Volume I

# PUBLIC HEARING

New Jersey, Legislature. before

ASSEMBLY COMMITTEE ON AIR AND WATER POLLUTION AND PUBLIC HEALTH,

on

ASSEMBLY BILL NO. 2212

(Prohibits sale of beverage in nonreturnable beverage container)



Held:
September 22, 1971
Assembly Chamber
State House
Trenton, New Jersey

MEMBERS OF COMMITTEE PRESENT:

Assemblyman Kenneth T. Wilson (Chairman)

Assemblyman Kenneth A. Black

Assemblyman John J. Fay, Jr.

Assemblyman Herbert H. Kiehn



* * *

# I N D E X


| | Page |
|---|---|
| John N. Dennis<br>Assemblyman, Essex County | 1 |
| Charles W. Sandman, Jr.<br>Member of Congress | 13 & 161 |
| James R. Hurley<br>Assemblyman, Cumberland & Cape May Co. | 26 |
| C. Richard Fiore<br>Assemblyman, Essex County | 30 |
| Christopher J. Jackman<br>Assemblyman, Hudson County | 31 |
| David Goldfarb<br>Assemblyman, Essex County | 33 |
| Ella Filippone<br>for Josephine Margetts<br>Assemblywoman, Morris County | 34 |
| James J. Sheeran, Esq.<br>Milk Processors & Distributors of N.J. | 35 |
| William C. Lund<br>N. J. State Chamber of Commerce | 41 |
| Louis Goldshore<br>Dept. of Environmental Protection | 49 |
| Mrs. Barbara Eisler, President<br>N. J. Citizens for Clean Air | 64 |
| Joseph J. Stevens, Executive Vice Pres.<br>New Jersey State AFL-CIO | 67 |
| Henry Seales<br>Reclamation Coordinator<br>Long Branch, New Jersey | 73 |
| Howard P. Chester, Executive Secretary<br>Stone, Glass & Clay Coordinating Committee | 83 |
| Carole Graf<br>Administrator-Coordinator<br>West Orange Anti-Pollution Society | 89 |

# I N D E X


| | Page |
|---|---|
| Mrs. Elizabeth Salett, President<br>Trenton Environmental Coalition | 91 |
| Gordon Kiddoo, Vice President<br>Vistron Corporation | 96 |
| William Moran, Director<br>United Steel Workers of America | 106 |
| Albert W. Merck<br>Mendham, New Jersey | 112 |
| John D. Guagliardo, President<br>Local 3913, United Steelworkers<br>of America, AFL-CIO | 115 |
| Tom Gopsill<br>Princeton, New Jersey | 118 |
| W. L. Lohrfinck, Secretary<br>New Jersey Soft Drink Association | 120 & 170 |
| William Pearce, Vice President<br>Coco-Cola Bottling Co. of New Jersey | 121 & 172 |
| John F. Scally, Vice President<br>New Jersey Royal Crown | 126 & 176 |
| Peter Chikola, President<br>Chikola Beverage Co.<br>Wilkes Barre, Pa. | 127 |
| Mrs. Kathleen Kananen | |
| Cherry Hill Environmental Action Com. | 139 |
| Pompeston Environmental Committee | 140 |
| Statements submitted by: | |
| James M. Neilland<br>New Jersey Food Council | 198 |
| Mrs. Henry J. Hersey<br>The Women's Club of Chatham | 206 |
| Edmund A. Laport<br>East Amwell Conservation Commission | 210 |
| Mrs. Genevieve Minton, President<br>Chatham Environmental Committee | 211 |
| Jean F. Judge, Director of Consumer Affairs<br>Grand Union Company | 212 |

# I N D E X


| | Page |
|---|---|
| Kenneth W. Fox, President<br>Central Jersey Package Stores | 214 |
| Nelson Becci, President<br>New Jersey Package Stores | 215 |
| Mrs. R. Ricki Stochaj, President<br>Consumer League of New Jersey | 218 |
| Ella F. Filippone, President<br>Environmental Research Associates, Inc. | 220 |
| Muriel Gill<br>American Association of University Women | 221 |
| Teri Provissiero<br>Hightstown-East Windsor Ecology Coalition | 222 |
| Mrs. Warren C. Zapp, President<br>Hudson County Citizens for Clean Air | 226 |
| Robert P. Slocum, Executive Director<br>Metropolitan Regional Council | 231 |
| Alfred A. Hadinger, Councilman<br>Village of Ridgewood | 235 |
| Edward J. Mitchell, Vice President<br>Corporate Environmental Affairs<br>American Can Company | 237 |
| Salem Co. Bd. of Chosen Freeholders | 247 |
| Mrs. Betty A. Little<br>Citizens for Conservation | 248 |
| Youth Fellowship of Mendham Township | 250 |
| Letters from: | |
| John W. Strahan, III<br>Millburn, New Jersey | 251 |
| Mrs. Victor Kress<br>West Caldwell, New Jersey | 252 |
| Mr. & Mrs. Alfred J. Neiford | 253 |
| Mrs. G. S. Wright, Jr.<br>Lenape Trail Garden Club | 254 |

# I N D E X


| | Page |
|---|---|
| Dr. Harold L. Colburn<br>Moorestown, New Jersey | 255 |
| John T. Pentony<br>Chatham, New Jersey | 256 |
| Nature's News<br>Piscataway, New Jersey | 257 |
| Telegrams from: | |
| Mrs. Walter R. Schaefer, President<br>Sparta Action Volunteers for Ecology | 258 |
| W. R. Swaverly, Clerk<br>Salem Co. Bd. of Chosen Freeholders | 258 |

ASSEMBLYMAN KENNETH T. WILSON: This hearing will now come to order. The first thing I will say is that no placards will be allowed and you will remove them, please.

This is a hearing before the Assembly Committee on Air and Water Pollution and Public Health, and we are going to get an objective opinion on this bill. Not only that, I don't expect any outbursts from the audience or I will have the gallery cleared and we will have one witness come in at a time.

We are here as Legislators to hear opinions on this bill, to hear both sides, and that is the way this hearing will be conducted. So long as everyone understands that, we will get along fine.

I would like, first of all, to have any Legislators here, who wish to testify, please come forward and sign up. As far as legislative responsibility and protocol, we first call on Legislators to testify, so if you will please come forward and sign so that we will know who is here.

All right, I would now like to open the hearing on Assembly Bill No. 2212, sponsored by Assemblyman Dennis. This is a hearing before the Assembly Committee on Air and Water Pollution and Public Health. I am Kenneth T. Wilson, Chairman of the Committee, from Essex County. To my right is John Fay from Middlesex County; to my left is Herb Kiehn, Union County; and on my far left is Assemblyman Black from Salem County.

Our first witness will be Assemblyman Dennis who is the sponsor of the bill. Assemblyman Dennis. (Boos)

ASSEMBLYMAN WILSON: I don't believe you heard me. If we can't have an orderly hearing - that's the only type hearing I run and this Committee will attend - I will have to clear the gallery and I wouldn't want to do this because there are quite a few people here.

J O H N N. D E N N I S: Mr. Chairman, Committee members, ladies and gentlemen: I am appearing before you today on behalf of a bill which I and nine co-sponsors believe to be a major and necessary step if we are to clean up the environment in which we live.

The litter problem in America is not new. It has been with us and growing since the first colonists arrived at Jamestown. As our country filled up and land became even scarcer, the problem worsened. Over the last three decades, the population explosion, rising affluence and more leisure time have combined to magnify the piles of discarded articles marring our countryside. But there has been a single development during the last 10 years or so that has come close to overshadowing them all, and that is the massive switch by industry and retailers to the non-returnable beverage container.

It is generally agreed, I think, that we must act, and act now, both on the proliferation of litter on our streets and highways and in our parks and places of recreation, and on the more long-range problem of disposing of solid waste. Let's keep New Jersey the "Garden State", not the "garbage state." While not an ultimate solution, this bill, we believe, is a long step toward the goal we all seek.

In 1969, 43.8 billion containers for beer and soft drinks were manufactured. If the trend to throw away containers continues, as it is now, it is estimated that by 1980 over 100 billion containers will be produced and discarded every year.

Non-returnables, I suppose, have their attractions. They are easier for the store and convenient for the customer. They are also more expensive. It has been estimated that Americans could save $705 million a year if they purchased all of their soft drinks in returnable bottles - that's just soft drinks - and they could save an additional $800 million a year by purchasing beer in money-back containers. Add to that the estimate that the cost of just picking up litter in the United States runs to more than $500 million a year and you get some idea of the price we pay for non-returnables. That last figure, by the way, is just for litter collection, not regular refuse pickups. And if you look around you, all of the litter is by no means being picked up.

Putting these cost figures plus the effect on our environment against the ease and comfort of non-returnables, perhaps it is time to echo a quote from Sir Winston Churchill: "This is not the time for ease and comfort!"

Since the introduction of this bill in March, I have received a large volume of mail and phone calls, pro and con, from interested parties and citizens. I have also made personal visits to area breweries and bottle distribution firms to get face-to-face reactions from the people who will be most immediately affected should this bill become law.

I have been told, among other things, that it is people, not containers, who litter. This argument could be, and is, used against proposals for any kind of firearms control or against any ban or control of narcotics or drugs, or upon harmful or hazardous merchandise. There are some people, I well realize, who will continue to litter the countryside with bottles and cans, but I believe they will be far less likely to do so when they stand to lose five cents on each container. And even if they do throw away the containers, there is always the chance of some enterprising youngsters picking them up and turning them in for the refund.

I can remember as a child, and I am sure many of you can too, collecting the empty beverage bottles in the house and returning them to the corner store. This not only helped pay for many a movie or ice cream soda, but it helped to keep our community clean. I think it is a custom we ought to revive.

We are then told that adoption of this bill will cost jobs. Let's look at the beer industry, a major one in New Jersey. Certainly the trend toward non-returnables hasn't meant more jobs but less. U. S. Department of Commerce figures tell us that between 1958 and 1967 the number

of breweries in the United States dropped from 262 to 188. Over the same period, the number of persons employed in breweries declined by 15.6 per cent, an 11,400 job reduction and a resulting payroll loss of $97,596,800. The reason is fairly obvious; with the virtual phasing out of returnable containers it is no longer necessary to maintain area plants to which bottles can be returned. And who can say a similar reduction will not take place in the soft drink industry if there is the complete changeover to throwaways that is predicted by 1975?

Then it is said: "Oh, people don't want returnables," I think the best answer to that is that in most instances the people can't get them. And here we come to what I feel may be the nub of the problem, the attitude of the chain super markets who have decided they are just not going to bother with returnable containers.

The consumer really hasn't much, if any, choice. The stores either don't deal in returnable containers at all or they put such items in unobstrusive parts of the store where the customer isn't likely to find them. It has been alleged (by Crusade for a Cleaner Environment) that big chains have warned bottlers they will replace their brands with the chain's own private brand unless the bottlers supply throwaways only.

This bill does not go as far as a law recently enacted in Oregon, which requires that bottles be capable of reuse and even requires that a standard bottle be used. I am not sure we are ready to go this far. What the markets would do with the returned containers is

a matter for conjecture. We would hope that glass containers would be reusable and sent back to the bottlers in the same trucks that bring new supplies to the stores. Perhaps non-reusable containers would be sent to recycling plants or simply disposed of in refuse collection. Anything would be better than having them thrown on our streets, roads and parks.

Another question: Is this a proper field for legislation? Can't we rely on volunteer efforts? What about the recycling centers now being run by civic groups and manufacturing concerns?

I think the recycling projects are doing a tremendous job. There is a great deal of enthusiasm, but I question whether these efforts alone will prove to be enough in the long run. The top federal official in charge of solid waste problems last week predicted a total federal ban or tax on non-returnables within two years, and added it was "idealistic" to assume that volunteer recycling projects could make much of a dent in the waste disposal problem.

Legislation, by its very nature, involves a measure of compulsion. But I believe that in certain circumstances it takes leadership by public officials and a measure of law to effect real reform. We believe this law would be on the positive side of the ledger, a "do" law rather than a "don't", an incentive to New Jersey residents to keep New Jersey clean.

In conclusion, I suggest three amendments to Assembly Bill 2212 be made:

First: the date must be changed to allow more time for industry

Second: I have asked the Committee Chairman, in a letter, previously, that the bill should exclude wax coated paper containers.

Third: An idea that I got from the Oregon bill and from looking at the streets, and I think it is not only an environmental problem but a safety factor, particularly on the beaches where people take the cans and throw the little metal tabs away. This would be: No person shall sell or offer for sale at retail in this State any metal beverage container so designed and constructed that a part of the container is detachable in opening the container without the aid of a can opener.

That concludes my prepared statement. I do have a copy for the Stenographer. And, at this time, I am prepared to answer any questions the Committee might have.

ASSEMBLYMAN WILSON: Assemblyman Fay?

ASSEMBLYMAN FAY: I have a few questions, Assemblyman.

In your testimony you said that this would not affect the cost to the consumer?

MR. DENNIS: No. I don't know, maybe because I'm the sponsor of this bill, but money is always tight so I try to buy my beverages in returnable containers. As a matter of fact, I like my beer - I know it shows a little bit -- I drink a few brews and so does my wife. In Northern New Jersey there are two large breweries, Schaefer and Rheingold, and we buy our case in returnable bottles. By doing this, comparing the bottle with bottle, we save 53¢ a case - the throw-away bottles versus the returnable bottles. Now if you use returnable bottles versus cans, you would save 65¢. These, by the way, are regulated by the State, the beer would be regulated by the State. The quarts also, you save about 34¢ on a case of beer.

As far as soda bottles, this varies from store to store. This price is set by the stores themselves. I know I did check some of the bottles. We have a soda company up in Northern

New Jersey, Bookdale Beverage Company, and 95% of their bottles are returnable and they are a lot less expensive than the regular throw-aways.

ASSEMBLYMAN FAY: But your major premise then is that the cost to the consumer, in the beverage field, the alcoholic and non-alcoholic, that this would bring the prices down? Does your research prove that?

ASSEMBLYMAN DENNIS: They would save money. I don't think it would bring prices down. Obviously, if they're going to pay a nickel it would increase the initial cost, but they would save money by returning them. Even now, if they could get them they would save money but the problem is, you can't get them in most stores.

ASSEMBLYMAN FAY: The second point that you made, referring to the employment problem or which possibly could become an unemployment problem.

ASSEMBLYMAN DENNIS: Well, I realize that there are a lot of people from South Jersey here because of the bottling industry, but I really don't think there would be a loss of jobs as much as it would be offset by the increase in jobs. Your stores, for instance, obviously if they are going to take returnable bottles, they would have to add, it is estimated, one-quarter man-hours per day, which would be approximately two hours. That means that the retail stores would probably have to add more help. I think the breweries would probably have to add more help if they're going to have returnable bottles. If, for instance, Millers, which no longer has any breweries on the East Coast, if you had to send the bottles back to Milwaukee, you would add jobs in transportation in returning the bottles. So, actually, it would help the transportation industry. Again, if you're going to recycle these, obviously, when the bottles come back to the stores, you are going to have to do something. So it may be more of a shift in jobs, rather than a loss in jobs.

ASSEMBLYMAN FAY: And is there any reason why you have limited this bill to the beverages?

ASSEMBLYMAN DENNIS: This is a question that has often been asked of me, too. What about the other items, such as ketchup, which practically every home uses, or peanut butter? But I know, we buy a big jar of peanut butter, it's pretty popular with the youngsters, still that lasts us a week; where we go through a six-pack of soda a day. So I think it's a question of quantity. And I don't think people, when they go out on the highways or a beach would take a bottle of ketchup and throw it out the window, or throw the jar of peanut butter on the beach, where they would with the beverages.

ASSEMBLYMAN FAY: Thank you.

ASSEMBLYMAN WILSON: Assemblyman Kiehn?

ASSEMBLYMAN KIEHN: Yes. Assemblyman Dennis, are beer cans, as we know them today, - you referred to beer cans - to be a returnable item?

ASSEMBLYMAN DENNIS: Yes. This bill would say that all beverages must be in returnable containers. So they could still use cans. We're not saying, like the Oregon Bill, that they must be reused. We're encouraging recycling. It's not outlawing the use of throw-aways, as we say, not reusable, just saying that they get back to the stores. I am leaving it to the ingenuity of our business firms in the State to get together and decide which would be the best way, whether to recycle them or to reuse them, and I think they know best.

ASSEMBLYMAN KIEHN: In other words then, according to the bill, there would be 5¢ added to the cost of a beer container, that is metal, --

ASSEMBLYMAN DENNIS: I don't know how much they would add to it. Maybe they would add more or maybe they would add less, but you would receive 5¢ back when you took the container back to the store, a minimum of 5¢. Naturally, if it's a quart, it might be more. I believe the Garden State Dairy Products which use the big half gallon containers of milk, I think they get 25¢ as a deposit. And, again, as my youngsters say "in the older days" we used to buy the gallon of cider and the cider mill used to get a quarter. So, it's a 5¢ minimum but it could be more.

ASSEMBLYMAN KIEHN: In other words, then, on canned beer and soda, the case would cost $1.20 more.

ASSEMBLYMAN DENNIS: Not necessarily. It could.

ASSEMBLYMAN KIEHN: It could.

ASSEMBLYMAN DENNIS: It could cost less, it could cost more.

ASSEMBLYMAN KIEHN: Well, one of the things that bothers me, I would like to know if you have any suggestions as to how a large supermarket could handle the return of cans, that is, storage in these places where the cans would be brought back, evidently in a bag, and they would probably be thrown in some disposal center to be picked up.

ASSEMBLYMAN DENNIS: Yes. I think, again, maybe we could have a new type industry. We have Masters for the home and maybe there could be a large Master for these supermarkets for these cans, which would condense them to a small package and then be turned over to their reclamation center.

ASSEMBLYMAN KIEHN: Another question that I would like to clarify in my own mind: Do you have any idea of how the cans would be reused, that is how they may be cleaned and --

ASSEMBLYMAN DENNIS: No, the cans would not be reused. They would be recycled, like they are now in our town and in many of the towns throughout the State where they are collecting tin cans and aluminum cans on Saturdays. What they do, they recycle them, they chop them up and use them again, such as paper to be recycled, not reused. There's a difference in the terminology, recycle and reuse. It's not like a bottle that would be cleaned and reused; this would be recycled.

ASSEMBLYMAN KIEHN: I notice you did mention that the cutoff date of January 1 is not realistic.

ASSEMBLYMAN DENNIS: No, it is not realistic at all. Again, I'm not in the soda industry or the beer industry but I have been advised by some people in the industry and other environmental groups that it would take a lot longer time for the beer industry to make the changes than the soda

industry so they should be given a longer length of time. Without question, I think we have to allow some time. I think Oregon is allowing them about a year or so.

ASSEMBLYMAN KIEHN: You also mention returnables. I might say I did receive a letter from Canada Dry, I believe at Neptune, and they said that their production was about 600,000 cases per year when there were returnable bottles and only 275,000 were returned, which was not even half. Do you think that is a figure to be determined in this particular area?

ASSEMBLYMAN DENNIS: Two things on this. First, I did also receive that letter from Canada Dry. And, again, it goes back to my speech, they say people don't want returnables, there is no demand for this. I know the Pepsicola Company tried this in New York City and the big thing is the supermarkets don't want this, not the people. You go to the supermarket - I go to one of the big chain stores and the only returnable I can get there is the quart bottle of Coke. The supermarkets won't handle them. It's not the people. And, obviously, if they don't have them, they can't sell them. The reason they can't sell them is because the supermarkets say they don't want them. And they have been threatened - I don't know whether it's true or not - that if they don't use throwaways they would go to their own brand, which you do see in many large supermarkets, they have their own brand name. But I did check out where I buy my liquor that the 7 ounce bottle of Canada Dry, if you buy an - I think they come in 8 or 6 ounce bottles, if you buy a sixpack, you would save about 3¢ a bottle by using the returnable.

ASSEMBLYMAN KIEHN: The problem, as I see it, though, is that returnable bottles probably would increase the cost to the consumer because of the fact that the bottles would have to be cleaned. I don't know if a bottle going through the process of cleaning is actually sanitary because some of them might just to missed.

ASSEMBLYMAN DENNIS: Well, they used to do it many times.

They still do it in the milk industry, a lot of them. As far as the cost, it's cheaper. That's what I tried to emphasize.

I do have a little brochure here, put out by the Crusade for Cleaner Environment, which shows that you save anywhere from three to four cents per drink. And, as I mentioned, as I pointed out in my own case, by using returnable bottles, I am saving 53¢. If it's a hot week and I'm drinking two cases of beer a week, I'm saving over $1.00 a week, so that's $50 a year that I'm saving by using returnable bottles. So the consumer would save money; there's no question.

ASSEMBLYMAN KIEHN: I presume the cost of the bottle, whether it be returnable or non-returnable, would be about the same in manufacturing cost.

ASSEMBLYMAN DENNIS: No, I believe not. The glass, I believe, - again, I'm sure the glass industry will tell you, if you compare a Coke bottle - and this is another tricky one, the 6 ounce looks almost like the 8 ounce bottle in the supermarket, but the 6½ ounce Coke bottle is that greenish glass that's much thicker than the other glass. This is just from my personal observation. Again, I'm not an expert in the glass field but I am sure they do cost more and they are heavier glass.

ASSEMBLYMAN KIEHN: Do you know the exact difference in cost?

ASSEMBLYMAN DENNIS: No, I don't. I know it's more. But, of course, they could be reused.

ASSEMBLYMAN KIEHN: Well, one of my concerns is the cost to the consumer.

ASSEMBLYMAN DENNIS: Well, if you're for the consumer, you will be for this bill. It is going to save the consumer money.

ASSEMBLYMAN WILSON: Assemblyman Black?

ASSEMBLYMAN BLACK: Yes, I have several questions of Assemblyman Dennis.

I would first like to ask you, with the concentration

of sodas being sold by your major supermarkets, and with the great volume of returned bottles, as your bill would indicate we should handle, where would the supermarkets store these. I am wondering primarily whether you have given this very much thought.

We're talking about a facility which is designed to market foodstuff to be consumed by people of the State. The bottles being brought back, in all probability, would not be brought back clean. They would have to be stored. If they were stored, I do not believe they could be stored in the same building for sanitary purposes. Now, I would assume then that we would probably have to construct facilities at each supermarket to retain the bottles, since they now have a monetary value.

Would you agree with this?

ASSEMBLYMAN DENNIS: Most of your supermarkets, at least in the northern part of New Jersey and the ones I have seen in my travels throughout the State, are located in a shopping area where there is large room for parking, obviously they are relying on the people that get there and they have to park their cars, and I think possibly they could just add a little shed or something very inexpensive to put these bottles in. I don't think it would add that much cost.

ASSEMBLYMAN BLACK: Well, I would ask, at this point you indicate that the Crusade for Cleaner Environment indicates that to utilize returnable bottles would reduce the cost to the consumer. But we mention such things now as supermarkets having to construct facilities to store the bottles; we're talking about shipment of bottles across several states in order to get back, be cleaned and refilled, and I wonder - I understand the State of Oregon has gone into this approach and I wonder if you have any information to submit to this Committee to justify your position.

ASSEMBLYMAN BLACK: Yes. As far as these supermarkets, we have here a Bottle Survey, 1971, which is a California

supermarket report, and California is almost like New Jersey, the southern part, it's densely populated. And I do have a report here - the Bottle Survey, 1971, all broken down by computers, and so forth, as to how much it would cost for the returnable bottles. It varies. There are eight stores here. I am not going to go into this but I will be glad to leave a copy for the record. (See p. 142) The minimum would be about 1¢ to 2¢ at the most.

ASSEMBLYMAN BLACK: What I'm wondering primarily is, what has been the experience in the State of Oregon?

ASSEMBLYMAN DENNIS: It has just started. I don't know. It has just gotten underway. I don't know. But this is broken down. You mentioned the cost, this is broken down by labor cost, the transportation cost, and inventory - labor, equipment and inventory, which I will be glad to submit for the record.

ASSEMBLYMAN BLACK: Thank you. No further questions.

ASSEMBLYMAN WILSON: Thank you very much, Assemblyman.

ASSEMBLYMAN DENNIS: Thank you.

ASSEMBLYMAN WILSON: Our next speaker is Congressman Charles W. Sandman, Jr., Second District of New Jersey.

C H A R L E S W. S A N D M A N: Thank you, Mr. Chairman.

I have a statement which I would like to file and make a part of the record. (See p. 161) I don't intent to read the statement here to the Committee. However, I will narrate on those points that I feel are the most important.

At the outset, I would like you to remember that I served in this Government, in the State Senate, for a decade. I know how important these committee hearings are. I know the great weight that they cast upon the fate of important legislation such as this. And this is the reason, really, why I came all the way from Washington to testify against this piece of legislation which I think is dangerous, which I think is impractical, and certainly cannot achieve those goals which I am sure the sponsor, in good conscience, wants to achieve.

Having been in the legislative field for all these years, I am familiar, as I am sure the Committee is, with those fields that are popular to be for and those that are popular not to be for. The argument for cleaning up the ecology is so much of an attractive thing these days that it's something that attracts people to be for, it's one of those things that here in the Legislature we used to refer to, and I'm sure they still do, as one of those "motherhood" bills; to be against this kind of thing, you're against motherhood, you're for sin. And this, of course, is not the case.

Now some may believe that, because the largest glass industry in the world is in my district, I am here to testify on behalf of the glass industry. Well, I am, of course, interested in the glass industry; I'm interested in the 30,000 people that make their livelihood from that industry; I'm interested in the thousands of people who invest in that industry; and I am interested in the tremendous contribution that that industry makes to the economy of the nation at all levels of government. But I am interested, even more than that, the same as the sponsor of this bill is interested, in doing something to keep our environment as it should be; I'm interested in doing everything that I possibly can to curtail pollution, which I am sure he is; and, if I thought for one moment that this measure would accomplish any of those things, notwithstanding the fact that a big part of my 410,000 constituents are in some way benefitting from the glass industry, I would still support this bill because the protection of the environment is far more important. And this I believe, as the sponsor believes. But this is not a practical way to reach that conclusion.

There are many arguments, and I don't want to bring these up just because I followed the sponsor but I have to because I don't have enough time to come back again. I have to be in the Nation's Capitol at 1 o'clock and I can't stay here too long. But I do have to comment upon a couple of things which he said which don't make sense and cannot possibly prove

the argument which he has presented.

1. He claims that this is going to be something which is great for the consumer. We have information that shows that it is not great for the consumer; if it does anything, it is going to cost the consumer more. And I will deal with that later.

Secondly, he on one hand says that it's going to increase employment because it is going to require more people to do more jobs. Doesn't he know that if you do this you increase costs? And if you increase costs, it can only be passed off to the consumer. Who else pays the cost? So that argument is very inconsistent.

As far as the consumer benefitting, he should then study a little more about the cost of the container itself. The non-returnable bottle costs less than half the cost of a metal container. It is the cheapest kind of container. It diminishes the cost of production which allows the finished product to go to the consumer at its lowest price. Why is it, for example, that the milk industry is in almost total production of non-returnable containers? Do you know why? I know why because I lived on a dairy farm almost all of my boyhood. Because it costs an awful lot of money to wash bottles. And that cost has to be passed on to the consumer and nobody else. So let's not kid ourselves. You do the consumer no big deal by passing this bill.

And before I pass over too much more, maybe I should give you some real facts about a place where this was tested. Our neighbor across the Hudson River, in the State of New York. The Pepsi Cola Company attempted to find out what would happen if you put a 5¢ deposit on Pepsi Cola bottles. During the year, in their 16 ounce bottles, there was sold 14½ million in this one area where the test was being conducted. It was not a citywide test. Eleven million of the 14½ million, for which the consumer paid a nickel apiece, were not returned. Now, if that isn't concrete proof that this thing is not going to achieve the result that it seeks to achieve, I don't know what is.

Now, Mr. Chairman, the bill, A-2212, is impractical and cannot possibly do the job which I know that the sponsors conscientiously want to do. I am not going to dwell upon those intricacies and those things which are written in this bill that, as a Lawyer, I must say to you are only going to invite an endless chain of litigation. I am going to confine my remarks to the heart of the issue as to whether or not this bill really is in the best interest of the people.

The Congress, in 1969, created a Council on Environmental Quality and then, recently, they created the Environmental Protection Agency to stimulate technology to establish national priorities to adopt better methods for solving the waste disposal problem. The objective of that Bill is worthwhile and certainly aimed at establishing a better way to control waste and litter.

In the last three years, the Federal Government has, on the advice of the Nation's top experts, decided that the answer to this lies solely in one area, and that is salvage and recycling. This is what the best experts in the Nation testified and told the Congress of the United States when it adopted those measures.

You cannot legislate the object of litter out of existence and think that you have in any way eliminated or curtailed that problem. The objective here is not to discontinue the use of the thing that may become litter. The objective, I think, is to keep those things from being placed in places where they should not be. You should not penalize the litter; you should penalize the litter-bug. (Applause)

The method suggested by Assembly Bill 2212 in banning the non-returnable container, which would keep it out of existence for the most part because that's what would happen, is truly an exercise in futility. It is parallel to another ill-conceived proposition. If you are going to cure the litter problem or the refuse problem by eliminating the non-returnable container, you could set out to do a far greater job, if you wanted to go to that extreme. Why not take on the massive sewage

problem that we have in New Jersey the same way.

Do you realize that if you attacked the sewage problem in the same way as the sponsors of this bill are attempting to attack the litter and refuse problem, you know what you would ask the people to do? You would ask 7½ million people to leave New Jersey. (Applause)

ASSEMBLYMAN WILSON: Now, the first time you applauded I thought that was going to be sufficient but, if you are going to continue every time you agree with a speaker's point I am going to clear the gallery. I told you that at the beginning of the hearing. We don't need that. Continue, please.

CONGRESSMAN SANDMAN:

Imposing a deposit will not alleviate the problem. If you want to solve the solid waste problem, you have to deal with all kinds of containers, you have to deal with all kinds of things that constitute refuse and constitute litter.

Now, let's be practical about this. Let's go back to that era in your life and mine, that the sponsor talks about, about when you gathered some bottles on a Saturday morning to get enough money to go to the movies and maybe buy your girl a lollypop. You collected every bottle that you could collect and you took it to the corner store, and that corner grocer he looked at you with a jaundiced look and he didn't want to buy all of those bottles back and he looked over each one to make sure you bought it from him. This he did.

Take the same set of facts. This bill goes so far that you would have to have a deposit on a tin can, and the largest tin can company in the world is on the other side of the Delaware River in another state. Do you think the corner grocer is going to want to pay a nickel for that can that he didn't sell? Of course not. And you are not going to have these things returned either.

Now I notice too that again - of course, over these many years the news media hasn't always agreed with Charlie Sandman and I don't expect them to do that now, but I notice that the New York Times and several other responsible papers

have endorsed this piece of legislation. Now, I would like to call to the attention of the media, especially the New York Times, the non-returnable bottle by everybody's figures, not mine, amounts to only 2½% of the Nation's litter and refuse. That's all. But discarded news print, including the New York Times, represents 57% of the Nation's litter and refuse. Now, let us ask the New York Times, don't you think it would be a good idea, since you're sponsoring this bill, to say that everybody that buys a copy of the New York Times should pay a nickel deposit so that it would not be deposited in the litter pile?

Well, it would be the same thing, fellows, and it's a good idea, and maybe you should find out the position of the editorial staff of that great paper and see what they want to do.

The New Jersey glass industry, almost all of which is located in my Congressional District, happens to be the largest of its kind, not only in the State or the Country but the largest in the world. It's located there because we happen to have the best silica sand that there is in the world, most of that coming from the county I live in. And this is why it's situated there. Thousands of people work in those plants and thousands upon thousands of children have been raised as a result of those plants and they've been there more than a hundred years.

I happen to be one person who seems to be a little proud of that operation. I'm proud of the people who work there; I'm proud of the things that are produced there; and I am also satisfied that they're trying to do something about the ecology along with other people, in fact, moreso than other people.

During the Congressional recess, I went through the District for the primary purpose of looking into the unemployment problem which is reported in my area as being the highest in the State. In the glass industry I didn't find any cutoff of jobs, I found unfilled jobs. That's how

important that industry is in South Jersey - unfilled. Anybody who wants to work in the 2nd Congressional District of New Jersey can, today, if they want to work, get a job in one of the four major glass plants - if they want to work. This is what those plants mean to the 2nd Congressional District.

In addition to that, I also found that they were doing something about trying to recycle glass. And I visited each of the four major plants, two in Salem County and two in Cumberland County. They are paying $20 a ton to Boy Scouts, Girl Scouts, and anybody who wants to bring glass to the plant. They are setting up special days, and they have been doing this for over a year, for receiving the glass from these people at an exact time when the weighmaster will be there to take it off your hands, and at an exact time when company employees will stack the stuff where it should be. And I have gotten some very interesting figures from these people that I think you ought to have.

If you think they are just in the business to clutter up the country and what-not, let me call these figures to your attention.

In the first quarter, where this was attempted in the country, in the quarter July through September of 1970, 42 million glass containers were recycled. This was the beginning of the program. In the succeeding quarter, ending December 31, 1970, the quantity recycled jumped to 65 million. In the first quarter of 1971 it jumped to 96 million. And what do you think it reached in this last quarter? 175 million.

So don't try to tell me that the glass industry isn't trying to be cooperative. I know it is; I've been there. And I invite this Committee, and especially the sponsors of this bill, to go there so that they may see what has happened.

The $20 a ton that they're paying for the recycling of broken glass is a higher cost, much higher cost, than if they

start from raw material all the way. So, economically, this is no big deal for the glass industry but, in the best interest of the environment, they're doing this anyway.

Now, in closing, I want to call to the Legislators' attention something which I saw happen which I am sure affects them. And, before getting into that, I don't want anybody who favors this bill to think that I am preferring economics over ecology. That is not the case. I have a record in support of the ecology of this country which I will place in competition with any Legislator that breathes in any state.

The largest piece of legislation passed in the United States Congress, which only became a piece of legislation passed by the House of Representatives on September 9 of this year, was my bill, the bill that has to do with curtailing and controlling the dumping of refuse in the ocean and tidal waters.

I think the Legislature should be told what happens in one area there because it affects what you are doing here.

That particular bill passed the House of Representatives by a vote of 308 to 3. As I said, it's one of those "motherhood" bills. However, the same bill had in it a very dangerous provision which would have nullified the right of any state to have concurrent jurisdiction and, in effect, would have repealed the laws of New Jersey and 31 other states that have to do with the dumping of refuse in the ocean or the tidal waters. In fact, the exact language in the bill, before it was amended with my amendment said:

"No state shall adopt or enforce any regulation relating to any activity regulated by this title."

Now, I thought that it would be rather simple to amend this out of the bill because, in my opinion, that language is unconstitutional. It certainly violates state's rights as set forth in the U. S. Constitution. My amendment simply said:

"Nothing in this Act shall be construed as preempting any state, federal territory, or commonwealth, or subdividion thereof from imposing any requirement or liability."

Now, the amazing thing about the treatment of this amendment, which is the only reason why I am mentioning this to you, was that the amendment should have been a popular amendment because it did no more than knock out an unconstitutional provision of a bill and only gave to the states those rights that the Constitution gives to the states anyway. Who can say that a state should not legislate and say how a ship should be loaded in a New Jersey port? It shouldn't happen.

At any rate, the amazing thing of it all, the amendment that I offered, which should have taken every vote, only passed the House of Representatives by one vote. Now, what do you think the argument used against the amendment was? And this is the meat of my argument.

The advocates who did not want to give states their constitutional rights to have a concurrent jurisdiction said - and it's easy to get this testimony if you want to get it -- the states are too slow to react and when they do - get this - they overreact. They claimed that, because environmental legislation had become such an "apple pie" issue, the states would become prone to ramrod poorly conceived and poorly written and inadequate legislation that was emotional and politically popular. This is why the amendment almost failed.

Now I resent those claims and I said so on the floor of the House of Representatives on the date the bill was under consideration.

I said at the outset that I served ten years of my life in the State Senate here, and I am very proud of those ten years. I still have a profound respect for every man or woman who was ever elected to the New Jersey Legislature. I think it is one of the greatest positions and one of the greatest honors that any man or woman can ever achieve. It certainly was one of the highlights of my life. I still have that same profound respect. I said so in your defense in the Congress of the United States. Please don't let me down by passing any kind of legislation as poorly conceived as this.

Thank you.

ASSEMBLYMAN WILSON: Congressman, then you are saying that the Federal Government is acting as far as recycling is concerned or recovering our resources? What is the Federal Government doing to offset this problem that we do have with non-disposable items, bottles and so forth? I see in your testimony you mentioned the Resources Recovery Act of 1970 which authorized the Federal Government to spend up to $460 million, but we know there is a difference between authorization and appropriation. How much is appropriated for this?

CONGRESSMAN SANDMAN: $460 million.

ASSEMBLYMAN WILSON: That was appropriated? It wasn't just authorized?

CONGRESSMAN SANDMAN: It was authorized and appropriated in 1970. It has gotten off to a good start but I must frankly admit to you, it's in its infancy stage and certainly hasn't attained the results we would hope it would, yet. It hasn't had a chance.

ASSEMBLYMAN WILSON: Assemblyman Fay?

ASSEMBLYMAN FAY: Congressman, of that $460 million of federal monies, how many of those dollars are appropriated for New Jersey?

CONGRESSMAN SANDMAN: Well I have no way of telling. And, quite frankly, the $460 million, I voted for it, I was one of the cosponsors of the bill. They can't handle that much money in two years, let alone one year. This is designated over three years. In my opinion, they're not going to be able to do it in three or four years because you've got to set up the machinery. But one thing that we did do, we made it available so that if they could facilitate it the money would be there.

Under this Act, I don't think any amounts are allocated to the various states. Under the program, as you will read in my remarks here, these federal grants amount to 75% federal money which can be matched by any state or subdivision thereof

for the establishment of better methods for disposing of solid waste.

ASSEMBLYMAN FAY: It's on this point, I feel, that the critics of state government say we overreact. I feel that sometimes we're forced to because the federal government doesn't act. And I feel that a good example of that is where you quoted the top experts. Six months ago the federal government and other experts were telling us that phosphates had to go immediately and last week we had the Surgeon General and a few other experts telling us to let the fish die in order to protect your children. You have that kind of a choice.

So, if anything, I'm a critic of the federal government in this area of ecology. I feel they haven't spent enough money on research and too often their research has been misleading to us. And I most certainly hope that Commissioner Sullivan will let this Committee and the people of the State of New Jersey know just how much money we're applying for and just how much money is being appropriated, particularly for southern Jersey where you have the glass industry and certainly in the northern and central part of our State where there is not only an ecology problem but also the unemployment problem coupled with it.

CONGRESSMAN SANDMAN: The overall picture of state law, I must frankly say to you, is in a far better condition and position than people give them credit. In the 32 states that I mentioned that have laws affecting the carrying of refuse that's going to be dumped somewhere, those states have better laws than people think they have. And, truthfully, for the most part, collectively, they have more control than the federal legislation gives. See? When you get to the point of what can the federal government do, I don't think the federal government should intervene anywhere where a state has control. The big vehicle that you need the federal government for is to supply the vast amounts of money that will be needed for some of these areas that the state cannot better do in another way. So I am not critical of anything

the states have done, I think they've done a great job.

ASSEMBLYMAN FAY: The immediate problem that we have in Union and Middlesex Counties with the State's right argument is New York City dumping raw sewage and the State of New Jersey is completely impotent, completely incapable of doing anything about it. There is a new Port Authority structure going up in New York City and there not even secondary let alone primary treatment is given to the sewage problem. So I don't know how this logic carries. We might have the strongest laws in the Union but New York State has no law at all and we are being destroyed on the New Jersey side.

CONGRESSMAN SANDMAN: Well, again in some of these areas you have federal jurisdiction only because of interstate traffic being involved and interstate commerce, and they are necessary to stop what you are talking about, going from one state to the other. However, the control within the state is best done by the State Legislature and not by Congress.

ASSEMBLYMAN WILSON: Assemblyman Black?

ASSEMBLYMAN BLACK: My only comment is that I would like to express my appreciation to the Congressman for spending so much time with us, realizing that he has an appointment in Washington.

ASSEMBLYMAN WILSON: Assemblyman Kiehn?

ASSEMBLYMAN KIEHN: Congressman Sandman, I did notice that you have given us quite a comprehensive report and with the statements that you have made it will enable this Committee to arrive at a determination.

You did go off the subject a little bit on ocean dumping and I would just like to take this opportunity, inasmuch as you went off a little bit, to ask a favor for the State of New Jersey on revenue source sharing so that we will have some relief on our property taxes in the state. Thank you.

ASSEMBLYMAN WILSON: Congressman, I want to thank you for coming here to testify before the Committee. As Chairman of this Committee for the last four years, Assemblyman Fay and I have talked about this, as far as federal government

participation, and we would like you to take back a message. Number one, that we would like them to maybe funnel more money into sewage upgradeing. According to laws passed by the federal government, they can fund up to 55% for improving sewage treatment and the State pay 25%. And we have our 25% but the Federal Government has only contributed about 15 to 20%. A lot of times we hear grandiose statements - and this is not directed to you but to the Congress -- many grandiose statements about pollution but apparently we don't get the funds from the federal government that we need. We realize that we have a limited base, as far as revenue. I have talked to you at great length about the off-shore dumping, how there was quite a little hassle in Congress to get this through and finally it did go through, but, in turn, we were forced to pass a law that this affected the State of New Jersey, that only affected our vessels, yet vessels from all over the eastern seaboard could still dump off our shore, so we had federal legislation passed.

So we want to work together and we hope that the federal government will participate a little more financially as far as some of these programs where they say they are going to provide funds but don't provide the correct amount.

Thank you very much.

CONGRESSMAN SANDMAN: Thank you. (Applause)

ASSEMBLYMAN WILSON: I would like to now call Assemblyman Hurley.

I would appreciate it if the rest of our speakers - we have a great number to testify - if you will limit yourselves to around five minutes. I am not going to hold you exactly to five minutes. In turn, if your statement is longer than this, hand it in and we will have it printed in full in the record for the Committee and the rest of the Legislators to study. In turn, we will also have an opportunity to question you so that we might get a diversified opinion. But please do not read a complete statement and try to limit yourself to about five minutes.

All right, Assemblyman Hurley.

J A M E S R. H U R L E Y: Mr. Chairman and members of the Committee. I am Assemblyman James Hurley. I represent District 1, Cumberland and Cape May Counties, in the New Jersey Legislature.

What I have to say here I say on behalf of not only myself but my fellow Assemblyman, James Cafiero, who, unfortunately, could not be here today.

My remarks will be brief because I have participated in public hearings and I know the number of people who are here from the public sector who want to testify and they should be allowed to speak on this important matter. As a member of the Legislature, I do have other avenues that I can take to present my petition to members of this Committee and members of the Legislature.

I do not speak here just as an individual but I speak here as a representative of 175,000 people. I speak here not only for members of the public and members of the industry, but also I speak here on behalf of governmental agencies and laboring people in my county. For example, the Board of Chosen Freeholders of Cumberland County, every municipality in Cumberland County has adopted resolutions in opposition to this bill; every local and every central labor union has adopted resolutions in opposition to this bill, including the GBBA and Teamsters No. 676 who are members of the Central Labor Union.

The concern over environmental problems, in this case solid waste, is of great importance. Much needed legislation has been passed in these very halls in an attempt to insure the public that clean air and water, a clean environment, will be available to sustain life. And I am sure that much more needs to be done. Nobody will argue with this point. And I have voted for most of the legislation that has been proposed here dealing with environmental problems.

However, as in every problem of this type, every problem that comes before any legislative body, a balanced approach is absolutely essential. The solid waste problem will not be

solved by the passage of A-2212.

To ban the sale of non-returnable containers, which are a very minor percentage of the total solid waste picture, is like attacking water pollution problems created by storm sewers. We know that water pollution is a very complicated issue, that everybody is involved in it, that it is not caused by only storm sewers and, therefore, we don't attack that problem in that way. Neither should we attack solid waste problems by attacking the non-returnable container. They aren't the real problem and we know it.

It is so obvious to me that the solution lies in the cooperative efforts, and I urge you to consider these efforts, cooperative efforts between state, federal and local governments, not by themselves but in concert with industry, in concert with the people who are employed in these industries, and with the general public at large, to develop plants, to develop means to reuse what we now call waste. No one is going to do it alone. It is obviously expensive. We've been dealing with the problems of water and air pollution and we know how expensive it is to solve these problems. Municipalities can't do it alone. You have just discussed with the Congressman the fact that neither can the State do it alone. Neither can any other governmental agency. But together, with industry's help, with a concerted and a cooperative effort, it can be done.

The recycling of all solid waste - paper, metal, wood, glass, plastics - is the only solution. Moving toward this goal would be a positive and beneficial step to take to protect our environment and just as importantly to protect our jobs and our ratables, in other words, to protect our economic health.

To pass this bill would be a negative, detrimental act which would not solve the problem and would cripple the people and the economy in many areas of this State, but I have to speak here particularly of the economy and the people of Cumberland County.

