container.
- The Government has nominated the number of collection points in the State, within towns and cities, so these are accessible to people returning containers. There will be more collection points in urban areas to handle expected higher container volumes.

Email Orders: [orders@novowho.com.au](mailto:orders@novowho.com.au)  
Phone Orders: 4963 9401  
Office Phone: 4963 9400

PO Box 476 Hamilton, NSW 2303  
39 Stenhouse Dr, Cameron Park, NSW 2285

[www.novowho.com.au](http://www.novowho.com.au)

### FROM THE EPA WEBSITE

<http://www.epa.nsw.gov.au/waste/cds-intro.htm>

Most empty 150-millilitre to 3-litre beverage containers will be eligible for a 10-cent refund when presented at an approved NSW collection point.

Container materials that may be eligible for a refund include:

- PET
- HDPE
- glass
- aluminium
- steel
- liquid paperboard

Some containers will not be eligible for a refund. They are described below.

#### Scheme exceptions

Containers that are not included in the scheme and, therefore, do not qualify for a refund are:

- plain milk (or milk substitute) containers
- flavoured milk containers of 1 litre or more
- pure fruit or vegetable juice containers of 1 litre or more
- glass containers for wine and spirits
- casks (plastic bladders in boxes) for wine and casks for water - 1 litre or more
- sachets for wine of 250 millilitres or more
- containers for cordials, and concentrated fruit/vegetable juices
- registered health tonics.

These drinks are predominately consumed at home and are not found in the litter stream. They are also broadly similar to the exceptions in the South Australian and Northern Territory container deposit schemes, to aid consistency.