

10th June 20202

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Australian Bedding Stewardship Council submission

We wish to raise a submission for the application for authorisation made by the Australian Bedding Stewardship Council (ABSC) received by the A.C.C.C. on 26th May 2022.

Launceston City Mission (City Mission) has been supporting the North and North-West communities of Tasmania for over 160 years. We operate a network of Mission Shops (Op Shops) and Resale Shops (Tip Shops) selling second life items along with some new items where donations are not sufficient to meet demand. These shops also serve as key places of support, providing goods at no cost to families and individuals suffering disadvantage. City Mission achieves these outcomes with the support of over 450 volunteers, supporting a workforce of over 200 staff.

As part of our retail operation, we source Australian Made mattresses where possible, and are moving to a fully Australian Made model in the current plan year. This aligns with our goals to support Australian businesses in supply and services.

City Mission operates Resale Shops and Recycling Centres in partnership with local councils, with a focus on diversion from landfill. This includes resale of goods, reuse, repair and recycling where this is not possible. As part of these activities City Mission breaks down several items to achieve better outcomes, including wheels, tyres, some furniture and undertakes mattress stripping, breaking down mattresses into component parts to enable recycling of materials.

City Mission supports the implementation of a levy on mattresses in line with the summary Scheme design and as part of a full Stewardship Scheme. However, we do strongly recommend that a focus on equitable impact on consumers and disadvantaged segments of our community are considered.

Firstly, we support an exemption or rebate for manufacturers and charities that assist the community when the mattress is given to a person experiencing disadvantage. To impose a levy on these goods will directly impact the Charity and its ability to support families and individuals

Secondly, we consider a flat \$10 levy disproportionately impacts those who can only afford a cheaper mattress. For example, a \$10 levy on a \$100 mattress will need to be passed on in full, and represents a 10% increase in price. In comparison, the same levy on a \$1,000 mattress represents 1% of the price, and would most likely be absorbed through supply chain adjustments.

We therefore respectfully submit, that a scheme comprising a proportional levy on the wholesale or retail price, with appropriate charity exemptions is in the public interest, and would address the public detriment of the current proposal.

Yours faithfully



Stephen Brown
Chief Executive Officer