There are 122,000 people in Cumberland County. 22,422 of them are employed in manufacturing plants out of a total employment of 40,362. 9,800 men and women are working today in glass plants in our County. Their taxable annual payroll is $70 million. Banning the non-returnable bottle - and I realize in this State this is purely economics - but, banning the non-returnable container would put people out of work, cause plants to close or cause them to move to states where the manufacturing atmosphereis more conducive,and literally destroy the economy of our County. This economy, the existence of glass plants in Cumberland County goes all the way back to 1806 in the City of Millville.

Many facts will be presented to you today. That's why I want to attempt to be very brief, because you want to hear from chemists and environmentalists, manufacturers, labor leaders and businessmen. They should be heard and they will be heard. But there are only two facts that I want to leave with you.

1. This bill will not solve the problem that you're attempting to solve, and it will create more problems than it could possibly solve. And that's saying it just as basically as I can say it.

2. The answer you are looking for is found in recycling, recycling not only glass but recycling all solid waste. I don't know if you are aware of this or not, but there is some old glass in every piece of glass made, particularly in the container business. In fact there are people who contend that now you can manufacture glass containers with 100% cullet glass, glass that has been manufactured before and used before. We must use and reuse all that we have in this State and in this Country.

I want to thank you for allowing me this time to come here. And I want to sincerely urge you to cast aside this legislative measure and turn your attention to solid waste recycling, turn your attention to that which has a chance of success.

Thank you.

ASSEMBLYMAN WILSON: Assemblyman, you mentioned the fact that now you can manufacture glass containers with 100% cullet glass, which is glass that is reused, broken, and so forth. My problem, as Chairman of the Committee, and I think many of our Legislators are concerned with this, is how do we get the glass from the consumer back to the factory and not to the refuse heap which is now the trend? Would you have any suggestions along those lines?

ASSEMBLYMAN HURLEY: Yes. I think there are two suggestions. And one reason why I'm opposed to this bill, there is a myriad of opportunities here, things that we could be doing and should be doing.

Number one, there is a massive public education job. The industry, the labor unions are working very hard, spending money, attempting to educate people to return and recycle all kinds of refuse. This, I am sure, will have a beneficial effect. The Congressman stated some figures that he had at his disposal.

Ultimately the answer is, taking all solid waste from municipalities, from your doorstep, - ultimately the answer that we must move toward. We must move toward taking all the solid waste from your doorstep and mine, from industrial plants and business houses and retail stores, and putting it through a process that separates glass from metal, separates paper, and reusing these materials so that they can be put back in the manufacturing process and be productive materials.

As you are probably aware, other people will speak to this today, but there is a plant in operation in this country and there is tremendous research going on where they can take all the solid waste and put it through this process.

I will not for a minute contend with the incentive of $20 a ton, that we can depend on the public to bring back all containers. We know that we can't. But a massive education job can be done and the State can help in this matter. A massive job of making it important to the very air that we breathe and the ground that we walk on will motivate people to become involved in this whole environmental struggle.

I think, ultimately, Mr. Chairman, the answer is in recycling all solid waste and separating it and using it again. That's not an immediate goal, it's not a first step, but we ought to be moving toward that.

ASSEMBLYMAN WILSON: Any questions? (No questions)

Thank you very much for testifying, Mr. Assemblyman.

The next person will be Assemblyman Fiore of Essex County.

C. R I C H A R D F I O R E: Gentlemen, I welcome the opportunity to appear before this Committee today to present testimony in opposition to the passage of Assembly Bill 2212.

I feel that if Assembly Bill 2212 were to pass, first of all we would have a discriminatory tax which is the deposit on beverage containers. People do not return deposit bottles as they did 30 years ago. Therefore, this winds up as a tax on the people who can least afford it, the poor, the inner-city people.

We have 7,000 jobs in our metal can manufacturers alone with an $80 million payroll; twice that many in glass manufacture and supporting industries. The total jobs amounting to close to 20,000 jobs with a loss of income up to $175 million throughout the State if a bill of this type were passed.

The U. S. Bureau of Mines stated that $4 billion is spent in collection and disposal of garbage. This garbage contained $5 billion of valuable material which can be recovered and recycled, which it should be.

Many of the proponents of Bill 2212 would have us believe a ban on non-returnable containers and a mandatory tax on returnable containers would solve the litter problem. I share the concern over the disgraceful litter situation prevailing in our environment, not only in New Jersey but elsewhere. But I would suggest that Bill 2212 is a simple solution where no simple problem exists. Litter is a separate problem from solid waste and organized garbage; litter is disorganized garbage; litter is a people's problem, a human behavior problem.

A study conducted by one of the most prestigious organizations in America, the National Academy of Science, concludes that less than 20% of the composition of roadside litter is made up of beer and beverage cans and bottles. The amazing statistic in this study is that 42% of all beer and beverage bottles found in roadside litter were returnable bottles. Yes, gentlemen, deposit bottles.

In light of this fact, how can anyone logically reach the conclusion that a mandatory deposit will solve the litter problem? How does Bill 2212 address itself to the other 80% of the litter that is not beer or beverage containers? It simply ignores the 80% of this problem. Facts clearly show that a deposit system will not eliminate litter. Education, enforcement and equipment are the only answers.

I know, gentlemen, and you know, there is a problem with solid waste mismanagement. Everyone knows there is a problem with litter. I respectfully submit to members of this Committee that Assembly Bill 2212 is what the problem is not about.

Now, gentlemen, I went out to get a drink of orange juice. I came in and put it on my desk and somebody tapped me on the shoulder and asked me how much the container cost - 24¢. He said, well this bill also will state that there's a 5¢ deposit on the orange juice container that I just used.

Now, I have to agree with Assemblyman Hurley. Recycling is the answer, and that's the only answer. Now they can melt this metal down and reuse it. This is what we want. We want the people to have jobs. We do not want to pass legislation which can cause unemployment problems.

With that, gentlemen, I oppose Bill 2212.

ASSEMBLYMAN WILSON: Any questions? (No questions)

Thank you very much, Assemblyman, for testifying.

Assemblyman Jackman from Hudson County.

C H R I S T O P H E R J. J A C K M A N: Mr. Chairman, and my colleagues. I come before you this morning not only as an Assemblyman in opposition to Bill A-2212 but I come here

as an International Vice President of my Union, representing 17,000 workers in the State and that industry, gentlemen, is the container industry.

I think I would be facetious if I tried to elaborate any more on the remarks that were made by our honored Congressman Sandman and my colleague, Assemblyman Hurley, but I would be remiss if I didn't just add a few remarks.

Number one and primarily, the recycling matter that has been discussed here today is an important subject matter. And I think you've heard it from Assemblyman Hurley and Congressman Sandman that it's a matter of education.

Now, just to prove that point to you, gentlemen, we have a plant in Garfield, New Jersey, that operates 100% on the recycling of discarded news print. Contrary to my eminent Congressman, - he may not have realized this - the container industry is interested in recycling. This mill, the Garfield Paper Mill, manufactures news print entirely with the recycling of old news print and corrugated containers. So, consequently, you can see that the container industry realizes that there is a problem in our environment. And I think it might be well to let everybody in this room realize that we, as Assemblyman, - and speaking on behalf of the Hudson County delegation -- we realize we have an ecology problem and I think it was put very aptly by Congressman Sandman that this is a motherhood bill, how can you be against clean air or how can you not be against pollution. Let's not kid ourselves. We are against it but we're looking for the best method.

Contrary to my colleague, Assemblyman Dennis, I would foresee that if this bill were enacted you would have approximately anywhere from 8,000 to 10,000 unemployed, additional unemployed, not necessarily in the bottling industry per se but in its related industries, the container industry for example.

I don't want to go into a long dissertation on the storage problem and what-have-you, and I think primarily we should be interested in the educational background for recycling.

Now, it wasn't too long ago, during World War II, that we had to save our newspapers, and it was strictly educational, and we saved the tin containers because we knew that we needed that product. And, again, even in the aluminum end of it.

Now, gentlemen, I am sure that with the type of legislation that we can espouse here we can educate our particular citizens here in the State of New Jersey because I think they are dedicated to clean air and clean water, and I am sure, with the help of our educational system, we will be able to recycle. Just to make that one point again, I read in this morning's paper that there is a symposium this afternoon or 8 o'clock tonight in West Orange on the recycling subject. And with the recycling of these products we can clean up some of this litter.

I think it was put very aptly by Congressman Sandman when he said that we must educate the litterbug in order to eliminate litter.

With that, and in the interest of time, gentlemen, I subscribe to the Congressman's remarks and the remarks that were made by the worthy Assemblyman Hurley. And I can assure you, gentlemen, speaking again on behalf of the Hudson County Delegation, that we are against A-2212. Thank you.

ASSEMBLYMAN WILSON: Any questions? (No questions)

Thank you very much, Assemblyman Jackman.

Assemblyman Goldfarb, Essex County.

D A V I D G O L D F A R B: Mr. Chairman and Committee Members, I certainly appreciate this opportunity to be called. I have a short statement and I will read it.

Mr. Chairman and members of the Committee, I am appearing todas as a co-sponsor of Assembly Bill 2212. I think it is important to note at the outset that at the time I was asked to co-sponsor this legislation, it was suggested to me by several of my fellow Assemblymen that this bill would spark needed discussion of our growing solid waste disposal problem. I agreed to co-sponsor this bill with the understanding that its introduction would stimulate the very type of public hearing

that you are so ably chairing today.

Since the introduction of this legislation, back in March, however, I have had an opportunity to further my own research into this problem and to examine the impact of this legislation in our State.

I have frankly been impressed by the success and the enthusiastic response to various recycling programs in many communities. I have come to believe that legislation which amounts to a ban on non-returnable containers merely diverts attention from our overall solid waste problems and is a most impractical approach. I have also been convinced that such legislation would place an intolerable burden on the small retailer and would probably add substantially to the shopping bills of the average consumer. For these and other reasons, many of them that are being detailed today, I have come to the conclusion that Assembly Bill 2212 is not in the public interest and I am formally withdrawing my support as a co-sponsor. (Applause)

ASSEMBLYMAN WILSON: Thank you, Assemblyman. You will have to do that formally when we're back in session in November.

We have a statement on behalf of Assemblywoman Margetts. May we have that given now, please.

E L L A F I L I P P O N E: I am presenting this statement in behalf of the Honorable Josephine Margetts of Morris County,- I am Ella Filippone - regarding A-2212.

The disposal of our non-returnable products presents considerable problems in our way of life. Although the objectives of the bill, A-2212, are sound, I believe we should have a more thorough investigation of how elimination of these products affect the industries involved.

Glass and cans are a small percentage of the refuse mix. It would seem from further study that implementation of the program would cost more over the long run. Recycling of our wastes should receive considerable attention, since we can

build into our economy through this concept end products which can serve a useful purpose.

Paper products, for example, constitute over 50% of our wastes. Packaging with plastics and its accompanying products further complicate matters. The recycling endeavors in many of our communities, which have been done on a volunteer basis, should transcend itself to a municipal or county effort. If we can devise an efficient system of collection across municipal lines for certain waste products, we can make recycling economical. This would then be the first step toward enacting ways and means to further the recycling of other products combining it with educating the public as to its worth.

It is my feeling that this bill, A-2212, needs further study to provide a workable solution, thereby expanding the intent of this bill.

ASSEMBLYMAN WILSON: Thank you very much.

Mr. James Sheeran.

J A M E S J. S H E E R A N: Mr. Chairman and members of the Committee. I am James J. Sheeran and I am an Attorney in West Orange. I appear today on behalf of the Milk Processors and Distributors of New Jersey, which is an association representing two of our State's major milk process and distributing firms - Johanna Farms, with its headquarters in Flemington, and Tuscan Dairies, with its offices in Union.

We appear here today neither to advocate nor oppose Assembly Bill 2212. Our purpose is to persuade this Committee and the Legislature to reach some firm conclusions, and reach them soon, on the question of container materials for products sold in the mass market. That decision is vital not only to our members and to the other New Jersey milk companies but to the economy and environmental well-being of every citizen of our State.

Our memebers indeed serve a mass market in New Jersey and in neighboring states. In New Jersey plants, utilizing

New Jersey labor and paying New Jersey taxes, these independent firms process and distribute the equivalent of more than 25% of New Jersey's total fluid milk consumption. We now stand at the threshold of some vital and far-reaching business decisions. We must decide whether to maintain and continue to improve our present packaging system which is based on the paper container or whether to install machinery that would permit us to package most, if not all, our fluid milk in polyethylene plastic containers.

We hope to make this decision not only as good businessmen but also as good citizens. To act responsibly, we need the guidance of the State government.

A-2212 would outlaw plastic containers. We are assuming now, and this is of vital importance to us, that it would have no effect on the familiar paper containers presently used in the milk industry which do have a plastic coating. We hope that this Committee today can fully clarify for us the intention of the Legislature regarding the present paper containers used in this very important industry.

The bill also rules out non-returnable bottles. The use of bottles in milk processing has declined in recent years to a negligible point and this aspect of the bill does not present any problems to us.

On the basis of the information which you receive at this hearing and from other sources such as the respected New Jersey Department of Environmental Protection, we think you should be able to make a decision as to whether plastic containers do pose a threat to the quality of our environment. We have been seeking such a determination by the State for quite some time. The replies that we have received are to this effect: "There's no law against plastic containers now but we can't tell what the Legislature is likely to do in the future."

While plastic bottles already have an important impact on marketing and solid waste disposal consideration, this is only a fraction of their effect if they were to dominate the milk market.

Let me give you some figures. In 1969 some 606 million containers of milk -- in all sizes, from half pints to full gallons -- were consumed in New Jersey. This is almost 12 million containers a week, a veritable avalanche. Although full-year figures for 1970 are not yet available from the Division of Dairy Industry, there appears to have been a considerable increase since then.

If your inquiry finds that plastic poses no real problems, then we hope you would say so and either amend or reject A-2212. We also would expect that the appropriate administrative agencies would concur in this viewpoint so we could make our decisions on plastic packaging without the threat of adverse governmental action after the fact.

If, on the other hand, your review finds that plastic jeopardizes the quality of our life, then we hope you would pass this bill or something like it.

As businessmen serving a mass market, we must remain alert to the public convenience. The plastic milk bottle could prove quite attractive to the consumer. Our members, to some degree, already are using plastic one-gallon containers and they are finding an increasing acceptability in the marketplace. Interestingly enough, some customers will not purchase milk in the plastic bottle because they consider it bad for the environment.

Although plastic is still somewhat more expensive than paper, is a slower process and requires more plant space, it is quite likely that the differentials in all of these areas could soon be closed. We then are faced with the decision whether to invest the hundreds of thousands, if not millions, of dollars required for a full plastic operation. At present we purchase plastic bottle sections which are manufactured elsewhere. A full operation comprehends machinery which will blow the bottles from polyethylene pellets as part of a continuous bottle-making and filling operation.

If, in good faith and as a matter of good business practice and customer convenience, we were to make this investment and then find that the State has prohibited the use of plastic bottles, the impact on our business would be disastrous.

If we were to delay this installation while competitors in New Jersey and in neighboring states undertook large-scale use of plastic which met with high public acceptance, the results to us as businessmen also could be harmful. We want to do the right thing, but we need from you, the Legislature, as makers of public policy, and from the administrative agencies who implement your policy a clear indication of which course to follow.

The well-being of an important New Jersey industry, the thousands of citizens whose livelihoods depend on it and the millions of people whom it serves depend in great part on the guidance which we hope you will give us. We trust that it won't be long delayed.

Thank you very much.

ASSEMBLYMAN WILSON: Mr. Sheeran, could you be a little bit more specific as to what is the cost of one of those machines used in a complete plastic operation? Would you happen to know that?

MR. SHEERAN: I don't know it off-hand but it is a considerable expense that may well run into the millions for our segment of the industry.

ASSEMBLYMAN WILSON: Could you find that information for us and send it to me as Chairman of this Committee so that we can see what it would cost to convert as far as going into a plastic operation, because I agree with you that if we Legislators decide some day that we are going to ban plastics and if now businesses are going into that direction, it would not be a correct position on our part as far as investment.

Now, let me ask you another question. Do you feel that the milk industry now is leaning toward plastic containers?

MR. SHEERAN: Well, as I said in my statement, there appears to be a high public acceptance of that small portion of our marketing that has been using plastic, although there are people in the market who refuse to buy plastic containers

because they do think it's damaging to the economy. But there is a public acceptance of that means of marketing.

ASSEMBLYMAN WILSON: Damaging to the environment.

MR. SHEERAN: Some think it is damaging to the environment. I think the most critical and important decision that we need on an immediate basis is the question of whether or not this bill does include the presently used paper with plastic coating that's known and quite familiar in the market.

ASSEMBLYMAN FAY: I don't believe it does.

MR. SHEERAN: It's merely a thin plastic coating.

ASSEMBLYMAN FAY: It's not included in this bill.

ASSEMBLYMAN WILSON: Well, if it is, it would have to be amended.

Mr. Sheeran, one other point, when you look at these figures of 606 million containers of milk produced in 1969 and if all of these companies were to develop plastic containers it would be a tremendous volume.

MR. SHEERAN: That's a rather accurate figure that we get from the Division of Dairy Industry.

ASSEMBLYMAN WILSON: Assemblyman Black, do you have any questions?

ASSEMBLYMAN BLACK: Someone else may have a question first.

ASSEMBLYMAN WILSON: Assemblyman Kiehn, how about you?

ASSEMBLYMAN KIEHN: I would just like to know - and this question has been presented to me at various times - why the milk industry has practically discontinued the use of the quart bottle in delivery from the so-called milk truck to the home, that they are now using the plastic coated container.

MR. SHEERAN: Well, actually, I don't think that that relates to the question before the Committee.

ASSEMBLYMAN KIEHN: No, but I would like to know because I notice that we have milk delivered, of course, to the home and for the past several months now it has been in a plastic coated container rather than, well, you might call it,

the old-fashioned milk bottle. And I was just wondering why that switch was made.

MR. SHEERAN: I might assume, and I can't give you the answer, that it has something to do with the handling, and the movement of that milk is probably a little more severe than the movement from a plant into a supermarket. The indication is that plastic is now being used for home delivery quarts. I don't think that is so for the companies within the framework of my representation.

ASSEMBLYMAN KIEHN: Okay.

ASSEMBLYMAN WILSON: Assemblyman Black, do you now have a question?

ASSEMBLYMAN BLACK: Yes, I do. I am amazed at the volume of containers that we're talking about and I would assume, sir, that the milk processors and distributors have gotten into the plastic coated container on the basis of economy as well as its suitability for the purpose.

MR. SHEERAN: That developed, you know, from the traditional glass to the now paper with a plastic coating which is a convenient method of bottling and distributing to the public.

ASSEMBLYMAN BLACK: And I would assume that it has served the purpose very well. I would assume then, if the industry, let us say, had to go back to another type of container and had to get involved in a deposit on that container, - I would imagine then it would have rather an earthshaking consequence on your business.

MR. SHEERAN: Well, actually, if we were talking about making a deposit on the milk industry, I would say the effect would be to continue us in the same kind of packaging that we have today.

ASSEMBLYMAN BLACK: Thank you very much.

ASSEMBLYMAN WILSON: Mr. Sheeran, the plastic coated container that they use now is quite easily disposed of, is it not, that most of the companies in New Jersey use?

MR. SHEERAN: Yes, I would say so.

ASSEMBLYMAN WILSON: On the other hand, if they switch to plastics then we're going to have a problem. Would you say that?

MR. SHEERAN: Well, I have given you the figures as to the amount of containers that will be disposed of in the market. If we were to use plastic, we would basically be talking of something near 650 million containers of milk in the course of one year.

ASSEMBLYMAN WILSON: Thank you very much, Mr. Sheeran.

MR. SHEERAN: Thank you.

ASSEMBLYMAN WILSON: Mr. William Lund.

Not just because Mr. Lund is going to speak, but we did request that the testimony be limited to five minutes and if you have a prepared statement, hand it in and it will be printed verbatim for the record, and the Committee will have an opportunity for questions.

W I L L I A M C. L U N D: Assemblyman Wilson, in the interest of time, your statement regarding that, and in deference to other speakers to follow, I am not going to go through this whole presentation. You have copies of the entire presentation and I will just cover parts of it.

My name is William C. Lund. I am Manager of Environmental Protection with Union Carbide Corporation at its Bound Brook, New Jersey, Engineering Center. I am appearing here today as a member of the New Jersey State Chamber of Commerce's Committee on Solid Waste Disposal. We are a group of specialists and managers with diverse backgrounds and disciplines, but all with one common responsibility - to work through the Chamber toward an orderly and effective solution to the problems of disposing of all forms of solid waste in New Jersey.

Our Committee, and the Chamber itself, are fully aware of New Jersey's exceptionally difficult pressing and complex problems in connection with preserving and enhancing our natural environment. We recognize, moreover, that New Jersey's business and industry have an important obligation to the public to contribute substantially toward the efforts to clean up our environment.

However, we are opposed to A-2212 because, it fails to deal squarely with all aspects of solid waste disposal and, instead, singles out -- piecemeal fashion -- one relatively small segment of the economy for disciplinary action. Because the measure is clearly discriminatory, we simply cannot support it.

Moreover, the bill's approach to the litter problem is not only negative but also indirect and, from the evidence we have obtained, would thus have little effect toward the reduction of litter. Instead of imposing bans, or even mandatory high deposits on non-returnable containers, we are convinced that substantial reduction of the litter problem will come only from a concentrated education and enforcement program to be directed at the source of the litter problem -- people.

Litter is created solely by people. It is not caused by unreturnable containers, returnable containers or any other specific type of manufactured product. The fundamental problem here is a personal private, "you and me" problem of conduct. Litter is purely the result of human behavior. To approach the problem on the basis of placing an arbitrary ban upon the manufacture of one or two of the ingredients of general litter is hardly even akin to paying lip service to the problem. To solve or even alleviate New Jersey's litter problem -- which we fully recognize as one of exceptional dimensions, legislative attention must be directed toward the cause, not the mere visible effect. Practicable solutions must be concerned with you and me -- all of us,

and our thoughtless, careless habits, our inconsiderate, abusive practices, our irresponsible acts, etc.

PREVIOUS STUDIES OF THE PROBLEM

Research studies conducted by a divergency of well known and thoroughly reputable organizations, provide us with some valuable facts about the actualities of the litter problem -- facts that clearly refute many casual, popular opinions. For example:

a) THE HIGHWAY RESEARCH BOARD OF THE NATIONAL ACADEMY OF SCIENCES in 1969 completed a 29-State survey of roadside litter for Keep America Beautiful, the national antilitter organization. The average national composition of litter revealed by this survey was as follows:

| Composition of Roadside Litter | Percent of Total | |
|---|---|---|
| Paper (containers, wrappers, newspaper, etc.) | 59.5 | |
| Total Cans | 16.3 | |
| beer and soft drink cans | | 14.9 |
| Total Glass | 5.9 | |
| beer and soft drink (returnable) | | 2.0 |
| beer and soft drink (non-returnable) | | 2.8 |
| Total Plastic | 5.8 | |
| Miscellaneous | 12.5 | |
| | 100.0 | |

While the composition of litter varied somewhat from state to state, the relative position of the various categories remained constant. This nationwide study, incidentally, substantiated the findings of earlier litter surveys made in a number of individual states.

Note that over 80% of the items littered on highways are other than non-returnable bottles and cans. Only 17.7% of highway litter consists of these non-returnable beverage containers.

It should be apparent, therefore, that punitive action -- in the form of forced deposits -- on one-way beer and soft drink containers, offers no meaningful solution to the litter problem. The Highway Research Board, in a summary of findings in the 29-state roadside litter survey, stated:

> "Study findings indicate that current attempts to reduce litter significantly by assessing special taxes or through development of 'self-destruct' bottles may leave other problems unsolved. Litter components, including paper, automobile tires, construction materials and random items represent a high percentage of the litter generated by motorists along the nation's primary highways. Control of cans and bottles alone will not solve the problem and additional punitive measures are not likely to prove effective."
> (Emphasis Supplied).

b) THE BUREAU OF SOLID WASTE MANAGEMENT, OF THE FEDERAL ENVIRONMENTAL PROTECTION AGENCY, has published a study of used packaging in solid waste which shows that a total of 13% (by weight) of solid waste is used packaging materials:

Used Packaging In Solid Waste

| | Percent of Solid Waste (by weight) | |
|---|---|---|
| Paper | 6.3 | |
| Glass | 2.1 | |
| beer and soft drink (returnable) | | 0.9 |
| beer and soft drink (non-returnable) | | 0.8 |
| Metals | 1.8 | |
| beer and soft drink cans | | 0.5 |
| Others | 2.8 | |
| | 13.0 | |

c) (See also Tables I and II of attached pamphlet "Pollution Facts, Returnables vs. Non-Returnables," published by the U.S. CHAMBER OF COMMERCE, 1971.)

d) In 1969, the PEPSI-COLA COMPANY, conducted an experiment in New York City by introducing 14,400,000 16-oz. returnable bottles, each carry-

ing a 5¢ deposit. Within 12 months, 11,000,000 of the bottles were gone, and $550,000 in deposits forfeited.

We think it significant that no deliberative body which has given careful consideration to this problem has recommended banning the use of non-returnable containers as a solution to solid waste problems. Even the Federal government has refused to impose a ban on returnable bottles. As reported in the May 5, 1971 issue of the Kiplinger Washington Letter, the Federal government "has a survey showing that people won't return bottles if return price is too low. And if they throw away heavier returnables, this worsens the disposal problem. If return price is high, a new racket is anticipated... the making of 'returnable' bottles that are phonies, made just to be cashed in, never used at all. So government will lay off until it has solution...."

ECONOMIC IMPACT IN NEW JERSEY

Restrictions against the use of non-returnable containers in New Jersey will have a substantially adverse impact, not only upon the various container manufacturers in our State, but also upon a considerable number of related industries. You are to hear testimony from trade union representatives, container manufacturers, distributors, retailers and brewers, each describing the adverse economic impact of arbitrary restrictions on non-returnable containers.

The importance to New Jersey's economy of the beverage container industry is impressive. Here is just a partial picture:

| Industry | Jobs | Payroll | N.J. Taxes Paid | Investment | Services & Goods Purch. |
|---|---|---|---|---|---|
| Metal Cans | 7,000 | 71,000,000 | 2,244,000 | NA | NA |
| Brewers | 6,000 | 60,000,000 | 4,500,000 (1) | NA | 2,500,000 (2) |
| Glass Cont. (3) | 24,000 | 111,115,000 | 5,456,000 | 272,800,000 | 90,100,000 |
| Soft Drink | 3,200 | 33,600,000 | 2,800,000 | 64,500,000 | 127,800,000 |

(1) N.J. Excise Tax.

(2) Fuel and Power only.

(3) Incomplete

A SELF-DEFEATING APPROACH

In our opinion, the restrictions proposed in A-2212, though laudable in intent, would prove to be self-defeating. They run contrary to the public interest in that they will penalize the consumer with increased costs as well as burdensome and outmoded handling of containers as the price of seeking to deal with improper behavior on the part of a small segment of the population. These restrictions will clearly increase prices paid by consumers for beverages because substantial costs are entailed in the handling of returnables at the retail level. Recent studies (by The Neighborhood Consumer Information Center Study, Washington, D.C.) indicate that these increased costs would fall most heavily upon lower income and minority citizens. These consumers normally do not have ready access to transportation so as to return containers, nor do they have space in their homes to store them under sanitary conditions. In effect, you would be imposing, upon those who could least afford it, the burden of paying for a program which, at best, is of highly questionable value.

Additionally, this bill will place an intolerable burden upon the retailer. It will require him to serve also as the initial assembly point for the return journey of re-usable containers. In addition to the increased costs he will have to bear for additional manpower and space, sanitary conditions would deteriorate with the accumulation of partially filled containers and the resulting spillage, odors, possible vermin and bacterial deposits, plus generally unattractive surroundings. Furthermore, many retailers could logically be expected to place a limit upon the beverages sold on their premises in order to avoid

these excess costs and the concurrent unsanitary and unattractive conditions. This will ultimately limit the product choice available to the consumer.

RECOMMENDATIONS

In expressing our opposition to A-2212, we also offer here some suggestions toward a more constructive solution to the litter problem.

In contrast to the overall problem of solid waste handling, litter calls for specific measures directed at the practice of littering. The State, it seems to us, presently has two choices: First,to impose punitive restrictions on the industry by banning one-way containers which account for but a small fraction of the problem. This is the approach of A-2212 which we reject as piecemeal, ineffective and discriminatory.

Second, however, would be to create a problem-solving mechanism that will permit local governments and the industries concerned with all forms of litter to work together to their mutual benefit in and in quest of effective and equitible solutions to the problem.

The problem of litter, in contrast to the overall problem of solid waste handling, calls for specific measures directed at the practice of littering. There appear to be three feasible ways to attack the litter problem:

a) Enactment of more effective anti-litter laws and initiation of strict enforcement procedures. (In contrast to restrictive container legislation, such laws would pinpoint penalties and enforcement upon those who are the offenders).

b) Far wider dissemination of information to discourage littering practices.

(Education should be directed toward all age groups of the general public but with particular emphasis at the elementary and secondary school levels.

c) Development, possibly with support from the Federal government and in cooperation with state and local governments, of design and development projects which have as their objective the rapid collection by mechanical means of highway and other forms of litter. An economical and practical, rapid mechanical collection system could be a vital adjunct to the measures described above.

The State Chamber strongly urges that the legislature:

a) Defeat restrictive legislation that would outlaw or generally penalize use of any particular type of food or beverage container.

b) Render New Jersey's anti-litter statutes more effective and realistic and accompany this change with provision for far stricter enforcement.

c) Encourage the development of education and information programs to discourage littering, directed at all age groups of the general public but with particular emphasis on the schools.

d) Support the initiation of research and development projects designed to develop systems of rapid mechanical collection of highway and other forms of litter.

e) Encourage research toward development of an economical system for municipalities to collect,handle and dispose of solid waste so as to permit recovery of the greatest possible volume of raw materials.

Federal funds for the type of research and development projects suggested in (d), (e) above are available through the Solid Waste office of the Environmental Protection Agency in Washington.

We appreciate this opportunity to appear today. We ask, however, that you consider, thoughtfully and earnestly, the points we and other representatives of the business community have raised at this public hearing.

Thank you.

ASSEMBLYMAN WILSON: Any questions? (No questions)

Thank you, Mr. Lund.

MR. LUND: Thank you.

ASSEMBLYMAN WILSON: Mr. Goldshore, Department of Environmental Protection.

L E W I S G O L D S H O R E: I am Lewis Goldshore, Legal Analyst on the staff of Commissioner Sullivan. I am pleased to be here and present the views of the State Department on the issue of non-returnable containers.

The bill under review today, Assembly 2212, is to be commended for the concept that it embodies. We believe that society can ill afford to condone systems of resource use which disrupt the natural environment. The attempt by government to bring a return to the practice of reusing beverage containers is necessary to alleviate problems of solid waste disposal, litter, and energy use. The situation facing us and the various solutions offered are typical of the environmental problems which face us every day.

The environmental problems generated by non-returnable beverage containers should not be minimized. Of the more than 29 billion glass container units produced in 1966, 12 billion were beverage containers, and of this 12 billion only 2.7 billion were of the returnable variety.

I think the chart before you today illustrates the market share of various types of soft drink containers. We see that returnable bottles are being reduced, as far as their market share, and we see an ascendancy of market share

by metal cans and non-returnable bottles. The figures are projected and you see the trend increasing over the years.

Because of those returnables, the cost of collecting and disposing of solid waste across the nation was reduced about $12 million below what it would have been otherwise. The number of trips a returnable bottle makes, however, is declining as inflation makes two cents worth less and less. In the late fifties we know that each soda container made 60 trips back and forth, but today it only makes 16.

Metal cans and bottles represent a comparatively small percentage of the total solid waste, as does each category when viewed separately. Because these materials are the most difficult to dispose of, however, their importance is much greater than one might otherwise expect. Even after incineration, glass and cans are respectively 99% and 90% inert residue. There is just as much left to dispose of after burning as before. Moreover, glass and aluminum are not degradable in land fills. Only the archeologists, picking through what remains of our society 5000 years from now, will appreciate this characteristic of our present containers.

A complete switch to the throw-away containers would also cause us much unemployment. Job loss in breweries and in stores that sell beverages is estimated at 80,450 persons due to lowered labor requirements of non-returnables. Payroll loss would be in excess of $511 million. In addition, thousands of warehouse jobs could be adversely affected by a complete switch to the throwaways. Breweries in Oregon and Washington have decided to use returnable bottles after one firm found that returnable bottle sales had increased 21%.

Assembly 2212 would provide a strong economic incentive for the recycling of these containers. It would require that the containers remain in a stream of commerce as they did in the past. Assembly 2212 would not require that manufacturers switch to the old heavy style bottles. They could, in fact, use the lightweight bottles, be assured a continuous supply of the old bottles for recycling, and unemployment would not result.

The problem is not limited, however, to litter and solid waste. Like any component of an industrialized society, non-returnable bottles affect many sectors of life. To analyze solutions and alternatives, therefore, we must first decide what is the purpose of doing anything at all, and secondly consider why, or if, for that matter, government should be the one to do it.

There are three possible, and closely related, reasons for acting to restrict the use of non-returnable beverage containers.

The first one and most common reason is to reduce litter. In 1967, 19 states saw the introduction of legislation to ban or restrict the use of non-returnable beverage containers to reduce the litter problem. None of these bills were adopted.

The intermediate goal would be to reduce the amounts of, and costs of collection and processing, solid wastes.

Thirdly, a long-term purpose would be to minimize use or waste, if you will, of energy and of materials.

We believe that these aims can legitimately be encouraged by government action and, furthermore, that their maximum effective attainment will be achieved only as a result of government action. In concept, the legislation before you seeks these ends. The legitimacy of governmental action derives from the traditional responsibility that government has had for solid waste collection and disposal. More recently, growing environmental concern has prompted the public to seek initiatives by government in solid waste management.

The increase in non-returnable beverage containers and the consequent growing cost of their disposal are an economic and environmental problem that responsible government should help to solve.

To clean up the results of current container practice, a third party, the only existing one being government, must intervene in the manufacturer-consumer cycle to reduce the

costs that all of society now bears. At the present time, neither the manufacturer's decision to make nor the consumer's decision to buy is based on consideration of disposability and the cost of disposal. The current economics of container manufacture and use not only omit calculations of disposal costs in setting prices, but also fail to consider production or use of easily disposable packaging.

The problem of resource management in solid wastes has been recognized already in other jurisdictions. Definitive action has already been taken by the Oregon Legislature and it exposes the logical fallacy of the term "disposable resources." There is just no such thing as a disposable resource. The Province of British Columbia, in Canada, has also taken legislative action to discourage, prohibit, restrict, the throwaway mentality.

The State of New Jersey has a grim environmental legacy. In the first half of this century, we gave no thought to the pollution of our rivers, the degradation of our air, the despoliation of our land. New Jersey's government, however, has already demonstrated its commitment to a better New Jersey tomorrow. It has enacted environmental protection laws which instantly have become models for the rest of the nation. Your legislative action established a Department of Environmental Protection, and created the framework to control effectively the environmental insults generated by pesticides, ocean dumping, solid waste, and oil pollution. The Governor, in initiating and signing this legislation, has demonstrated his commitment to a cleaner environment.

Now you are being asked to consider and to act favorably on a measure that would protect and help to fulfill those earlier pursuits. Requiring the recycling of beverage containers constitutes only the first step in a future comprehensive program to control the generation and reuse of waste materials.

The National Environmental Policy Act of 1969, which was instantly acknowledged as the most significant legislative

action ever taken to preserve the natural environment, establishes national goals. Section 101(b) (6) of that Act treats the issue of recycling and resource recovery and provides that one of our national objections shall be: to "...enhance the quality of renewable resources and approach the maximum attainable recycling of depletable resources." Other Federal action in this area includes both the Resource Recovery Act and studies undertaken by the President's Council on Environmental Quality.

This Legislature has already recognized the growing scarcity of our natural resources and the consequent need to recycle materials. A bill adopted this session, enrolled as Chapter 257 of the Laws of 1971, creates an expanded market for recycled materials. The State has been directed to purchase recycled materials wherever product quality can be assured and price is competitive.

Moreover, a number of municipalities in the State have considered local action to restrict the sale of non-returnable bottles. In addition, the Legislature and the Governor have received resolutions from local governments urging that the State take the action necessary because the municipalities fear that their own efforts will be frustrated by unregulated neighboring communities.

For all these reasons, we support the concept and intentions of A-2212. Now, we need to take a closer look at its provisions.

The bill would make unlawful the sale of a "non-returnable beverage container". This is defined in the bill as a container "the title to which the seller intends to pass with the sale of the contents." The bill requires that beverage containers carry a five-cent refund value, and provides that the violators be punished as disorderly persons.

The approach embodied in A-2212, as well as that in S-2150, are thoughtful attempts to deal with a serious problem. The Department, however, would like to offer a few modifications suggested by its own experience. We believe that civil penalties, that is, substantial penalties collectable under the penalty

enforcement law, and the opportunity to seek summary injunctions, are more effective deterrents that are criminal sanctions in which the disorderly person category falls, that is for violations of environmental protection laws.

Furthermore, because of the rising cost of living, we believe that in order to insure that beverage containers are recycled, a ten cent cash return value should be mandated by the statute.

To insure flexibility in coping with any environmental problem, it is necessary that the Legislature also enable the responsible agency to adopt necessary implementing rules and regulations.

Further, enforcement authority - and this is an important point - should be shared by state and local officials, and those are the local officials who normally inspect establishments where beverage containers are sold. With these amendments, we believe that New Jersey will be able to take a first, yet a very significant, step toward the recycling of our resources.

Before concluding my testimony, I wish to discuss some of the objections commonly voiced against similar bills.

It is said that beverage containers account for only a small fraction of solid waste and litter, and that it would thus be unfair or unwise to single out beverage containers for regulation. I think the two charts that we are going to place before you now illustrate the magnitude of this problem.

Figures projected by the Midwest Research Institute's study of packaging wastes indicate that beverage containers constituted half of the 34 billion glass containers manufactured for all purposes in 1970. That chart indicates the ascendency of beverages as a portion of the total glass container market. You see it is in excess of 50% of all glass containers.

The same study estimates that over 60% of all metal cans used - this next chart shows that more than 60% of all metal cans projected in 1970 ended up as beverage containers. This shows the magnitude of the use of metal cans, which would be regulated under S-2212 as a share of the total market. We

are talking about quite a number, quite a substantial portion of the market, quite a number of containers. We are talking, therefore, about a major share of the market, not a tiny fraction as some critics have suggested. Nevertheless, we recognize that this bill is only a preliminary measure in the overall effort to insure that all waste materials are reused. A start has to be made somewhere if the term "recycling" is to have any meaning whatsoever, and beverage containers, which symbolize the whole throw-away mentality, are appropriate items against which responsible counter-concepts must be initiated.

A second criticism is that passage of Assembly 2212 would thrown hundreds of people in the beverage container industry out of work. We do not believe that this criticism is valid. The decision to lay off workers after the passage of this bill will be entirely a management decision, not a decision dictated by this legislation. Nowhere does this bill require that bottle manufacturers switch their production lines to sturdier returnable type bottles and, thus, that they lower their total output and consequently their labor requirements. Manufacturers may continue to produce thin-walled bottles unsuitable for reuse but suitable for recycling. If this is the course they elect to follow, the bill will accomplish the following:

The number of bottles returned for recycling will be increased because the bounty on these bottles will be a nickel apiece, as the bill suggests, or a dime, as we suggest, rather than the one-half cent currently paid for recycled bottles. Furthermore, the bottles will not have to be returned to out of the way recycling centers but, instead, to convenient supermarkets where they were originally purchased, and where five or ten years ago we were in the habit of returning them.

The bottle manufacturers will be able to develop new markets with a steady supply of returned glass and, thus, may even add to the labor force.

A third critique comes from supermarket operators who claim that they would have to add employees and space in order

to handle the load of bottles returned. We feel certain that an industry that has shown such ingenuity in merchandising, manufacturing, management and packaging can find a sound method to handle these returns in a way that benefits both environment and economy. In British Columbia the packaging industry has cooperated with the retailers to provide convenient locations for the redemption of bottles and cans. This is one pattern to consider.

In conclusion, let me say that, although the measure under consideration bears the title "beverage containers", the complexity of the issue extends far beyond the question of whether the consumer will simply return more of his soda bottles or cans to the store. Although the bill is concerned superficially with those who are responsible for generating solid waste, the language of the act poses a more fundamental question to society. Are we willing to waste the resources which nature has entrusted to our oversight? And do we wish to bury ourselves with the misplaced materials of our industrial society? I am reminded of Governor Cahill's words upon adoption of the Clean Ocean Act; he said, at that time: "We can no longer afford to throw our wastes away because there is no 'away'."

The concept implicit in A-2212 constitutes a necessary first step in New Jersey's efforts to recycle and reuse its resources.

Thank you.

ASSEMBLYMAN WILSON: Assemblyman Black?

ASSEMBLYMAN BLACK: Yes, I have a few questions.

It's good to see you today, sir.

MR. GOLDSHORE: Thank you.

ASSEMBLYMAN BLACK: I have several questions. The first one is this: Actually, then, what you are saying is that there is no need really to go to any different type of bottle, we could use the same bottles but just charge the consumer a nickel for it when he picks it up at the store.

MR. GOLDSHORE: There is that possibility. We were suggesting that perhaps a dime would be an appropriate bounty to insure that the bottles were returned.

ASSEMBLYMAN BLACK: I wonder, then, based on that concept, why we stopped at a dime, why we didn't go to $50 or $100 and really accomplish this.

MR. GOLDSHORE: I think there is a balance in here. We felt that a dime would be enough to induce the people to return the bottles.

ASSEMBLYMAN BLACK: I think a former speaker indicated that they worried at a nickel a bottle about the possible illegal manufacture of bottles as perhaps an endeavor that organized crime might get into, and I am very glad to see that you feel we ought to take it up to ten cents and perhaps give illegal bottle manufacturers double the premium.

MR. GOLDSHORE: I think adequate safeguards can be built into the bill so that we wouldn't have counterfeiting of any type. I am reminded of a remark, when I discussed this with a friend and I said that we were suggesting a dime a bottle and he said, "That's $2.40 a case." I don't usually think in those terms but $2.40 is quite a bit of money and probably, we believe, would furnish an adequate incentive for return.

ASSEMBLYMAN BLACK: My next question regards your reference to British Columbia and I wonder, offhand, what is the population of British Columbia.

MR. GOLDSHORE: I don't know but I would assume that it was less than New Jersey.

ASSEMBLYMAN BLACK: I would think so. And I wonder what the average wage of their workers would be. I would assume that would be somewhat lower than the average wage for a worker in New Jersey. I'm getting around to the point that it's fine that they've established national collection spots in British Columbia but I doubt very much they have the volume of spending capability even closely coming to a comparison with regard to utilization in New Jersey.

I am surprised, also, by your second criticism, as

indicated in your release. You mention that there appears to be some erroneous thoughts that hundreds of workers might be thrown out of work if this bill would pass; in the event, however, that any layoff should occur, I notice a backstop movement in which you shift the entire blame for any layoffs to management decisions and indicate that it has nothing to do with the enactment of this bill. I would like to have you elaborate on that a little bit, especially when I find that in my concept of this bill it would be extremely detrimental to any industry to attempt to perhaps go through a retooling or updating of their facilities to switch, let's say, from the thin bottle to the thicker bottle.

MR. GOLDSHORE: We understand that many bottlers right now are making the thin-wall bottle. What we're suggesting is that this bill will supply them with the materials for recycling. In that way they can continue to make the thin-wall bottles if that was their choice.

ASSEMBLYMAN BLACK: All right. I have just had some information presented to me with regard to British Columbia and I am very amazed to know, after what you've told me, that in British Columbia 300 glassworkers were laid off after they went to this type of legislation. I understand that they were represented by the same group that represents the glassworkers here in the State of New Jersey.

I sould like to summarize with this question and you really don't have to answer it if you don't wish to, but I would like to ask, doesn't this position only further point out the Commissioner's apparent zeal to force the people of this State to do what he feels is necessary to save civilization and to achieve a 100% pure ecology, even if it kills the people? (Applause)

MR. GOLDSHORE: I think this bill is designed to do a lot of things but not that, sir.

ASSEMBLYMAN BLACK: Well, I'm a little remiss -- (Applause)

ASSEMBLYMAN WILSON: All right. We can't have the applause for one side or the other. So far we've had a good

hearing. We have a lot of people who want to testify.

ASSEMBLYMAN BLACK: I would like to terminate my comments on the basis that we have been at odds in the past and I hope some day to be in full agreement with the Department of Environmental Protection.

ASSEMBLYMAN WILSON: I have been remiss but at this time I would like to introduce two Legislators who are here. They do not wish to testify but I just want to note their presence. Assemblyman Turner from Gloucester and Salem Counties.

ASSEMBLYMAN TURNER: Mr.Chairman, inasmuch as you said I do not wish to testify, I would like to add, at this time. Thank you.

ASSEMBLYMAN WILSON: At this time.

And the other person is Assemblyman from Essex County who happens to be the Majority Leader, that's Assemblyman Kean.

Assemblyman Kiehn?

ASSEMBLYMAN KIEHN: Mr. Goldshore, I would just like to know whether the statement that you have submitted has been endorsed by Commissioner Sullivan?

MR. GOLDSHORE: He is aware of it, yes, sir.

ASSEMBLYMAN KIEHN: He is aware of it?

MR. GOLDSHORE: It is the statement of the Department.

ASSEMBLYMAN KIEHN: Oh, these are your own findings.

MR. GOLDSHORE: Of the Department, yes, sir.

ASSEMBLYMAN KIEHN: Has this been submitted, at all, to Governor Cahill?

MR. GOLDSHORE: I don't believe so, sir.

ASSEMBLYMAN KIEHN: The reason I ask is --

MR. GOLDSHORE: It's the Department's position on a bill that was sponsored by Assemblyman Dennis and others, and not an administration bill, as such.

ASSEMBLYMAN KIEHN: The reason I ask is, there was a newspaper article back on September 9th in the Daily Journal, which is printed in Elizabeth, and it says that a spokesman

for Governor William T. Cahill said the Governor had not as yet had an opportunity to study the measure and was withholding comment on it. And I was just wondering if he might have read over your statement or if you were speaking in his behalf.

MR. GOLDSHORE: No, we're not, this is the Department's statement.

ASSEMBLYMAN KIEHN: Thank you.

ASSEMBLYMAN WILSON: Assemblyman Fay?

ASSEMBLYMAN FAY: Lew, Congressman Sandman mentioned, as your statement mentioned, the Resources Recovery Act, and the Congressman used the figure of $460 million and I would like to know if your Department has applied for any of these funds as of this moment, or do you have a record of counties and municipalities in the State who have applied for any of these monies.

MR. GOLDSHORE: We understand that only $4 million was appropriated this year for that purpose.

ASSEMBLYMAN WILSON: Excuse me. What was that figure?

MR. GOLDSHORE: $400 million was authorized but only $4 million was appropriated.

ASSEMBLYMAN WILSON: Only $4 million was appropriated?

ASSEMBLYMAN FAY: For the Nation or for the State?

MR. GOLDSHORE: For the Nation.

ASSEMBLYMAN WILSON: That's the direct opposite of the testimony that was given this morning when I asked how much was authorized and appropriated, two different things, and the statement was that $460 million was appropriated.

MR. GOLDSHORE: Well, there is $460 million over a five year period. $4 million has been appropriated for this fiscal year.

ASSEMBLYMAN WILSON: Only $4 million for the whole United States.

MR. GOLDSHORE: Yes, sir.

ASSEMBLYMAN FAY: This is $4 million for the Nation, and has New Jersey applied for their $139 yet? (Laughter)

Have we applied?

MR. GOLDSHORE: I think Mr. O'Neill might be better able to answer that question.

MR. O'NEILL: The grants we're speaking of are demonstration grants for innovative resource recovery systems. This entails systems which maximize recycling systems which use new methods of treating solid waste rather than just burying it. The Department has been looking, for some time, at all the new systems that are available. As you know, we have a State master plan. That is the first requirement that you must have before you get a solid waste grant under the Resources Recovery Act. We've passed that hurdle. Now we need to find something that is attractive, something which is cost effective, a system which can treat solid waste and remove from it all those parts that can be recycled and, in fact, recycle them effectively. That search is an arduous one and it's continuing. I would hope that some time in the near future we would have a system that we would like to buy and which federal money would be available for, which we could demonstrate over the whole State as an innovative system, something that would be better than incineration and much, much better than landfill.

ASSEMBLYMAN FAY: Are there any municipalities involved in this?

MR. O'NEILL: Several municipalities have expressed an interest to us in this. We have sort of a two-pronged approach. Our first approach is to find a simple separation machine into which raw or partially segregated solid waste can be poured, which will separate it out into those three types of things which can be most easily recycled, which are now cans, bottles and paper, which, altogether, make up more than 50% of the solid waste load. It seems that the companies that are in this business have concentrated more of their efforts on making larger, more grandiose, machines than the simple separator, so the simple step is a difficult one. I know of only two or three in the country and we've visited some of those and looked at them, and we have the plans and are evaluating them now.

The second step would be to find a more complete type of treatment process somewhere along the line of the Black-Clawson hydropulping process in Franklin, Ohio; the Monsanto process; the Hercules process being built in Delaware. These are all the kinds of things we're looking at, and I hope we are going to be able to take advantage of our share of whatever federal monies are available within the few years.

ASSEMBLYMAN WILSON: Mr. O'Neill, would you state your position, please, for the record, in Environmental Protection?

MR. O'NEILL: I am Thomas M. O'Neill. I am Administrative Assistant to Commissioner Sullivan.

ASSEMBLYMAN FAY: Again, I would like to get your Department's position, and even your own personal professional position, on this matter of priorities. And I am convinced that there would be a major economic challenge here, and I don't believe there are enough facts so far submitted to be so casual as to be talking about, yes, there's going to be an unemployment problem but, yes, we're going to suddenly create new jobs. I think we've been told that too often and it just hasn't been the case. And I would just like you to go on the record that the major priority and the major impact should be on the recycling, that most of the monies for research - and, most certainly, no one has to be an expert in this and dedicated to ecology to know that $4 million is a tragedy when talking about this kind of a problem on the state level, which we're primarily concerned with, and the national tragedy.

MR. GOLDSHORE: We see this bill as creating many new jobs rather than eliminating old jobs, in many ways. And I think that's the trend, this is the impact of this bill. In many different areas this bill can create additional jobs.

ASSEMBLYMAN FAY: Would you elaborate on that, please?

MR. GOLDSHORE: In terms of returning the bottles, the additional manpower that may be needed to return beverage containers and recycle them. We will employ more people as a result of this bill than there is a possibility of losing. I don't see it as a real possibility in terms of the balance

of employment.

ASSEMBLYMAN FAY: Yet, everyone from the industry and every union involved insists otherwise, that their statistics and their prognoses is otherwise.

MR. O'NEILL: I think the reason that our estimates on this differ is because most of the people who read this bill for the first time assume that what it requires is a return to the old thick returnable bottle, which is taken back to the store, washed out and filled again, in its present form, with the beverage. The way we read the bill, what it might do is, instead, mandate recycling. In other words, return to the store the same thin-wall bottles that are now called non-returnables, so that we would have centralized points to pick up these bottles for recycling, return a much higher percentage of them to the industries than are now returned by the voluntary programs, provide the industries, therefore, with the raw materials necessary not only to make new bottles, because they can only use, I understand, about 30% cullet in the manufacture of bottles, but also to go to some of the new things that the industry, very responsibly, has paid out money for research on, such as the creation of glass bricks and other objects, the principal ban to go into which now is the fact that they don't have a steady supply of this kind of glass. If this bill were taken by management to mean that what they would have to do is provide a service, picking up the glass from centralized depots run by supermarkets where people buy them, returning that glass to their factories, they would, I feel have more opportunity for employment than now because they would have wider markets for this used glass. This bill, the way we read it, does not mean that you have to go back to the old thick-wall returnable bottles which are washed.

ASSEMBLYMAN FAY: And we have no place to look to find the facts. Oregon is the only state in the Union that's doing this right now, I believe.

MR. O'NEILL: Well, it's not really a search for facts because this bill is unlike the others that I'm familiar with

in that it does leave this option open to management. Management can decide to go to the old type returnable bottle which is washed. They will then have problems. They will have to reinvest in equipment they sold ten years ago when they got rid of the returnable bottle, and they will probably have to let workers go because the returnable bottle makes 16 trips as opposed to the one trip made by non-returnables.

If management took the option of simply picking up the bottles at supermarkets to which they were returned and recycling them, then they would not lose employment, they would actually add employees to their rolls.

ASSEMBLYMAN WILSON: All right, thank you very much, Mr. Goldshore and also Mr. O'Neill.

Barbara Eisler.

MRS. BARBARA EISLER: I am Barbara Eisler, President of New Jersey Citizens for Clean Air.

Before giving my testimony, I would just like to comment on the gratefulness of all those who have been supporting recycling efforts for years and have been met with protests. We hope that all of our new-found supporters will be with us when we oppose incineration plants coming up in the future.

New Jersey Citizens for Clean Air favors the passage of Assembly Bill No. 2212 as a necessary first step in combatting the continuously growing problem of solid waste disposal. While we support the recycling of all solid wastes, we feel that the best type of recycling is reuse because it actually prevents the entry of items into the "garbage stream". In addition, reuse of a product in its actual form is less costly in terms of labor, capital outlay, energy demand and possible pollution than the conversion of that product into another form.

You, undoubtedly, will be bombarded with a variety of statistics today and, while we do not wish to add to the "statistical disposal problem", we think it is important to bear in mind that several sources project the volume of non-returnable bottles and cans for 1976 at approximately 60 billion units.

According to the National Institute of Municipal Law Officers in Washington in their preface to a Model Ordinance taxing one-way beverage containers, "If most of these units are changed so as to be returnable and recyclical, and if we can assume that the average number of refillings per unit is maintained at 19, the unit of resulting waste may be reduced to a figure as low as 3 billion units - 7 billion less than the 1958 total."

Obviously, the disposal of 3 billion containers is much less of a problem than the disposal of 60 billion. Of course, these are national figures, and we are talking about New Jersey today, but we are still speaking of millions of containers and thousands of tons of refuse and must not be misled by those who tell us that glass and metal containers comprise just a small amount of the total volume of solid waste. When you are dealing with millions of containers, even small percentages are significant.

We realize that one effect of this bill will be to encourage the use of glass containers, since they are the only ones which are reusable at present. This poses a challenge to the steel and aluminum container manufacturers to design a reusable beverage container, but we should like to point out here that the production of metal containers is more hazardous to the environment than the production of glass containers from the standpoint of the depletion of natural resources and the production of air pollutants through demands for electricity. Bauxite and iron ores which are used in the production of aluminum and steel are constantly diminishing natural resources, while glass manufacture utilizes some of the most abundant resources on earth - sand, soda ash and limestone. In terms of electrical demand, the production of one pound of aluminum requires the use of 29,860 British thermal units; the production of one pound of steel requires 4,615 BTUs; and the production of one pound of glass requires 1,451 BTUs.

We must also bear in mind that the production of the bottle and the glass takes place in the same operation, while

steel and aluminum must first be refined from ores and then converted into containers at an additional use of electricity. We are stressing the use of electricity here because we are well aware that electrical generating stations are one of our biggest sources of air pollution. We are not suggesting that steel and aluminum products be banned or curtailed, but we are recommending that in a case like beverage containers where the only advantage of metal containers appears to be their disposability and unbreakability and where it can be shown that the production of these metals is more environmentally hazardous than that of glass, then we should opt for glass.

It has been argued that the burden of this bill will fall heavily on the retailer, but we believe that the entire procedure of collecting and reusing glass and plastic bottles can be more easily and efficiently handled if we adopt uniform standards for shape, color and texture with the use of either slip-on labels or labels that can be removed in the same process that sterilizes the bottles for reuse. Once every manufacturer's bottles are the same in any given category, much of the handling problems in the stores can be eliminated, and manufacturers can contract directly with stores for the purchase of their entire collection of bottles. Perhaps special containers can be constructed in supermarkets or on shopping center grounds for the collection of bottles with store owners and manufacturers sharing the cost of manpower.

While we are in favor of A-2212, we would like to suggest two amendments:

1. All bottled water, not just mineral water, should be covered. Some manufacturers list their water as "purified", others as "spring" or "mineral". All should be covered under the bill.

2. The use of containers with flip-top, throw-away lids should be banned since these lids never wind up in recycling operations and are a definite hazard to barefoot recreationers and wildlife.

In conclusion, if we are ever going to solve the solid waste problem, we must make every effort to reduce the total volume of garbage by reusing products wherever possible and eliminating excess packaging. We must then turn our efforts to recycling those materials which have to be disposed of. A ban on non-returnable beverage containers is a necessary first step in this process. To those who say it can't be done, we can only answer: We did it before, and we will have to do it again.

ASSEMBLYMAN WILSON: Any questions? (No questions)

Thank you very much, Mrs. Eisler, for your testimony and we will take this into consideration.

Joseph Stevens, New Jersey State AFL-CIO.

J O S E P H J. S T E V E N S: Mr. Chairman, honorable members of the Assembly Committee: My name is Joseph J. Stevens. I am the Executive Vice President of the New Jersey State AFL-CIO. We represent more than 500,000 members in more than 1,000 craft and industrial locals throughout our State. It is conservatively estimated that, between our members and their families, we represent the interests of 47% of the total population of New Jersey.

It is in this interest that I address myself to this Committee in sincere, studied and firm opposition to the tragic economic consequences which are spawned in the provisions of Assembly Bill No. 2212, now before your Committee for consideration.

We in organized labor do not doubt the idealism, the good intentions of the sponsors of this measure. The quest for a better environment is common cause to all of us. But our enthusiasm cannot take precedence over common sense and good reasoning.

This is the mistake involved in A-2212, and as innocent as the mistake may be, if uncorrected, it could and will have far-reaching, uncontrollable adverse consequences on the economy of our state and the family well-being of thousands of workers at a time when we are already buffeted by a record unemployment.

In short, organized labor is convinced that the cure proposed in A-2212 is worse than the plight. It does not hit at the heart or even substance of the problem of pollution but rather in its discriminatory selectivity against the packaging industry, it confines itself to the mere fringe of litter and solid waste disposal problems.

On these problems, permit me to quote to you the policy of both the National AFL-CIO and the New Jersey AFL-CIO regarding ill-conceived and ill-considered legislation of which A-2212 is the epitome:

"Fragmented and expedient proposals that deal merely with the smaller and more visible aspects of the total problem will not only fail to achieve their stated aims, but they will accomplish more in depriving workers of their jobs than in lessening the burdens of solid waste. Such self-defeating schemes do not deserve public support and will be vigorously opposed by all elements of organized labor."

Loss of job statistics in both the bottling and can industries in our state resulting from passage of A-2212 will be detailed to this committee by later speakers from both labor and industry in these affected categories. The overall adverse effect is disheartening, sad and tragic, both from an industry and the worker point of view. It could well be the catalyst in the ruination of our whole state's industrial economy.

This bill will cause the direct loss of 10,000 jobs in New Jersey and at least $80,000,000 in payroll. The sad part of its consequence is that it will barely prick the skin of the pollution problem.

The bill also will earn the embitterment of those unemployed workers whose families are being made the scapegoats of a rush to purity. Recently, I read an editorial in a newspaper in which the editor deplored what he called millions of disposable containers littering the highways and piling high on the dumps.

This editor never read the report by the Highway Research Board of the

National Research Council (a division of the National Academy of Sciences) which shows that newspapers and other paper products make up 60% of the litter on our highways.

I see nothing in this bill that would fine a newspaper manufacturer $500 each time a newspaper or other paper product was sold without a five cent return deposit. And what about empty cigarette packs and discarded cigarette and cigar butts whose volume dwarfs that of beverage containers? Are you going to propose a return deposit on these unsightly items? And if you pick on the soda bottle, how about the ketchup and the pickle jar? And if you put a deposit requirement on a can of soda or a can of beer, how about the can of beans and the coffee can? They are all equally part of the litter-waste problem.

Ridiculous, you say. The consumer public wouldn't stand for it. We in organized labor agree, but we point out that the ridiculous begins with A-2212 itself, which is as dangerous and tragic as it is self-defeating and futile.

Basically, the misunderstanding in A-2212 is that it attacks two products rather than the misuse people make of them. It's not the fault of the soda bottle or the beer can or the people who make them that non-considerate and non-thinking people litter our parks and highways with them. And don't for a moment conclude that a five cent deposit will change the manners, habits or attitudes of the confirmed litterer.

There are sensible and considered ways of dealing with the entire problem of wastes. We in organized labor in cooperation with industry and concerned citizens are spending our own resources in reaching a positive and constructive solution.

The answer lies not in punitive laws, which will earn neither the public's cooperation or respect, but in the recycling and the return to productive use,

not only of pop bottles and beer and soda cans but the hundred times that much other types of waste and junk that go to make up our waste disposal and litter problems.

The key to this achievement is the rapid development of techniques that will result in efficient, economical methods of collection, separation, re-cycling and the re-use of solid wastes.

Prior to my election as Executive Vice President of the State AFL-CIO, I served as a member and international representative of the United Steel Workers. I know the steel industry, of which the can industry is a vital part is continuing research into the feasibility of processing aluminum, steel and tin cans for use in the production of steel. The research gives indications that the basic oxygen furnace can handle all types of scrap metal derived from re-cycled cans.

This research is being centered under the direction of the National Center for Solid Waste Disposal, a joint industry-labor effort. Our own union has authorized this year a contribution of $25,000 to this work and other unions and other industries are also cooperating.

As with the can industry, so is the bottle industry engaged in development of new uses for glass recovered from the junk heap, including the use of ground glass as a substitute for limestone in the paving of our highways.

In conclusion, may I express the conviction that a better ecology and a better life can and must be achieved without sacrificing the livelihoods of thousands of workers and their families in industries which public demand has itself created. It is a time for action, tempered with considered judgement and understanding.

In addition to the action of the glass and can institutes and direction of the National Center for Solid Waste disposal for a solution to our waste

problems, we most earnestly request that no legislative action be forthcoming on A-2212.

We propose that state and principally the federal government assume the cost of construction on county operated recycling plants to handle our ever increasing loads of solid waste materials. Not only would such a program aid in the fight against pollution, but would let the county profit, to the benefit of the taxpayer, by selling the by-products of this method of reconversion.

We feel there is a great advantage in having an income producing division of government rather than constantly supporting those divisions where there is only outflow of taxpayers' dollars.

This approach, we feel, will lend a sound productive solution to many of the problems confronting the taxpayers of New Jersey.

ASSEMBLYMAN WILSON: Any questions?

ASSEMBLYMAN FAY: Joe, just one point that I think we should challenge. I can't recall the State AFL-CIO and the State Chamber of Commerce agreeing on a point since the declaration of war against Spain, and we do have testimony today from a few people saying that absolutely this would not cause an unemployment problem; some of them even saying the fact of the matter is it is going to aid employment, going to create jobs. And your statement, as a fact, approximately 10,000 people will be unemployed in this State if this bill became law - could you enlarge upon that 10,000 figure?

MR. STEVENS: Yes, I can. It's a very conservative estimate. And let me enlarge on your statement as to the State Chamber. We've also been on the same side with the can, glass, bottle industry and many, many others, for a change. We got these statistics from the different companies that we're involved with, as a joint effort. The can industry, which will testify later has something upward of 5,000 jobs involved. The teamsters, you will hear in testimony

later, will be affected by 6,000 jobs. The glass industry, you will hear later, has upward of possibly 10,000 job losses. So this conservative figure from the State was compiled by all of these different industries; management people from industry, who tell us this is how they feel it will affect their particular industry. And their statistics will come from a more authoritative source than mine.

ASSEMBLYMAN FAY: Thank you.

ASSEMBLYMAN WILSON: Thank you, Mr. Stevens.

We will now recess until 2 o'clock.

(recess for lunch)

(Afternoon session)

ASSEMBLYMAN WILSON: We will now resume the hearing.

Is Dr. Harold Colburn or Wyn Kennedy here? (No response)

Mr. Allen Harris. Is he here? (No response)

Mr. Seales.

H E N R Y S E A L E S: Mr. Chairman and Committee members, I am Henry Seales, original Reclamation Coordinator, Long Branch.

I am here as an environmentalist with no axe to grind, political, business, industry, or otherwise, but I am strongly opposed to this bill and would like to give documented facts.

First, I would like to compliment the sponsors of A-2212 for tearing right into the heart of the critical need for some action on environmental matters while, at the same time, conducting this open hearing to give fullest attention to whether you have been rightly or wrongfully advised.

If I may give a little background before I try to document my opposition. For nearly a year, in Long Branch, we have operated a national pilot program for reclamation. In Long Branch alone, we're now into the second million, well into the second million, pounds of waste material that we have reclaimed and recycled, by volunteers with municipal support in back of them. Some 1500 kids have received over $15,000. These kids, mainly aged from 6 to 14, the ages for which there is no employment, no means of worthwhile community involvement. These kids are just as important in considering reclamation and recycling as is waste material.

During this past year, we have also fostered other reclamation centers throughout the State and Nation. We have nearly 200 reclamation centers operating in the State of New Jersey, over 300 throughout the State and Nation following the lead of Long Branch. Reclamation works. We have facts and figures to prove it.

This bill, as presently proposed, is completely unworkable, it is pie-in-the-sky wishfulness, and I believe you gentlemen are beginning to realize that.

This bill does not prohibit or ban the use of any container materials now in common usage; it does not restrict the use of non-returnable or non-recyclable containers; all it does is add an extra burden on the consumer.

Under this bill you would create the biggest boondoggle that the state and nation has ever seen because all that you or I, any one of us, would have to do to cash in on the biggest graft ever imposed on the consumer is to follow the two qualifications mentioned in this bill to extort a minimum of 5¢ extra on each container from every consumer. Under the provisions of this bill, even the milk carton in your vending machine - all you would have to do is stamp on that carton "This is a container valid for refund at a nickel or more," and there is no intent to transfer title to this container.

Now, I would be only too happy to handle the refund program for any beverage wholesaler or retailer whereby I could charge a nickel each to every consumer and pay out the half cent, maybe a penny but probably much less than a half penny, that would be returned.

Unless there is an active and effective reclamation operation with the education, the training, that is necessary for the public -- I might start giving some of the documentation that has been based on hard-earned experience in pioneering practical reclamation and recycling activities.

When we made a deal with Coke of New York to go to a nickel on deposit containers, up until then we had gotten in, even last year, the old 2¢ and 5¢ Coke containers that we paid only scrap glass prices for. People brought them in for ecology purposes, not for the deposit. After we switched over to paying a nickel each, cash on the spot, for every Coke bottle brought in, regardless of size, even the smallest size Coke returnable container, our volume on those bottles decreased. Whether we smashed them up or returned them for reuse made no significant difference.

If you pass a regulation that we go back to the old thick-wall bottles, for example, proven experience, not only

in Long Branch but in Manasquan, in Bricktown, in West Orange, all over the State, has already proven conclusively that you will not decrease the litter or pollution problems, you will only serve to increase them.

Now, gentlemen, I know that you have many more people who want to be heard. I have been asked by dozens of our reclamation groups throughout the State to appear here to try to give you some information from the combined experience of all of us. I am trying to keep this brief. I will answer any questions or give you any further information you might want but I do have some suggestions - first, that you consider alternate courses and that you consider a second hearing to accentuate the positive and eliminate the negative, this approach is negative. By accentuating the positive, I am asking you to seek the reclamation and recycling approaches in the practical and efficient ways so that by legislation you could help to clear up the litter and pollution.

One is this: If you required that all containers be recyclable, that I don't think anyone could argue with; whether they are returnable, at least that they are recyclable.

Number two: If you will require all plastics to be clearly marked and identified by the three basic components so that they can be easily separated and reclaimed.

And the third is to give maximum support to local and regional reclamation operations.

And it would take a full day of hearings to even touch the studies that need to be done on the potentials of reclamation and recycling.

Now, gentlemen, could you give me your questions and let me try to give you any answers that I can?

ASSEMBLYMAN WILSON: First of all, in Long Branch they don't recycle plastic containers, do they?

MR. SEALES: In Long Branch we collect plastics. We have not recycled any of them because we have stored them until we have gotten enough volume to justify processing them through. Waste plastic is worth 1 to 8¢ a pound on the present

market with existing brokers if it is properly separated out.

As far as cans are concerned --

ASSEMBLYMAN WILSON: Let's deal with plastics. What do you mean by properly separated out? How do you separate them?

MR. SEALES: That's just it. At the present time, it is almost impossible for any but the trained expert to separate out the three basic types of plastic materials, containers and otherwise.

ASSEMBLYMAN WILSON: Then you mean to say that in Long Branch you just have a warehouse full of plastics that you have been collecting for over a year?

MR. SEALES: We have two trailers that since February we have been storing and packing plastic into until we have accumulated a sufficient volume to make a trial deal with one of the three major plastic manufacturers that we've been negotiating with for months, to take a trial run and see what can be done with unsorted plastic materials.

ASSEMBLYMAN WILSON: Oh, you don't know what can be done with it yet.

MR. SEALES: We do know. We have found offers if we have sufficient volume of the separated material. We do not have the separated material because we do not have plastic experts available to volunteer, such as I, completely unpaid in conducting these activities.

ASSEMBLYMAN WILSON: And would you say that you are the only reclamation center in our State that is actually saving plastics or even collecting plastics?

MR. SEALES: No. I know of a half dozen others. How far they've gone into it -- but out of the nearly 200 reclamation centers operating in the State now, at least a half dozen of them are following a similar course of stock-piling plastics to accumulate a sufficient volume for profitable economic dealings because that is the point that all reclamation has to be based on, it has to be profitable from the sense that the benefits gained must overcome all

costs involved.

ASSEMBLYMAN WILSON: In setting up your reclamation center in Long Branch - let me get this straight, what date was that when you established it?

MR. SEALES: We started operation on November 28, 1970, after several months of education, training and publicity throughout the city.

ASSEMBLYMAN WILSON: How many days a week is that open?

MR. SEALES: It's open every Saturday from 9 a.m. till 2 p.m., and it has been operating all summer on Wednesday evenings from 6 to 8 p.m. And, although we reached the point several months ago of reclaiming and recycling 10% of our total waste load throughout the entire City of 31,000 people, we haven't begun to scratch the surface.

ASSEMBLYMAN WILSON: That was my next question. I was going to ask you, what percentage of the usable waste are you actually getting from the citizens of Long Branch, and you say it's negligible.

MR. SEALES: I don't consider 10% negligible, and neither does anyone else in the Nation, otherwise, I doubt we would have gotten the 7,000 inquiries that we've received.

ASSEMBLYMAN WILSON: You said you barely scratched the surface, I forgot about the percentage.

Let me ask you a question. What aid or cooperation did you get from government officials in establishing this project? Do you get any help from the City of Long Branch today?

MR. SEALES: Yes.

ASSEMBLYMAN WILSON: Did you get it right from the beginning?

MR. SEALES: Yes. It would have been impossible to have launched this program on a broad, continuing, permanent basis without municipal support.

ASSEMBLYMAN WILSON: And what is the support that they gave you?

MR. SEALES: They put up $500, the City Council, as a cash revolving fund so that we could pay cash, on the

spot to the kids - by "kids", I mean our kids from 6 to 106 - who brought in this waste material. Originally we were operating on Saturdays only and the next week we would deliver the materials to the various recycling plants. We paid a penny a pound for the scrap glass brought in; we recovered a penny a pound the following week; we recycled our money, our revolving fund, as well as the material. We got back the money to operate the following Saturday. As our volume grew to the point where we were turning over $500 worth of materials each week, the City Council authorized the advance of another $500 into the revolving fund and that is the point where it stands right now. If the City wanted to close down its reclamation activities at once, they would be able to recover, plus or minus about $100 of their original $1,000 because all the money has gone back to the kids. In some areas there is a profit made, such as Manasquan. They set up from the beginning to make a profit for their beautification fund. They had prices that they paid to the people at approximately 30% below what they received for it and they have achieved, back in June, over $400 in profit out of these operations for the beautification programs throughout Manasquan.

ASSEMBLYMAN WILSON: Is that the extent, as far as Long Branch's cooperation, the appropriation of the two $500? Was there any help as far as use of equipment or manpower, or anything?

MR. SEALES: Yes.

ASSEMBLYMAN WILSON: Would you elaborate on that, please?

MR. SEALES: Certainly. It's absolutely necessary for continuing municipal support to carry forth without reliance on volunteers alone. If the municipal backbone is there, then the volunteers will come in, but there will always be a more than sufficient mucleus if you've done a proper organization and education job. The location of the center in Long Branch is at the Public Works' yard, so we do have access to the power equipment for handling these various materials. And when you go up to as high as 30,000

pounds of glass handled in five hours, and similar amounts of other materials, you've got to have some power equipment.

Now, the important thing is -- and, also, the City, of course, has furnished the transportation to the reclamation centers. But this, again, does not constitute additional expense to the City. For example, all of our garbage has to be transported to the landfill site which is 36 miles, round trip distance, from Long Branch --

ASSEMBLYMAN WILSON: Excuse me. Do you have municipal garbage collection?

MR. SEALES: Yes, we do. Municipal garbage collection started in February of this year because of the exorbitant, ever-increasing, single-bid garbage contractors' demands.

All right. So it's 36 miles round trip to our landfill site. When our city trucks carry the glass that has been collected by volunteers to the nearest glass factory, it is exactly 36 miles round trip. There hasn't been one extra nickel spent on transporation of that waste material to reclaim it. In fact, the City has saved the cost of picking up and collection of those tins, of thousands of pounds of materials each week. They have been brought in by volunteers. The same applies to the other materials. Now paper is only an 18 mile round trip. So the 20,000 pounds of paper that we reclaim each week - we're even cutting in half the transportation cost of delivering that paper.

Now each area has a different problem, a different set of circumstances, different needs, different outlets for waste materials, and it has to be studied. That is why I ran weekly symposiums at City Hall in Long Branch for forty weeks. We had hundreds of delegations throughout the State and Nation. And it's those, like Mrs. Carol Graff from West Orange, who is here right now, the Reclamation Coordinator in your home town, Mr. Wilson, who have worked with us and gotten the benefit of the experience and study that all of us, all these months, have put into this, who have now gone forward with successful reclamation programs.

ASSEMBLYMAN WILSON: Assemblyman Black?

ASSEMBLYMAN BLACK: First of all, Mr. Seales, I would like to extend my congratulations to you for your efforts and the efforts that have gone forth in Long Branch, and I think that municipality certainly deserves a lot of credit for cooperating in this manner. I am so well impressed by your going operation that I wonder if you would be kind enough to give me your address so that I may advise municipalities in my district of your activities and, if they see their way clear, I would hope that they would contact you for assistance.

MR. SEALES: Thank you. I would be very glad to. The easiest and most simple way is to contact me through the office of the Mayor of Long Branch, Henry R. Cioffi, without whose fullest support this pilot program would never have worked. And, since I am unpaid and a volunteer, the Mayor provides his own office for me to use.

ASSEMBLYMAN BLACK: The number?

MR. SEALES: 222-7000 extension 21, area code 201. I've gotten mail and calls with every name, every department, but they all get to me. Now, after those 40 weeks that we ran the symposiums where everyone came to Long Branch, we put the show on the road. Tonight, the Regional Reclamation Conference in West Orange; last week it was Dover Township; before that, Berkeley Heights.

The only help that has been given is from industry and business and their professional groups. Believe you me, when the chips are down, they'll be there helping, going out of their way to do everything they can to help local groups and any municipality that's interested in this. We have in Monmouth County, the non-profit Monmouth ECO Center, since the burden of responding to all the inquiries from everywhere, on reclamation and recycling, has grown so great, they are making arrangements to take over the burden from me by trying to respond, as far as possible, to these inquiries and furnish materials, and so on. And if those who are interested and concerned with reclamation and recycling want to organize in

their own communities - if you will get hold of me in Long Branch, we will set up a meeting or we will come to your meeting and bring whatever speakers and whatever information you might want, and do our best to help you.

ASSEMBLYMAN BLACK: Thank you, sir.

ASSEMBLYMAN WILSON: Mr. Seales, along the same line, rather than having it volunteer in nature, - you're doing an excellent job and I want to commend you also - would it not be better if the State of New Jersey got a little bit more involved in it, as far as disseminating information and so forth?

MR. SEALES: We'd love that. We have not called on the State of New Jersey for any financial help, and I would like to point this out. In three years of research, prior to starting last year, even preparing for this, the primary purpose was to find out why all previous attempts had failed for permanent, economical, broad reclamation programs. And when we started this national pilot program in Long Branch, last year, we started on such a simple "hands and knees" approach - we used old scraps of lumber to build bins so that there would be no cost there. We intended to prove, and I think we have, what we have done there can be done by anyone, anywhere, under any circumstances.

ASSEMBLYMAN WILSON: Assemblyman Kiehn?

ASSEMBLYMAN KIEHN: I would just like to say, sir, that your testimony has been very interesting and educational to me because I'm a representative of Union County and I don't know whether you've read about some of the problems they are having with garbage disposal, particularly in Linden, and I surely will refer your name to our Freeholder in Union County who is handling this matter. Thank you.

MR. SEALES: Thank you, sir.

ASSEMBLYMAN FAY: The only point I want to make is, - I think Mr. Wilson will set up a meeting with Mr. Sullivan's Department in the name of this Committee - that these experiences that you've had, the expertise that you've acquired

in actually doing the job should be brought into this and, possibly, from the Department of Environmental Protection, we can get (a) appropriations so as to carry this into every community in the State; and (b) the legislation that is necessary. I think you have done very, very well, indeed, and the people owe a great debt to you.

MR. SEALES: Thank you, sir.

I might mention this. As far as regional reclamation is concerned, that is the eventual only answer and there again we have pioneered. Starting in February of this year, we brought in other communities, one by one, in regional efforts because it's impossible, especially for the smaller communities, to operate efficiently and economically, especially in transportation of the various materials. So one by one others have joined with us until, to some extent or another on various materials, we are now working jointly with 17 different communities in our own area. So, we know when it comes to regional reformation activities we also have the proven experience ready to go forward from. And we are very hopeful that the experience, not only ours but of others who have done such a wonderful job throughout the State, can be utilized.

ASSEMBLYMAN FAY: So do I. Thank you.

ASSEMBLYMAN WILSON: Assemblyman Fay, you know, knew what I was alluding to because I feel that the State of New Jersey, the government, should be involved more in helping you. You've done an excellent job, as far as volunteers, but I think it is now the responsibility of the State to cooperate with the local municipalities and use our resources and not have, you know, a fly-by-night outfit, I mean where you have to rely on a $500 appropriation and another appropriation. I think that government throughout the State should become more involved and this Committee will see what we can do.

Thank you.

MR. SEALES: And, Mr. Wilson, if you will consider the possibility of a second hearing devoted to the positive and that is just exactly what you gentlemen are talking about now, the

suggestions not only from ourselves but all the others who have pioneered and have had the experience.

Thank you, sir.

ASSEMBLYMAN WILSON: Thank you.

Howard Chester, Executive Secretary of the Stone, Glass and Clay Coordinating Committee.

H O W A R D P. C H E S T E R: Mr. Chairman, my name is Howard Chester. I am Executive Secretary for the Stone, Glass and Clay Coordinating Committee, which is a Committee composed of six international unions who are affiliated with the AFL-CIO and joined together to cooperate on mutual problems. We have a combined membership of 240,000 workers, and we have active locals in almost all of the fifty states.

With your permission, Mr. Chairman, I would appreciate the opportunity to introduce to you the International Vice President of one of the affected Unions, Mr. William McClosky, Vice President of the Glass Bottle Blowers and also an Executive Board Member and Vice President of the New Jersey State AFL-CIO.

In the State of New Jersey, approximately 17,000 workers in this industry are represented by the Glass Bottle Blowers Association, with an additional 2,000 workers represented by the American Flint Glass Workers Union, so we are talking about 19,000 workers, in the glass industry alone, directly affected and concerned with the legislation being considered today.

In addition to this strong basic industry in New Jersey, our Committee members represent workers in other important industries located in this State, for example fine china dinnerware, plumbing fixtures, ceramic tile represented by the International Brotherhood of Potters; plastics by the United Glass and Ceramic Workers and the Glass Bottle Blowers Association, paint, gypsum board and plaster

by the United Cement, Lime & Gypsum Workers--so we have a vital concern for the welfare of our members in the State of New Jersey as well as the remaining 49 States--whether it be in the area of restrictive legislation, foreign imports--or as in this case legislation to ban non-returnable beverage containers.

It is our conviction that legislation of this type, such as A2212, is not the solution to the problem, in fact we believe passage of such a bill would have disastrous consequences by the loss of jobs of a great number of the workers in the glass container industry, as well as the can and plastic industries, with severe consequences to the economy of the State of New Jersey.

We have more than enough unemployment in this State as well as our Nation and to add even more unemployment by this kind of legislation would certainly not be in the best interest of the State of New Jersey or our Nation.

This is borne out by President Nixon's most recent message in conjunction with the second annual report of the Council on Environmental Quality, under the heading "A Sense of Realism", in speaking of decisions on the environment, he states, and I quote "The effects of such decisions on our domestic economic concerns--jobs, prices, foreign competition--require explicit and rigorous analyses to permit us to maintain a healthy economy while we seek a healthy environment. It is essential that we have both. It is simplistic to seek ecological perfection at the cost

bankrupting the very tax-paying enterprises which must pay for the social advances the nation seeks." end of quote.

We believe the President's message on realism is clear and that we should not "legislate away" jobs, especially in light of this industry, and others, in conjunction with the Federal Government leading the way to a more practical solution through research, new products and recycling which will increase employment.

A concrete example of what can be accomplished with cooperation between Federal, State and City governments, along with Industry is provided by the forward looking City of Franklin, Ohio, who faced the problem of solid waste and moved to build the first recycling plant that will take unsorted household garbage, and automatically process it to reclaim glass, metals and paper making fibers. The plant was built with a 2/3 grant from the U.S. Environmental Protective Agency and officially dedicated August 11, 1971.

Now, Mr. Chairman, I have the Souvenir Edition, and I think I spoke to you about it when you were visiting the recycling plants in Millville and Bridgeton. I would like to leave it with you because it entails the many concerns that have moved into Franklin, Ohio, to use this material that has been recycled through the Franklin Solid Waste Plant.

I think you will find it quite interesting, and if I might leave that with you, I would appreciate the opportunity. (Hands to Committee.)

We respectfully submit that the industry and the government (Federal, State and City) are moving to constructive solutions to the solid waste problem--that legislation to ban or require mandatory deposits would result in a serious loss of jobs in the beverage container industry, so we are strongly opposed to restrictive legislation; and in support of the positive and practical solution of recycling, conserving our natural resources and improving the quality of our environment.

In conclusion, on behalf of the Glass Bottle Blowers Association and The American Flint Glass Workers Union, two of the member Unions of our Committee, I want to thank you for this opportunity to express our views on this extremely important subject. We hope that you will give favorable consideration to these views in your deliberations on the proposed legislation.

Thank you, Mr. Chairman, and we stand ready to answer questions.

Mr. McClosky is well acquainted with the problems in production and with employment in the industry, and stands ready to answer any questions with regard to that.

ASSEMBLYMAN BLACK: I would like to address one question, sir, and that is, realizing you have been here throughout the morning and heard all of the testimony that preceded, I was wondering if you would care to elaborate on the general impact of this legislation, if enacted, upon the employment situation.

MR. CHESTER: I would like to refer that question, Assemblyman Black, if you would, to Mr. McClosky. He has discussed this job situation with me and he knows it in more detail. So, with your permission.

MR. McCLOSKY: Thank you very much, Assemblyman Black. I will be very happy to answer the question.

First, I might point this out to you and your colleagues on this Committee. I think in the State of New Jersey we ought to take a look at the history of the employment situation and what the glass industry and the glass companies have done for the State of New Jersey.

In Wharton, New Jersey, several years back, into your State and my State here, moved a company by the name of Thatcher Glass Company to pick up the slack of the unemployment that we had at that time. I think we proceeded then into Carteret, New Jersey, and there was an expansion of a plant of the Metro Glass Company in Carteret. We go into Brockway Glass Company out at Freehold, New Jersey, which, incidentally, has just put another tank into operation out there; and we have the Owens Illinois Company in North Bergen.

Now a statement has been made here this morning by my colleague in the State Labor Movement in reference to 10,000 jobs. I say to you gentlemen, this cannot be taken lightly because, very frankly, productivity and the jobs that would be gobbled up with this A-2212, by the elimination of the non-returnable container, would be in the neighborhood that he said.

Prior to coming into this Chamber, I was interviewed here by one of your stations and I said approximately 40%.

Now, we encourage, in the Glass Bottle Blowers Association, many companies to come to this State, and they come to this State not to cloud the issue with a solid waste problem, not to cloud this issue here, but to give people an opportunity to work for a living, hopefully then that we could clear up this welfare program that we have not only in this State but in the Nation.

Gentlemen, this will have an awful impact upon our people. You heard Mr. Chester expound upon the plastic situation. Yes, gentlemen, we have plastic workers in this town here and they just recently moved in. I refer now to Continental Can

Company; I refer to the Owens-Illinois Company; I refer to the T. C. Wheaton Company. And we are very, very concerned. But I don't want you to think, Assemblymen, that we have no consideration for this problem because we have. President Emeritus, Lee W. Minton, of my International Union, has been a member and is still a member of the National Center for Research Recovery, Inc.; he has also been appointed on the committee appointed by President Nixon to review this whole situation. And, gentlemen, you heard this morning the figure given by the Honorable Sandman, with regard to the amount of money that has been appropriated, and I know your desire and I know your wish to get that money moving but not more so than mine. But you know there has to be a study and the study, I think encompasses what Mr. Chester talked about in that Franklin situation. But I can assure you, as Legislators of the State of New Jersey, that I will endeavor to help in any way that I can in my office with President Emeritus Minton - I am sure of his cooperation - to see that the necessary funds come into the State of New Jersey in order to be able to implement and move this program forward.

Gentlemen, we don't only think about ecology but we also think about economics.

I am going to ask my colleague, Mr. Moore, to give you a copy of this, and I want to point out to you that we also think about other types of litter, other than glass and metal, because we say on this little thing here (referring to litter bag) "Help, help, help keep America beautiful." And this little one here, I am sure you will agree with me, won't hold a tin can, it won't hold a bottle, it won't hold very many, but it will hold a lot of gum wrappers, it will hold a lot of cigarette packs, it will hold a lot of refuse that's in a car, and that's costly when we talk about refuse pickup.

I also want to tell you gentlemen of the cooperation of men who will come here after me, the steelworkers, the industry is here that we represent and they will tell you that what we say, as labor men, is not kidding. Mr. Minton

is joined with I. W. Abel on this National Center for Solid Waste Disposal. I have always said that New Jersey has been a first in many things, it has been good for the people, and I respectfully request, gentlemen, that this bill not be enacted to be first to put people on the welfare rolls and on unemployment.

I hope that answers your question. It may have been long but I had to encompass that.

ASSEMBLYMAN WILSON: Thank you very much, Mr. McClosky.

MR. McCLOSKY: Thank you.

ASSEMBLYMAN WILSON: Carole Graf. Please state for the record your name and that of your association.

C A R O L E G R A F: I am Carole Graf, Administrator-Coordinator of the West Orange Anti-Pollution Society.

ASSEMBLYMAN WILSON: And who is the young gentleman?

MRS. GRAFT: Peter Glick, a student from Mountain High School, and a worker at our reclamation center.

I am here today to tell you about our reclamation program and also to testify that I advocate total reclamation of all solid waste, including plastics.

Our reclamation center is very young, ten weeks old, but it's extremely active. Response has been great from the citizens of West Orange and neighboring towns to bring us their solid waste for cash. You can see the success of our center by the grand total figure on the summary report which I have submitted. However, our center is manned strictly by volunteers, a few adults and high school students, and we realize that programs such as ours cannot remain on a volunteer basis. The responsibility for recycling solid waste must be assumed by the municipal, county and state officials.

As to your questions, I respectfully submit a petition which we have recently passed to the people who are concerned about our environment and who feel the urgency to recycle all of our solid waste.

ASSEMBLYMAN WILSON: Mrs. Graf, how much cooperation did you get from your local government in order to establish

this reclamation center?

MRS. GRAF: Very good cooperation. They gave us a $500 grant to start our program, which is constantly replenished by money that we get from selling glass, tin and paper and aluminum. And they also have supplied us with trucks. They empty the bins - we have six bins located at the center where we store six types of solid waste, and the town has emptied the bins whenever necessary. They cooperate with us really quite fully. We are quite satisfied.

ASSEMBLYMAN WILSON: Assemblyman Black?

ASSEMBLYMAN BLACK: Mrs. Graf, I have one question on your general opinion of the success of the program. Has it proven to be successful?

MRS. GRAF: I think it has been very successful, since we've only been in operation two months, and you can see from these figures (Summary Report - see p. 167) we have taken in 94,425 pounds of glass alone. This past Saturday we took in 12,000 pounds of glass in four hours.

ASSEMBLYMAN BLACK: This then looks, to you, to be a fine example of a successful program.

MRS. GRAF: Well, I think there is a need for something like this and the response from our citizens proves that they will cooperate if they're educated, you know, well, paid too, I guess, because they're coming to get cash.

ASSEMBLYMAN BLACK: One other thing. I gave my copy of your report to the Stenographer, so could you let me have another one?

MRS. GRAF: Sure.

ASSEMBLYMAN WILSON: All right, thank you very much. We appreciate your coming down to testify.

We are now going to take just a five minute press break.

(Recess)

(After recess)

ASSEMBLYMAN WILSON: Mrs. Elizabeth Salett. Please state your name for the record.

E L I Z A B E T H S A L E T T: My name is Elizabeth Salett and I am President of the Trenton Environmental Coalition. On behalf of the Coalition, I wish to place our organization strongly in favor of the proposed legislation.

I am sure this Committee must be aware, as are all thinking persons, of the great ecological dangers facing our State and our nation. Enough statistics and studies have demonstrated that unless all of us take concerted action to reverse the pollution of these last decades, we can look forward to a future of despair, disease and possibly the death of our society as we know it today.

But, as I said, there is no need to recite these gloomy predictions. I assume that we are here today to discuss specific actions and remedial measures. Where do we go from here?

As we understand it, the assumption behind Assembly Bill No. 2212 is that by banning the non-returnable beverage containers, fixing a minimum refund value and imposing penalties for non-compliance, individuals would be more likely to redeem rather than discard their containers. We would support this assumption. It is our experience that individuals and families without the benefit of refunds or compensation of any kind will save and hold for collection glass containers. And they will do this in significant numbers.

Our experience in Trenton is most relevant to the point of individual initiative and responsibility.

The Trenton Environmental Coalition is made up of representatives of the League of Women Voters, the Trenton municipal government, the Urban Rodent and Insect Control Program, some of the civic associations, representatives of the City Council, the Chamber of Commerce, Goodwill Industries, REAP - an ecology newsletter, Giordano Waste Material Company, students, as well as other groups and interested individuals.

The Coalition has been responsible for initiating New Jersey's first municipally operated glass recycling program, based on weekly curbside pick-ups. The program started June 22, 1971 in a 15 square block area in the Western section of the City and another 15 square block area in the Model Cities section. A truck was furnished by the Trenton Department of Public Works and a driver and 4 men were provided through Operation Mainstream of UPI, the city's Community Action Agency. A second truck and additional men were furnished by the Urban Rodent and Insect Control Program. Prior to the first pickup, several sets of flyers were distributed to residents of each area - and they were asked to place their glass at the curb on a specified morning (either Monday or Tuesday). The men on the truck sort the bottles by color and when necessary remove the metal rings. The glass is then taken to the Marine Terminal where it is stored until enough has accumulated -- approximately 7 5 barrels of crushed glass -- to be trucked to Brockway Glass Company in Freehold where it is recycled. The program is now covering approximately 60 square blocks of the city and our long-range goal is to become city-wide.

There were those who told us before we started that we could not mobilize enough people to save their glass to make a weekly curbside pickup worthwhile -- yet in Trenton, with the cooperation of the city government and the Urban Rodent and Insect Control Program, we have succeeded in collecting approximately 17 tons of glass in the space of

two months by covering 45 square blocks of the city and by picking up glass from the curbside on a weekly basis.

There were others who told us that people in the cities do not care enough and cannot be educated sufficiently to make a recycling project numerically significant -- yet Trenton is a City -- and we estimate that approximately 20% of the residents living within the pickup areas are participating in the program on a regular basis. Let us not forget that our glass recycling project required residents to separate their glass from the rest of their garbage, to wash it and remove the metal rings left on the beverage bottles and to place the glass at the curbside on a non-garbage day. Participation in the project requires some effort and inconvenience on the part of the consumer and we interpret this effort as evidence that large numbers of people care a great deal about the continued polluting of our environment and the increasing volume of our disposable solid wastes.

If people from all sections of the city are willing to separate and collect glass when no refund is offered, then it seems clear that large numbers of people are willing to go to some inconvenience in order to reduce the volume of garbage produced by our "throw away" society . Let us not delude ourselves, however, it will certainly take education and much public information to change peoples' habits - but I think our task is both possible and certainly necessary.

There were still others who told us that few people outside the pilot pickup areas would voluntarily take their glass to a central collection point. Yet hundreds of people not only from Trenton but from all over Mercer County and neighboring Pennsylvania are bringing their glass daily to the Marine Terminal to be recycled.

But recycling is not the long-range answer. First, collecting and recycling of glass and other items is enormously expensive to the municipality. It requires additional trucks, large numbers of men, large storage areas, as well as a great deal of public education. Secondly, there is nothing in it for the consumer and in the long term, unless he gets a refund, he will not continue to put his glass out on the curbside. Thirdly, it is very hard, if not impossible, to maintain the interest of the consumer to separate and save glass for recycling.

There are those manufacturers who will say that they do not want to be penalized for throwing away containers while other manufacturers - non-beverage ones - would continue to use disposable containers. However, it is the beverage containers that most blatantly despoil our environment. When did you last see a ketchup bottle or a baby food bottle on the street corner or on the highway or in our parks - not recently, I suspect. But it was no doubt quite recently that you saw a non-returnable Pepsi bottle or a soda can littering the street or the sidewalk.

Before closing, I would like to suggest a few changes in Assembly Bill No. 2212 as it now reads:

1. Rather than specifying 5¢ as the minimum refund value, it might be well to consider specifying a percentage of the wholesale value as the refund value. With inflation as it is now, we might soon discover that 5¢ no longer provides enough of an incentive to return a container.

2. The Department of Environmental Protection should be mentioned as the administrative agency responsible for implementation of the bill.

In summary, let me say again, the public is very deeply concerned with the steadily increasing level and volume of non-returnable solid waste; a majority of the population will cooperate with efforts to reduce this mass of garbage; and, lastly, the time for action and farsightedness is now, before it costs us more and more to clean up our land and our

environment.

Can I answer any questions?

ASSEMBLYMAN WILSON: You mention that it's the responsibility of the men on the truck, in the municipal collection, that they have to separate the glass and in turn take off the metal rings?

MRS. SALETT: Yes. Well, people aren't willing to do it, or we ask them to do it and they don't do it often enough. So, in order to check and make sure that it is done properly, we have to redo it on the truck, which is very time-consuming.

ASSEMBLYMAN WILSON: That's what I was just thinking, as far as the cost to the municipality when they have to do that. What does Trenton have, municipal or private collection?

MRS. SALETT: It's municipal.

ASSEMBLYMAN WILSON: Then they are municipal employees that are actually doing this.

MRS. SALETT: They are people from the Community Action Agency who do the pick-up in this case. But the point is that unless the metal rings are removed, the recycler will not accept the glass, and it's very time-consuming and very difficult to do, and it's a real problem because they will just reject it, they will throw the glass away unless the metal rings are removed or any of the metal labeling.

ASSEMBLYMAN FAY: Do you think it's a valid complaint of the Chamber of Commerce and some of the other groups who have said go from 5¢ to a dime, you know, that's 60¢ on a case of Coke, or this might be regressive and repressive for those who are on a very limited income?

MRS. SALETT: I'm not sure that I can speak to that point. I think that if people do get their money back they certainly would be willing to take the containers back. If people in all parts of Trenton, and I really mean all parts of Trenton, are willing to collect the glass on a weekly basis, save it and have someone come and pick it up, then I can't understand why they would not be willing to go to the

store and get some money for it. When they put it out on the curb, they're not getting anything for it.

ASSEMBLYMAN FAY: The point is, we're dealing with people on a very limited income to begin with and if we - and I do - accept most of those figures in the near-poverty and low-poverty level, this is an awful kick to place on what they buy every week, soda and beer.

MRS. SALETT: Well, I'm not sure why all of this has to be passed on to the consumer. I don't know that the additional price has to be paid entirely by the consumer since the manufacturers would get their material back and they would get it back many times because much of the glass would be reused.

ASSEMBLYMAN KIEHN: There is one part of your statement where you mention a percentage of the wholesale value. Your average bottle of soda in the A&P, or one of those stores, runs about 20¢ and if you came up with, let's say, 10% that would be only 2¢.

MRS. SALETT: Well, it could be a higher percentage. What I want to avoid is the Coke bottle, or whatever, being refundable for 2¢, you know going back to where now people don't think it's worthwhile because our money value decreases.

ASSEMBLYMAN KIEHN: Do you recommend something higher than 5¢?

MRS. SALETT: Higher than 5¢, at least not specifying just 5¢ because a year from now or two years from now 5¢ may not really be worth what it is today, and may not serve as an incentive any longer. So, if you specify it, you will get yourself in trouble, I think.

Thank you very much.

ASSEMBLYMAN WILSON: Thank you.

Mr. Kiddoo.

G O R D O N K I D D O O : I am Gordon Kiddoo. I am Vice President of Vistron Corporation which is a subsidiary, the chemicals and plastics subsidiary, of Standard Oil Company of Ohio.

We believe that the proposed legislation under consideration here is unnecessary and, if enacted, will prove to be ineffective, and costly, to bottlers, retailers, and to the public. We are opposed to restrictive legislation on packaging and believe that each person should be free to choose the package he prefers, whether it be made of glass, metal, or plastic, and should be educated on the preferred method of disposal or recycle.

While we support the positions of the can and glass container industries in opposing this legislation, we do so from a different viewpoint. We acknowledge the problems which are the cause of legislative proposals, such as the one under consideration in New Jersey, and I have asked to appear here today to tell you of a new development in beverage packaging which we believe will alleviate many of the problems encountered in disposing of present beverage containers. The basis for our position is a new material developed by our company, the first plastic which will satisfactorily contain carbonated beverages. Development of this plastic resulted recently in an unsolicited environmental commendation for Vistron by the Borough of Roselle Park in Union County, New Jersey.

Plastic beverage bottles made from this BAREX(R) 210 bottle resin are to be introduced into the marketplace by Pepsi-Cola later this year. The bottles will be significantly lighter than the glass they replace. For instance, an 8-pack of BAREX containers filled with soft drinks will weight 35 percent less than an 8-pack of disposable glass. Once the bottles are emptied, the BAREX bottles weigh 86 percent less than the

glass bottles. The BAREX containers will not explode and will not shatter when dropped; therefore, they cannot cut consumers or other persons handling the bottle. The containers can be safely disposed by any current or proposed disposal method.

We believe that we have a superior product, but before introducing something as important as BAREX, we had to evaluate its impact on our environment. Our conclusion is that environmentally you can't do better than BAREX for packaging soft drinks. It can be compacted for nonpolluting landfill, can be safely and completely burned, can be recycled, and minimizes the drain on our natural resources. So, let us take a look at the environmental issues and see how BAREX relates to each.

Sanitary Landfill

About 80 percent of the nation's solid waste is disposed in landfills. Sanitary landfills involve taking the garbage or solid waste, compacting it, and then covering it with dirt to prevent the formation of rodent and vermin breeding grounds, as well as air and water pollutants.

There are two types of solid waste in a sanitary landfill operation. Inert materials which never decompose include glass, bricks, cement, and plastics; degradable materials include garbage, leaves, some paper, etc. It has been stated that a biodegradable container would be good for the environment. If 100 percent of the solid waste in a sanitary landfill operation were biodegradable by bacterial action, odors, gases, and liquids to pollute the surrounding land, air, and water would be released. In addition, during the slow decomposition process, the ground would be

constantly settling and could not be used for commercial building, farming, or recreational purposes for many years.

With inert materials which don't degrade, the land can be profitably reclaimed for building or farming purposes at an early date. There is no water or ground pollution. Bottles of BAREX are completely inert, can be readily compacted, and are well suited for inert landfill.

Incineration

As sites for landfill operations become more difficult to find, an increasingly important disposal method for solid waste is incineration. Noncombustibles --- such as glass, metal, and ceramics --- are virtually unaffected in the process and are still solid waste after incineration. Dry paper and most plastics burn satisfactorily. Much of our municipal trash, however, is garbage, wet paper, or leaves and grass clippings. Such materials will not support combustion and incinerators require additional heat obtained from fuel oil or natural gas. BAREX bottles, on the other hand, are derived from petroleum and have a high fuel value; their presence in trash actually reduces fuel requirements and improves incinerator performance. Tests by New York University and Midwest Research Institute have also shown that, "The presence of BAREX 210 bottles in the waste fed to an incinerator does not result in significant changes in the composition of the stack effluents from the incinerator. Also, the ash produced

from such burns could be easily removed from the incinerator." What this means is that there are no changes in emissions to the air with the addition of BAREX 210 to the solid waste feed of an incinerator. Also, the weight and volume of the solid waste is greatly reduced, the ashes are easily removed, and there are no gobs of melted glass or unburned cans on the incinerator grates. In terms of incineration, the BAREX beverage container behaves just like the plastic-coated paper milk container, with the same innocuous products of combustion.

But aiding combustion is not the only benefit of including BAREX in incinerator waste. In recently-designed incinerators (in Chicago and Montreal, for instance), the heat produced during combustion is recovered and used to produce steam or electrical power. Thus, the addition of BAREX to the incinerator load, due to its high fuel value, produces more heat, or power, and makes the operation more economic. Making the crude oil do double duty, first as a container and then as fuel in an incinerator or power plant, makes a lot of sense to us.

Conservation of Natural Resources and Energy

Many people believe that this country is using more than its share of raw materials and natural resources. It is proper to ask about recycling of BAREX bottles and I'm happy to say that this is feasible. Used BAREX beverage bottles can be ground into plastic chips and then recycled into new plastic containers.

We think it's important to recognize, however, that returnable glass bottles generate more pounds of waste than will nonreturnable BAREX bottles. Assuming an average life of five trips for a returnable beverage bottle (and in the larger communities in the Northeast it's far lower than

this), the amount of waste generated by returnable glass is almost three times as great as the total waste generated by disposal of a BAREX bottle by either burial or by incineration. This comparison considers the fuel required to heat the water for washing the bottles; it includes the detergent required to clean the bottles; it does not include the quantities of pure water that are required for washing and rinsing the returnable bottles and then run into waste in the sewer.

The first chart my Associate, Mr. Brown, has shows that a returnable glass bottle must make about 15 trips before the resulting waste per trip is lower than when using a single trip BAREX beverage bottle -- and the average returnable bottle no longer makes this many round trips. This chart is on the back of the material which we have distributed. (See p. 168)

In comparing the usage of our natural resources for beverage containers - for both energy and raw materials needs - the BAREX bottle is also the best choice environmentally. The results of our study on the second chart show that a BAREX bottle requires a smaller quantity of raw materials and energy than any other type of beverage containers.

Now, finally, the last point on the environment relating to non-returnable beverage bottles, and this is the matter of litter which is of concern to all Americans.

Litter is really landscape pollution by careless Americans. You see it on the highways, in parks and on the beaches. The material is unsightly, sometimes dangerous, and always expensive to pick up. I must confess, BAREX litters exactly like a metal can or glass bottle. It will remain as litter until it is removed.

Since BAREX bottles can be safely and completely consumed by incineration, however, we believe that the picnicker will dispose of BAREX bottles as he will his paper plates and cups and plastic spoons and forks --- by putting them into his fire before he extinguishes it. We believe that the lightweight combustible BAREX bottles are far less likely than metal and glass containers to be dumped on the ground to offend the next picnicker.

I also want to point out that a recent national study showed that only a small part of roadside litter consists of nonreturnable beverage containers. Furthermore, returnable beverage bottles were almost as numerous as the no-deposit containers in this survey. Also, soft drink companies have found that higher refundable deposits on returnable containers have reduced sales of such packages without increasing the fraction of such containers returned for the deposit. Deposits simply don't ensure the return of beverage containers and have not significantly reduced roadside litter. An effective national conscience must be developed to solve the litter problem. Litter can be curbed only by individuals in the American public concerned about landscape pollution, and by no one else. Legislation and fines have not proven effective.

## SUMMARY

I'd like to summarize the points I've tried to make today:

(1) BAREX plastic bottles give the consumer the light-weight, nonbreaking, nonexploding disposable beverage container which he seeks.

(2) BAREX bottles can be easily and safely used in landfills.

(3) BAREX bottles can be completely and safely consumed by incineration --- the equivalent of a paper container for carbonated beverages.

(4) We believe that the light weight and easy disposability of BAREX bottles will cause the consumer to dispose of this container in an acceptable fashion and not by littering.

(5) BAREX offers a more efficient use of our natural resources for beverage packaging.

(6) We join others in stating our belief that legislation against no-deposit beverage containers will not effectively reduce littering and will impose an unfair economic burden on both retailers and consumers. In any event, however, we urge that your legislation not impose this unfair burden upon an environmentally-improved convenience package, the BAREX plastic beverage bottle.

Thank you, gentlemen.

ASSEMBLYMAN WILSON: Assemblyman Fay?

ASSEMBLYMAN FAY: Mr. Kiddoo, this sounds like the greatest invention since the wheel, as far as new processes are concerned. If this is everything you say it is, will this eventually replace the aluminum can and the other plastics?

MR. KIDDOO: I hesitate to answer that with so many representatives of the glass and metal can industries in this room today, but that's our intention, to get more than our share of the beverage container market.

ASSEMBLYMAN FAY: And how long has this been tested to reach all of these conclusions?

MR. KIDDOO: Well, in the marketplace it has been tested by Pepsi-Cola in a market test which was conducted in 1970 in Las Vegas. Pepsi-Cola is - on the basis of that test, we've been cooperating with Pepsi and are producing a substantial quantity of material at the present time. Pepsi-Cola intends to launch into a much larger and I believe a continuing marketing program based on these. The beverage business is such a large business, however, it admittedly will be some time before plastic beverage containers of this type have any significant impact on the total market. But we believe that this is the kind of container which is going to be environmentally important and attractive in the future, and we think that legislation such as this should be carefully drafted so as not to deter the development of improved packaging.

ASSEMBLYMAN KIEHN: I just wondered if they were keg lined.

MR. KIDDOO: This one has beer in it and this one has Pepsi in it.

ASSEMBLYMAN KIEHN: You mentioned in your statement that you received an unsolicited environmental commendation from the Borough of Roselle Park. How was that brought about? It happens to be my area.

MR. KIDDOO: Well, we have been working with major

container companies and major soft drink companies on this matter for quite a while. We have published articles in the technical press. And somebody who is in Roselle Park apparently heard about it because one day, in the mail, we got a letter with an attached commendation from the Borough, the Council or whatever the governing body is, out of a clear blue sky. We were pleased but nonetheless surprised.

ASSEMBLYMAN KIEHN: Will your container affect the cost of the product that might be placed in there?

MR. KIDDOO: Today this is only a semi-commercial resin. The bottles today are more costly than glass or the metal containers.

ASSEMBLYMAN KIEHN: They are.

MR. KIDDOO: They are today because it is not a fully commercial product. We believe that when the product is fully commercial, within a year or two, we can produce a very lightweight plastic bottle, such as this, at a price which is competitive with the price of the one-way beverage container of either glass or metal.

ASSEMBLYMAN KIEHN: And where will they be manufactured? in New Jersey?

MR. KIDDOO: We believe that in time the plastic bottles will be blown at the bottling plant. We think that's going to be a development that will take place. We think that bottles will be made at or in or adjacent to the bottling plant itself. It doesn't make a lot of sense to ship a bulky, but nonetheless lightweight, product, such as plastic bottles, all around the country. We think that the resin which is derived from petroleum will be made in chemical and plastic plants that are located principally near refining and tetrachemical plants such as those on the Gulf Coast or along the East Coast.

ASSEMBLYMAN KIEHN: And you mentioned that it would be good landfill.

MR. KIDDOO: Yes. It's an inert material.

ASSEMBLYMAN KIEHN: In its present state, would you recommend just throwing the bottles in there?

MR. KIDDOO: Well, ideally, in a landfill operation you should compact the material so as to get as much material into a given dump as possible. Ordinarilly, this is done by running a bulldozer back and forth across it. If you run a bulldozer across this bottle, it will crush.

ASSEMBLYMAN KIEHN: And that will last an indefinite period? I mean, it will not disintegrate?

MR. KIDDOO: It would. No, it will not.

ASSEMBLYMAN KIEHN: Just like crushed stone.

MR. KIDDOO: It will be like crushed stone or glass or an aluminum can in a landfill operation, it will be there for a long while, forever, from a practical standpoint.

ASSEMBLYMAN KIEHN: Thank you.

ASSEMBLYMAN WILSON: Thank you, Mr. Kiddoo.

Mr. Moran.

W I L L I A M M O R A N: My name is William Moran. I do not have a prepared statement, Mr. Chairman.

Mr. Chairman and members of the Committee: My name iw William Moran. I am Director of the United Steel Workers of America, covering the State of New Jersey. We have approximately 30,000 members in the State of New Jersey, with 8500 of those members involved in the container industry.

It is our hope that this Committee, after a study of this bill, will eliminate it from the legislative coffers here in Trenton.

Our Union, for a long time, has been interested in the ecology of our country. We have a vital interest in clean air because it is members of our Union that pick up silicosis and other respiratory diseases in the plants throughout this nation and here in New Jersey, as well as in the mining operations of our country. So, we have a vital interest in clean air; we have a very vital interest in clean streams;and we are bitterly opposed to the pollution of our communities, our highways, our cities, but we don't believe that a negative approach is the

solution to these problems.

It is our feeling that for too many centuries people have just looked at that garbage heap grow and grow. And I listened to some of these people here today that would like to go back to the old days. I'm never convinced that that's a good idea. I'm not that old but I recall that in our community - this was before there were too many cars - we used to carry our refuse to the outer limits of our community and toss it into some convenient area and this would become, as a rule, I guess, our town or community dump. Later, the wagon or truck picked it up at our homes and took it out and dumped it in the same type of areas. So, for centuries, we've been doing the same thing over and over again. Now the solution to all this is to go out and gather glass and cans and other refuse, on a door to door basis. It's not going to work; it's impractical.

I think that Mr. Seale and his Associates should be commended for their efforts because these people have no axe to grind anywhere along the line, other than pride in their community. But pride in the community alone is not enough. Sooner or later, the Mr. Seales and the others will pass on and we will go back to the same old business of letting our garbage lay around and the litter move around our streets and our highways. There has to be something more substantial than this.

In the year of 1971, with all the knowledge that we have in this country, it seems inconceivable that we can't do something with this 360 to 380 million tons of solid waste. There are over 50 processes now in our country that we ought to take a look at. One has been mentioned here - Franklin, Ohio, a city of 10,000 people. They put up a plant costing $2,100,000, two-thirds of this paid by the Federal Government. They're making a profit on getting rid of their waste at this time.

The aluminum industry of our country has hired an engineering firm; and at cost of $15 million a community of 200,000 people can get rid of 500 tons of solid waste each

day.

The City of Palo Alto in California produces 15,000 kilowatts of electricity daily by getting rid of 400,000 tons of solid waste daily in their incinerators, modern incinerators.

The school Worcester Tech, at Worcester, Massachusetts, has a grant and their project is to look at something different; their project is to take the organic waste we pick up and try to get some further use out of it. They are now going to get from the organic waste that we have various types of oil. Our refuse is a gold mine, if we want to dig into it. There is not only tin, aluminum, glass, there is zinc and lead and iron. And just the other day, while we were negotiating in Washington, I saw a little article that in one of our midwestern cities some lady, as woman do, just reached into her purse and took out a little bit of tissue and decided to wipe her nose and she was very close to the wastebasket along the street but she decided, why should I have to dump that into that basket, she just tossed it on the street and walked away. About a half hour later she recalled that she had placed some diamonds that had been taken out of her ring in a bit of tissue and this caused her some concern. She went through her purse like mad and found, to her dismay, that she had tossed the diamonds in that tissue right on the street alongside of that garbage can. She hurried back but it was gone. This is just to prove that you may find anything in our refuse and we may find diamonds or gold or whatever it may be.

We have companies in this country that deal with sifting through this. We have several companies here in New York that try to take old scrap copper and from it they come up with gold and other metals that sold probably at a higher price than the copper they picked up.

So our interest is in doing something positive. With all of these programs that are available to us, I can't conceive the Department here in New Jersey taking a negative approach to a modern problem.

At the University of Maryland, the Bureau of Mines has another project in which they separate their garbage, shred it,

burn it, and then sell this too at a profit. I believe that all of the refuse that they get amounts to - they sell it at the rate of $12 per ton. I believe they pull it in at $3 per ton, that's the cost of collecting it and running it through the process; and, naturally, the same amount that comes in does not go out in sale but the salable product gives them an income of $12 per ton.

Now, to move back to this collection, the returnable bottle as against the non-returnable bottle or the returnable can or container as against the non-returnable - is there any rule or regulation involved in this legislation that will force the storekeeper to take back this bottle?

I can just picture the small grocery store in the neighborhood that doesn't have the size of the huge chain stores; he's very limited in space. If the neighborhood kids take up a collection of all the returnable bottles in the neighborhood, is he going to be forced to take these bottles? Are we going to be able to force the chain stores in this country to take the returnable bottles? Or will we, in the community, have to set up some means of collecting these bottles and thereby add to the cost of our community?

The real fall guy in this type of legislation is the consumer. Some people say, don't just tax them 5¢, hurt them a little more, charge them 10¢. And, as the good Assemblyman said, why not stop at $50 or $100?

The thing is to hurt the consumer. Well, the consuming public in this country is 200 million people and, if we try to legislate against those 200 million people, they're going to have something to say.

In the modern way of purchasing and packaging in this country, you are going to have to look at that consumer, because he's the buyer. And you have to make his purchases as convenient as possible to get him. We're in a very great competitive world. We've seen just a little of that this morning, in the approach of some of these men from business that their container is better than the others, it's easier to get rid of. So the

competition in this country is great. The consumer is going to go to the most convenient method of purchasing and he's not interested in being forced to come into a chain store with bags and bags of returnable bottles. Frankly, he'd rather toss them into a garbage can; and so would I.

In our garbage disposal system in this country, it's about time we got to picking up the garbage at our homes and getting it into either a city-owned garbage disposal plant or a privately-owned one, and start the process at that point. That's the convenient way. I don't have to have anyone put an extra load on my back.

In today's world there is enough of a load on each and every one of us, and I just don't agree on going back to ten years ago or a hundred years ago, or even yesterday. I think it's always better to look forward and hope that there's a better tomorrow, rather than look back on what we think was a great past.

So, gentlemen, I am hoping - and, incidentally, it has been said so many times today and covered by so many other speakers, I didn't want to get into too many of the details, but this could cost many jobs to our steelworkers in the can industry; it could cost jobs to our already hurt basic steel industry; it could cost jobs in the aluminum industry and the other packaging industries in this country. And I don't think we have to hurt them any more. And I just don't know how we're going to convince the American people that, if you tax a beverage container or a beer container or a milk bottle or a juice can, you're not going to move over and tax a can of tomatoes or the beans or any other container on that shelf. And all the consumer is going to see is another hidden tax coming our way. And there is no sense in saying you're going to get rid of the supermarkets; they're here to stay and they're going to get bigger. And we're going to be shipping our products and they're going to be on the shelves of those stores because the women and the men of this country demand that they be there. And when there is a demand by the American public, it's up to American industry to

supply it. And we have seen here in this country, because of the inadequacy and the refusal of the American automobile industry to do something about the consumer's needs in this country, they've reached out and purchased their small cars from European and Asiatic countries.

So, it's my feeling that I agree with Mr. Seales. Let's knock out this negative, restrictive legislation and let's get to some positive legislation for the people of our State and our country. And we, too, would like to appear back here again when we move to forward-looking legislation.

Thank you.

ASSEMBLYMAN WILSON: Mr. Moran, I am in agreement with you that in the future this is what we have to do, as far as developing a plant maybe similar to the one in Franklin, Ohio, but, being a government official and you a union official, realistically we know this is not around the corner, it's going to take a great deal of government funds to build a plant of this nature. As a Committee, we are interested in interim measures, and this is what we have to deal with at this time, an interim measure, whether it be through increased effort as far as recycling and so forth, but what you mention, as far as a plant and so forth, that's quite a little ways in the future. Look how long it has taken us to even upgrade our sewage treatment plants in the State of New Jersey. I think we have to take a realistic approach when we talk about non-returnable bottles or what to do with them, and so forth, but I agree with you as far as the plant but that still, I'm sorry to say, is way off in the future.

MR. MORAN: Well, I don't think it has to be off in the future. I think, on things that are necessary for the American people, we usually move slowly, much too slowly. The funds are available in Washington for some pilot programs but I think, more than that, that the Legislature here in New Jersey could start to take a good look at our own State and perhaps do something, with the help of the Federal Government, if necessary, but without the help of the Federal Government, also if necessary. And I think that the stop-gap measure

that you talk about is in the hands of some pretty good people, such as Mr. Seales and others. And then these other areas throughout our State where they're picking up bottles and cans and aluminum containers, and so on, these are temporary measures, these are the temporary measures. We shouldn't get those too far out in front because people's interest in this will wane after a while. So, while we have some stop-gap measures, I think it's absolutely necessary that we do something about this. We have to get out and shout from the rooftops about it, I guess, and get this legislation through, and through in a hurry, because it's 360 million tons of garbage that we have today and in maybe two or three years we're going to double that. And we soon can bury ourselves in garbage unless we act, and act soon.

ASSEMBLYMAN WILSON: Assemblyman Fay?

ASSEMBLYMAN FAY: No questions.

ASSEMBLYMAN KIEHN: No questions.

ASSEMBLYMAN WILSON: Thank you very much, Mr. Moran, Mr. Merck.

A L B E R T W. M E R C K: Mr. Chairman, my name is Albert W. Merck. I reside at Corey Lane, Mendham, New Jersey. I am a Republican nominee for the State Assembly from Morris County District 10A in this year's election.

I support Assembly Bill 2212. My view of the proposed legislation is that it is a small but necessary step towards the eventual recycling of virtually all the reusable materials which now end up in our sanitary landfills and incinerators.

I am in favor of A-2212 but I believe it can be improved. If this proposed bill is passed, there is concern, particularly among those employed by the glass bottle manufacturing firms, such as the Thatcher Glass Company of Wharton, which is in my district. They are concerned that a reduction in the number of non-returnable containers produced will result in fewer jobs.

I believe this bill can be improved by first requiring an impartial study of the non-returnable container industry

to determine the number of persons whose jobs would be directly affected by the bill, and I would hope this Committee would obtain such data before reporting the bill out.

Further, the state and local municipalities will receive both economic and aesthetic benefits from this legislation. I recommend that those economic savings be calculated, wherever possible, and that a portion of those benefits be appropriated as a part of this bill to provide for the retraining, relocation, or possible early retirement of those employees whose jobs may be affected by actions of this bill.

The Department of Labor and Industry has a very active interest in the jobs to be provided in the State, and they should be asked to assist in the estimating of impact on jobs as well as making arrangements to take care of displaced workers, if any. The bill should not take effect until these preparations have been made.

I would hope, too, that the Department of Environmental Protection would offer suggestions in the near future for the Legislature which will lead to new laws requiring the separation of other recoverable materials, notably paper products, and recycling of all of them.

This could spur the creation of many new job opportunities. It would be logical to place any workers affected by A-2212 in such newly created positions.

Thank you, Mr. Chairman.

ASSEMBLYMAN FAY: What is your economic plan for these replaced,unemployed workers?

MR. MERCK: I believe, sir, that we can calculate certain economic benefits, both to municipalities and to the State at large, which could result in less litter and less solid waste having to be disposed of. If these economic benefits, which I believe are real, could be assessed, I think we could logically offset those benefits by appropriating a portion of them to assist in the retraining and relocation, or possibly early retirement, of any workers who might be displaced should this legislation affect them. In other words, I am

proposing that we trade off the benefits that we hope to get from the bill to take care of anyone who may be possibly adversely affected by the bill.

ASSEMBLYMAN FAY: Well, if these AFL-CIO figures are accurate, you would have to come up with a program for approximately 10,000 people. If you can do that, you should run for the Presidency, not for the Assembly.

MR. MERCK: Mr. Chairman, I suggested an impartial study of the effects of these bills.

ASSEMBLYMAN WILSON: Assemblyman Black?

ASSEMBLYMAN BLACK: Yes, I have a few questions.

Mr. Merck, do you feel that we would have to perhaps come back with the old heavy glass bottles for deposit, or would we be able to go right ahead with the present molds that are being utilized?

MR. MERCK: I am not qualified to answer that, but my faith in American ingenuity is such that everything that industry produces this year is certain to be replaced by something else very soon.

ASSEMBLYMAN BLACK: Well, you see, I asked this question because I, too, have faith in American industry, although it's sorely strained at times. I question, when the State of New Jersey is having difficulty controlling the flow of narcotics into the State, where we would, first of all, gain the the addtional people on a state income to identify bottles that have been sold in New Jersey as bottles that have been sold in New Jersey. That's point number one. And, secondly, how would we prevent, if we did not identify these bottles, -- how would we prevent bottles from coming across the bridge from Pennsylvania, -- bottles that haven't had deposits paid on them --, and having people collect them and receive the deposit? This has me utterly and completely amazed. I agree that perhaps we would need more than the 10,000 people we would put out of work. We might be able to solve the entire unemployment problem in the State of New Jersey by having all the unemployed people on the rolls stamp the bottles with a New Jersey stamp

or stand at the boundaries and check every vehicle coming into the State.

MR. MERCK: May I comment on that?

ASSEMBLYMAN BLACK: Please do.

MR. MERCK: I do not have the solution. However, I would point to our neighboring state of Pennsylvania which has some highly restrictive regulations that concern the food products, and if food products are to come into Pennsylvania they must meet certain specifications and that must be shown on each package. I am not sure that this is transferable but I notice, in other context, it has been done.

ASSEMBLYMAN WILSON: Thank you very much, Mr. Merck.

MR. MERCK: Thank you very much, bentlemen.

ASSEMBLYMAN WILSON: Mr. Guagliardo, United Steelworkers.

J O H N D. G U A G L I A R D O: Mr. Chairman, members of the Committee, ladies and gentlemen, I am John Guagliardo, President of Local 3913, United Steelworkers of America, AFL-CIO. I am employed at the Paterson Plant #48 of Continental Can Company. I speak against this bill, A-2212, and take this opportunity and the liberty to express my deep concern in behalf of the 1300 citizens of my local in our State whom I have the privilege to represent as President.

Problems of ecology are far too serious to be treated on a piecemeal basis, with each of the 50 states going its own way, and with inadequate research and study being made on the federal level. I come to you today to ask you to reflect with me a moment in regard to pending bills and doing away with bill A-2212.

Whereas, here in our state we are hurrying through the State Legislature a bill that would bar the wholesale or retail sale of --

ASSEMBLYMAN WILSON: Excuse me. I would like to clarify that. We're not hurrying through. If we were hurrying it through, we would not be holding a public hearing. We're just having a hearing to get opinions.

MR. GUAGLIARDO: Well then, you're getting my opinion.

My mistake in saying "hurrying it through." It is brought forth that you would bar the wholesale or retail sale of non-returnable containers. Gentlemen, the adoption of such legislation would wipe out jobs by the thousands at a time of mass unemployment in our nation and in our State. This would cause a large scale of unemployment which would outweigh any benefit that would accrue.

Litter is a problem in all cities, but what everyone is losing sight of is that neither the container nor the manufacturer are to blame. Gentlemen, let's use common sense. The containers do not litter, people do. Those irresponsible characters who cause this condition in our cities should be penalized, not the working people producing the containers. If anything, Mr. Assemblyman, you all should take action against those who are guilty of this gross act. To pass this bill with no regard to its effect would be an easy way. Solid waste is a serious problem in our American cities; it is getting increasingly worse. However, the principal question in my mind is, does the banning of non-returnable cans accomplish the goals being sought? Look at our highways. Don't we also face this problem of litter? Does this mean that we will place into legislation a law banning the selling of cars? Of course, not. It is silly to think of it, for how can a car litter? It is the individual who does the littering. So, what has been done? We have imposed a fine for littering on our highways. Well, Mr. Assemblyman, what is the difference between the car and the container?

In closing, let me point out a fact which I'm sure you are all well aware of, on the question of the 5¢ deposit on non-returnable containers. There is a very great danger in returnable containers. They will lie around in the department stores in our communities and create a much greater problem to the health of our citizens. These returnable containers will draw roaches, dirt, ants, and many other insects by the thousands which, in effect, will bring greater danger, and now we have a health hazard to our citizens in our communities.

Gentlemen, someone should consider that factor of safety to our citizens also. So you can see it is truly not a simple problem. Recycling is the solution to solid waste pollution. I am ignorant in this phase of the solution. I'm sure that there are many experts here who would bring out and have brought out the facts and the feasibility of recycling, for they have done considerable research in this field.

Another factor that I just thought of. You all know that we have a tremendous problem in our cities regarding crime. Our wives, our children, for nickels and dimes, are being attacked by people all over the cities. It's not only in our State, it's all over. For nickels and dimes they are being attacked. Can you imagine what could happen if returnable deposits on cans or bottles or any containers, and I should go out and buy two cases - I go out shopping once a week, most everybody does in this country, and we store these cans in our cellars because we don't go there every day - how this would help to increase crime. We're safe today in our homes because of the fact they're our homes. They won't come into your home, though they do. But imagine if we have to store these cans in our cellars? We won't even be safe in our homes. The police departments now have problems, as it is. None of us would be safe in our homes. We'd have the dope addicts and what-not coming into our cellars, breaking our windows, to get those returnable bottles to get the money on them. It's not as simple as everybody thinks. There are a lot of factors in this.

I close by stating, Mr. Chairman and Assemblyman, please do not forget, containers do not litter, it is the individual who litters.

Thank you very much.

ASSEMBLYMAN WILSON: Any questions? (No questions)

Thank you very much, Mr. Guagliardo.

Would the representative from Princeton High School like to present a statement?

T O M  G O P S I L L: My name is Tom Gopsill. I would just like to clear something up. You said, representative from Princeton High School; I'm representing all the high school students of Princeton. We have three private schools and two public schools.

I would like to start with a quote from TRUE Magazine:

"Each of us is not only his brother's keeper, he is the keeper of his animal and plant brother as well; the keeper of the air he breathes, the water he drinks and the soil he stands on. We are all planet-keepers and in all the universe we have only this one planet to keep."

Is ecology a fad, a diversion from other national issues?

People claim that the environment will never be saved until man lives in harmony with nature, and they claim this is impossible. But, isn't this the final step? What about the first step - harmony bwtween man and man, citizen and industry.

I am a firm believer that before too long industry and the scientists can be the conservationist's best friend. But many don't see it this way; instead, they see industry as a negative, this see this noise, sludge, smog and erosion. But industry isn't all negative and conservationists can always say, "you can't do this, you can't do that," but, instead, the two must work together for the good of our natural resources.

The young people in this country are for this. The Boy Scouts - there are 5 million of us in this country - are beginning to unwind with project SOAR. Hundreds of students are volunteering time at recycling projects across the country. Also, students are working on paper recycling in schools.

Today we face an issue of returnable containers. Almost everyone here, that I've heard, spoke favorably on recycling, whether they were for or against this bill. Yet, it does not good to talk and dream about it while bottles still collect in dump yards and clutter the countryside.

Recycling, to me, is like pollution of a lake. We cannot solve the pollution of the lake until we look into the tributaries. It's the same way with recycling. What makes up recycling is the bottles, the trash, paper, plastics. We must start somewhere. We can't start right in the middle. This is what we're working for today.

Is ecology still a fad? I have signatures here of 525 students, which I gathered yesterday from the Princeton School System, high school age, and they're all in favor of this bill to place a control on non-returnable bottles.

The bottles that are behind you. Do you want us to leave them or do you want us to return them? Think about it. Then multiply by 200 million. Are returnable bottles still a trivial question?

Thank you very much.

ASSEMBLYMAN WILSON: Any questions?

ASSEMBLYMAN BLACK: Yes, I have one question.

Yesterday, you said, you secured 500 signatures?

MR. GOPSILL: 525, right.

ASSEMBLYMAN BLACK: Were all of the signers of that petition aware of all the factors that were made evident and public today, that you overheard?

MR. GOPSILL: Well, I'll admit that I've learned many things today at this meeting. We talked on Monday and then I passed the petition around on Tuesday during lunch, and stated the situation on returnable bottles, which we did talk about today. Some of the things, I do not agree with, about the stress on industry to change their systems to clean bottles, things of this nature. Well, we have 1,000 kids in the high school and we got about 400 from the school just during one lunch period. Some are against, but most are for.

ASSEMBLYMAN BLACK: I was interested in whether or not you were planning on advising the fellow students as to what you heard today, when you go back.

MR. GOPSILL: I'm planning on it, yes; and I'm hoping that you'll pass this legislation.

ASSEMBLYMAN BLACK: That's all. Thank you very much. Good job.

ASSEMBLYMAN WILSON: I would like to ask, how old are you?

MR. GOPSILL: 17.

ASSEMBLYMAN WILSON: 17. When will you be 18?

MR. GOPSILL: This November.

ASSEMBLYMAN WILSON: Well, what I just wanted to mention to you was the fact that by being here today you learned a lot about there being different sides to every issue, and this is the reason for having hearings. And as you become old enough to vote, this is what the young people have to keep in mind too, as far as candidates. And I think what you learned today about a bill which seemed so simple, it's only one page, there are many ramifications, just as there are when you vote and you should take your right to vote very seriously.

Glas to have you here.

Mr. Lohrfinck, Secretary to the New Jersey Soft Drink Association.

W. L. L O H R F I N C K: Gentlemen, I speak for the New Jersey Soft Drink Association. I want to, first of all, thank you gentlemen, all of you, for the opportunity to express our views. I think you also are to be commended for attempting to dig out all of the facts in what is really a complex, not a simple problem.

In the interest of time, I am not going to read this, I have left copies for you, but I would like to make a point or two if I may. (See p. 170)

For example, we thoroughly believe in educating people not to litter, and encouraging recycling. We also feel, based on some experience, that this can be effective, as Henry Seales has pointed out, and others. We also feel that in educating people an effort should be made, and we have made this effort, - for example: Our organization over the years has distributed hundreds of thousands of litter bags to be used in cars and

automobiles, as a reminder to people not to littler. We have made available short educational films that have been used in schools and civic groups, with the same thought in mind. We have, through some of our people, run newspaper ads and they have placards on the back of their trucks, all with the same point, reminding people not to litter. We have also worked with an organization which is based in Ohio, which distributes metal litter containers. There are several thousands of those that have been made available, some right here in Trenton, for the purpose of endeavoring to have people keep the streets clean through the availability of these metal containers.

And, finally, if I may, we've noted in some of the newspaper reports that the Monmouth County Board of Freeholders is actively considering a regional approach to the collection, shredding and recycling.

Finally, because industry and government are both seriously concerned with this, we really feel a joint approach to this can be the answer or at least a step in the right direction for solving the problem.

Thank you.

ASSEMBLYMAN KIEHN: Thank you very much, Mr. Lohrfinck.

Assemblyman Fay, do you have any questions?

ASSEMBLYMAN FAY: No.

ASSEMBLYMAN KIEHN: Thank you.

William Pearce, Coca-Cola Company.

W I L L I A M P E A R C E: Gentlemen, thank you for this opportunity to present our views.

My name is William Pearce. I am Vice President of the Coco-Cola Bottling Company of New York. It's getting very late and much has been said. I have a long statement and only three very short points.

We operate five production and distribution centers in the State of New Jersey, along with two other independent Coco-Cola Bottlers and two warehouses, which brings the total to nine production and distribution centers.

We believe that we make a contribution to the general

economy of the State of New Jersey, but, also, as responsible business citizens of the State of New Jersey, our Company shares the concern for the solid waste disposal problem. Bottles and cans are part of this problem, and we recognize full well that along with all manufacturers and all retailers and all consumers, we contribute to the problem. Thus, over the past several years we have established the following program in an effort to make a contribution to the solution.

First, during 1968 and 1969 we aggressively promoted the returnable-deposit bottle. At that time it accounted for over 40% of our total business. This effort consisted of over $250,000 worth of newspaper advertising plus $50,000 in point-of-sale advertising.

Gentlemen, I can assure you that ours is a voice in the wilderness. In spite of our tremendous promotional effort, our returnable bottle business has decreased from 40% to less than 25% of our total business today.

Number two, on December 28, 1970, we increased the deposit on our returnable bottle from 2¢ to 5¢, the return rate of which had fallen from 25 trips to 5 trips over the past decade. We did this because we felt the present state of awareness and concern may help save, or at least extend the life of the returnable bottle.

Now, there were preliminary signs that this strategy might be working. But our records now show that the return rate has not increased. As a matter of fact, it has fallen off to the point that our returnable bottle is fast becoming a one-way bottle. Gentlemen, this fact is tremendously significant because I don't believe that there is any bottling firm in the United States that has expended more time, money and effort than the Coco-Cola Bottling Company of New York in an effort to sustain the life of a returnable bottle.

Recognizing all these facts, our Company is attempting to fulfill its responsibility to the public through the establishment of 18 glass and aluminum can collection and

recycling centers at our plants in New York and New Jersey.

These centers opened Saturday, March 20, 1971 and are open from 10 to 3 p.m. every Saturday. We pay the consumer 10¢ per pound for aluminim and 1¢ per pound for glass; and, of course, 5¢ for returnable bottles.

Now, in New Jersey alone, since March 20, we collected over 3 million pounds of glass and 138,108 pounds of aluminum and paid the consumers over $60,000 for these cans and bottles. Our overall payment to the consumer, for all 18 of our collection centers, amounted to over $200,000 for these 26 days of collection. And we removed over 13 million pounds of glass and aluminum from the solid waste stream. Our investment is primarily in promotion and manpower which we estimate will cost us in excess of $500,000 in 1971.

Gentlemen, we outline these programs not to pat ourselves on the back, but to point out that positive steps can be taken by industry to help solve the solid waste problem on a short-term basis.

Long-range solutions to the solid waste problem rest with advanced technologies and a systems approach to the collection, disposal, separation, and recycling of materials. Such systems are now in a testing stage. We believe that they will be an economic reality in the not-too-distant future.

And I don't want to say any more about the Black-Clawson facility in Franklin, Ohio, but I had an opportunity to visit it, and I would suggest that anyone who is deeply concerned about environmental problems visit that plant to realize that the systems approach is an obtainable goal.

One further comment. Mr. Dennis, in his opening remarks, stated that the problem is not yesterday; it certainly isn't; it has taken us a long time to get where we are with the problem, and certainly the solution isn't tomorrow. And if we do have faith in American ingenuity, as has been stated, I think we should give that ingenuity a little time to work and I believe that it will.

Gentlemen, any questions?

ASSEMBLYMAN KIEHN: Yes. In your five plants in New Jersey, you probably have the same problem mentioned earlier about the Canada Dry people, where they sold 600,000 cases and only had a return of 275,000.

MR. PEARCE: I think that you're really referring to the statement made on the Pepsi Cola experiment.

ASSEMBLYMAN KIEHN: Well, it was the Canada Dry people that --

MR. PEARCE: Oh, this is the letter you received.

ASSEMBLYMAN KIEHN: Yes.

MR. PEARCE: Yes. What I'm saying is that our trippage ten years ago was 20 trips and I believe Mr. O'Neil related the fact that he felt that this could be an attainable goal. Well, the fact remains that it is a fantasy goal because today, with aggressive promotion on returnable bottles, our trippage is 5 times, and shrinking. What I am saying is that the consumer is paying the 5¢ and throwing the container away.

ASSEMBLYMAN KIEHN: And most of your storage, too, is outside, isn't it, of the returnable bottles until they're ready for the cleaning process and refilling?

MR. PEARCE: Is the storage outside?

ASSEMBLYMAN KIEHN: Yes.

MR. PEARCE: No, sir. On returnable bottles, it's a pretty good cycle. In other words, they're coming in and going out.

ASSEMBLYMAN KIEHN: I know I did pass - I'm not sure it was a Coke plant, but I did pass one of the plants and I noticed cases of --

MR. PEARCE: Well, now you did. You're referring to our plant up on Route 1, and those are cases that we have a tremendous investment in and they're just sitting there. A million dollar investment cases and they're sitting in our plants, they're sitting on the outside and we have no use for them because the overwhelming process of the consumer and the retailer has just brought us down to a segment of business that is relatively small.

ASSEMBLYMAN FAY: Mr. Pearce, as a corporate officer of a national corporation, I hope that you are as upset and angered, and I hope everybody in the unions, everybody in the ecology groups are, as I am over the credibility group of the Federal Government appropriating $4 million for a problem like this. And you paid out more to the consumers, your one company paid out more to the consumers for these returns than will probably be spent by the Federal Government and State Government on this crisis. So, obviously, the priorities that everybody here is involved with and upset about, - the people to go to is certainly our Federal officials, as well as our State officials.

MR. PEARCE: There has been much discussion on that today and I really believe that this is going to resolve itself because there are members of the Soft Drink Industry - and I'm sure one of my colleagues will bring this out - working very closely with the Federal Government on this project and the Recovery Act. It has just taken a little time. This is a relatively new agency and there is a lot of work to be done.

ASSEMBLYMAN FAY: Thank you.

ASSEMBLYMAN BLACK? I would simply like to add a comment to what you have just said, sir. The four hundred, plus, million put forth, I am sure will be put forth over a period of time and it takes time to develop a program and qualify for this money. I think you've done an excellent job and I certainly commend the Coco-Cola Company, and I am very thankful for this report.

MR. PEARCE: Thank you.

I would like to make one comment on the light side. I certainly want to commend all my neighbors from Princeton and, very sincerely, they've done a tremendous job in their recycling effort; but I also want to say, I do have a son in high school and I know he supports the recycling program but I'll have to check and see if his name is on that list. (Laughter)

ASSEMBLYMAN KIEHN: Thank you very much.

Is Mr. Scally here?

J O H N F. S C A L L Y: My name is John F. Scally. I am Vice President of New Jersey Royal Crown, which is an affiliate of New York Seven-Up, and the New York Royal Crown Bottling Company. We serve a twenty county area in New York and New Jersey with a population of 17 million.

In speaking before you today, I am going to eliminate some of my testimony in order to be brief.

The legislative proposal before you today has as its avowed objective a reversion by our industry to returnable type packaging. The necessity of such a return would clearly and simply put our company out of business. Let me explain.

After doing everything possible to preserve the returnable bottle, including increasing the deposit to 3¢ and 7¢ per bottle, we were forced to convert to the non-returnable glass bottle and the metal cans as a matter of economic survival. We did so in response to consumer pressure. The customer said to us: "There are more than ten thousand items for sale in retail markets today and you soft drink people and beer people are the only ones who charge a deposit and put us to the inconvenience of storing dirty bottles and carrying them back to the stores for you. Well, we are just not going to do it anymore." And they didn't; not even on the bottles that carried a 7¢ deposit. The consumer made it economically impossible for us to use returnable packaging. We sold off all the bottles that we had left at half or less than half their value. We sold off or were forced to junk the production machinery for returnables, and then went to great expense to install new equipment to produce non-returnable bottles. We are in that 100% non-returnable position today.

A forced return to returnable bottles would thus, in effect, put our company out of business. The reasons why the proposed ban on non-returnable bottles and cans would put our company out of business are clearly detailed in a letter written by the President of our Company, Sidney P. Mudd, to Senator Bernard C. Smith, Chairman of the Senate Committee on

Conservation and Recreation of the State of New York.

Rather than read the letter here, I have attached it to copies of the testimony which I left with you today. I can tell you what it says in three short sentences. (See p.182)

1. A forced change to returnable packaging would cost my company alone approximately $21,111,000.00 in the first year of such a change.

2. A forced change would make obsolete approximately $1,150,000.00 worth of present modern equipment.

3. The cost of conversion is utterly beyond the total resources of this company. Not even our total annual gross receipts equal $21 million.

We share your concern on the problems of litter and solid waste, and, we as an industry, pledge our cooperation to work with government to bring the problem to a quick and logical solution.

Gentlemen, in speaking before you today against the proposed bill on banning non-returnable bottles and cans, we are not engaged in some version of local lobbying or some appeal for a self-serving favor. We are quite clearly fighting for our continued existance in New Jersey. We want to be certain that you understand that very clearly. In the name of the 500 families who depend on our company for a livelihood, we ask that you reject this proposed bill and thus permit us, and others, to remain in business.

Thank you very much. Any questions?

ASSEMBLYMAN WILSON: Any questions?

Thank you very much, Mr. Scally.

Mr. Chikola.

P E T E R C H I K O L A: My name is Peter Chikola and I am President of the Chikola Beverage Company of Wilkes-Barre, Pennsylvania, and we're bottlers of soft drinks. It's a family company, started by my father and his brothers in 1911. I bring this out to point out that we actually bottle soft drinks; we're not just a distributor. We're also members of the National Soft Drink Association.

I wish to thank Assemblyman Dennis, Co-Sponsor of the bill under consideration, for asking me to come down to Trenton today and present my viewpoints on Assembly Bill 2212. And I also wish to thank Mrs. Lois Grayson and Mrs. Stanton Waterman who are citizens of the State of New Jersey who, likewise, asked me to come down.

I'm sort of a wild duck in the soft drink business because I'm a soft drink bottler and I'm a proponent of the returnable deposit bottles instead of the metal cans and throwaway beverage containers for soda and other beverages.

There has been a lot said about recycling today on both sides of the issue, and I would like to point out that a returnable soft drink bottle is basically - it can be recycled and reused as high as 50 times; and that the returnable bottle system is a time-proven system of recycling and it's a system that has been in effect in the soft drink industry for 70 or 80 years. These returnable bottles can be brought back to the local bottling plant and reused, as I say, as high as 50 times, and then, when no longer serviceable, they can be broken into cullet at the bottling plant and returned to the glass factory to be melted into new bottles or glassphalt roads or building blocks, or what-have-you. And I submit that this is the ultimate solution to the environmental pollution in the form of a massive litter problem and garbage solid waste explosion caused by the advent and use of the metal can and throwaway bottled beverage container.

And I might add that this is a recent addition to the American scene. These containers have really only taken hold in the last three or four years. And the present day bottlers, the proponents, in fact the entire industry has found that they have maneuvered themselves to the horns of a dilemma concerning the use of these containers. But the drive toward single-use, throwaway containers is still continuing, - this is my opinion - in the bottling industry. This is common knowledge within the industry that they are a great threat to the ecology. And I say that this drive is

not the result of consumer demand but has been pushed by giant companies in the container, supermarket, and some of the large bottling companies in the industry.

And, as a point of reference, the Glass Container Manufacturing Institute in 1969, I believe, used in promotional literature to all bottlers that they were spending $6 million to convince the American people that they should buy the beer and soda in this type of container.

Soft Drink Industry publications and other publications available in Washington, the Department of Commerce, have shown that the projected growth in the use of these throw-away containers would go from using 2 billion containers annually under the returnable bottle system of distribution - all that we, as industry, would have to buy would be replacement containers, these containers that are, as I stated before, no longer serviceable and would be culled out and destroyed within the bottling plant.

To go to a system of 100% throwaways - and this is the direction this industry is going into, and there has been talk that this would have been accomplished by 1975 or 1980, and I believe they would have made it if it wasn't for Earth Day of 1970. I think this was a turning point. And I don't believe that the throwaway container within the soft drink industry is considered the way of the future. It has caused considerable problems and a lot of misgivings throughout the entire industry. There are other bottlers in the soft drink business in this country who feel as I do.

I want to point out that throwaway containers certainly do not bear their true economic cost and their environmental cost as a way of doing business, since we are now trying to shift the burden of recovery of our containers from the private sector on to government at all levels, starting with your lowest level of municipality up to state and federal.

I have been told by various people in government - people from the Governor's Office in the State of Michigan told me that they spent, and they kept accurate records on this, $17

million just picking up the litter from the State portion of the highway, and they do not have control of or responsibility for the entire State - $17 million in one state, just picking up from the state highway system. And the remark was made by the Governor out there that this $17 million of taxpayers' money could certainly be placed to better use than picking up beer and soda containers.

Last November, at our annual convention of the National Soft Drink Association, which was held in Philadelphia this year, I submitted a resolution which read:

"Resolved, that the National Soft Drink Association recognize the many environmental problems facing America today and pledges to do its part in solving them; that this Association take a secret ballot survey, by mail, of all bottlers in the Country as to their willingness to institute an industrywide voluntary ban on the sale of soft drinks in nonreturnable containers. And, further, I ask that the results of this survey be made known to all members of the National Soft Drink Association, as well as non-member bottlers, and that action, if needed, be taken accordingly."

I didn't ask that they take a position now; all I asked them to do was to survey the membership and also the non-member bottlers of the industry, and they refused to do this. My resolution was presented to the Resolution Committee and it was rejected; it wasn't brought to the floor for a vote by the bottlers.

In the northeastern section of Pennsylvania, I have been supporting the returnable bottle, and I have been getting out and telling the people the advantages, the ecological advantages as well as the consumer economics involved, - since they are required to pay 20 to 25% more when they buy their beverages in the pollution causing container. And my program, or at least by getting out and educating the people, asking them, has been very, very successful. The northeastern section of Pennsylvania is still 95% returnables. And we had some problems up there

with the consumer not being able to buy them at the supermarkets. They had signed that after a certain date they would no longer sell them. And they put Mrs. Housewife on notice that if you want to purchase soft drinks from them it had to be in a can or throwaway bottle. Due to prodding by consumer and various housewife groups they reversed their position and it is now possible, in most of these stroes, to purchase soft drinks in returnable containers.

In closing, I want to point out one other factor, which only a member of the Soft Drink Industry can be aware of. It is extremely difficult to be able to purchase returnable deposit bottles from the glass industry in this country today. I've had a very, very difficult time. In fact, two weeks ago, I called two of your glass companies down in the State of New Jersey and they told me they are no longer making returnable bottles because there is no demand for them.

So, I feel very, very strongly, since the container industry is trying to sell the people the idea of taking their containers back to some remote center, recycling center, - They've got to carry them back -- these are the same people who are saying that consumers won't return their soft drink bottles back to the store.

One of the problems we've had in the industry, and I don't want to get into the behind-the-scenes battling and the reasons for it, I don't think it's pertinent to this discussion - was that the industry was locked into the 2¢ and 5¢ deposit up until -- in 99% of this country, up until last year. It's only with the advent of all this discussion about ban the can laws and mandatory deposit laws that the deposit structure moved away from 2¢ to a nickel.

We, in the section of Pennsylvania that I come from, in April went to 5¢ on a small size soda bottle, up to 16 ounces, and 10¢ on anything larger. The impact on the

market - we haven't lost any sales, it's not hurting anybody's pocketbook. They are bringing the bottles back. I don't think anyone in that section of the State throws away a soda bottle today. And it used to be that you would see a lot of Coco-Cola, my bottles, all returnable soda bottles that were worth 2¢, strewn along highways. I noticed that kids would buy them and wouldn't even exert the effort to take them back to the store, they would leave them out on the sidewalk. With this higher deposit, this 5¢ and 10¢, I find this seems to be the key for getting our bottles back as we never had before. I think it's the answer, gentlemen.

You may say, and I've heard the arguments, why pick on the soda business; you're not going to tax the ketchup jar or the pickel bottle. Well, I submit that we as an industry are used to working with the returnable deposit system and we are geared to this system. There are some bottlers, and I've heard some testimony today where they've committed themselves 100% to the throwaway container. As a businessman, I say they moved a little too fast on an unproven item. And it is going to cause problems, a return to the returnable. But I also submit, if we don't do it as an industry, if we don't seize the initiative, people outside of the industry, mainly the housewife and the ecologist and people interested in the environment, are going to do it for us.

That's all I have to say, gentlemen. Are there any questions?

ASSEMBLYMAN WILSON: How big is your operation?

MR. CHIKOLA: I have a capacity - and I am only going to speak of capacity because I don't want to divulge what I'm doing, I don't believe any businessman should do this - 1,000 cases a day of quart bottles. I'm not fly-by-night. We've been in this business. Our bottling machinery, we just purchased it, new. As a rating between my plant and 3300 bottlers in this country, I would say

I would rank in the upper one-third in size.

ASSEMBLYMAN WILSON: So your testimony, to sum it up, is that you feel that the industry is so locked in, the soda industry and the drink industry, breweries, and so forth, and also the glass industry, that they've converted into this type of machinery that manufactures one-way bottles and it's too costly for them to retract.

MR. CHIKOLA: Not really. I think they can get back. In fact, in certain states, I can buy - I've gone on public record as a bottling company and we've committed ourselves to a company policy and refused to fill throwaway containers. We've lost some accounts. People have said that they're going to go with the tide. That's how they feel. We just drop them. We hate to lose - any businessman hates to lose sales and lose an account, but there weren't that many and it hasn't hurt us.

ASSEMBLYMAN WILSON: Why is it that you have not converted? Is it because of the additional cost of the machinery?

MR. CHIKOLA: No. I can use the same equipment that I use to fill the returnable bottles to fill the throwaway bottles. I would have to subject the throwaway container in the State of Pennsylvania to the same treatment at the beginning of our production line as I do with the returnable. The State has some pretty strict sanitary laws, and so forth. In some areas they are allowing them to buy a rinser, just to give the containers, as they come from the container manufacturer, a simple water rinse or a shot of air and they are able to fill them. In Pennsylvania, they must be submitted to the same sanitary requirements, going through a caustic solution for a certain amount of time in water heated to a certain number of degrees. So, from the standpoint of production, I have the capability of going into them, if this answers your question, and it's simply a matter of company policy and our feeling on this entire issue that we have not.

ASSEMBLYMAN WILSON: What percentage of your bottles, say during the year, are not returned?

MR. CHIKOLA: I feel that we're getting our bottles back to 45 fillings and I anticipate it to go higher now that we've gone to a higher deposit. We had problems with the 2¢ deposit. They were using these things as throwaway containers. And this entire problem of people throwing returnables away seemed to come with the advent of the can and the throwaway bottle, then we started to educate the consumer to drink and drop or drink and throwaway. I say this is where the industry has itself on the horns of a dilemma.

ASSEMBLYMAN WILSON: Well, which costs the consumer more, throwaways?

MR. CHIKOLA: Beer, soda and throwaway bottle soda, yes.

ASSEMBLYMAN WILSON: How much more?

MR. CHIKOLA: Twenty to twenty-five percent more for the same product. If it's Coco-Cola in a can or throwaway bottle; the same ounce per ounce, would cost more in a can or throwaway bottle, of if it's Seven-Up, or if it's my product. The reason for this is, the reuse of the container. A throwaway container roughly costs, a can, in the neighborhood of $50 a thousand. They may be lower based on volume consideration but I think we can use a 5¢ per can or 5¢ per throwaway as a relationship here. A returnable deposit container costs, based on its lowest price, based on volume consideration, in the neighborhood of 10¢. The consumer pays that 5¢ when he buys it and uses it one time. He only pays a rental charge - Schmidt's Brewery is now advertising the rental bottle campaign - you only pay a prorated charge every time the bottle is used. And, of course, the more times a bottle is used, the less the cost.

Any other questions?

ASSEMBLYMAN BLACK: I have several questions.

With regard to volume, you mentioned 1,000 cases per day, general volume. What, roughly, is your turnaround? What do you anticipate your turnaround to be?

MR. CHIKOLA: My turnover? My bottle usage?

ASSEMBLYMAN BLACK: No. Your turnaround. Bottle after bottle back, timewise.

MR. CHIKOLA: We're getting them back, especially since we've gone to this higher deposit. The first real indicator you get is - our trucks go out, say with 150 to 200 cases, and they come back with 150 to 200 cases empties. I won't be able to calculate this until the end of the accounting term and the end of the year. But I have very strong indications that we're just not losing the returnable bottles.

ASSEMBLYMAN BLACK: You mentioned quarts. Is the major part of your business in quarts or is it in a smaller size? a six-pack size?

MR. CHIKOLA: Again, I don't want to get into that.

ASSEMBLYMAN BLACK: Oh, I'm sorry.

MR. CHIKOLA: There has been a trend, for some reason that's unexplainable to me, - I'm delighted with it because it's more profitable - away from my quart size to my smaller bottle size which is becoming a higher percentage of my total sales.

ASSEMBLYMAN BLACK: I don't know the brand name, sir, I haven't checked the list, but I'm wondering if it includes a whole range of flavors.

MR. CHIKOLA: Yes.

ASSEMBLYMAN BLACK: It includes the full range?

MR. CHIKOLA: Yes. We are an independent soft drink bottler.

ASSEMBLYMAN BLACK: I have a number of questions here but they all pertain to business and I don't want to ask them.

You mentioned that a number of people asked you, over a period of time, to go into a throwaway type container and you did not see fit to, and I was wondering why they seemed to desire to have you go into a throwaway type container.

MR. CHIKOLA: Because the other companies were and they decided they did not want to handle returnables - I'm talking about retailers now, the storekeeper. They were just going to handle the major brands and all of their soft drinks would be in either a can or throwaway bottle, and they did not want to handle the empty container.

ASSEMBLYMAN BLACK: Would it appear to you that the consumer indicated his preference to the retailer for a throwaway rather than a returnable?

MR. CHIKOLA: Well, in one instance which pops up in my mind, an account that changed hands and immediately upon the new ownership, the new owners, within a month, decided they were going to convert, and it was an account where there was no problem with bottle returns and they did a very nice business. The woman who operated this particular store had no problem. She was just the opposite. She had no cans or throwaway bottles.

ASSEMBLYMAN BLACK: I'm wondering if possibly - I know when my wife goes to the store she reads the labels and determines what the quantity is and what the price is of the article, and I feel that perhaps the consumer has dictated that they prefer the convenience of the throwaway versus the inconvenience of the returns simply because the statement has been made that you get either a lower volume of merchandise in a throwaway container or you have the opportunity of buying returnable material at a lower price - materials packaged in a returnable container. So I am wondering, therefore, if they are willing to sacrifice volume, let us say, and pay a higher premium at the present time, how are we going to change their thinking by attempting to force them to break the habit of putting the bottles in the trash can and resume the habit of bringing the bottles back?

MR. CHIKOLA: You'll have to rephrase your question. You lost me somewhere along there.

ASSEMBLYMAN BLACK: All right. I'm trying to convince

myself in my own mind that --

MR. CHIKOLA: That the consumer is demanding this thing? Well, I can just give you instances of the supermarket, of what I feel the trend back to returnables is in this area. Even though there was a strong merchandising, advertising and just plain push by the people who wanted these containers to be hit, the supermarket people, as I indicated, had committed themselves to strictly selling soft drinks in throwaway containers, both the can and the bottle. And they have since had to reverse their position because of consumer demand, and education as to the harm, plus the fact that I think they did it as a matter of tactic so that the consumer couldn't determine that the can was going to be higher priced. They removed them, one, two, three, and that was it. I think it was a tactic on their part so that the housewife could not make this comparison, this price comparison. And I think the fact that they had to reverse themselves and replace returnable bottles back on the shelf, of all brands, is significant, really. This was an outgrowth of consumer demand.

ASSEMBLYMAN BLACK: Have you given any thought to the results of the Pepsi-Cola situation in New York?

MR. CHIKOLA: Again, I've seen this and I've heard of it and I've read it in the industry press. Again, bear in mind what I said, it seemed to be very, very strange that say from 1938 or 1936, or 1932, when the average man in this country was making $35 and $40 a week, a 2¢ deposit was a sufficient monetary value. And with the inflation of the dollar, to continue up to 1970 and even into 1971 with a 2¢ deposit, even though all the indicators within the industry and from the standpoint of business the deposit should have been raised 15 years ago. And I think this is what should have been done and not use the fact that you weren't getting your returnable bottles back as justification to go to the throwaway containers.

ASSEMBLYMAN BLACK: And one other question on something I would like to have clarified.

You mentioned a $17 million figure, I believe, in Michigan to pick up beer and soda containers. I assume that was the total price on the entire operation of clearing up state roads?

MR. CHIKOLA: No, this was a cost. This was a cost figure of what they spent. I presume labor, trucks and so on.

ASSEMBLYMAN BLACK: For all litter.

MR. CHIKOLA: For the State of Michigan.

ASSEMBLYMAN BLACK: For all types of litter.

MR. CHIKOLA: Litter pickup.

ASSEMBLYMAN BLACK: That's all the questions I have.

MR. CHIKOLA: I have two things I would like to enter into the record. Congressman Joseph Vigorito, a Congressman from Erie, Pennsylvania - he's not my Congressman but he has introduced a bill in Congress to outlaw the can and throwaway bottle for beer and soda in interstate commerce in this country. It's a press release. It's dated but it has some facts which I think you would be interested in. It shows that based on a survey they took, 64% of the Americans surveyed indicated that they would approve of a law prohibiting the sale of soft drinks and beer in non-returnable, throwaway containers. And it also has some amendments, some literature, some facts and figures on various aspects of the situation. I don't want to get into it because it counters some testimony given by other members of the business. Also I obtained from Congressman Vigorito a study entitled The Effect on Jobs of the Trend Toward Non-returnable Containers in the Beer and Soft Drink Industries. And it outlines that the beer industry, which was the first to get into the can and throwaway bottle, how the total number of breweries declined and a significant figure is that employment in the beer industry dropped from 71,700 in 1959 to 60,500 in 1967, or a decline in total employment

of 15.6%. So I would like to leave these with you gentlemen to be entered in the record. (See p. 189)

ASSEMBLYMAN WILSON: All right. Thank you very much.

We are going to have one witness. As you can see, our agenda is full. We can't possibly reach everyone. We are going to continue the hearing next Thursday at 10:15.

I would appreciate it if everybody would remain in their seats. We have one more witness.

I am announcing the hearing now rather than at the end. We have quite a list of witnesses and it's just impossible for us to reach them all. So it will be next Thursday, September 30, at 10:15 in the Assembly Chamber.

Mrs. Kathleen Kananen.

K A T H L E E N K A N A N E N: My name is Kathleen Kananen. I am representing two groups today.

First, I would like to read a statement from the Cherry Hill Environmental Action Committee, and then I will read a statement from my own group.

(Reading) The Directors of Cherry Hill Environmental Action Committee, representing more than 200 families in Cherry Hill Township, have agreed to foster and support legislation banning the use of throwaway containers composed of substances that do not readily break down to harmless natural components in our bio-system, and requiring mandatory recycling of all solid waste materials exempted from such laws, by means of separated collection where possible and mechanical separation when necessary. We, therefore, wish to express our support of the proposed legislation that would require all glass, plastic, and aluminum containers be returned for a 5¢ deposit to outlets that would in turn distribute them to packers and bottlers for reuse.

We believe that efficient methods of collection and return, performed by industry or independently operated specialists, could relieve any burden on the retailer and reduce costs to the industries involved far below present estimates.

We believe that consumers will return deposit containers if the collection points are as convenient as their regularly used retail stores. At present, people often go out of their way to purchase goods in returnable containers and the inconvenience is doubled when they are ready to be returned.

The proposed legislation does not discriminate against a particular product, corporation, or industry offering advantages to its competition. Instead, it requires those who profit from the exploitation of irreplaceable natural resources to manage them most effectively with the least possible cost to the nation and the world as a whole.

We commend the authors of this legislation and urge its early passage into law.

This is signed by Paul M. Coffman.

(Reading) The Pompeston Environmental Committee would like to present its findings on Assembly Bill No. 2212, a bill requiring returnable beverage containers.

ASSEMBLYMAN WILSON: Is this one from David Kananen?

MRS. KANANEN: Yes.

ASSEMBLYMAN WILSON: All right. I just want to keep track of it.

MRS. KANANEN: (Reading) 1. For seven months we have been conducting a recycling program for glass, metal, and paper. Our survey shows a response of one-third the households in Cinnaminson, Palmyra, and Riverton indicating a willingness of these people to go to the trouble to recyle their beverage containers. Recycling is not the most efficient or lucrative method of handling large volumes of beverage container materials; therefore, all the participating citizens have expressed a desire for the return of deposit beverage containers.

2. The quality of our environment is a very real problem which is being hampered by the problems of solid waste disposal. The returnable container would reduce the bulk of the solid waste of New Jersey by 500 million tons

per year, adding years to the life of our existing landfills, and lessening the eyesore of litter along our streets.

3. The members of the Pompeston Environmental Committee are concerned about the use of our earth's natural resources and by the reuse of beverage containers feel that the amount of raw materials used to produce them would be reduced. Nonreturnable containers encourage the exploitation and waste of natural resources by the manufacturers and the consumer.

It has been only 4 years since the exit of the returnable bottle from the South Jersey area. Aside from what manufacturers and retailers lead us to believe, there are other areas of our Country where the people willingly use returnable bottles. We feel the public is ready and willing to pay for a sane use of our resources.

4. Due to the short notice of this hearing we were able to survey only a few households in our community, but of the ones contacted over three-fourths were in favor of deposit beverage containers. Attached are 50 signatures stating a desire for deposit beverage containers.

We commend the conscientious authors of this legislation and we urge that the Assembly consider A-2212 as a step forward for a saner use of our natural resources.

ASSEMBLYMAN WILSON: Any questions? (No questions)

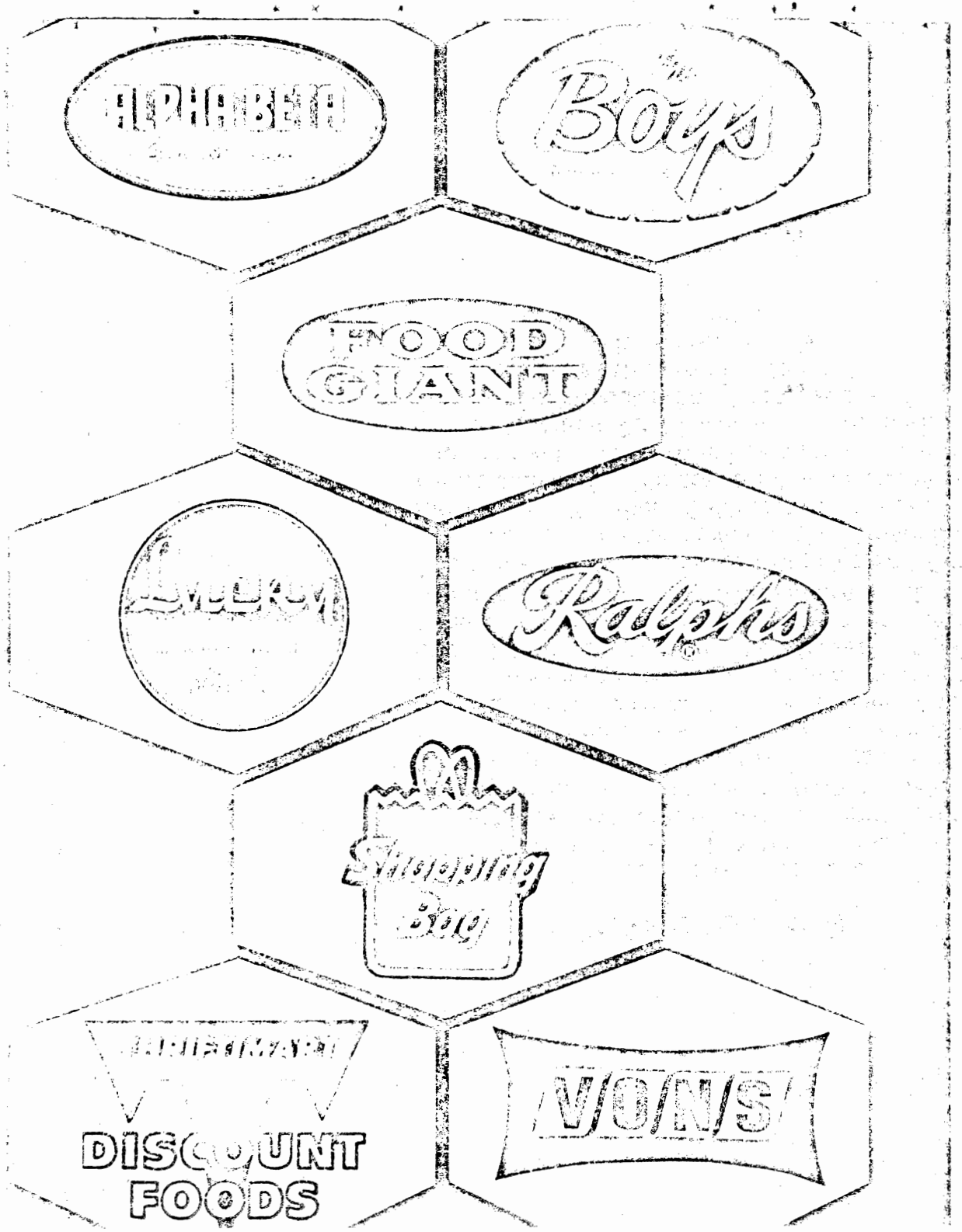
Thank you very much for your testimony.

The hearing is adjourned until September 30 at 10:15.

(Hearing adjourned)

# INTRODUCTION

This report represents a 1971 survey of bottle handling activities and costs incurred by eight of the leading supermarket chains in Southern California. The first objective of this survey was to identify the activities and costs involved with the handling of returnable soft drink bottles. The second objective was to measure these activities and provide sufficient detailed support for any Marketing Chain to review and compare its operating costs and procedures with those of leading supermarket chains. The center of this study, Los Angeles and Orange Counties, was an ideal location. The climate and atmosphere of Southern California offers heavy year-round activity for the soft drink industry. With 23 supermarket chains, none having more than 8% of an estimated $3.4 billion food sales market, Los Angeles has been described as the most competitive area in this country.

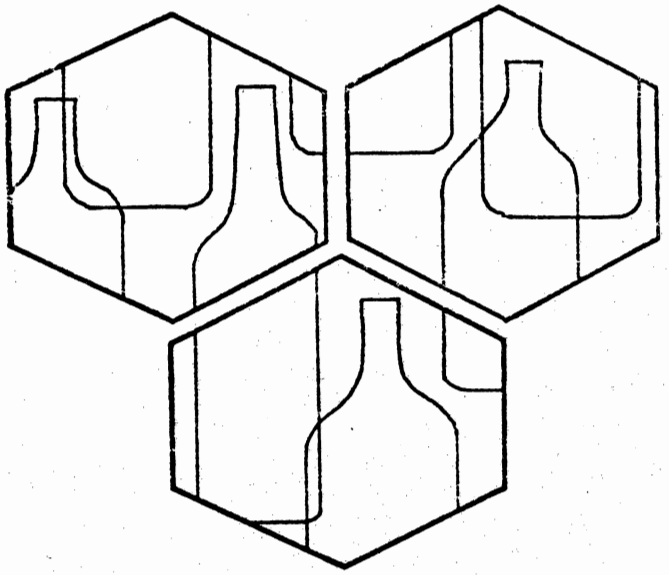



# PARTICIPANTS

The resources needed to conduct the multiplicity of time studies and to gather the vital cost criteria came from within the grocery industry. The supermarket chains contributing the manpower and material necessary are as follows:

- **ALPHA BETA**
- **BOYS**
- **FOOD GIANT**
- **LUCKY**
- **RALPHS**
- **SHOPPING BAG**
- **THRIFTIMART**
- **VONS**

In addition, special assistance was received from Jack Williams, a Registered Professional Engineer.



# COST ELEMENTS

The basic plan followed by each of the participating chains required the identification of four major cost areas.

1. Labor Cost
2. Equipment Cost
3. Storage Cost
4. Inventory Cost

## Identification of Labor Costs

Each chain selected several sites for measurement of store labor activities. The selected sites represented the various supermarket procedures for handling returnable soft drink bottles. (Many chains had two or more procedures and the primary objective in selection was to identify all activities involved with returnable bottles.) In addition to store labor, the accounting activities associated with handling of invoice credits was identified for measurement by several chains.

## Identification of Storage and Inventory Costs

Each chain determined the average space occupied by returnable bottles and shells as well as the average dollars tied up in deposits. Deposits included full bottles, empty bottles and shells.

## Identification of Equipment Costs

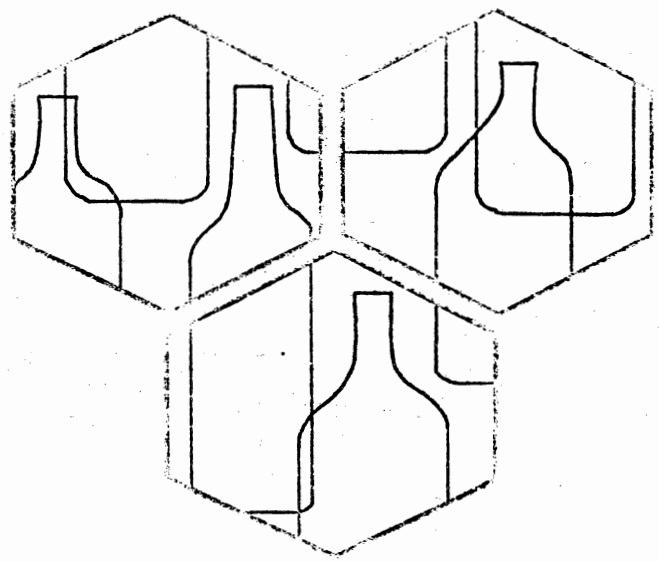
The cost of using special bottle racks or shopping carts for temporary storage and transportation was identified by each supermarket chain.

# EXTRA COSTS

## Identification of Extra Costs

In addition to the four preceding costs, these extra costs were identified but were found to be difficult to measure. Determining their cost would have required more than the time alloted for the survey.

1. Loss due to breakage.
2. Loss due to theft.
3. Uncollected deposits.
4. Refunds paid for odd bottle brands or non-deposit bottles.
5. Maintenance and occupancy costs other than lease cost.
6. Inventory taxes paid on deposit bottles.
7. Time spent in supervising or delegating responsibility for bottle handling activities.
8. Profits that could be generated from alternate use of deposit money.
9. Injuries due to broken bottles.
10. Additional register costs for deposit and refund rings.
11. Loss due to improper counting of empty bottles.
12. Errors in verifying empty bottles picked up by drivers.
13. Use of additional equipment in handling bottles (extra grocery carts, hand trucks, pallets, pallet jacks, etc.)
14. Customer complaints of foreign matter found in full returnable bottles.



# COMPUTATION OF CHAIN LABOR COSTS

## Methods and Tools Used in Calculating Labor Costs

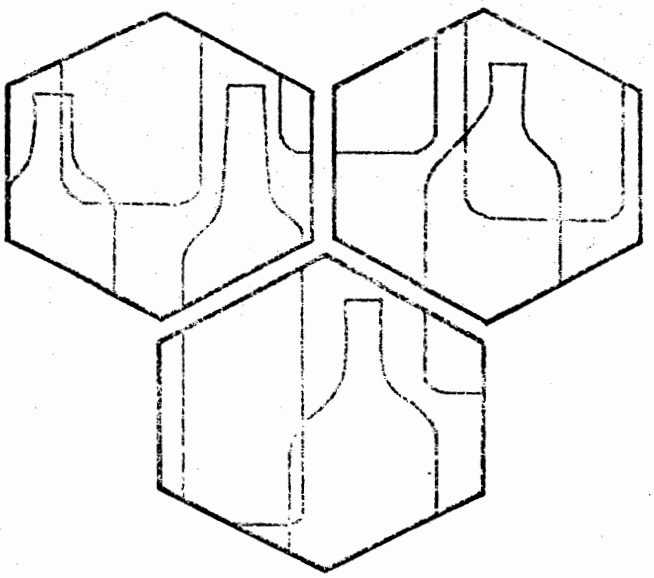
Three different methods were used to arrive at labor costs. In most cases, time studies were made by observing the actual occurrence of the activity. In some cases elapsed time for an activity was obtained by "staging" the task at a training center. The staging took place whenever the actual occurrence might not provide representative data or when an excessive amount of time might be required in collecting sufficient data. The third method was MTM (Methods Time Measurement) a pre-determined time data system. MTM enables the practitioner to determine the normal time required to perform a task by analyzing the motions inherent in the activity. The observed activities were timed with the use of a stop watch. A rating factor was applied to the individual performing the activity to compensate for the speed at which he was working. A 15% allowance was added to account for personal time, fatigue and minor delays. This standard time for each activity was then divided by the number of bottles handled to produce the standard minutes per bottle.

## Calculation of Labor Rates

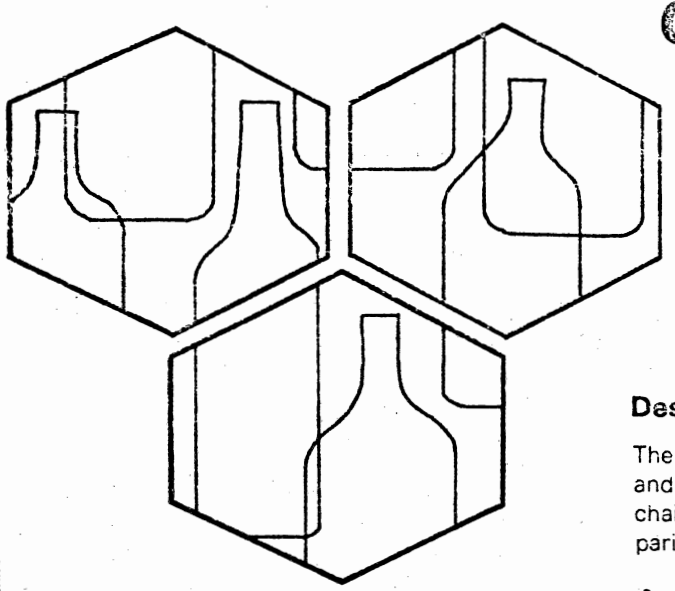
The labor rates used for clerks, boxboys and comptometer operators include a base hourly rate plus fringe benefits and other payroll costs directly attributable to each employee. The following table should illustrate the composition and method for determining labor rates. The rates do not include premium pay such as overtime or shift premiums. Realistically, the rates used should be slightly higher.

| LABOR COMPOSITION | Comp. Opr. | Clerk | Boxboy |
|---|---|---|---|
| A. Regular hours worked (*1) | 1920 | 1880 | 1920 |
| B. Regular earnings (*2) | $ | $ | $ |
| C. Vacation Pay | $ | $ | $ |
| D. Holiday Pay | $ | $ | $ |
| E. Sick Pay | $ | $ | $ |
| Sub-Total (*3) | $ | $ | $ |
| | | | |
| F. F.I.C.A. | $ | $ | $ |
| G. S.D.I. | $ | $ | $ |
| H. F.U.I. | $ | $ | $ |
| I. Health and Welfare | $ | $ | $ |
| J. Workman's Compensation | $ | $ | $ |
| K. Total Earnings plus Additional Payroll Costs | $ | $ | $ |
| L. Hourly Rate plus Additional Payroll Costs (*4) | $ | $ | $ |

*1 (2080 Hours minus Vacation, Holidays and Sick Hours)
*2 (Hours worked times base hourly rate)
*3 (Used for calculation of Payroll Taxes and Workman's Compensation)
*4 (Total Earnings (K) divided by hours worked)



# COMPUTATION OF CHAIN LABOR COSTS



## Description of Labor Activities

The labor charts following this chapter represent store and accounting costs incurred by each supermarket chain. The following descriptions should aid in comparing activities.

## Accounting Costs

The bottle refunds at most stores are not identified separately in the accounting operation; they are totaled with other refund and overrings. It was determined that if no returnable bottles were handled, there would be no measurable change for accounting labor in summarizing store level detail. Invoices, however, are verified by a comptometer operator. The accounting cost for invoice verification was isolated by timing the activities that could be identified with returnable bottles on each invoice and determining the average number of bottles per invoice. Dividing the standard minutes per invoice by the average number of bottles per invoice we arrived at the base for accounting cost per bottle.

## Clerk Ringing Deposits

Deposits were collected through the checkstand or at a separate liquor department. Deposits are included in sales dollar figures and no attempt is made to account for the deposit separately. Several methods were used to determine the time involved with this activity. Liquor departments and checkstands were timed by observing the actual occurrence of deposit collection. In addition, this activity was simulated and timed at a training center.

## Clerk Refunding Deposits

Refunds were made at both the checkstands and separate liquor departments. When the separate liquor department was used, all bottle refunds were entered on the refund key. At the checkstand, the procedure varied with the type of register. Class 5 registers have a separate key for recording bottle refunds. These registers require inserting a special form into the register to record the transaction. On other than the Class 5 register, the refunds were entered on the refund key and recorded manually by the checker on a tally sheet. Another procedure involved the preparation and issuance of a Credit Slip to the customer turning in bottles. With this method bottles were accepted at a specifically designated area, not the checkstand. Times were obtained during actual occurrence and through a simulation of the activity.

# COMPUTATION OF CHAIN LABOR COSTS

### Boxboy Racking Empty Bottles

The time required for placing empty bottles in the rack was established by actual occurrence of the activity and by MTM (Methods-Time-Measurement). The actions involve a boxboy transferring loose bottles and empty six packs from the checkstand to the empty bottle rack and then returning to the checkstand.

### Moving Full Rack to Bottle Sorting Area

In most chains this required pushing bottle racks from the checkstand area to the back room. Several liquor departments had the advantage of a bottle sorting and storage area close by.

### Clearing of Bottle Storage Area

This is a general housekeeping activity and was timed by observing the actual occurrence of the activity.

### Sorting of Bottles from Rack

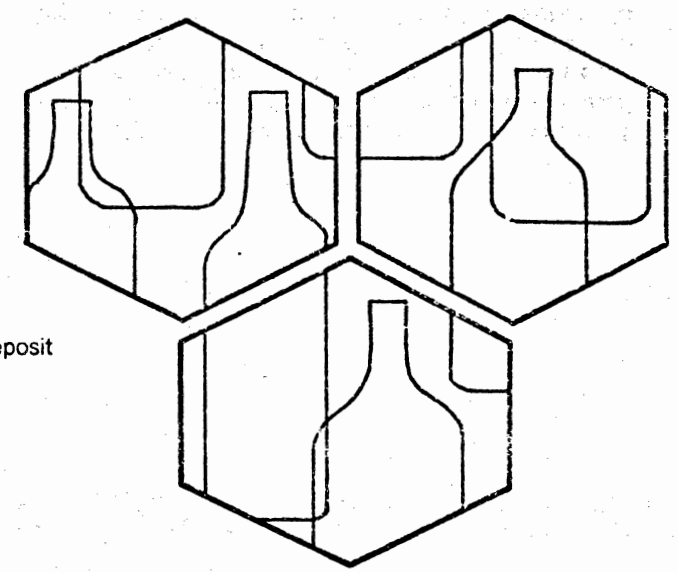
All sorting times were determined by observing the actual event. Included in this activity is the time needed to transfer homogeneous six-packs to proper storage cases and return; the time needed to sort and transfer mixed six-packs to proper cases and return; the time needed to transfer single bottles (small and large) to proper storage cases and return; the time needed to collect empty shells from storage.

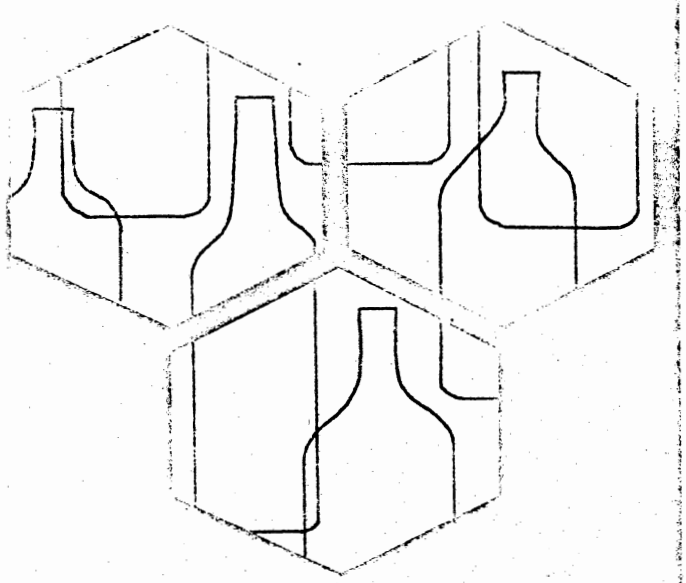
### Moving Empty Rack to Front

The activity timed was returning the empty bottle racks to the checkstand area.

### Verifying Empty Bottle Pick Up with Beverage Driver

Only the clerks time involved in transferring the empty bottles to the driver was measured. It was assumed that all other activities between the clerk and the driver occur regardless of whether the beverage is in deposit or no return bottles.





# COMPUTATION OF LABOR COSTS

| LABOR | ALPHA BETA | | |
|---|---|---|---|
| | Hours Per Bottle | Hourly Rate | Cost Per Bottle |
| ACCOUNTING COSTS | .0000073 | 5.380 | .000039 |
| CLERK RINGING DEPOSITS | .0000958 | 5.330 | .000511 |
| CLERK REFUNDING DEPOSITS | .0001846 | 5.330 | .000984 |
| BOXBOY RACKING EMPTIES | .0005158 | 2.904 | .001498 |
| MOVING FULL RACK TO BOTTLE STORAGE AREA | .0000690 | 2.904 | .000200 |
| CLEARING OF BOTTLE STORAGE AREA | .0001750 | 2.904 | .000508 |
| SORTING OF BOTTLES FROM RACK | .0007896 | 2.904 | .002293 |
| MOVING EMPTY RACK TO FRONT | .0000523 | 2.904 | .000152 |
| CHECKING EMPTIES TO DRIVER | .0001495 | 5.330 | .000797 |
| TOTAL LABOR COST PER BOTTLE | | | .006982 |

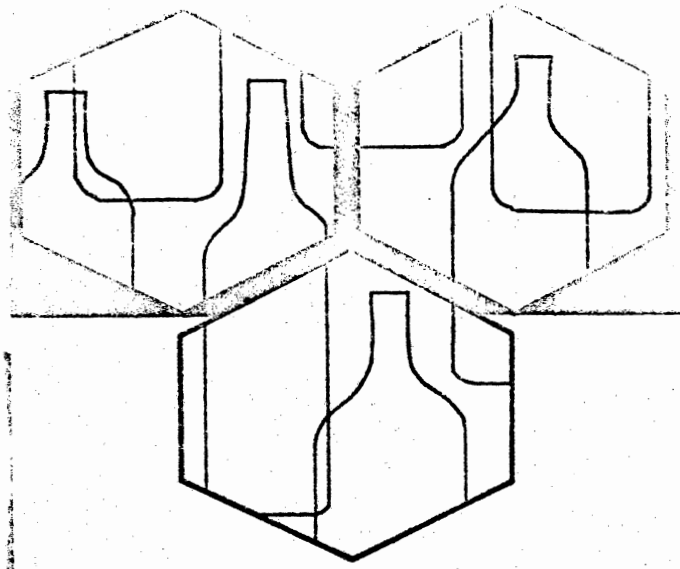


| LABOR | RALPHS | | |
|---|---|---|---|
| | Hours Per Bottle | Hourly Rate | Cost Per Bottle |
| STORE BOOKKEEPER | .0000481 | 5.273 | .000254 |
| ACCOUNTING COSTS | .0000036 | 5.380 | .000019 |
| CLERK RINGING DEPOSITS | .0000958 | 5.273 | .000505 |
| CLERK REFUNDING DEPOSITS | .0002223 | 5.273 | .001172 |
| BOXBOY RACKING EMPTIES | Incl. above | | |
| MOVING FULL RACK TO BOTTLE STORAGE AREA | .0002295 | 2.850 | .000654 |
| CLEARING OF BOTTLE STORAGE AREA | Incl. below | | |
| SORTING OF BOTTLES FROM RACK | .0013156 | 2.850 | .003749 |
| MOVING EMPTY RACK TO FRONT | .0002295 | 2.850 | .000654 |
| CHECKING EMPTIES TO DRIVER | .0000815 | 5.273 | .000430 |
| TOTAL LABOR COST PER BOTTLE | | | .007437 |

# COMPUTATION OF LABOR COSTS

| BOYS | | | FOOD GIANT | | | LUCKY | | |
|---|---|---|---|---|---|---|---|---|
| Hours Per Bottle | Hourly Rate | Cost Per Bottle | Hours Per Bottle | Hourly Rate | Cost Per Bottle | Hours Per Bottle | Hourly Rate | Cost Per Bottle |
| .0000073* | 5.380 | .000039 | .0000073* | 5.380 | .000039 | .0000033 | 5.513 | .000018 |
| .0000958* | 5.342 | .000512 | .0000958* | 5.220 | .000500 | .0000958 | 5.319 | .000510 |
| .0006895 | 2.946 | .002031 | .0004763 | 5.220 | .002486 | .0001846 | 5.319 | .000982 |
| Incl. above | | | .0005198 | 2.806 | .001459 | .0005158 | 2.935 | .001514 |
| .0001427 | 2.946 | .000420 | .0001013 | 2.806 | .000284 | .0000873 | 2.935 | .000256 |
| .0001333 | 2.946 | .000393 | .0001711 | 2.806 | .000480 | .0000595 | 2.935 | .000175 |
| .0008828 | 2.946 | .002601 | .0012313 | 2.806 | .003455 | .0007345 | 2.935 | .002156 |
| .0000733 | 2.946 | .000216 | .0000697 | 2.806 | .000196 | .0001073 | 2.935 | .000315 |
| .0001495* | 5.342 | .000799 | .0001495* | 5.220 | .000780 | .0000600 | 5.319 | .000319 |
| | | .007011 | | | .009679 | | | .006245 |

| SHOPPING BAG | | | THRIFTIMART | | | VONS | | |
|---|---|---|---|---|---|---|---|---|
| Hours Per Bottle | Hourly Rate | Cost Per Bottle | Hours Per Bottle | Hourly Rate | Cost Per Bottle | Hours Per Bottle | Hourly Rate | Cost Per Bottle |
| | | | | | | | | |
| .0000073* | 5.380 | .000039 | .0000073* | 5.420 | .000040 | .0000110 | 5.600 | .000062 |
| .0000958* | 5.347 | .000512 | .0000958* | 5.379 | .000515 | .0002256 | 5.360 | .001209 |
| .0007738 | 5.347 | .004138 | .0001846 | 5.379 | .000993 | .0002716 | 5.360 | .001456 |
| .0000780 | 5.347 | .000417 | .0005158 | 2.943 | .001518 | .0003652 | 2.934 | .001071 |
| .0000476 | 5.347 | .000255 | .0003900 | 2.943 | .001148 | .0001514 | 2.934 | .000444 |
| .0000513 | 5.347 | .000274 | .0001900 | 2.943 | .000559 | .0000375 | 2.934 | .000110 |
| .0007526 | 5.347 | .004024 | .0010000 | 2.943 | .002943 | .0008453 | 2.934 | .002480 |
| .0000463 | 5.347 | .000248 | .0003900 | 2.943 | .001148 | .0001083 | 2.934 | .000318 |
| .0000374 | 5.347 | .000199 | .0000600 | 5.379 | .000323 | .0003249 | 5.360 | .001741 |
| | | .010106 | | | .009187 | | | .003891 |



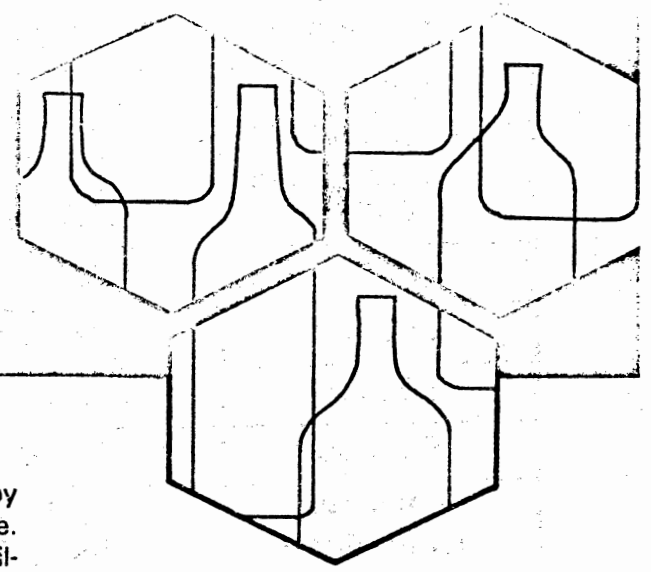
# COMPUTATION OF CHAIN EQUIPMENT COSTS

Equipment costs refer to the cost of special bottle racks or shopping carts used as temporary storage for empty bottles prior to the sorting operation. The costs were calculated by amortizing the total equipment cost over the estimated life using straight line depreciation with no salvage value.

The survey includes a variety of racks in several different sizes and shapes.

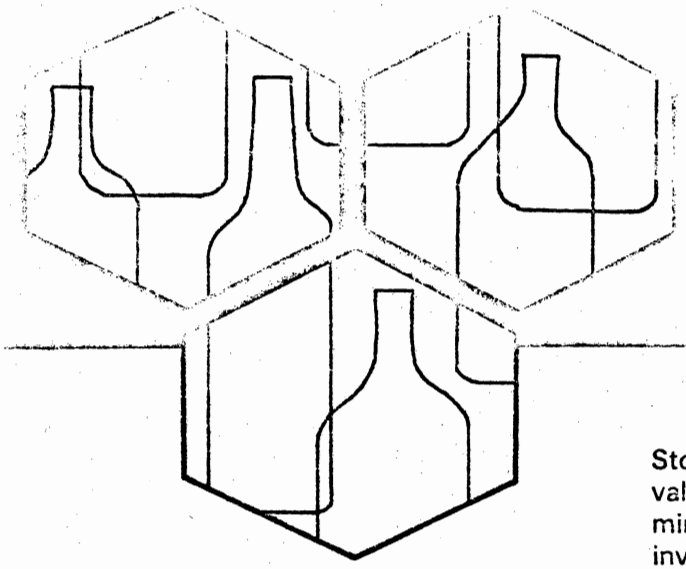
| CHAIN | STORE cost/month | CHAIN cost/year | BOTTLES handled/yr | EQUIPMENT cost/bottle |
|---|---|---|---|---|
| ALPHA BETA | 3.0504 | 6442.44 | 13,861,760 | .000465 |
| BOYS | 2.9400 | 1093.68 | 5,400,000 | .000203 |
| FOOD GIANT | 5.0000 | 3900.00 | 21,444,735 | .000182 |
| LUCKY | 7.2940 | 6214.49 | 13,164,272 | .000472 |
| RALPHS | 2.5000 | 1890.00 | 14,421,533 | .000131 |
| SHOPPING BAG | 2.6040 | 1562.40 | 8,366,848 | .000187 |
| THRIFTIMART | 4.7390 | 4208.23 | 4,867,578 | .000865 |
| VONS | 2.3400 | 2808.00 | 18,669,312 | .000150 |

# COMPUTATION OF CHAIN STORAGE COSTS



Stores were selected at random and the storage areas allocated for empty bottles, shells, and bottle racks were measured. In most cases the storage cost was determined by dividing the lease cost by the total store square footage and multiplying the result by the average allocated bottles storage space. Pro rata costs for heat, light and other utilities, plus taxes and etc. were not included in these costs.

| CHAIN | SQUARE FEET per store | MO. LEASE cost/sq.ft. $ | TOTAL YEARLY cost/chain $ | BOTTLES handled/year | STORAGE cost/bottle $ |
|---|---|---|---|---|---|
| ALPHA BETA | 162.80 | .141647 | 48,702.931 | 13,861,760 | .003513 |
| BOYS | 303.75 | .0950 | 10,734.530 | 5,400,000 | .001988 |
| FOOD GIANT | 328.50 | .1666 | 42,687.920 | 21,444,735 | .001991 |
| LUCKY | 579.50 | .153875 | 75,973.310 | 13,164,272 | .005771 |
| RALPHS | 753.00 | .2075** | 118,123.110 | 14,421,533 | .008191 |
| SHOPPING BAG | 273.00 | .2233** | 36,576.600 | 8,366,848 | .004372 |
| THRIFTIMART | 167.33 | .1877** | 27,890.720 | 4,867,578 | .005730 |
| VONS | 157.98 | .1682 | 31,901.950 | 18,669,312 | .001709 |



# COMPUTATION OF CHAIN INVENTORY COSTS

Stores were selected at random and the value of the quarterly inventory was determined. This figure included the dollar value invested by the store in full returnable bottles, empty returnable bottles, and both full and empty shells. An average of the store dollar value was determined and a judgement made that this represented the typical investment by each store within the chain. It was presumed that 10% of the investment would be an equitable representation of the cost of this money not available for more productive use.

| CHAIN | VALUE per store | TOTAL INV. value/chain | INVENTORY cost/year (10%) | BOTTLES handled/year | INVENTORY cost/bottle |
|---|---|---|---|---|---|
| ALPHA BETA | 274.37 | 48289.12 | 4828.912 | 13,861,760 | .000348 |
| BOYS | 710.03 | 22010.93 | 2201.093 | 5,400,000 | .000408 |
| FOOD GIANT | 1273.50 | 82777.50 | 8277.750 | 21,444,735 | .000386 |
| LUCKY | 670.00 | 47570.00 | 4757.000 | 13,164,272 | .000361 |
| RALPHS | 815.00 | 51345.00 | 5134.500 | 14,421,533 | .000356 |
| SHOPPING BAG | 628.09 | 31404.50 | 3140.450 | 8,366,848 | .000375 |
| THRIFTIMART | 229.16 | 16960.80 | 1696.080 | 4,867,578 | .000348 |
| VONS | 467.80 | 46780.00 | 4678.000 | 18,669,312 | .000251 |

# RECAP OF CHAIN ANNUAL COST

| | ALPHA BETA | BOYS | FOOD GIANT | LUCKY | RALPHS | SHOPPING BAG | THRIFTIMART | VONS |
|---|---|---|---|---|---|---|---|---|
| LABOR | 96,783 | 37,859 | 207,564 | 82,211 | 107,253 | 84,555 | 44,718 | 165,989 |
| EQUIP. | 6,442 | 1,096 | 3,900 | 6,214 | 1,890 | 1,562 | 4,208 | 2,808 |
| INV. | 4,829 | 2,203 | 8,278 | 4,757 | 5,135 | 3,138 | 1,696 | 4,678 |
| STORAGE | 48,703 | 10,735 | 42,688 | 75,973 | 118,123 | 36,577 | 27,891 | 31,906 |
| | 156,757 | 51,893 | 262,430 | 169,155 | 232,401 | 125,832 | 78,513 | 205,381 |
| | 1.1308 | .9610 | 1.2238 | 1.2549 | 1.6115 | 1.5040 | 1.6130 | 1.1001 |

# RECAP OF
# CHAIN COST PER BOTTLE

| | ALPHA BETA | BOYS | FOOD GIANT | LUCKY | RALPHS | SHOPPING BAG | THRIFTIMART | VONS |
|---|---|---|---|---|---|---|---|---|
| LABOR | .006982 | .007011 | .009679 | .006245 | .007437 | .010106 | .009187 | .008891 |
| EQUIP. | .000465 | .000203 | .000182 | .000472 | .000131 | .000187 | .000865 | .000150 |
| INV. | .000348 | .000408 | .000386 | .000361 | .000356 | .000375 | .000348 | .000251 |
| STORAGE | .003513 | .001988 | .001991 | .005771 | .008191 | .004372 | .005730 | .001709 |
| | .011308 | .009610 | .012238 | .012849 | .016115 | .015040 | .016130 | .011001 |

The final phase of assembling this material into printed form was completed by Alpha Beta Acme Markets, Inc., but the scope and magnitude of this study could not have been accomplished without the tremendous support received from the supermarket chains participating. We wish to extend our sincere thanks to everyone contributing to this survey and hope the material presented will benefit the industry.

If there are any questions concerning the material you may contact:

Philippe E.J. Cote, Supervisor, Systems Development Group, Alpha Beta Acme Markets, Inc., 777 South Harbor Boulevard, La Habra, California 90631

Hearings on "Non-Returnable Beverage Containers"
before the
Committee on Air and Water Pollution and Public Health
New Jersey General Assembly - Trenton, N. J.
September 22, 1971

STATEMENT OF HON. CHARLES W. SANDMAN, JR., A REPRESENTATIVE IN THE UNITED STATES CONGRESS FROM NEW JERSEY (Second)

MR. SANDMAN. Mr. Chairman and members of this distinguished committee, I am Charles W. Sandman, Jr., Member of Congress representing New Jersey's Second Congressional District comprising of the counties of Cape May, Atlantic, Cumberland and Salem.

I served in the State Senate in this capital for ten years representing Cape May County. During that time, I participated in many public hearings such as this so it is evident that I know how important these hearings are and what great weight they cast upon the fate of important legislation, and this is the reason why I journeyed all the way from Washington to be here. Since I must return to the United States Capitol not later than 1 P. M., I shall be brief.

Mr. Chairman, the bill under consideration - namely, Assembly Bill 2212 which proposes the State ban on non-refundable beverage containers is impractical, unworkable, and cannot possibly achieve its intended goal. For these and other reasons, I am here to oppose it on behalf of more than 410,000 constituents in the four counties that I represent.

I shall not dwell upon the various intricacies and conflicting language in the legislation that will undoubtedly invite lengthy and costly litigation. I will confine my remarks to the heart of the issue.

Disposal of solid and liquid waste is a major problem that has been allowed to multiply over the years. The entire nation is alarmed over what is happening to the environment and everyone has taken up the cudgel in a fight against pollution of all kinds.

Congress in 1969 created the Council on Environmental Quality and more recently the Environmental Protection Agency to stimulate technology and establish national priorities of methods to solve the waste disposal problems. The objective of this bill, I am sure, is worthwhile and certainly aimed in the direction of establishing a better way to control waste and litter.

( M O R E )

In the last three years, the Federal Government -on the advice of the Nation's top experts - has decided that the answer to this kind of a problem lies in the salvage and recycling.

You cannot legislate the objects of litter out of existence and think that you have in any way eliminated that problem. The objective here is not to discontinue the use of the non-returnable bottle. The objective is to keep the non-returnable bottle from being thrown upon the public streets or in the streams or anywhere where it should not be. In this effort we should be concerned with the violator who places the used bottle in a place where it should not be.

You cannot penalize litter -- you must penalize the litter-bug.

The method suggested by Assembly Bill 2212 in banning the non-refundable container so as to keep it from being a part of the State's litter is an exercise in futility. It is parallel to another very silly proposition. If you are going to cure the litter problem by eliminating the non-refundable container, you could under a similar method solve New Jersey's massive sewage problem by moving 7½ million people out of the State. Under the same theory, you would have no sewage.

Imposing a deposit will not alleviate the problem. If you want to solve the solid waste problem this way, you would have to deal with containers of all kinds not those just made by glass or tin cans. It would have to apply to all containers and I would like the sponsors of this bill to tell me what retail merchant is willing to pay to every child who comes to his store a nickel for every used tin can; a nickel for every throw-away bottle; a nickel for every plastic container; a nickel for every cardboard container especially since you know that most of these containers are made across the Delaware River.

And you know from your childhood what difficulty you had in getting a nickel back for a soda bottle and merchants surely did not want to take it back unless he knew you had bought it from him. How is anybody going to know where the tin cans and bottles and all the other things came from.

At the same time, there is a great deal of information available that proves that returnable containers are littered on the highways and the streams in precisely the same proportions as are throw-away containers.

( M O R E )

Another interesting argument is the fact that only 5% of all of the litter in the whole State of New Jersey pertains to these containers and only 2½% of the State's litter pertains to the glass non-returnable bottle; but an alarming 57% of the State's litter pile is discarded paper products, including newsprint. If the theory of A-2212 has any merit, why doesn't the same bill impose a 5% deposit for every newspaper bought from newsboys with the hope that newspapers will not litter the State?

Of course, such an approach is ridiculous. It could never be enforced any more than A-2212 can be. Here again, the answer to discarded newsprint is the same as the answer to discarded beverage containers: salvage and recycling.

Before we leave this point, it may be worthy of mention that many of the great news media, such as The New York Times, have already supported this kind of proposal. I wonder if they would support an amendment to this proposal which would place a 5¢ deposit on every copy of The New York Times?

New Jersey's glass industry, almost all of which is located in my Congressional District, happens to be the largest of its kind in the world and I am, of course, interested in the plight of the 30,000 families that earn their livelihood from the glass industry. I am, of course, interested in the determination of the glassworkers' unions to save jobs in the industry; I am, of course, interested in the plants themselves and the thousands of people who invest in them. I am intersted in the great amount that the glass industry contributes to the economy at every level of government and so should this committee.

But with all that combined, I still would not sacrifice the environment in which we live and I have a long legislative record in the field of protecting the environment.

If I thought that A-2212 was the answer or that it could legitimately improve the litter problem, I would be here speaking for it.

Notwithstanding all of the economical disadvantages that could happen, however, I am absolutely convinced the bill is impractical and unworkable.

I participated in the enactment of the Resources Recovery Act of 1970 which authorized $460 million of Federal money for the next

( M O R E )

three years to revolutionize solid waste resources, recovery, technology and methods. This act provides for grants of up to 75% of Federal funds to municipalities and regions to develop and construct advance systems of resource recovery. These efforts are just beginning to bear fruit. Again, let me point out this money became available only because the Congress of the United States has already decided the best way to handle the waste problem is by salvage and recycling.

Littering, of course, is a behavioral problem. It is a disgusting habit which is already outlawed but not strictly enforced. States and municipalities all over the Nation have already commenced more strict enforcement against the litterbug. And for the most part, it is succeeding - at least on the public highways.

We can do much more in this field by public relations, education and good law enforcement than we can in banning every article that can be the subject of litter. The non-returnable bottle can be produced for less than half the cost of other types of containers. This is a tremendous savings that is passed on to the consumer.

Let me call to your attention what happened to consumers in New York City, where consumers forfeited more than a half million dollars in deposits when Pepsi Cola voluntarily put a 5¢ deposit on 14½ million of its 16 ounce bottles. Within one year, 11 million of the returnable bottles disappeared from circulation. The money lost came from the pockets of the consumers. And what happened to the bottles? Eleven out of every 14½ bottles found their way into the same garbage cans as the non-returnables. This in itself is proof that A-2212 cannot achieve the result for which it is designed.

Glass recycling is in its infancy but it is growing by leaps and bounds. Nationally, in the July through September quarter of last year, 42 million glass containers were recycled. In the succeeding quarter ending December 31, 1970, the quantity recycled rose to 65 million. In the first quarter of 1971, 96 million and in the second quarter of 1971, 175 million. The quantity recycled in the last quarter as compared to the quarter a year ago quadrupled.

During the recent Congressional recess, I met with major employers in my District about the unemployment problem. I was happy to learn

( M O R E)

from the four major glass companies in my District that they are each involved in massive glass recycling programs.

And I may say to you publicly that I am very proud of what the four major glass companies in the Second Congressional District are doing in this respect. They are working with all kinds of civic groups; they are buying bottles back and paying $20.00 a ton, more money than it costs to start from raw materials. They have special times set aside when the Weighmaster is available to receive discarded bottles. This is a far more intelligent way to address ourselves to the problem at hand.

In conclusion, I think it is worthwhile to relate an incident which happened in the House of Representatives which is so pertinent to what you are attempting to do here. In January of this year, I informed every Member of the New Jersey Legislature of my bill introduced in Congress at that time to regulate dumping of wastes in the ocean and coastal waters of the Nation. I urged you then to act promptly to enact similar regulations adjusted to State jurisdiction. You responded and did precisely that.

I am pleased to say that the United States House of Representatives passed, by a vote of 308 to 3, the Marine Protection Research and Sanctuaries Act of 1971. It is now before the United States Senate and has the wholehearted support of President Nixon.

This bill follows the concept of my bill which is predicated upon a Federal permit.

However, the bill presented to the floor for a vote had a very unusual provision in it. A provision that would have stripped the fifty states of the union from having state jurisdiction over anything pertaining to the dumping of refuse in the ocean and tidal waters throughout the Nation.

The actual language of the bill said and I quote:

"No state shall adopt or enforce any regulation relating to any activity regulated by this title."

If the original bill was enacted, the law that you enacted at my request would be ineffective as would the laws of 31 other states. After a lengthy floor debate, the amendment which I offered to the bill was adopted. The amendment, now known as the Sandman Amendment, stated:

( M O R E )

"Nothing in this Act shall be construed as preempting any state, federal territory, or commonwealth, or subdivision thereof from imposing any requirement or liability."

The amazing thing of it all is the fact that such a simple amendment already protected by the Federal Constitution passed the United States House of Representatives by only a single vote. That is how serious the threat is.

The advocates of preempting the jurisdiction of the states argued among other things that states are slow to react and that when they do -- they over-react. They claim that because environmental legislation is such an "apple pie" issue, states would ramrod poorly written and inadequate laws on emotional and political popularity grounds.

I resent those claims and said so on the floor of the House of Representatives. I still have profound respect for the members of the state legislatures and their ability to do a good job. I defend the ability of state legislators such as yourselves.

Please do not let me down by the hasty and ill advised enactment of Assembly Bill 2212.

Charles W. Sandman, Jr.
Member of Congress

# WEST ORANGE ANTI-POLLUTION SOCIETY

## SUMMARY REPORT

Below are figures in POUNDS of the solid waste which were PAID FOR since the opening of our Reclamation Center on July 10th, 1971. These figures represent approximately 981 PAID customers.

| Date | Glass | Paper & Cardboard | Tin | Bi-Metal | Aluminum | Paid Out |
|---|---|---|---|---|---|---|
| July 10 | 3,864 | 4,489 | 284 | 432 | 156 | $ 75.86 |
| July 17 | 7,091 | 4,958 | 319 | 564 | 489 | 134.22 |
| July 24 | 6,941 | 5,825 | 150 | 818 | 387 | 123.31 |
| July 31 | 6,240 | 5,176 | 252 | 705 | 180 | 100.27 |
| Aug. 7 | 5,802 | 4,560 | - | 642 | 422 | 100.62 |
| Aug. 14 | 6965 | 6,733 | 201 | 636 | 204 | 113.49 |
| Aug. 21 | 7,478 | 8,504 | 361 | 439 | 136 | 123.03 |
| Aug. 28 | 6,449 | 3,809 | 357 | 363 | 373 | 113.65 |
| Sept. 11 | 5,735 | 4,833 | 86 | 1,220 | 145 | 92.05 |
| Sept. 18 | 12,136 | 4,246 | 222 | 705 | 829 | 198.89 |
| TOTALS | 68,701 | 53,133 | 2,232 | 6,524 | 3,321 | $1,175.39 |

GRAND TOTALS & PERCENTAGES OF PAID OUT & DONATED GLASS, PAPER & ALUMINUM *

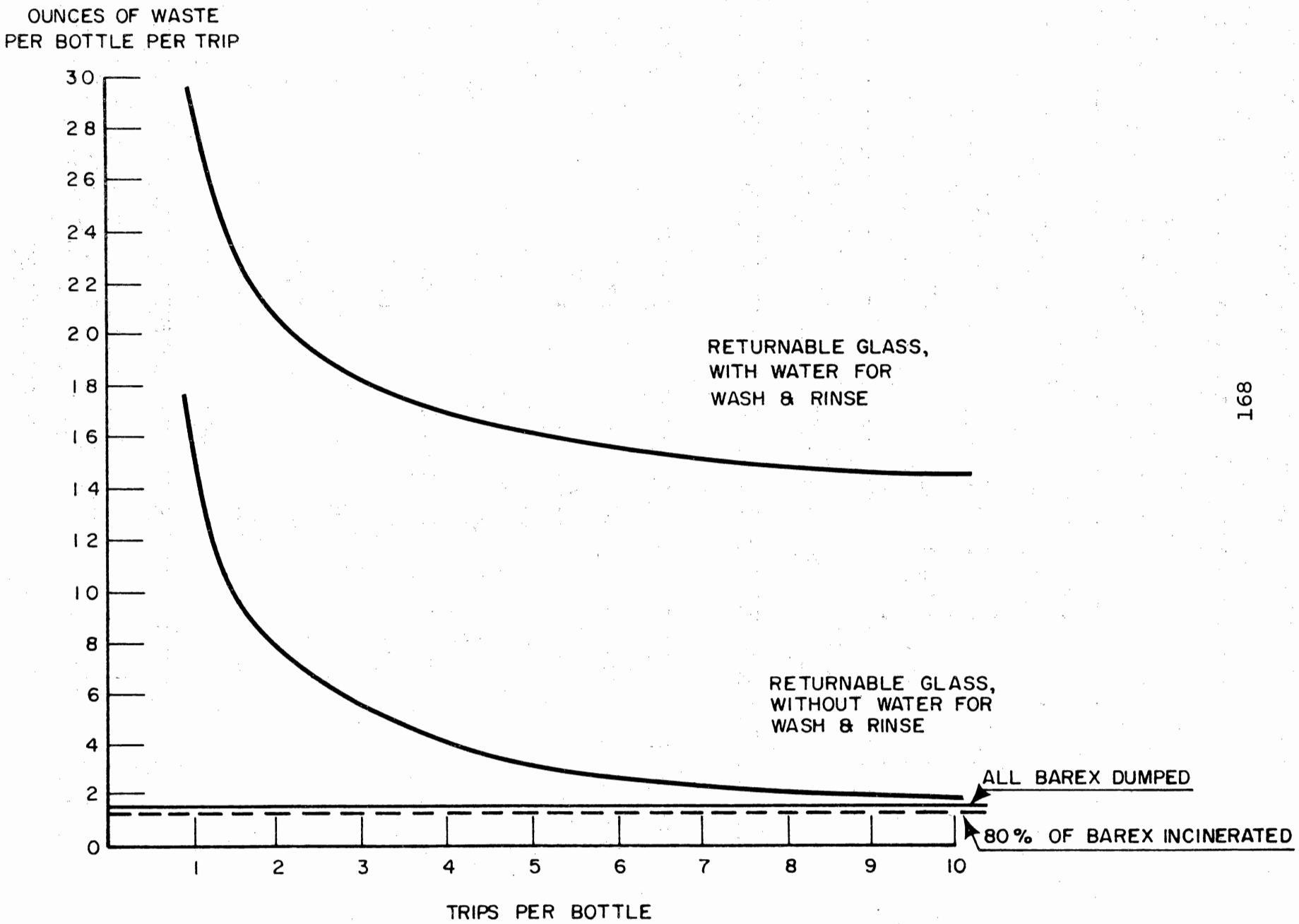
| | Total from July 10 to August 21 | Estimated Total from July 10 to Sept. 18 | % Paid out | % Donated |
|---|---|---|---|---|
| Glass | 61,130 lbs. or 30.5 tons | 94,425.8 lbs. or 47.2 tons | 73% | 27% |
| Paper | 56,640 lbs. or 28.3 tons | 95,796 lbs. or 47.9 tons | 56% | 44% |
| Aluminum | 2,322.5 lbs. or 1.1 ton | 3,896.1 lbs. or 1.94 ton | 85% | 15% |

| PROFIT thru August 21st - | Paid Out | Received | Profit |
|---|---|---|---|
| | $770.80 | $1,143.42 | $372.62 |

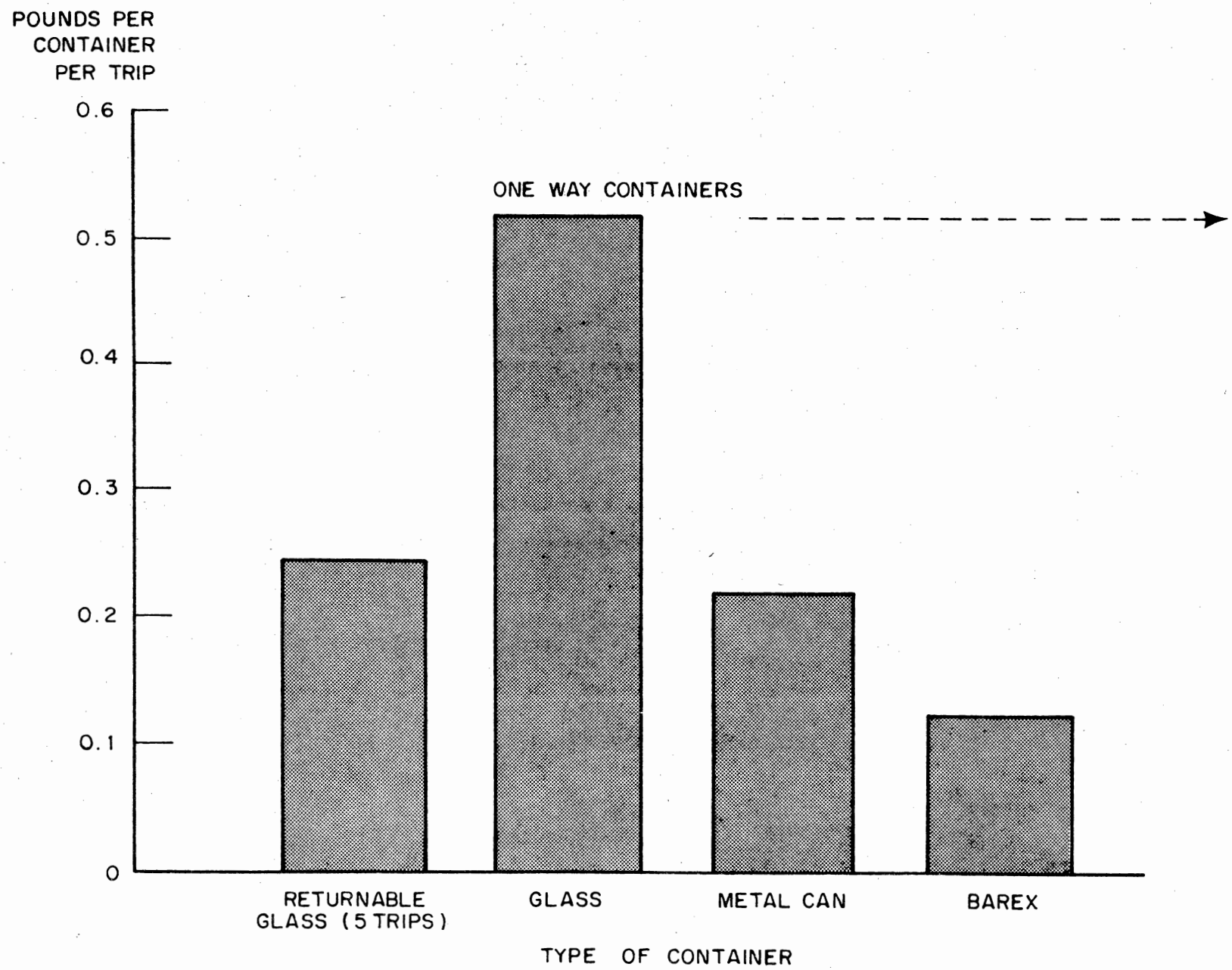
Above amounts exclude one check from Whippany Paper Board and two checks from American Can Co.

*Tin, Bi-Metal have been excluded from this chart because of out-standing checks.

# WASTE GENERATED PER BOTTLE PER TRIP



## POUNDS OF RAW MATERIALS USED FOR CONTAINERS



THE NEW JERSEY SOFT DRINK ASSOCIATION

My name is W. L. Lohrfinck, and I serve as Secretary for The New Jersey Soft Drink Association. We appreciate the opportunity to express our views on the proposed Assembly Bill 2212. We note it appears that governing officials are approaching the litter and solid waste problems on a fact-finding basis, for which we commend them.

The soft drink packaging industry, from its beginning until about a half-dozen years ago, used only returnable bottles. The use of non-returnable bottles and cans came about largely as the result of the consumers growing reluctance to return the containers. The 2¢ deposit about covered the cost of the bottle originally. Over the years the cost of this same bottle has risen to about 8-9¢. Some bottlers increased the deposit to 5¢, and more in some instances, but even this move did not produce the hoped-for results.

We recognize that while our cans and bottles are accountable for a very small part of the total waste, nevertheless they do contribute to the overall problem. We have endeavored and still are engaged in efforts to discharge our responsibility.

We believe educating people not to litter, and encouraging recycling, can be increasingly effective until such time as regional bulk processing equipment is available. Backing up that belief, our people have taken steps along educational lines to remind people not to litter by:

1 - distributing hundreds of thousands of litter bags for cars and trucks,
2 - made available short educational films to schools and civic groups,
3 - thru newspaper ads and placards on trucks,
4 - by working with an Ohio-based company, providing metal litter containers numbering thousands, located in many New Jersey towns and communities,
5 - cooperating with glass and can companies in establishing recycling collection depots.

The effect of banning the use of non-returnable containers could be disastrous. It would, we fear, actually put out of business those plants which because of the demands of the market place, are equipped to produce only non-returnable containers. Because of their inability to secure the many millions of additional dollars necessary for the capital investment for bottles, cases, and machinery. With the closing of these plants would be the loss of jobs and tax dollars.

For your information we submit some statistics for our industry, as follows: The figures are, we believe, minimum rather than maximum, and are figured on an annual basis.

| | |
|---|---|
| Total number of employees | 3234 |
| Total Dollar payroll | 33 million - 598 thousand |
| Total Dollar Investment | 64 " — 545 - " |
| Total Purchases, goods and services | 127 " — 802 - " |
| Total Taxes paid | 2 " — 812 - " |

We interpret the paragraph referring to a 5¢ refund as meaning a deposit on a returnable bottle. If only returnable bottles were permitted, we believe the bottling companies would of necessity, have to charge a deposit of 8 or 9¢ on a small bottle, and probably 14¢ on a large family size. Hence, an increase to the consumer. The increase in labor costs of collecting, and returning these containers would also have to be absorbed by the consumer.

Most to be regretted we believe is the fact that neither approach will produce the improvement we all desire. For reason based on experience to date, the consumer discards the package in so many instances and this includes wine bottles, paper cups, etc. In addition, if only returnable bottles were permitted, it would actually increase the weight of the solid waste because returnable bottles are heavier (contain more glass) than non-returnables.

We note newspaper reports that the Monmouth County Board of Freeholders is actively considering a regional approach to collection, shredding, and recycling.

Finally, because industry and government are equally concerned with the problem, may I respectfully suggest the appointment of a joint committee to carefully gather all the necessary facts and then be in a position to present a united recommendation for our state? The State of Pennsylvania, and others, have decided upon this course of action.

Respectfully submitted,

W. L. Lohrfinck, Secretary

STATEMENT TO BE DELIVERED AT PUBLIC HEARING OF ASSEMBLY BILL NO. 2212

NEW JERSEY ASSEMBLY CHAMBERS

SEPTEMBER 22, 1971

THE COCA-COLA BOTTLING COMPANY OF NEW YORK, INC.

My name is William Pearce. I am Vice President of The Coca-Cola Bottling Company of New York. I wish to thank the General Assembly of the State of New Jersey for this opportunity to present our views relative to Assembly Bill No. 2212.

Our main office is located at 425 East 34th Street in Manhattan. Our products, Coca-Cola, Fresca, Tab, Sprite, Fanta flavors and Dr Pepper are bottled, canned and distributed out of twenty-two plants and warehouses located in the New Jersey-New York area. More specifically, five or these plants are located in New Jersey - in Paterson, North Newark, South Newark, North Brunswick and Asbury Park.

Additionally, The Coca-Cola Bottling Company of South Jersey, operating a plant and two warehouses out of Atlantic City, and The Philadelphia Coca-Cola Bottling Company operating a plant in Moorestown, complete the Coca-Cola and allied product distribution system for the State of New Jersey.

These nine Coca-Cola production and distribution centers in New Jersey employ 856 employees, representing an annual payroll of $7,940,000. These plants representing an investment of $11,806,000 paid the State of New Jersey $647,000 in taxes during 1971. Purchases of goods and services exceeded $23,500,000.

We believe that from an economic viewpoint these figures need no further amplification,with the exception that any legislation enacted to require a mandatory deposit or ban cans and non-returnable bottles would reduce them appreciably, place an undue burden on the consumer and the retailer - and most importantly, accomplish very little in solving the solid waste and litter problem to any meaningful degree. I have listed below a number of facts to support this statement.

As responsible business citizens of the State of New Jersey, our Company shares concern for the solid waste disposal problem. Bottles and cans are a part of this problem....and we recognize full well that along with all manufacturers, and all retailers and all consumers, we contribute to the problem. Thus, over the past several years we have established the following program in an effort to make a contribution to the solution.

During 1968 and 1969 we aggressively promoted the returnable-deposit bottle. At that time it accounted for over 40% of our total business. This effort consisted of over $250,000 worth of newspaper advertising plus $50,000 in point-of-sale advertising with the phrase "Money Back Bottles" imprinted on all cartons. Ours was a voice in the wilderness. Why? Because of the countervailing social and economic pressures working on retailers, on consumers, on industry, on city government - indeed - on the very life style of our society. In spite of our tremendous promotional effort, our returnable bottle business has decreased from 40% to less than 25% of our total business.

On December 28, 1970, we increased the deposit on our returnable bottle, the return rate of which had fallen from 25 trips to 5 trips over the past decade. We did this because we felt the present state of awareness and concern may help save, or at least extend the life of the returnable bottle and that higher deposit value may encourage the consumer to return it rather than throw it away.

There were preliminary signs that this strategy might be working. But our records now show that return rate has not increased. As a matter of fact, it has fallen off to the point that our returnable bottle is fast becoming a one-way bottle. Gentlemen, this fact is tremendously significant because no soft drink company in this country has expended more money, time and effort than we have, to sustain the life of the returnable bottle.

Recognizing all of these facts, our Company is attempting to fulfill its responsibility to the public through the establishment of 18 glass and aluminum can collection and recycling centers at our plants in the New York - New Jersey area. In New Jersey we collect in our plants

in Paterson, North Newark, North Brunswick and Asbury Park. Additionally, the Moorestown Coca-Cola Bottling Company also has a collection program under way.

These centers opened Saturday, March 20, 1971 and are open from 10:00 a.m. to 3:00 p.m. every Saturday. We pay the consumer 10¢ per pound for aluminum and 1¢ per pound for glass; and, of course, 5¢ for returnable bottles.

We are hearten by the consumer response as endorsed by the following results for the past 26 Saturdays.

| | NR Glass | | Aluminum Cans | | Returnable |
|---|---|---|---|---|---|
| Date | # Bottles | # Tons | # Cans | # Tons | Bottles |
| March 20 thru Sept. 11 | 24,402,228 | 6,114 | 10,162,720 | 254 | 584,500 |

In New Jersey alone during this period we collected 3,786,000 pounds of glass and 138,108 pounds of aluminum and paid the consumers over $60,000 for these cans and bottles. Our overall payment to the consumer, for all 18 of our collection centers, amounted to over $200,000 for these 26 collection days. We, of course, sell the glass and aluminum to the manufacturers for the same rate per pound that we pay out. Our investment is primarily in promotion and manpower which we estimate will cost us in excess of $500,000 for 1971.

We know we cannot solve the whole problem facing us all, but we earnestly feel that our recycling program and others like it can indeed have an impact on the cans and bottles in the solid waste stream.

We outline these programs <u>not</u> to pat ourselves on the back, but to point out that positive steps can be taken by industry to help solve the solid waste problem on a <u>short-term basis</u>.

Long range solutions to the solid waste problem rest with advanced technologies and a systems approach to the collection, disposal, separation, and recycling of materials. Such systems, we understand, are now in a testing stage. We believe that they will be an economic reality in the not-too-distant future.

These systems will take money and lots of it. However, if everyone involved from raw material producer to wholesaler, to retailer, to consumer, were to pay an equitable share, the cost would not be burdensome on any segment.

In this regard, we wish to go on record as having no objection to paying our fair share, but we feel that to be equitable, any legislation should cover all materials and all elements of solid waste. Anything short of this we feel is discriminatory, and would not achieve the basic objective of reducing the solid waste load by a meaningful degree. With all due respect to the representatives of the press, we think newspapers should be included, as should magazines, mattresses, appliances, textiles....in short, everything from A to Z which contributes to the problem.

We oppose any and all bills which would either ban, tax, or impose mandatory deposits on soft drink containers. Such legislation is discriminatory and would seriously hurt our industry....not to mention the loss of jobs and payroll, and the reduction of federal, state, and city taxes. All this would happen without really getting at the basic intent of solving the litter and solid waste problems facing our environment.

Thank you.

Statement

by

John F. Scally, Vice President

New Jersey Royal Crown Bottling Co., Inc.

before members of

The State Assembly of New Jersey

on

The proposed bill to ban non-returnable

bottles and cans

September 22, 1971

Trenton, N. J.

My name is John F. Scally. I am Vice President of New Jersey Royal Crown Bottling Co., which is an affiliate of the New York Seven-Up Bottling Co., and the New York Royal Crown Bottling Co.. We serve a twenty county area in New York and New Jersey with a population of 17 million.

Our company employs 404 persons presently. This number increases to approximately 500 with the arrival of the warm season of the year. The toal wages paid in the calendar year 1970 were $5,554,417.00.

Effect on New Jersey Royal Crown

The legislative proposal before you today has as its avowed objective a reversion by our industry to returnable type packaging. The necessity of such a return would clearly and simply put our company out of business. Permit me to explain.

After doing everything to preserve the returnable bottle, including increasing the deposit to 3¢ and 7¢ per bottle, we were forced to convert to the non-returnable glass bottle and the metal cans as a matter of economic survival. We did so in response to consumer pressure which expressed itself in these words: "There are more than ten thousand food and drink items for sale in retail markets and you soft drink ( and beer ) people are the only ones who charge a deposit and put us to the inconvenience of storing dirty bottles and carrying them back to the stores for you. Well, we are just not going to do it anymore." And they didn't. Not even on the bottles that carried a 7¢ deposit. The consumer made it economically

impossible for us to use returnable machinery. We sold off the bottles we had left at half or less than half their value. We sold [illegible] forced to junk the production machinery for returnables, and then went to great expense to install new equipment to produce non-returnables. We are in that 100% non-returnable position today.

A forced return today to returnable bottles would thus, in effect, put our company out of business. The reasons why the proposed ban on non-returnable bottles and cans would put our company out of business are clearly detailed in a letter written by the President of our company, Sidney P. Mudd, to Senator Bernard C. Smith, Chairman of the Senate Committee on Conservation and Recreation of New York State.

Rather than read the letter here, I have attached it to copies of this testimony which will be left with you. I can tell you what it says in three short sentences.

1. A forced change to returnables would cost my company alone approximately $21,111,000.00 in the first year of such a change.

2. A forced change would make obsolete approximately $1,150,000.00 worth of present modern machinery.

3. The cost of conversion is utterly beyond the total resources of this company. Not even our total annual gross receipts equal $21,000,000.00. We would cease to exist.

## Effect on the Consumer

The proposed bill to put a 5¢ or 10¢ deposit on all beverage containers would in effect increase the price of those beverages by 40¢ to 80¢ per eight pack.

With thousands of other food and drink items available as always in non-returnable containers, the consumer sees no logic in saving soft drink and beer bottles and carrying them back to the store for the deposit. She either switches to one of the non-deposit competing beverages or elects to throw her deposit bottles away.

## Effect on the Retailer

If the proposed bill were to be enacted into law, the effect upon the retailers' cost of doing business in New Jersey would certainly be increased substantially. The redemption of all beverage bottles, the sorting, the breakage, the storage and surveillance, and the checking of returns to route salesmen and warehouses would mean new expenditures and increased operating expense. These increased costs would most certainly be passed to the consumer. With most supermarkets operating at 1% or less profit on sales, there is no other way to handle increased costs. Beyond this, there would inevitably be a drop in sales volume for all food stores if a reversion to returnable bottles were compulsary and non-returnable bottles and cans were banned.

Consider further the food warehouses which deliver to food stores in many states. They would have to demand special packaging from manufacturers for specific resale in the State of New Jersey. Manufacturers and food store

[illegible] would increase [illegible]
[illegible] the unsanitary conditions that would be caused by [illegible]
packaging being, returned through food outlets and warehouses. More
manufacturer cost, more retailer cost, and the end result, increased
cost to the consumer.

Solid waste disposal is a world problem that is worsening. We are not going to solve it by panicking and attempting to abandon the enlightened packaging and material concepts which have enabled men to emerge from the primitive through the availability of food and drink, the healthful handling and storage of it and the valuable time saved by them for more important pursuits.

Solid waste disposal is going to be best handled at the community level by municipal services. The municipal garbage collection site must be equipped with modern machinery now being developed that will separate all recycleable material glass, metal and paper. Industry must be prepared to do that recycling with the expectation of a reasonable profit.

We share your concern on the problems of litter and solid waste, and, we as an industry, pledge our cooperation to work with government to bring the problem to a quick and logical solution.

Gentlemen, in speaking before you today against the proposed bill on banning non-returnable bottles and cans, we are not engaged in some version of local lobbying or some appeal for a self-serving favor.

We are quite clearly fighting for our [illegible] in New Jersey. We want to be certain that you understand that clearly. In the name of the 500 families who depend on our company for a livelihood, we ask that you reject this proposed bill and thus permit us, and others, to remain in business.

NEW YORK SEVEN-UP
Bottling Co., Inc.

The Honorable Bernard C. Smith
Chairman, Senate Committee on
Conservation and Recreation
Senate Chambers
Albany, New York

Dear Senator Smith:

Having completed the travels of which I spoke in an earlier letter to you, I am able to respond in detail to the questions which you asked of me through Vic Coudella.

In recalling my statements to you when we visited in your office on March 17, and as developed in my testimony before the Joint Legislative Committee later that morning, you have questioned why a ban on non-returnable bottles and cans would put this company out of business. You have asked, through Vic, why we can't convert our plants; if we could convert them, what it would cost, and, finally, how the investment could be amortized.

Senator, in response, let me say simply that a forced return to returnable bottle packaging would put us out of business because the cost would be beyond our means. Let me detail that cost for you so that you may have the answer to your basic question. What I detail for you will apply in greater or less degree to all bottlers in New York faced with the same circumstances.

Expenditures Required To Convert To Returnable Bottle Packaging from the Present Packaging of Non-Returnable Bottles and Cans

A. Production Machinery and Equipment

| | | |
|---|---|---|
| 1. | Three additional bottling lines to provide in bottles the equivalent of present can sales Each at $750,000 | $2,250,000 |
| 2. | To convert present non-returnable bottle lines to returnable bottle | |
| | a) Two bottler sterilizers Each at $80,000 | 160,000 |
| | b) Four empty-bottle inspectors Each at $12,500 | 50,000 |
| | c) Four ease-packers. Each at $25,000 | 100,000 |
| | d) Twelve carton-openers | |

| | |
|---|---|
| Each at $3,500 | 42,000 |
| 3. Two bottle-sorters. Each at $50,000 | 100,000 |
| 4. Eight additional fork-lift trucks for material handling. Each at $7,500 | 60,000 |
| Total | $2,762,000 |

B. Packaging Materials

| | |
|---|---|
| 1. Returnable bottles required in first year of production only: | |
| 3,000,000 cases at $2.50 per case | $7,500.000 |
| 2. Wooden cases required in first year of production only: | |
| 1,500,000 cases at $1.60 per case | 2,400,000 |
| 3. Cardboard cartons required in first year of production only: | |
| 20,000,000 at $50 per thousand | 1,000,000 |
| Total | $10,000,000 |

C. Water and Electric Current

| | |
|---|---|
| 1. Water consumption would quadruple in return to sterilization of returnable bottles: | |
| 12 month increase at $12,000 per month | 144,000 |
| 2. Electricity consumption would double with usage of increased equipment to handle returnable bottles: | |
| 12 months increase at $6,000 per month | 72,000 |
| Total | $ 216,000 |

D. Delivery Trucks

Because of the sorting and handling of returnable bottles the delivery fleet would increase by 60%

| | |
|---|---|
| 90 trucks at an annual rental of $5,000 per truck* | 450,000 |

* A portion of our fleet is leased; another portion is owned. This figure

supposes all additional trucks would be leased. New trucks cost between $9,999 and $10,000

E. Transportation of Production and Materials

Trucking equipment and manpower to operate would have to be tripled if all packaging were in returnable bottles:

| | |
|---|---|
| Additional cost, including fringe benefits | $ 900,000 |

F. Manpower Requirement

| | |
|---|---|
| 1. Production personnel (fringe benefits included) | |
| a) Three new bottling lines: | |
| 36 employees at $10,000 | 360,000 |
| b) Additional men needed on present lines if converted: | |
| 12 employees at $10,000 | 120,000 |
| c) Additional supervision: 3 employees at $15,000 | 45,000 |
| 2. Warehouse and loading personnel (including fringe benefits) | |
| Manpower would have to be doubled: additional cost | 420,000 |
| 3. Sales and delivery personnel (includes fringe benefits) | |
| a) Additional service-salesmen required: | |
| 90 men at $15,000 each | 1,350,000 |
| b) Additional supervision required: | |
| 9 men at $20,000 each | 180,000 |
| c) Additional division managers required: | |
| 2 men at $27,000 each | 54,000 |
| Total | $2,529,000 |

G. Real Estate

1. New Rochelle plant

Addition of two bottling lines and the storage and handling of returnable bottles would force total warehousing and loading and storage of trucks to move to a new facility:

| | |
|---|---|
| Cost of land and construction | $ 1,250,000 |

2. New York City plant

This facility could not possibly handle a conversion to returnable bottles because of space limitations. A new facility would be essential for production, warehousing and distribution:

| | |
|---|---|
| Estimated cost of $3,000,000 less $1,000,000 value of present facility leaves additional cost of | 2,000,000 |

3. Warehouses in Garden City, Medford and Newburgh, New York and Rochelle Park, New Jersey.

These areas would have to be nearly doubled in size:

| | |
|---|---|
| 52,000 sq. ft. at rental of $2.00 per sq. ft. | 104,000 |
| Total | $3,354,000 |

H. Obsolescense of Present Machinery

To revert to returnables would cause present production machinery to become obsolete:

| | |
|---|---|
| 1. Three bottle-warmers at $20,000 each | 60,000 |
| 2. Three bottle-rinsers at $10,000 each | 30,000 |
| 3. Three labelers at $20,000 each | 60,000 |
| 4. One complete canning line presently being installed at approximate cost of | 1,000,000 |
| Total | $1,150,000 |

Summary of Required Expenditures

| | | |
|---|---|---|
| A. | Production Machinery and Equipment | $ 2,762,000 |
| B. | Packaging Materials | 10,000,000 |
| C. | Water and Electric Current | 216,000 |
| D. | Delivery Trucks | 450,000 |
| E. | Transportation of Production and Materials | 900,000 |
| F. | Manpower Requirement | 2,529,000 |
| G. | Real Estate | 3,354,000 |
| | Total | $21,111,000 |
| H. | Obsolescence of Present Machinery | 1,150,000 |

Senator, practical person that I know you to be, I am confident that I do not have to burden you with further explanation once you have been acquainted with the above facts. I can best repeat the obvious: to render obsolete $1,150,000 worth of new machinery and then find another $21,111,000 with which to convert to returnable bottles, a figure in excess of our total annual gross sales, is beyond us.

This is to say nothing regarding the impossibility of accomplishing all needed changes in buildings, machinery, equipment and manpower in a reasonable time period.

Senator, the facts compel us to a single conclusion, the one you heard from me in your office, the one stated in the testimony before the Committee and the one with which this letter began: a forced return to packaging in returnable bottles would purely and simply put this company out of business.

I know the problem which you face and I face it squarely with you. I know also that the livelihood of five hundred families, for whom I am singularly responsible as president of this company, depends in great part on how well these facts are made known to you and your fellow legislators.

May I repeat in closing that the answer to litter is education and enforcement. The answer to solid-waste management is a systems approach to municipal collection and separation coupled with industrial re-cycling. Time, energy and money are most definitely required. All are being urgently expended now.

Please do not move to destroy this company and many others while true solutions are on the way.

I am grateful to you, Senator Smith, for your request for this information. With every best wish.

Sincerely,

Sidney P. Mudd

Congressman

# JOSEPH P. VIGORITO

HOUSE OF REPRESENTATIVES
WASHINGTON, D. C. 20515

(202) 225-5406

FOR RELEASE TUESDAY A.M. MAY 4, 1971

PLEASE OBSERVE RELEASE DATE

WASHINGTON -- "For the first time we have the statistics which show that the overwhelming majority of this nation's citizens want to ban throw-away beverage containers and would prefer returnable bottles and cans which do not litter our country's landscape," it was revealed here this morning by U.S. Congressman Joseph P. Vigorito in making public the results of the first nationwide survey on the question of whether one-way beverage containers should be banned.

At a press conference in the House of Representatives Caucus Room Vigorito released to the news media the results of a specially commissioned survey which showed that 64% of all Americans "approved of a law prohibiting the sale of soft drinks and beer in non-returnable or throw-away containers" while only 26% were opposed to such a ban. The survey was conducted by one of the most reputable polling organizations in the country, Opinion Research Corp. of Princeton, N.J.

"Up to now those of us concerned about the environment have believed that people are willing to return their beverage bottles and cans rather than throwing them away. Bottlers have said the opposite; that people were too convenience-oriented and preferred one-way containers. Now, for the first time, we have statistic proof which proves beyond a doubt that if our citizens were given the option, they would choose the returnable soft drink and beer containers. The problem is that the bottlers and supermarkets, by not carrying returnables, deny them this choice," Vigorito said.

(more)

"Bottlers and supermarkets are not concerned with the convenience of the consumer--they are concerned about their own convenience. We must reverse this trend. The consumer must demand what he feels is best. They must point out that the non returnable bottles, not only degrades our countryside but also increases the cost of the product contained in it."

Vigorito said that the favorable results of the survey would greatly enhance the effort being made by himself and 40 cosponsors to push through Congress his bill to ban all throw-away soft drink and beer bottles and cans. The legislation has received nation-wide attention and similar bills have been introduced and passed in several counties and states across the country.

The Congressman noted that the state of Oregon House of Representatives has passed a version of the bill and it is currently pending before the State's Senate. The Governor of Michigan, William Milliken, has also come out in favor of a ban and the City of Bowie and the County of Howard, both in Maryland, have also passed bans on throw-away bottles and cans.

Vigorito also noted that the nationwide survey taken by Opinion Research Corp. reflected similar more localized surveys taken by private organizations and firms. A poll taken by Allied Supermarkets, Inc., a concern which operates 87 supermarkets in Michigan, showed that 67% of their customers would buy in returnable bottles if they were available. The same percentage favored a statewide ban on throw-aways. A survey taken by a grocery chain in Portland, Oregon, also showed that 78% of those polled favored banning all one-way containers. A Minneapolis survey indicated 70% of the citizens in that area supported a total ban on non-returnables.

-30-

FACTS ON NONRETURNABLE BEVERAGE CONTAINERS

1. Shipments of beer and soft drinks in throw-away bottles and cans in 1970:

| | Throw Away | Cans | Total |
|---|---|---|---|
| Soft Drinks | 6,000,000,000 | 9,000,000,000 | 15,000,000,000 |
| Beer | 6,230,000,000 | 15,100,000,000 | 21,330,000,000 |
| | | | 36,330,000,000 |

2. Shipments and use of glass containers will more than double in the ten year period from 1966-1976, especially since nonreturnable glass containers of beer and soft drinks are replacing returnables.

3. The soft drink industry will produce 82% of all soft drinks in nonreturnable containers by the year 1975. The brewery industry will far exceed that pace, and will produce and sell practically all products in nonreturnable containers by 1972.

4. The consumer loses three ways as a result of today's packaging:

   a. he pays more for a disposable container than for a reusable one.

   b. he has to pay to have the one-way container collected for disposal.

   c. he must pay again when the container does not degrade but lives to foul our environment.

(more)

5. It is estimated that Americans could save $705,000,000 per year (based on prices in the Washington, D.C. area) if they purchased all soft drinks in returnable, money-back containers. If all beer were purchased in returnable, money-back containers, the consumer could save an additional $840,000,000, making a total saving to the American citizen of $1.5 billion. This could reach $4 billion annually by 1975 if current trends continue.

6. Collection and disposal of waste materials presently cost the taxpayer $4.5 billion annually, and the total is growing each year.

7. The consumer can save if he buys his beverages in returnable bottles:

| Soft Drinks | In Washington, D.C. | In Richmond, Va. |
|---|---|---|
| 12-oz. throw-away cans | 6 for 89¢ | 6 for 83¢ |
| 12-oz returnable bottles | 6 for 69¢ | 6 for 59¢ |
| savings per carton | 20¢ | 24¢ |
| **Beer** | | |
| 12-oz. throw-away cans | 6 for $1.23 | 6 for $1.25 |
| 12-oz returnable bottles | 6 for $ .78 | 6 for $ .95 |
| savings per carton | 45¢ | 30¢ |

(more)

8. A quote directly from a Coca-Cola Bottling Company advertisement in Birmingham:

   "Besides making the world a cleaner place to live in, money-back bottles save us money by keeping our production costs down. And they save you money because Coke in returnable bottles is your best value."

   If the company saves money and the consumer saves money, why aren't the bottlers using more returnable bottles?

9. A one mile stretch of highway in Kansas had a total of 930 beer cans, pop bottles, beer bottles, and beer cartons. Of the total litter, beer and soft drink bottles comprise anywhere from 3 to 8%, depending on whose figures you use. This may not sound like much until you realize that bottles and cans don't burn. It then takes on a much different picture because the average city burns its trash. The residue consists of 60 to 80% glass and metal. Sanitation people complain about the molten glass which clogs up their incinerators.

10. Problem with solid waste incineration: In another typical situation where one ton of packaging material is incinerated a residue of 705 pounds remains. Of this amount 637 pounds or 90% comes from glass and metal containers.

(more)

11. In Detroit alone the sanitation department reports that it costs them $4,000 each day to dispose of bottles. Based on a five day week, this amounts to over $1,000,000 per year. In addition, the cost of picking up litter (as distinct from regular refuse collection) is estimated to be over $500 million annually.

12. If present incinerators can't handle the problem, we have to find a place to dump them. But where? President Nixon doesn't want us to dump them in the ocean. Old mines are filling up and many cities are running out of space for landfills. For example, San Francisco wanted to haul its trash to Nevada; naturally Nevada said no. Where are we going to put the ever growing quantities of bottles and cans? And if the 37 billion throw-away containers now grow to 100 billion in 1975 our problem is going to be three times as bad!

13. A survey conducted by Allied Supermarkets, which operate 87 supermarkets in Michigan, showed 67% of their customers would buy in returnable bottles if they were available, and additionally, the same percentage said they favored a state-wide ban on nonreturnables.

14. One of the arguments of the bottlers against returnable containers is that retail outlets do not like to take the time to handle them for return to the bottler. This argument is false. The National Federation of Independent Business, San Mateo, Calif., took a poll and the results showed that 62% of the business proprietors favored the proposed ban on one-way containers, while only 27% opposed it. The Federation has 287,166 members across the country.

(more)

15. Most small to medium-sized bottlers favor returnables and say it would not impose a hardship on the industry to switch-back to 100% returnables, and that prices would not rise as a result. Several beer company executives have said the same thing. It is the large companies which oppose the ban on throw-aways.

16. A poll in the Twin Cities metropolitan area, a Minneapolis Star Metro Poll, indicated that 70% of the persons interviewed said they favor a total ban on the no-return bottles and cans. In the same poll 88% said they would be willing to return bottles and cans for reuse rather than throwing them out. Eleven percent were unwilling and one percent were undecided.

17. A survey in Portland, Oregon, by a grocery store chain shows that 78% of the shoppers interviewed said they were in favor of banning all one-way containers. A bill to ban non-returnables has passed the Oregon House and is now pending before the Senate.

18. Some unions are taking a very forward-looking position on this matter. The United Autoworkers Local in Pontiac, Mich., collected 2,500 signatures on petitions urging Oakland County to ban nonreturnables. The Michigan Tourist Council favors a ban. Gov. Milliken of Michigan has said: "I will propose a phaseout of nonreturnable malt beverage and soda pop bottles and cans in the state leading to an eventual ban."

19. The 1969 soft drink sales established a per capita consumption of 30.2 gallons, or approximately 483.2 eight-ounce equivalents per person per year.

- 30 -

THE EFFECT ON JOBS OF THE TREND TOWARD
NON-RETURNABLE CONTAINERS IN THE BEER AND SOFT DRINK INDUSTRIES

The switch-over from returnable, money-back bottles to throw-away containers in the beer industry has been paralleled by a sharp decline in the number of breweries with a consequent loss of jobs and corresponding decline in payrolls.

Figures from the U. S. Department of Commerce show that the number of breweries in this country dropped from 262 in 1958 to 188 in 1967, a decline of 28.3%. Recently, a representative of the U. S. Brewers Association estimated there were now less than 80 brewing companies.

The number of persons employed by breweries dropped from 71,700 in 1958 to 60,500 in 1967, a decline of 15.6%. Based on the average wage rate of $8,714 in 1967, the 11,200 job decline amounted to a payroll loss of $97,596,800.

It is estimated that even larger repercussions will occur in the soft drink industry -- if the switch to throw-aways continues. If the current trend continues, experts predict that by 1975, all soft drinks will be sold in non-returnable containers. In 1967 there were 3,403 soft drink bottling plants in this country employing 123,400 persons with a total payroll of $727,100,000.

If the trend to throw-aways in the soft drink industry parallels the beer industry, which it has to date, a decline of 28.3% in the number of plants would amount to a drop in plants of 936, or a new total of 2,440 plants. The number of employees, with a 15.6% decline. would fall to 104,150. Using the 1967 payroll figure of $5,892, the total loss in payroll would be $113,421,000 yearly.

A complete switch to throw-aways would also affect employment in food stores and other establishments selling soft drinks. Food chains estimate that it takes between 1/4 and 1/2 of a man to physically handle the sorting and related work connected with

(Over)

returnables. There were, in 1967, 218,130 food stores in this country. Estimating that around 90% were handling returnables at that time and using the minimum manpower need of 1/4 man, the number of jobs comes to 50,000. Using $6,000 as an average wage base, the payroll loss would be $300,000,000 yearly.

Combining the three different sets of figures, the effect on jobs and salaries from the trend toward non-returnable containers in the beer and soft drink industries comes to a possible job loss of 80,450 persons and a payroll loss of $511,017,800 yearly minimum. In addition, there are thousands of warehousing jobs which would be adversely affected by a complete switch-over to non-returnables.

For a plant comparison between the beer industry, now almost wholly committed to throw-aways and the soft drink industry still selling a large volume of returnables, Miller Brewing Company and the Seven-Up Bottling Company distribute approximately the same volume of products on a national basis. Miller does it from three breweries. Seven-Up does it from 487 franchise bottlers. The September issue of Outlook, a publication of Owens-Illinois (largest producer of glass bottles in the country), said, "One of the nation's biggest soft drink manufacturers has more than 1,000 local bottling plants today -- but officials of that company predict that 10 years from now they'll have less than 100 -- serving the entire country."

Sources:


1) 1967 Census of Manufacturers, the U. S. Department of Commerce, Bureau of the Census.

2) 1970 Brewers Almanac -- The Brewing Industry in the United States, United States Brewers Association, Inc.

3) 1969 Sales Survey of the Soft Drink Industry, National Soft Drink Association.

4) Outlook, September, 1970.

# New Jersey Food Council

2100 E. STATE ST. • TRENTON, N. J. 08619 • (609) 586-6390



(Statement by James M. Neilland, Executive Director of New Jersey Food Council, testifying before the New Jersey Assembly Committee on Air & Water Pollution & Public Health Wednesday, September 22, 1971, during Public Hearing on A-2212, an Act to restrict the use of non-returnable beverage containers.)

Mr. Chairman, members of the Committee:

My name is James M. Neilland. I am the executive director of New Jersey Food Council which represents the Garden State food industry, its employees and its customers.

First, let me commend you for your decision to conduct hearings on A-2212, which proposes highly-questionable restrictions on the packaging and sale of common consumer beverages. Additionally, each of you is to be commended for your willingness to give of your valuable time to be here today to hear the testimony of this bill.

Today, virtually every American citizen -- both private and corporate -- is tremendously concerned with the many dangers to our environment caused, primarily, by technological advances but compounded by a handful of unthinking or uncaring individuals.

Because of this grave concern, we are often tempted to cure the disease with the wrong medicine, with a medicine which appears to promise instant health and happiness, with a medicine which appears so easy to dispense and so easy to swallow.

Morphine, I might remind you, is a tremendous weapon in the fight against excrutiating pain. But I'm certain all of you know the terrible consequences which await the patient who becomes addicted to morphine.

I firmly believe that it is in this light we must ponder that which A-2212 could possibly do to benefit our environment and that which it most certainly will do to harm those who live within this environment.

I am thoroughly convinced that the concern of all Americans for a cleaner and healthier environment begins at home, with the rooms in which we reside, with the food and water we consume, with the clothes we wear, with everything that comes into our homes and with the land immediately surrounding our homes.

I am thoroughly convinced that our concern extends beyond these immediate borders. We want clean air at work and at play. We want clean water, not only for our own use but for the use of our unknown neighbors. We want beautiful and clean highways and unblemished landscapes. We want our ears and our nerves free from unhealthy noise.

As a proud citizen of what I believe to be the greatest and most progressive nation in the history of mankind, I am not afraid to believe that, some day, we can have all of this.

But let me remind you that penicillin was not developed by injecting mold into suffering patients. Dedicated men and women worked with that decayed substance and brought progress.

Today, 200 million Americans consume untold millions of gallons of beverages of all types. And these beverages are brought into their homes in containers of all types.

Unquestionably, these thoughts bring to mind tremendous magnitude in terms of metal, glass and plastic which may serve a useful purpose but which, at present, are doomed to the waste pile.

But, if with one bold move, we could eliminate from our lives every single ounce of that metal, that glass, that plastic, we would not have scratched the surface of the task of cleaning up our environment.

I am sure you will hear much today concerning the documented studies conducted by the National Academy of Science in cooperation with the National Academy of Engineering Highway Research Board and by the Federal Bureau of Solid Waste Management. Their studies prove, beyond the shadow of a doubt, that these packaging materials constitute the smallest part of roadside litter and an even smaller part of our solid waste.

And of course, neither this bill nor any other piece of legislation you and I could envision is going to eliminate each and every ounce of that metal, that glass and that plastic.

And I submit to you that this nation does not want it eliminated.

The beverages we consume today have become so much a part of our lives, so much a part of our diets, that our desire for them is very close to becoming a need for them.

The citizens of this nation, with our ever-increasing concern for the environment in which we live, want clean homes. And so I submit to you that, no matter how these beverages are packaged, we are going to continue purchasing them. And, because we want clean homes, we are not going to tolerate stockpiles of used and dirty cans, used and dirty bottles and used and dirty plastic containers while they await a trip back to our favorite grocery store.

I will not be happy -- and you will not be happy -- throwing away a considerable number of nickels each and every week of our lives. But I will do it and you will do it because we can afford it to preserve the cleanliness of our homes.

But will all the citizens of New Jersey be able to afford such cleanliness when suddenly, by the passage of this bill, the cost of such cleanliness will make it a luxury?

New Jersey is known nationwide for many things, some of which we are not very proud. But we are known,too, for our very genuine concern for the poor and the underprivileged. Enactment of this bill would go in the face of this concern.

If you and I enjoy the pleasure of a cold beer or a cold soft drink while we relax at home; if you and I enjoy a glass of fruit juice in the morning, can we fail to recognize that such simple pleasures constitute perhaps the major pleasure for hundreds of thousands of citizens in this state?

Do we really want to increase the cost of that pleasure for those citizens?

Do we really want to insist that those citizens be forced to live in even unhealthier dwellings than they do at present because they will have to save those cans and bottles in order to hold down the cost of their beverages?

Mr. Chairman, members of the Committee:

I don't want this. I cannot believe you want it.

Frankly, I find it very difficult to believe that the sponsors of this Bill want it either.

But the Bill is before us and, rightfully, you are giving it a thorough airing. Let us look than at some additional reasons why this Bill is bad legislation and only appears to be the golden cure for the ills of our environment.

Let us assume, for the moment, that all of New Jersey citizens could afford to pay the higher grocery bills which this bill would cause.

Let us assume, for the moment, that all of New Jersey's citizens would save their cans, their bottles and their plastics and at the end of each week they would bring these tons of containers back to their favorite grocery store.

If we would not be happy while these used and dirty containers sat in our homes, how much joy will we share in the knowledge that the food we purchase comes from the same marketplace which must serve as a storage yard for thousands and thousands of attractions for insects and rodents?

Through years of effort and dedication, New Jersey has developed outstanding standards of sanitation for the marketing of food. Our health codes, I am sure, rank among the best in the nation. And the men and women involved with food distribution in New Jersey score top grades in living up to these standards.

Can they really be expected to continue under the conditions which would be imposed by A-2212?

I know -- and you know -- they cannot.

Having, for the moment, accepted the impossible assumptions that all New Jersey citizens can afford higher grocery bills and all New Jersey citizens would return these containers to reduce their grocery bills, let us, for the moment, try to accept one more impossible assumption. Let us assume, for the moment, that New Jersey's food industry and its thousands of employees could continue to deliver the highest quality food at the lowest possible prices while forced to work in and around an avalanche of used and dirty beverage containers.

What else will we have accomplished with this bill?

We will have singled out the beverage industry as the culprit which caused all of our litter problems and all of our solid waste disposal problems. We will have ignored the fact that 59.5 per cent of roadside litter is paper. We will have ignored the fact that less than 6.7 per cent of our solid waste results from the containers which will be affected by this bill.

We will have said to the citizens of this state that now, despite all of the hardships and inconvenience and despite all of the unhealthy conditions we have caused for you, we are improving your environment.

Mr. Chairman, members of the Committee:

We don't really want to tell such a bold-faced lie, do we?

Let us turn finally to some very important questions concerning the Constitution of this great nation of ours.

Does that document, which is the foundation and strength of our nation, really permit us to single out the beverage industry and our beverage containers for such restrictive legislation as is proposed in A-2212?

Can we say, in good conscience, that we need not concern ourselves with the mountains of paper waste and with the mountains of glass and metal and plastic which package so many other products we consume?

Can we really require a five-cent deposit on a beverage container without mandating the same deposit for the cans and bottles and plastics which package our fruits, our vegetables, our detergents and so many other necessities?

And will our Constitution really permit us to interfere with interstate commerce by dictating the type or the costs of containers which cross state lines to enter New Jersey?

I trust you will answer with a resounding "NO"!

I can offer only one concluding thought to my feelings concerning this Bill.

It is not the worst piece of legislation I have ever reviewed.

There is a municipality in this nation which, at this very moment, is considering an ordinance which would make it a criminal offense to have in one's possession a non-returnable beverage container.

The governing fathers in that municipality apparently feel that the innocent beverage container merits the same treatment as heroin or a deadly weapon.

Once again, let me commend you for your willingness to review this legislation. Let me hope that I will be able to commend you for your decision to bury it. Thank you very much for the opportunity to present my views on it.

STATEMENT GIVEN SEPTEMBER 22, 1971, AT THE PUBLIC HEARING HELD BY THE NEW JERSEY ASSEMBLY COMMITTEE ON AIR AND WATER POLLUTION AND PUBLIC HEALTH, BY MRS. HENRY J. HERSEY, JR., CHAIRMAN OF THE COMMUNITY IMPROVEMENT PROJECT COMMITTEE, THE WOMAN'S CLUB OF CHATHAM.
APPROVED BY MRS. RICHARD LUM, PRESIDENT.

Mr. Chairman, members of the Committee and ladies and gentlemen:

I am Mrs. Henry J. Hersey, speaking for the Community Improvement Project Committee of The Woman's Club of Chatham, New Jersey. The group which I represent is in favor of the enactment of Assembly Bill Number 2212.

All of us, whether we are housewives, manufacturers and dispensers of beverages, managers of stores or supermarkets, or politicians, share in our free society a common interest and concern for the quality of our environment. This bill provides a step toward our environmental improvement.

In our community of 9,500 people, we have watched the dedicated efforts of two voluntary organizations: the Chatham Environmental Committee and the Passaic River Restoration Foundation. As successful as these groups have been in focusing

public attention on the need for the collection and recycling of glass bottles and cans and evidence that a large part of the cleaned up debris from the Passaic River consists of cans and bottles, it is apparent that their dedicated efforts need the public and legislative support which the passage of this legislation would provide. It has been estimated that these local organizations average about 8 to 10 tons monthly on returnable materials and collected debris. This, of course, is but a drop in the bucket for what must be done. We must have both the financial incentive and public control which this legislation makes possible if we are to encourage the re-use of beverage containers and lessen the "throw-aways."

We congratulate the sponsors of this bill for recognizing the need for this legislation.

(1) It will help to lighten the load of our monumental amount of solid wastes now being generated by our densly populated state.

(2) It will lessen the pressure on our diminishing natural resources by encouraging a policy of re-use.

(3) It will help to reduce the mounting public cost of litter clean-up of highways, parks, and waterways. Cans and bottles are the main ingredients for creating this part of our gross national product. It is estimated that even our state highway clean-up costs over $600,000.00 annually.

With the passage of this bill, New Jersey would join enlightened action taken and being considered in other states. Oregon has recently passed similar legislation; communities and one county in Maryland have followed suit; bills are now being considered in Pennsylvania and Michigan.

We are not unmindful of the inconveniences that the passage of this bill will mean for all of us, but the alternative to its enactment would mean a further degrading of

our environment. We are, therefore, ready to assume this inconvenience.

The nationwide public opinion poll conducted by Opinion Research Corporation, Princeton, New Jersey, supports this decision. 64% of all Americans approved a law prohibiting the sale of soft drinks and beer in non-returnable or throw-away bottles. 26% did not want this inconvenience. A Minneapolis survey indicates 70% of its citizens supported a total ban on non-returnables.

As Edward Carpenter has said in his book, "Toward Democracy," only that people can thrive that loves its land and swears to make it beautiful.

Thank you for your attention.

September 21, 1971
Ringoes, N.J.

STATEMENT ON ASSEMBLY BILL 2212

E.A.Laport, Chairman, EAST AMWELL CONSERVATION COMMISSION

GLASS BEVERAGE CONTAINERS

For many years the beverage industry, production and distribution, prospered very well with returnable bottles. Then they discovered that they could make more money selling glass than what was inside the bottles. Because a few lazy people never bothered to return deposit bottles, the entire public has been forced to pay for the no-return bottles. The accumulation of waste glass by this practice has become a national disposal problem, even with token recycling in some places. Unless one has worked on a recycling team he cannot appreciate the magnitude of this waste glass problem. Even so, only about one per cent of bottles are brought for recycling. Glass refuse lasts forever whether buried or thrown on the land.

BI-METAL BEVERAGE CANS

This is one of the most abominable items yet! and all for the momentary convenience of quick opening. A typical beer can weighs 2 ounces and occupies a space of 26.6 cubic inches. It takes 16,000 to weigh a ton, for which the DELIVERED salvage value is $10. A ton of bi-metal cans in randon loading is at least 18 cubic yards. No one can afford to transport this volume to a salvager for the present salvage value. Recycling bi-metal cans is obviously impracticable economically, even with volunteer labor. Furthermore, to be recycled, the cans must not be deformed. The social price of this type can in the environment is much too high to justify its existence. There are other acceptable substitutes for the bi-metal can that are far less objectionable. The ordinary can is bad enough the way they are strewn over the landscapes.

I urge adoption of A-2212 as written

Edmund A. Laport

Written testimony for:
Assembly Committee on Air and Water Pollution and Public Health

The Chatham Environment Committee was formed to promote the conservation of our resources and encourage recycling.

We strongly support the bill requiring a deposit on beverage containers.

The throw-away era must end. This is the most densely populated state in the country. We must not wait until our population grows bigger and our solid waste problems are insurmountable. Let us have this legislation now, while people still remember what a returnable bottle is - Thanks to Coca Cola and a limited number of other companies. This is a good time to start. People are aware and well motivated now. They have heard how Americans use more than their share of the earth's resources. They have seen how in towns all over New Jersey there are groups involved in recycling paper, aluminum and glass. We, as one of these groups, voluntarily put in long, hard hours collecting other people's discards, trying to demonstrate to industry and government that we don't want to bury this stuff in a landfill, we don't want one-way bottles and cans. People can be re-educated to bring their bottles back, and this legislation is the first necessary step.

Will returnable bottles cost more to manufacture? Probably, but they are used an average of 14 times. In our town of almost 10,000 people, we discard at least 600 tons of glass a year. Reusing glass will have an immediate impact by reducing the weight and volume of our trash.

Isn't recycling as good as returning? No. Even if we collected all of it, the old glass is only 30% of the new glass bottle. We can't argue that the glass factories are using up all the sand, silica is an abundant resource - but what can we do with the rest of the old glass? They've tried, but haven't found a good market for it. Finally, why should we expend valuable power to recycle bottles when we can easily reuse them?

Industry, through advertising and public relations, has created a throw-away culture in this country - from paper cups in the bathroom to foil pans in the kitchen. We have been told that it's cleaner, healthier, more convenient, to have plastic bags, multiple packaging, and no-return bottles. We often hear that Pepsi Cola couldn't get people to bring bottles back even with a 25¢ deposit. Why? Because everything else was in a no deposit - no return container and people had lost the habit. Industry has given us free containers, and we buy them, but we forget that we have to pay the garbage man to carry it away, and we just now have awakened to the fact that there is no good place for him to take it. We CAN return it. Advertising and the media have a powerful influence, and can be used to reshape our thinking and change our habits before we are buried in the refuse of a convenience-oriented culture. This will not happen by itself. Legislation is needed now.

Respectfully submitted, Mrs. Genevieve Minton, Pres.,
Chatham Environment Committee
57 Chandler Rd. Chatham, N.J.

September 21, 1971

STATEMENT OF JEAN F. JUDGE, DIRECTOR OF CONSUMER AFFAIRS, THE GRAND UNION COMPANY FOR THE HEARING OF THE NEW JERSEY ASSEMBLY COMMITTEE ON AIR & WATER POLLUTION, SEPTEMBER 22, 1971.

As a person long involved in working with consumers as a consumer educator and for the past year serving as a consumer voice at the management level of a supermarket chain, the Grand Union Company, I am well aware of, and sensitive to, the environmental concerns of many consumers. As an environmentally concerned citizen myself, I believe that meaningful steps need to be taken to clean up our environment. I believe this is the goal of enlightened, environmentalists consumers, industry leaders and legislators. To achieve it and to guard against future pollution, I feel we need to develop the kind of legislation, policies and programs that will not only clean up our present pollution problems but also ensure against future pollution.

I truly believe it is not in the consumer interest to undertake, no matter how well intended, simple approaches to complex problems because I believe this merely delays the kind of intelligent, meaningful commitment that must be made by all of us if we are really going to lick pollution. It is because of this genuine concern that I would like to speak against Assembly Bill A-2212. Assuming that it is both enacted and enforced by government, its provisions adhered to by business. and the intent of the law respected and honored by consumers, a ban on the sale of non-returnable bottles merely relocates the pollution problem from the home or the highways to the retail market; it does not solve the problem. Further, the results of a ban such as the one proposed creates the additional environmental problem of store level sanitary and health hazards caused by accumulated unclean containers.

From a consumer point of view, the immediate effect of a ban on non-returnables could be increased prices for beverages including milk because of the substantial cost of handling the returnable containers at store level. A recent study in Washington, D.C. indicated that the increased cost caused by such a ban would fall most heavily on those least able to bear it, i.e. low income consumers. These consumers normally do not have access to ready transportation to return containers and would be apt therefore not to collect the bounty on them. Parenthetically, the same low income citizens do not usually have in-home space to store returnables without adding an additional sanitary problem to those with which they must already contend.

As a company, Grand Union is attempting to take and support those steps that will truly contribute to an improved environment. In attempting to do this, two problems complicate the effort. The first of these is attempting to determine what the valid facts are on which to base decisions regarding the many ecological problems confronting us.

The second complication deterring true progress results from the diversion of corporate resources to comply with a proliferation of different municipal, state and federal regulations which, although well intentioned, are not, in many cases, making any appreciable impact on the real pollution problem- solid waste disposal. None the less, we must comply with these regulations at considerable cost.

I would therefore respectfully urge that Assembly Bill A-2212 not be enacted and that responsible New Jersey government, business and concerned consumers work together in support of those actions that will truly result in the improvement of our solid waste collection and disposal systems. I believe we would all agree this is the only long term solution that will clean up our environment and maintain its quality.

Thank you.

Jean J. Judge
Director of Consumer Affairs
The Grand Union Company

# CENTRAL JERSEY PACKAGE STORES ASSOCIATION

(FORMERLY NORTH CENTRAL COUNTIES RETAIL LIQUOR STORES ASSOCIATION)

Affiliated with New Jersey Package Stores Association and
National Retail Liquor Package Stores Association



September 22, 1971

To Members of the Assembly:

As president of Central Jersey Package Stores Association, representing one hundred and ten package store owners and their employees, located in Warren, Sussex, Morris, Somerset and Middelsex counties, I would like to express my opposition to Assembly Bill #2212.

My position on this bill is based on factors of convenience to the public, return of unsanitary containers of deposit bottles, chipped and broken tops on resalable containers. In addition, it would certainly cause extreme hardship to delivery people and retail outlets.

Very truly yours,

Kenneth W. Fox

Kenneth W. Fox
President
Central Jersey Package Stores
34 Broad Street
Washington, N. J. 07882

Re Public Hearing at Trenton before Air & Water Polution etc. Committee considering Ass. Bill # 2212.

I am Nelson Becci president of the N. J. Package Stores Association with offices at 24 Commerce St. Newark, N. J. I appear on behalf of the package store licensees to voice opposition to Assembly Bill 2212. We encourage any plan or policy which will, in fact, minimize the environmental problems facing the state and the nation if the benefits of such a plan will not create greater problems than it will cure. We protest the adoption of any law which may result in greater rather than lesser hardships to the consumer, labor, manufacturers, distributors and retailers.

The history of the public's beverage purchasing habits show consumers heedless of costs when buying soft drinks or other beverages. Soft drinks are bought more often by pre-teen and teenagers and they buy the more costly metal, plastic or glass disposable or throways rather than the returnable container which is readily available and less expensive. It is also a matter of record that many consumers will buy containers with deposit on bottles and still treat these as throw-a-ways.

The evolution of the glass and metal containers is interesting for it gives credibility to my comments. When throw-a-way bottles first came on the scene the cost to the consumer was much higher than the cost for the same beverages in deposit bottles, yet these non-returnables soon outsold the deposit bottles. When these non-returnables added the easy-to-open screw top the great majority of the consuming public readily accepted the additional cost and abandoned its predecessor. Practically the same trend followed the metal container. Upon the introduction of the can into the beverage business its costs to the

(more)

consumer was much higher than the cost of containers bearing deposits and yet its sales soon outdistanced deposit bottle sales. When this same metal container was later equipped with the easy-to-open flip-top the great majority willingly paid the higher costs for this convenience. This brief history is related for the purpose of showing that frugality is not an American trait and the added charge suggested in A 2212 will not encourage the purchaser to return the containers.

A copy of Assembly Bill 2212, which I have in my possession, does not describe its goal but if its purpose is to discourage littering its success is highly questionable. Most, if not all, such litter is the result of the thirsty car rider who likes to keep his car clean but does'nt care much about the streets or highways upon which he drives unless these are in his immediate neighborhood.

The N. J. Package Stores Association supports most of the testimony presented by Container and Beverage Manufacturers and by some others who have spoken against A 2212. We oppose this bill on additional considerations. Many package store owners, for whom I speak, will be forced to lease additional warehousing space, if such is available in his immediate area, and they will be forced to pay higher insurance rates because of the greater hazzards involved in handling broken bottles or mutilated metal containers. In addition this bill places an added burden upon certain retail outlets who because of their highly trafficked location will be forced to store and pay out deposit monies on containers they never sold, a highly unreasonable situation.

Returned containers can be, and usually are, health hazzards. Few returns are sterilized and those picked off of the road by youngsters for the collection of deposits ~~cannot~~ by never are ~~expected to be~~ sterilized.

(more)

It is a matter of record that roaches, bugs etc., find a haven to multiply and thrive on the residue present in the returned containers.

Growlers and paper containers of draft beer, which were permissable sales items during all the hours taverns were open prior to the passage of Senate bill #2108 (the Hours of sales beer bill) , were never considered an environmental problem because the growler was the beer buyer's repeated companion on his trips to the pub, while the paper container is readily disposable. With the passage of S 2108 the convenience of the metal or glass container encouraged almost a complete switch from the draft to the canned or bottled beer. These cans and bottles, now legally sold on Sunday when traffic is heaviest, contribute greatly to the very matter under consideration here today.

For all of the aforementioned conclusions the N.J. Package Stores Association urges this committee and all legislators to withdraw their support for A 2212 in its present form.

Nelson J. Bucci President,
N.J. Package Stores Asso

# # #

CONSUMERS LEAGUE OF NEW JERSEY
FOUNDED IN 1900 AFFILIATED WITH NATIONAL CONSUMERS LEAGUE
20 CHURCH STREET, MONTCLAIR, N. J. 07042 • TELEPHONE 744-6449

Position paper of the CONSUMERS LEAGUE OF NEW JERSEY ON Assembly Bill 2212

Just one year ago the CONSUMERS LEAGUE OF NEW JERSEY sponsored a forum entitled"Consumer and Environmental Education for Action." Representatives from throughout the State were invited to hear about and to see concrete demonstrations of the ways in which they, as consumers, could act to reverse the environmental decline of this State. Since that time we have met with and provided speakers for scores of organizations anxious to act on this problem. We believe that comprehensive, concrete action to restore and to protect our environment are both long overdue and urgently needed.

Because of our concern for environmental quality we strongly oppose Assembly Bill 2212. We feel that the bill under consideration not only fails to get at the source of the problem, but also holds little promise of reducing litter and solid waste garbage. The language of the bill is so lacking in clarity, and a plan of realistic implementation so absent that one can not tell the following:

1. how consumers are to distinguish between empty containers from juices and those of other products similarly packaged i.e. fruit juice & canned soups, vegetables, fruits ( The question is whether the consumer would be expected to save the lid and label as well as the container.)

2. Whether all stores will accept all containers for refund of deposit or must items be returned to the store from which they were purchased and how is one to remember this

3. how stores accepting such a variety of containers, some for refill and some for recycling, will maintain clean, healthful, pest-free collection areas

4. how consumers can avoid long lines while a variety of containers is checked for return and deposit

It would seem that A2212 would simply cause a price increase of at least .05 on every beverage with no promise that more containers would be refilled or recycled. The indiscriminate inclusion of all beverage containers creates confusion and means that the more affluent consumers may simply regard his deposit as a price increase and bear it while he disposes of the container in his usual way. It means that the poor , the elderly, and those in small living quarters, who have no room for a variety of collection bins that can be emptied only upon a trip to the market, will either collect and contribute to health and safety hazards or lose their deposit as they dispose of their containers.

We also feel that A2212 ignores too many consumer facts:

First, an industry that is continually and increasingly packaging items in large, duplicate, wasteful, non-reusable containers

CONSUMERS LEAGUE OF NEW JERSEY
FOUNDED IN 1900 AFFILIATED WITH NATIONAL CONSUMERS LEAGUE
20 CHURCH STREET, MONTCLAIR, N. J. 07042 • TELEPHONE 744-6449



Second, extensive and costly advertising campaigns to promote markets in so-called convenience food products in individual portions and disposable containers as well as advertising campaigns to promote new as well as old beverages in an ever-changing array of sizes and containers

Third, supermarkets that contribute to solid waste problems by the use of plastic bags and wrappers, by the increasing pre-wrapping of things like a single head of cabbage, the use of double meat trays, and inefficient and discouraging deposit-return systems

Fourth, a container deposit, when applied to containers not easily identified, collected, stored or returned does little to actually get containers back to the stores and deposit monies thus collected, by the stores, have no way of being used for reclaiming, collecting, cleaning up litter and public education

We commend the sincere motivation and environmental concern of the sponsors of this bill. However, the present form of this bill would seem to confuse and turn people away. We therefore recom end the formation of a committee to hold hearings and to devise a step-by-step plan for attacking both the causes and effects of litter and solid waste. To be practical, such a plan should include stages of garbage collection and recalmation until we have operating regional mass reclamation plants. To be truly meaningful it must deal with more than collection and re-cycling and should include an examination of practices of consumers, retailers, processors, institutions, and goverment.

(For example: the growing use of all-disposable hospital items with no evidence that many of these are more economical or more sanitary; the promotion of individually packaged, disposable meals for schools, institutions etc; denying consumers a choice of returnable bottles; etc.)

We recognize that efforts to protect the environment will cause some inconvenience and cost to everyone. We believe that an effective, practical and equitable plan, designed to gain popular support, can be achieved if those of us expressing concern are forced to recognize our common stake in the quality of life.

Respectfully submitted.

R. Ricki Stochaj

Mrs. R. Ricki Stochaj, President

A. 2212, September 22, 1971

STATEMENT BY: Ella F. Filippone, President
Environmental Research Associates, Inc.
25 Holmesbrook Road
Basking Ridge, New Jersey 07920

I am Ella Filippone, president of Environmental Research Associates, Inc., a member of the American Economic Association and also of the Royal Economic Society of London.

We are deeply concerned with the quality of life and the changes being brought about by technology and progress. However, we feel that any State action which is taken in the environmental sense should take several factors in mind.

A. 2212 in theory sounds like a good idea; however, it does present extenuating problems, which possibly a broader outlook would alleviate.

First of all, the banning of throw-away bottles and cans is a megative measure. The alternative to throw-aways would be deposit containers, which must be stored both by the distributor and the consumer. Thus, enters the safety factor --- bottles standing around have a tendency to get broken.

Second, the implementation of this action would for all extent and purposes be more costly than the cost of disposing of bottles and cans, since recycling could be made more efficient by a more co-ordinated effort.

Third, the elimination of throw-aways presents an economic burden on a portion of the residents of New Jersey. It would be much better if through State initiation, recycling were developed into a part of our economy ---not to be done on a voluntary basis, but as part of the routine of everyday disposal and resource supply.

Fourth, the legislature should present incentive legislation to industry for research geared at changing our packaging methods so that we take out of the refuse collections those items which cannot be recycled.

The philosophy of environmental quality should be forward moving and not backward. It should direct itself to broader, long term concepts and not this piecemeal approach. Environmental quality must consider how it interrelates with other aspects of our economy and then evaluate its own merits. I believe in this instance, the benefits would not improve the situation substantially, since throw-aways constitute only a small percentage of our refuse mix and since we would be effecting an existing industry and hampering the potential growth of another. In addition, if we were directing this effort toward a commodity, which could not be reused, I think A. 2212, would have great value, but in the case of bottles and cans, this is not so.

Instead of banning throw-aways, this bill should be completely revised so that it educates people toward the better use of these items and institutes recycling on a wider basis. Thank you.

Testimony on A-2212, a bill to ban non-returnable beverage containers. Hearings held September 22, 1971, before the New Jersey Assembly Committee on Air and Water Pollution

I am Muriel Gill, New Jersey State Division, American Association of University Women, Community Chairman, and a member of the State Board. Our Association has 51 branches and a membership of over 7000 in our State.

Our legislative program for 1971-1972 states that "in time of rapid change, affecting community living, we support measures to recycle wastes."

Last year Community Chairmen in branches throughout the state participated in a program to promote collections of bottles, cans and paper to reduce the volume of our physical wastes and to reuse them. Representatives from many branches brought community leaders and municipal officials to Long Branch, New Jersey, to consult about collection programs and returned to their communities to implement these programs. As a result of these activities, the New Jersey Division was asked to make a presentation at the International Federation of Women's Club Triennial meeting in Philadelphia in August. We have established an informal environmental clearinghouse with women throughout the world through our membership in the International Federation of University Women.

This year we are going to issue a questionnaire regarding the effectiveness of local collection programs and the expansion of the recycling industry, as a result of which we hope to improve programs in areas where our branches are most active.

As individuals many of our members have been active in promoting the idea of reuse and recycling, of which the bill under consideration today is an example. During the months since this bill was introduced, many new concepts and priorities have been developed which lead us to question whether this bill is now suitable for New Jersey with its high population density and whether it should not now be amended to be made more practical as to time and more applicable as to our needs and abilities.

We wish to make you aware of our strong interest in the reuse of our resources and the protection of the environment and of our desire to support programs which will carry out this goal.

STATEMENT IN SUPPORT OF ASSEMBLY BILL #2212

Submitted on September 22, 1971 by Teri Provissiero for the Hightstown-East Windsor Ecology Coalition

I am Teri Provissiero, A resident and home owner of East Windsor, New Jersey. I am pleased to have the opportunity to speak before the Committee as a representative of the Hightstown-East Windsor Ecology Coalition.

There are numerous reasons why our organization supports this bill #2212, nevertheless, I would like to present some of them to you.

The contribution that non-returnable containers make to litter all over this country is nothing that can be overlooked. The Bureau of Solid Waste and Management in The Role of Packaging in Solid Waste 1966-1976 said. "Quantitive and qualitative changes in packaging materials consumption in the 1966-1976 period will intensify the litter problem primarily by providing greater quantities of non-returnable beverage containers.

In Oregon where people buy one million throw away beer and soft drink containers per day, it has been noted that most of them wind up as litter. A citizens group, People's Lobby Against Non-Returnables conducted a survey picking up litter. In two hours they picked up 16,850 beer and soft drink throw away containers, this may seem an impressive figure but it only represents twenty four minutes worth of daily consumption in that state. The survey was conducted under controlled conditions* The results were as follows.

54% of the litter was cans, soft drink and beer containers outnumbered all others four to one
17% was glass, throw away bottles outnumbered deposit or returnables five to one
28% was paper, a significant percentage of that was beer and soft drink container packaging

Thus, the survey concluded that throw away containers have a 21% greater chance of becoming litter than deposit or returnable containers. Although one way bottles and cans account for 55% of the sales of soft drinks and beer in Oregon, they account for 96% of the container litter.

*Each of the 141 participants gathering litter was instructed to pick up all paper, glass and cans in an assigned area and bring it to an assigned area where bottles were counted by hand and volume was established using calibrated containers. An independent observer monitored the counting.

Keep America Beautiful, Inc. cited that in 1968 nearly 28 million dollars was spent on the collection of litter from primary highways in this nation. They did studies on Indiana's share of that burden and reported that it was $5,600,000 worth. In addition, the Dept. of Natural Resources of the State of Indiana projected on a population basis that Indiana's yearly usage of disposable cans is 1,130,000,000 and disposable bottles 629,000,000.

A National Study of Roadside Litter* took randon samples of approximately ten highway segments, each two tenths of a mile long. They included some from twenty-nine states. It was estimated that approximately one cubic yard of litter was accumulated per month for each mile of interstate primary highway.** The statistics showed that 32% of the litter collected consisted of cans, glass bottles and jars. The estimated cost for bottles and cans(at $5,600,000) per year for the total collection of litter) clean up is $1,792,000*** per year. The State of Indiana alone was estimated spending in excess of $1,000,000 per year for collection of bottles and cans.

In a letter from the Indiana State Highway Commission, Mr. Martin L. Hayes stated that an "average" of $750,000 was spent by the Indiana Highway Commission per year to collect and dispose of litter along our state highways. Since bottles and cans comprise 32% of the total collection, the burden to taxpayers would be in excess of 1,800,000 per year.

Glass and metal packaging present two of the worst disposal problems, particularly when incinerators are used. A typical situation where one ton of packaging material is incinerated a residue of 705 lbs. remains, of this amount 637 lbs. or 90% comes from glass and metal containers.

The Crusade for a Cleaner Environment tells us that it costs 1.5 billion dollars per year to get rid of cans, non-returnable bottles and plastic containers.

The Bureau of Mines tells us that at the present rate we are using aluminum, our supply will run out in 138 years. My great grandchildren may hold as their most precious and valuable possession, an all aluminun beer or soda can. This possibility strikes a frightening note.

*Prepared by Research Triangle Institute of N. Carolina sponsored by Keep America Beautiful, Inc. Research Board developed specicications
**in the 29 participating states for the calendar period represented by the pickups
***This figure is based on a straight division of the national total of litter collection and qualifies as a valid estimate only.

Last year alone this country spent $500,000,000 to clean up litter. Mr. David D. Dominick, Assistant Administrator of the Federal Environmental Protection Agency tells us that we produce more than 4.3 billion tons of solid waste a year and it increases at an annual rate of four to six per cent.

Container Manufacturers claim their products contribute a relatively small percentage of solid waste to our environment. The percentage is about 22%, nevertheless, because glass and metal are non-biodegradable they contribute 80% of our permanent litter.

Aside from the unsightleness of litter along our roadways, the costs of disposing of it, the added burden the the taxpayers and the added pollution it contributes we find still other problems it causes...

Farmers in Oregon testified in support of the States ban on non-returnables. They said that litter along the roadsides cost them the lives of many livestock. The animals would eat pieces of broken glass and metal which would become lodged in their chest causing severe pain and finally killing them.

New Jersey is no exception, I spoke to a local farmer and he confirmed what Oregon farmers said. He also added that he has had to throw out loads of feed because glass and metal particles had become ground in with it. The blades on his machine have been torn up by glass and metal particles running through. He concluded that there was about the roadside other forms of litter, nevertheless, soft drink and beer containers predominated.

Small children suffer from cuts and bruises caused by broken glass and metal. I've seen children put their fingers and tongues into the tops of flip-top cans and come out with gashes.

It might be cited by some who oppose this bill that in 1953 the State of Vermont passed a bill banning one-way bottles which was unsuccessful. In fact after four years the bill was deemed "not effective" A further look into this bill would show why it inevitably failed.

1) It banned only "malt alcholic beverage containers."

2) Public awareness of ecological problems in 1953 was relatively low.

3) Social problems of 1953 could not compare to the problems we have in 1971.

4) The Malt Alcholic beverage companies started packaging their products in cans.

(3)

I'd like to add here, that it was due to increased public awareness the State of Oregon was able to pass its ban on non-returnables. An overwhelming mauority of states have such bills pending as our Assembly Bill #2212. Would this be possible if a sense of public awareness and urgency were not prevelant? People are ecology minded today out of necessity.

Container manufacturers would have, we the consumer, bring our containers to redemptiom or recycling centers where they would be melted down into new one-ways. They cite surveys that show returnables wind up as litter too. The price of everything has increased greatly today. Perhaps if there were a proportionate increase in the deposit of containers people would be more likely to return their containers.

Perhaps its time for industry to begin sharing some of the burden, to share a social obligation. The consumer is is"over taxed" enough already, natural resources are "over taxed" and our minds are being "over taxed" with concern about this mass of garbage we're being buffedin day by day.

Recycling is not the answer. In my community a group of concerned citizens supported five recycling days. People were asked to bring glass, metal and paper items to a specific point where they in turn would go to outlets that would recycle them. Many people did not participate feeling that such programs were unrealistic, that unless there were National or State wide bans on non-returnables it would be purely idealistic to support recycling days.

In summation I'd like to quote something President Nixon said in 1970. "The 1970's absolutely must be the years when America pays its debt to....our living environment. It is literally now or never."

As a group of concerned, conscientious citizens we feel that the passage of this bill is a major step in paying that debt.

(4)

September 16, 1971

Assemblyman Kenneth Wilson
Chairman of Committee on Air*Water Pollution*Public Health
State House
Trenton, N.J.

Dear Assemblyman Wilson:

Enclosed you will find a copy of a statement from our Clean Air Group in Hudson County. I would have been happy to have delivered it in person, however, the public hearing on this bill was slated the same day our organization was having a very important conference in Jersey City.

Our organization held a special meeting to discuss this bill with our membership and executive board. Each and every person present hailed this bill as one of the most important pieces of legislature to come out of Trenton in a very long time. We commend the sponsors and hope your Committee will support this bill with as much vigor as we do in Hudson County.

Sometimes we fall into ruts and become talkers about what we are going to do to clean up old mother earth. We have no time for talkers, these Assemblymen who sponsored this excellent bill are doers. You know, if we don't do something soon we will all have to travel to the moon to get away from our own wastes that are burying us alive, here on the earth.

I could write a book on Hudson County's Solid Waste Problems, not so much about her own waste problem but concerning the keg of imported garbage we are sitting on in the Meadowlands, that threatens to blow us up any day now. We almost lost part of Hudson County last year when P.J.P. Dump burned for three whole weeks, polluting the air of three counties, plus Manhattan. So you see we know, first hand, that we need to take some long range steps immediately to help reduce some of the wastes brought into Hudson. Banning the non-returnable can, bottle, etc., will help. This is a wonderful

first step to take to reduce some of these wastes.

Please support this bill and tell your fellow committee members that we in Hudson need their help. We need it desperately.

Hope all goes well on Wednesday. Let's hope for a victory for the people who are working 24 hours a day to clean up this environment.

Very truly yours,

Mrs. Warren C. Zapp
President Hudson County Citizens for Clean Air

BOARD MEMBERS

Dr. Ethel Lawner, Md.
Mr. Theodore Conrad, Engineer
Mr. James Drago, Planner
Mrs. Walter Westling, College Co*ordinate
Dr. Jean Lane, J.C. State College Professor
Mr. Carl Feltz, Architect
Raymond Bauer, Sanitary Engineer
Mrs. Barbara Eisler, N.J.C.C.A.
Mrs. Rymond Bauer
Mrs. Lois Kosynski, Women's Club Co-ord.
Miss Barbara Cambell, Cit. for Clean Water Co-ord.
Mr. Warren Zapp, Industrial Engineer
Mr. Floyd Schumann, Environmentalist

All the aobe join me in our support of this bill, plus our entire membership in all twelve municipalities in Hudson County. WE WANT ASSEMBLY BILL #2212 PASSED, TODAY.

STATEMENT FROM HUDSON COUNTY CITIZENS FOR CLEAN AIR
IN SUPPORT OF ASSEMBLY BILL, NO. 2212

The executive board and the entire membership of Hudson County Citizens for Clean Air, with members in each municipality in Hudson County vigorously support Assembly Bill # 2212.

We, in Hudson County, live in the middle of the garbage district in New Jersey. I suppose you all have heard of garment districts, business districts but maybe this is the first time you have heard of a garbage district. Kearny, Secaucus, and Jersey City have become the garbage can of the east. Each day thousands of tons of imported garbage is dumped on our meadowlands, fouling up the air, water and de-spoiling our open space land. Noise pollution, smell pollution, rat pollution, eye pollution, you name it, and you can be sure we have it as a result of this keg of garbage - Essex, Bergen, N. Y. State, to name just a few. Much of this garbage is made up of glass bottles, rotted cans, plastic containers all dumped onto our land because the manufacturer's of these same products has refused to push the returnable container but has, with his tongue in his cheek, pushed the non-returnable demon instead, foolishly thinking that the so called "people of America" are too lazy to bring their returnables back to the corner store. This is nonsense!!! Our organization used some housewives to take a small independent poll in a few centrally located supermarkets in Hudson County just to see how the women of our area felt about the returnable container vs. the non-returnable container. The question asked was: If you had your choice of the non-returnable container of your favorite beverage or the returnable container of your favorite beverage, which would yield a refund upon its return to the store, which one would you be willing to buy? Result showed 15% had no preference, 10% declared they preferred the non-returnable container, 75% stated they would much rather purchase the returnable, deposit yielding, container. Comments were many but the best were "We save the cardboard containers

they come in and since we have to go back to the store for more anyway, why not just bring them along with us. The empty container is no trouble to lug back, especially when we know we are doing our small part to help the environment". "We have this family project, our kids bring all the empty, deposit bottles back to the store and can keep the money for a special project. It beats lugging those bottles to the recycling center, way on the other side of town. They can do this on their own without my (their mother's help)." (These were just a few of the many comments we received, but they show that American women are not that very lazy breed of individuals that the bottle and can manufacturer's cater to with their products. These women stand up for what they believe in and would, by an actual head count, prefer the returnable container. In other words they would rather Fight for the environment Than Switch to the throw-away container. Now you know how they feel, the burden to get this law passed falls on you the legislator, or representative in Trenton.

Recycling is no long-range answer to our solid waste problem. What we are looking for is a permanent answer to this emergency problem. We, in Hudson County, feel the solid waste problem is an emergency that will not go away if we close our eyes, you see our nose always reminds us the garbage is near-by. There is only one solution to this problem and that is why this bill #2212 was introduced. We must make up our mind here and now we have to stop talking about steps we are going to take to clean up the environment, we must start doing. Today is the day for doers to come forward and be heard. The talkers will always be with us, we cannot allow them to take over, we must act today to do everything in our power to see that this bill is passed quickly.

This bill bans these "non-returnable demons", that go right on polluting our air and water and messing up our incinerators which usually have a hard time digesting these demons. This is the only long term solution to the problem. If we don't ban the returnable can, we will be going around in circles coming out without any solution. No short term solutions such

as recycling can help to save us now. We must reduce our volumn of wastes. This bill will do just that. We must pass it.

The children could not be with us today, they are in school working at becoming wise adults. We have a responsibility to them...they are our future generation. We must make this earth a cleaner place for them to live. Let's start by passing this bill. Remember, if you are not part of the solution you are part of the problem. Let's get one part of the solid waste problem corrected by the passage of this bill, then we can go on to other solutions. May we count on your support????

Mrs. Warren Zapp, President

Plus all the Board Members who signed the letter enclosed and the entire Citizens for Clean Air Membership.

STATEMENT OF ROBERT P. SLOCUM, EXECUTIVE DIRECTOR,

METROPOLITAN REGIONAL COUNCIL, 155 E. 71st STREET

NEW YORK, N.Y., AT THE HEARINGS OF THE

NEW JERSEY ASSEMBLY COMMITTEE ON AIR AND WATER POLLUTION

AND PUBLIC HEALTH, SEPT. 22, 1971

STATE HOUSE, TRENTON, NEW JERSEY.

The Metropolitan Regional Council, representing local and county government and its elected leadership in the New York, New Jersey and Connecticut metropolitan area, is vitally concerned with the growing crisis in solid waste generation and its effects on the natural environment. The primary aim of the Metropolitan Regional Council is to foster cooperation and communication among agencies and governmental units in the metropolitan area. In addition to seeking solutions to problems which transcend the many jurisdictional boundaries, a major part of our efforts involves making known the feelings of our membership in regard to any proposed innovative legislation at either the Municipal, State, or Federal levels.

It is within this frame of reference that I am appearing before you, to discuss the problem of current packaging procedures and its impact on the City's solid waste management system.

In 1968, the Metropolitan Regional Council co-sponsored the publication of the first comprehensive study of Waste Management in the New York-New Jersey metropolitan region. As such, our interests are based not only on the merits of the proposed legislation but also on their implications for the metropolitan area as a whole.

Accordingly, it seems proper that a brief summary of the solid waste aspects of that report is now in order.

The most significant factors affecting the magnitude and characteristics of generated solid wastes probably have been changes in packaging practices and in household heating fuels. Packaging changes have increased significantly the amount of paper and paper products, have decreased food wastes, and have introduced plastic as an important component. Noncombustible solid wastes have increased significantly as a result of the

widespread use of non-returnable bottles and cans. On the other hand, the amount of household ashes has diminished as a result of the increasing use of gas, oil, and to a lesser extent, electric power for home heating.

A report by the National Academy of Sciences-National Research Council indicates that per capita generation of wastes grew from about 2.75 pounds per day in 1920 to about 4.5 pounds per day in 1965, and anticipates a future increase by some 2 percent annually. Nationwide, gross solid waste production is believed to be increasing at about 4 percent per year. Records from New York City's Department of Sanitation indicate that gross solid wastes from households in its service area have increased at an average rate of slightly over 2.5 percent per year since 1960.

Paper is the largest component of residential, commercial and retail solid wastes. Studies at Purdue University in the early 1960's showed that average municipal solid wastes were 42 percent paper by weight. This percentage has increased since the time of that study and is currently estimated to be between 45 percent and 55 percent. In recent years, disposable paper clothing and disposable bed linens have been introduced. Future per capita paper consumption may be significantly increased by further development of disposable clothing, linens, diapers and other items.

Disposable containers for liquids and foods have virtually eliminated the returnable, reusable bottles. Perhaps, the first major shift was from milk bottles to coated paper cartons. The steel, aluminum, glass, paper and plastics industries are all currently competing for the disposable container market. The "mix" of container types which develops will affect the quantity and characteristics of solid wastes and the problems of the disposal. For example, aluminum and plastics are lighter in weight than the other materials and are virtually nondegradable. Aluminum may be incinerated at high temperatures, but this results in gaseous wastes which could lower air quality. Plastics generally have very high heat values and may cause gaseous waste problems if they are incinerated. Glass is heavy, will melt but seldom burn at normal incineration temperatures and is nondegradable in landfills. A paper container may be plastic-lined and/ or have various kinds of coating and sizings; these affect its biodegradability and increase its heat value if incinerated.

These are examples of potential changes in solid waste quantities and characteristics which may result from developments that can be foreseen or that are currently known and underway. But new developments are likely to take place by the year 2000. These may profoundly affect solid waste generation coefficients. The development of containers which can be used by the consumer would have such an effect. The classic example of this is the ice cream cone. Physical changes in the structure of urban communities could result in purchasing and delivery systems which would reduce packaging needs.

Many sets of assumptions could be made about the factors which will affect solid waste generation in the future; each set would result in a generation coefficient representing both quantity and characteristics per unit. Obviously, all possible sets could not be analyzed. Since the main objective of the 1968 study was to develop a procedure, and since this objective could only be achieved without analyzing all possibilities, only two coefficients of "mixed" solid waste generation were selected for analysis. These represent two possible, but significantly different, "waste generation conditions".

Generation Condition X assumes that present trend of increase in solid waste generation per capita will continue, so by the year 2000 per capita generation will have increased by 100 percent. In contrast, Generation Condition Y assumes that policies, regulations and/or incentives will be established so that the per capita generation of solid wastes in the year 2000 will be the same as at present.

For the study year of 1965, residential solid wastes generated in the 31 county metropolitan area amounted to 10,765,000 tons per year.

Under Generation Condition X, assuming a projected regional growth to 30,000,000 inhabitants, the total 31 county metropolitan region estimates for residential solid waste generation for the year 2000 will reach 34,695,000 tons. Condition Y, which would establish new policies and new incentives to relieve per capita waste generation, would result in a 50% reduction of these figures, under the same population for that time period.

The quantitative importance of this data is by definition an indication of what can be expected if we do not take effective action and seek new policies to counteract this trend.

For too long consumer expedience has been valued and cherished at the expense of our natural environment and municipal well-being. Marketing technology and consumer buying habits will not change unless governmental agencies are willing to provide the incentives for change.

It is for these reasons, that the Metropolitan Regional Council supports New Jersey Assembly Bill No.2212 which requires that beverages be sold in returnable containers carrying a minimum deposit of 5 cents. The solid waste disposal problem can best be solved by applying this recycling concept, rather than by continuing traditional disposal methods which are rapidly becoming inefficient, expensive and environmentally harmful to many of our urban and suburban communities.

Because of the difficulties that result from changing industrial and marketing practices it is desirable that considerations should be given to induce firms to go into the recycling business - perhaps in the form of tax incentives. Change-overs in packaging machinery require great outlays of capital.

We probably should look to the Federal government, and also to State governments, to provide tax incentives for the packaging industry which is located throughout the nation, so they would be more willing to make the needed expenditures.

This statement was prepared on recycled paper.

September 16, 1971

# S T A T E M E N T

Protection of the environment and conservation of natural resources require that measures be taken to reduce and eventually eliminate the waste materials that are destroyed. Although a great deal of research and engineering will be required to reach the ultimate goal, it may be attained if progress can be made step by step.

I strongly urge the Assembly Committee on Air and Water Pollution and Public Health to favorably consider legislation that will discourage the use of disposable containers for beverages. Regardless of the proportion such containers constitute of the solid waste problem, this is an area where conservation can be practiced now while research is being conducted in measures that will reduce or recyle other solid waste.

Considerable volunteer effort and publicity have been involved with programs to recycle disposable beverage containers. In actuality, these efforts are a subsidy to the beverage industry since it should be responsible for the waste it generates, as was the case before the popularity of disposable containers. The container deposit system is a fair and equitable method of sharing the responsibility for control of the containers between the producer and the consumer. The consumer, faced with the deposit incentive, will return the container. The container can then be redeemed--thus reclaimed

and re-used, eliminating thereby wasteful production of another throw-away container. Volunteer recycling efforts are important in calling attention to the need for environmental protection and conservation of resources, but in actuality they are extremely expensive and, at best, are merely symbolic.

Some municipalities have made an effort to reduce the use of disposable beverage containers. Such efforts, however, are probably going to fail because of the size of the jurisdictions. An effort by a major State such as New Jersey, however, could be an important step in improving the environment and conserving resources in our country.

We must not compromise our growing obligations to protect and preserve our environment in favor of any vested profit motivated opponents.

Alfred A. Hadinger, Councilman
Village of Ridgewood

9/22/71
For the record publication

STATEMENT BY

EDWARD J. MITCHELL
VICE PRESIDENT, CORPORATE ENVIRONMENTAL AFFAIRS
AMERICAN CAN COMPANY

BEFORE THE

NEW JERSEY ASSEMBLY COMMITTEE
ON
AIR AND WATER POLLUTION AND PUBLIC HEALTH

RE: A.B. 2212

TRENTON, NEW JERSEY

SEPTEMBER 22, 1971

Mr. Chairman, ladies and gentlemen of this Committee:

My name is Edward J. Mitchell; I am an employee of the American Can Company, and appear here as a witness on behalf of the can manufacturing industry.

I welcome the opportunity to appear before this Committee today, to present testimony in opposition to the passage of Assembly Bill 2212. The American Can Company, chartered in 1901 as a New Jersey corporation, is and has been a responsible corporate citizen in the State of New Jersey for the past 70 years; and has contributed substantially in the way of payroll and tax dollars to this State for these many years. The can manufacturing industry employs over 7,000 people in this State, with an annual payroll in excess of $80,000,000. We as an industry, along with our employees and the consumers and citizens of this State have a vital stake in the outcome of this legislation.

My company, as well as other companies in the Packaging Industry have long shared the concern of people like yourselves, with the problems of solid waste and litter which, unfortunately, have only recently been brought to light in the eyes of the average citizen. I am deeply concerned, however, that Bill 2212 addresses itself to what the problem is not about...Assembly Bill 2212 indiscriminately singles out non-returnable beer and beverage containers ~~and~~ As the ostensible problem in our overall environmental concerns.

Under closer scrutiny, I trust it will become obvious to the members of this committee that the non-returnable beer and beverage container is but a miniscule proportion of the real problem facing society today -- that is -- the problem of solid waste disposal.

Perhaps I can place Bill 2212 in proportion to what the problem really is by making some simple and well-documented observations...A study made by the Bureau of Solid Waste Management states that non-returnable beer and beverage containers represent but a mere 1.3% of the nation's total solid waste. The bill being discussed by the Committee

today totally ignores the 98.7% of solid waste which remains. This is what the problem is about. Almost every day we hear cries from well-intentioned, but obviously uninformed citizens, that we are being buried in our own garbage. This statement is patently ridiculous on its face; but at the same time, it does serve to bring to the forefront a situation which requires the immediate concern of not only this Committee, but of all society within this country.

We are presently the wealthiest, best fed, best housed, and most technologically-advanced nation in the history of civilization. At the same time, we have been content to handle the 360,000,000 tons of solid waste generated in this country every year in almost precisely the same fashion as solid waste was handled 2,000 years ago. I repeat -- This is what the problem is about.

Industry, along with labor, have been strong supporters of the National Center for Resource Recovery -- an organization which has been chartered to address itself directly to a systems approach to solid waste disposal. There are any number of pilot projects operating throughout the country today, which are designed to develop a

workable system of resolving the problem and thereby relieving the municipalities of the burdensome cost involved in waste disposal. It is expected that in the near future, the National Center will be making some dramatic proposals which will include components of the most advanced technology currently existing in present pilot projects, and which will present a practical and overall long-range solution to the extremely complex problem of solid waste disposal. Many of these pilot projects have been proven to be both technologically and economically feasible. The cities of Atlanta, Chicago, Oakland and Sacramento, among others, already reclaim all of the steel containers in their garbage dumps through a system of magnetic separation. This reclaimed steel is then sold to the steel industry as scrap to be recycled, or to the copper industry as a necessary ingredient in the precipitation of copper from low-grade ore.

In Franklin, Ohio, there is currently in operation what is commonly known as the Black-Clawson system, which successfully classifies and separates pulped fiber, glass and metals of all sorts for subsequent recycling. This system takes care of all the garbage in Franklin. Of even more exciting potential is the CPU-400 system pilot operation

which shreds garbage, classifying the particles into glass, metals and other valuable categories and uses the balance of the refuse as fuel for much-needed energy. Incidentally, the organic waste from this system has a caloric value one-third that of high-grade coal.

We know, therefore, that we have successfully found technological breakthroughs to resolve the real problem -- solid waste. A sound systems approach goes right to the heart of the problem. It does not gouge out the eyes of the monster and permit the remaining 99% to flounder blindly about seeking a home.

Many of the proponents of Bill 2212 would have us believe that a ban on non-returnable containers and a mandatory tax on returnable containers would solve the litter problem. We in industry share the concern for the disgraceful litter situation prevailing in our environment -- not only in New Jersey, but elsewhere -- but logic suggests to us that Bill 2212 is a simple solution where no simple problem exists. Litter is a separate problem. Solid waste is organized garbage...Litter is disorganized garbage. Litter is a people problem...a human behavioral problem.

We do not know why people litter. We do know, however, that people will litter whether the container is non-returnable or carries a deposit.

A study conducted under one of the most prestigious organizations in America -- the National Academy of Sciences-- concludes that less than 20% of the composition of roadside litter is made up of beer and beverage cans and bottles. The amazing statistic in this study is that 42% of all beer and beverage bottles found in roadside litter were returnable bottles...yes, deposit bottles. In light of this fact, how can anyone logically reach the conclusion that a mandatory deposit will solve the litter problem?

How does Bill 2212 address itself to the other 80% of litter that is not beer or beverage containers? It simply ignores 80% of the problem.

The facts clearly show that a ban or a deposit system will not eliminate litter. Education, enforcement and equipment are the only answers. To this end, industry has been, and continues to be a strong supporter of mass education in an endeavor to reach the estimated one per c of the people who are litterers. This one per cent wh

brazenly violate our surroundings are frankly just plain slobs.

Not too many years ago, the American public bought milk in a milk pail; oranges were available for squeezing; peas, stringbeans and other fresh produce were available in season only at a premium price. The advent of the supermarket, mass marketing and convenience packaging brought to the American consumer an enormous variety of nutritious foods in sanitary packages, and a freedom of choice unparalleled in the history of mankind. The cost of this revolution in food consumption can best be appreciated by considering the fact that the proportion of the spendable dollar devoted to food consumption is probably less than half of what was expended thirty years ago.

Assembly Bill 2212 would reverse this trend dramatically. It would disrupt fantastically the orderly, sanitary, efficient and economically-sound method of food and beverage distribution. By definition, every container is physically returnable. This would include not only beer and beverage cans and bottles, but also paper milk containers,

orange crates, grapefruit bushels and a myriad of other vessels which would contain products covered by this bill. By last count, there were 61,321 retail establishments in the State of New Jersey; including supermarkets, food stores, eating and drinking establishments, etc., where products are dispensed that are covered by the deposit features of this bill.

If the consumer were to return for redemption all of the used cans, bottles, milk containers - dirty and unwashed - half-empty and contaminated with bacteria, the merchants of the State would have a spectacle of 61,321 privately-owned garbage dumps infested with vermin, rodents, bacteria and contamination in which they would be expected to continue selling sanitary food in the normal course of business.

It is virtually indisputable that a regression to deposit containers will have the immediate impact of increasing costs to the consumer - particularly in urban areas and ghettos where the consumer citizen is least able to afford it. It also represents the destruction of major portions of the container-making industry with the consequent loss of thousands of New Jersey jobs and millions upon millions of dollars in wages. <u>What for?</u>

We know, you know, there is a problem with solid waste mismanagement. Everyone knows there is a problem with litter. I respectfully submit, members of this Committee, that Assembly Bill 2212 is what the problem is not about.

# # #

RESOLUTION OPPOSING THE ENACTMENT OF ASSEMBLY BILL 2212

WHEREAS: Assembly Bill 2212, a bill prohibiting the sale, offer for sale or attempt to sell any beverage in a non-returnable beverage container effective Jan. 1, 1972, will be the subject of a public hearing in the Assembly Chambers in Trenton, N.J. at 10:00 A.M. on Sept. 22, 1971; and

WHEREAS: Two manufactureres of non-returnable containers, employing a great number of Salem County residents, are situated within Salem County, namely, Anchor-Hocking Glass Corp. and the Cayner Glass Works; and

WHEREAS: This bill if enacted into law in New Jersey could create a severe economic hardship to these manufacturers of non-returnable containers with regard to increased manufacturing costs, possible reduction in the labor work force and curtailment of any plant expansion; and

WHEREAS: The economic health of Salem County is dependent upon a business climate which is conducive to full employment and sound management of manufacturing costs, both of which would suffer by the enacting of prbitrary legislation; and

WHEREAS: The Salem County Board of Chosen Freeholders objects to any bill which would create this unfavorable climate.

NOW THEREFORE BE IT RESOLVED BY THE SALEM COUNTY BOARD OF CHOSEN FREEHOLDERS:

(1) That it opposes the enactment of Assembly Bill 2212, which is unfair and oppresive to local industry.

(2) That it urges the General Assembly of the State of New Jersey to vote against this bill's enactment.

(3) That the Assemblymen representing this District 3A be advised of the content of this resolution and to make it known the public hearing to be held of this board's opposition to such oppresive legislation.

(4) That copies of this resolution be forwarded to the Honorable Kenneth Black, Assemblyman District 3A, Senator John A. White, District 3A, and the Chairman of the Assembly Committee on Air, Water Pollution and Public Health.

Mrs. Betty A. Little
Testimony for
Citizens for Conservation
11 Porta Pl., Basking Ridge, N.J. 07920

Regarding A-2212, a bill to ban non-returnable beverage containers hearings Sept. 22, 1971 before the N. J. Assebmly Comm. on Air and Water Pollution.

---

I represent Citizens for Conservation which is concerned with the total evironment and affiliated with about 15 other conservation groups of a similar nature principally in the Passaic River Basin. My name is Mrs. Betty A. Little. I am an environmental economist with twenty years experience in business and finance and conservation, a member of the State AAUW Board, its Dollarsworth Chairman, a member of the AAUW National Advisory Comm. on Finance, a Trustee for the Passaic River Coalition, a member of the Board of Advisors of the N.J. School Consortium on Environmental Education and a member of the American Economic Association.

As Dr. Calvin H. Ward has stated "...We can no longer tolerate the once through system of utilization because we have already passed the limit which the natural cycle can handle." Now if we change or pollute a resource, it must be purified, regenerated or recycled so that eventually we can reuse it - we live in a closed system and what we have here is all that we will ever have.

The many small conservation groups throughout the state which are participating in voluntary monthly bottle, can and paper collections recognize this need and express their commitment through these recycling drives but we must all recognize the voluntary programs of this nature can not possibly do the job.

If any State in this nation needs to face up to a problem- N.J. needs to face up to the solid waste problem and thereby provide the leadership for a nation. Many of our sanitary landfills have a life of only 4 or 5 years and yet 100,000 persons a year are entering our population each generating an estimated 3.5 pounds per capita of solid waste per day. Sixty

per cent of our solid waste is generated by Essex, Bergen, Hudson, Middlesex and Union Counties where population density reaches 55,000 per square mile. What are we doing to produce the knowledge and the technology to handle the total problem, not just the 7 per cent represented by the glass and container wastes?

According to the Scientist Institute for Public Information ("A Brief Introduction to Solid Waste Mangement Problems April 17, 1971") "The refuse disposal industry consisting of many small contractors, is possibly the most primitive major industry in the country." They found that none of Fortunes top 100 corporations were significantly involved in solid waste management. Somehow we must motivate the private sector to produce the knowledge and technology needed for New Jersey now.

In May a research team from Citizens for Conservation traveled to College Park, Maryland to visit the U.S. Bureau of Mines recycling plant. This process incorporates incineration which is unacceptable. It is a crude system developed with virtually no Federal grants and yet it is one of the top two projects in the United States. This is not an answer to our solid waste program-we have not made the financial commitment on a national level to solve these problems.

According to the Second Annual report of the Council on Environmental Quality, August 1971, the whole nation is moving more and more from an economy of reuse to an economy of "non-returnables." We are traveling fast in the wrong direction.

This bill has been much discussed as important legislation to protect the environment and it may well be that at another time in another State it would be the answer. But it does not seem adequate to us to meet the pressing problems in N.J. today and it may, like the phosphate and detergent situation, prove to be untenable.

We suggest that the Committee revise this bill to reflect our need to build a new recycling industry in N.J. and attempt to develop legislation which will be a beginning towards solving the total solid waste problems in this State.

Mr. Chairman, Committee members:

We young people, appalled at the upward spiral of the solid waste material, are very concerned for the future.

Statistics show that solid waste constitutes a large part of the pollution problem.

By eliminating non-returnable bottles we will not only reduce, greatly, our total solid waste, we will contribute to the cleanliness of New Jersey, especially in parks and along the highway system.

Banning the retail sale of non-returnable bottles now, would be to re-introduce the popular activity of 20 years ago, when every kid on the block was collecting discarded empty bottles for their cash value at turn-in time.

The Youth Fellowship of Mendham Township
The Mendham Borough Conservation Committee
The North Jersey Conservation Foundation

September 19, 1971

Committee on Air and Water Pollution
N. J. Assembly
State House
Trenton, New Jersey 08608

Dear Sirs:

I am most anxious to register my support of the passage of Bill A-2212. As a school teacher at the Newark Academy and a frequent volunteer at local projects, I have worked intimately with many aspects of recycling. Despite all the good will and time involved, I know that these token efforts by civic and school groups are not making a dent in the mountains of solid waste that are choking our small state.

Roadsides are unsightly, wetlands are a common target in our frantic search for fill area, and beaches are often strewn with virtually indestructible plastic containers or aluminum cans.

We must begin now to pay the full cost of our throw-away way of life.

Non-returnable beverage containers are not any longer tolerable in New Jersey.

Very truly yours,

John W. Straham III

P.A. I would appreciate these sentiments being entered into the hearing record of September 22, 1971.

September 17, 1971

Dear Sir:

I want to express my approval of the bill now before the Air and Water Pollution and Public Health Committee prohibiting the sale of non-returnable no-deposit bottles and cans in the State

Please have copies made for each member of said committee.

Mrs. Victor Kress and 23 others
366 Passaic Avenue
W. Caldwell, New Jersey 07006

September 18, 1971

Mr. Thomas M. O'Neill
Administrative Assistant to
The Commissioner

Dear Mr. O'Neill:

Sorry that we will be unable to attend the hearing on September 22, 1971, but enclosed all 68 names of those who are in favor of the passage of the bill.

Of the many reasons people gave, the following stood out. Exploding bottles because of their thinness and cluttered lawns each morning from the containers thrown from passing cars during the night.

We had two who did not agree. One was a Scout leader from Clifton, New Jersey who felt that the revenue his troop gets for picking up old bottles, was more important. Another said that he wasn't worried about his childrens' generation, they could worry about it themselves.

Very truly yours,

Mr. & Mrs. Albert J. Neiford
and 69 others

# Lenape Trail Garden Club

8 West End Avenue
Summit, N.J. 07901
September 14, 1971

Mr. Thomas M. O'Neill
Administrative Assistant to the Commissioner
Department of Environmental Protection
Trenton, N.J. 08625

Dear Sir:

The Lenape Trail Garden Club of Summit, New Providence and Murray Hill wishes to go on record as being in favor of Bill #A-2212 which bans the use of non-returnable beverage containers in the State of New Jersey.

Very truly yours,

Dorothy E. Wright

Mrs. G. S. Wright, Jr.
Secretary

HAROLD L. COLBURN, M. D.

164 MADISON AVENUE
MOUNT HOLLY, N. J. - 08060
267-7331

47 WAGON BRIDGE RUN
MOORESTOWN, N. J. 08057
235-9229

September 22, 1971

Committee on Air and Water Pollution
and Public Health
The General Assembly, State of
New Jersey
The State House
Trenton, New Jersey

Mr. Chairman and Members of the Committee:

Mr. Wynn Kennedy and I thank you for the opportunity to submit our opinions to you. I am Harold Colburn, M.D. of Moorestown, New Jersey. Mr. Kennedy and I are candidates for the General Assembly from District 4-C of Burlington County, New Jersey.

Mr. Kennedy and I are vitally interested in the improvement of our environment. We feel that firm measures must be taken as quickly as possible to reverse the unhealthy trends which have been allowed to continue for much too long. We support Assembly Bill 2212. We suggest, however, that the effective date be chosen to allow industry to use existing container supplies and to retool. This will be a major change for them.

Finally, we believe that product disposal must be planned along with product manufacture.

Thank you,

Harold L. Colburn

Harold L. Colburn, M.D.

Wynn Kennedy

Wynn Kennedy

September 17, 1971

Mr. Thomas M. O'Neill
Administrative Assistant to the Commissioner
State of New Jersey
Department of Environmental Protection
Trenton, New Jersey 08625

Dear Mr. O'Neill:

Thank you for your letter of September 9, 1971 and the attached copy of Assembly Bill 2212. A few months ago, I sent a petition to the Governor with many signatures of my co-workers, protesting the dumping of sludge in the ocean. Although it is impossible to poll all of the same people due to job changes and vacations, I talked to many and all are in favor of Assembly No. 2212.

We cannot make the hearing on September 22, 1971, but we are making our support of Assembly No. 2212 known with this letter.

It is extremely gratifying to receive letters from the office of the Commissioner letting us know that action is being taken on problems such as this and to keep us informed. Please keep my name on your mailing list so that my co-workers and myself can lend our support to your office. Again I thank you.

Sincerely,

John T. Pentony

27 Oliver Street
Chatham, New Jersey 07928

# NATURE'S NEWS

571 Davidson Road
Piscataway, New Jersey 08854
(201) 463 - 9370

Sept 20,I97I

Dear Mr. Mattek:

We the editors of Nature's News support Assembly Bill No.22I2. Arguments in support of the bill can be presented by using banishment of natural resources and a overwhelming solid-waste problem as reasons for passing the Bill.

However, what we want to relay is the survey of public response to Assembly Bill 22I2. The results of the survey follow: 272 of the 300 have never even heared of the Bill a whopping 90.5%. Once the Bill was explained to them, these and the remaining 9.5% who knew about the Bill. I94 people or 64.7% favored it; 40 people or I3.3% opposed it; 66 people or 22% had no opinion.

The above has been published in Nature's News Vol.I No. 9&I0 Since this is a democracy public opinion should also count when it comes to cleaning-up the ENVIRONMENT.

Editors,
Linda J. Santos
Linda J. Santos
Miguel A. Santos
Miguel A. Santos, Ph.D.

western union **Telegram**

1005A EDT SEP 23 71 PA055
P MPA021 FH NL PD TDMP SPARTA NJER SEPT 2322
ASSEMBLYMAN KENNETH T WILSON
STATE HOUSE TRENTON NJER
WE STRONGLY SUPPORT THE PASSAGE OF BILL A2212 AS A FIRST STEP TOWARDS SOLVING OUR SOLID WASTE CRISIS THE MUNICIPLE GOVERNMENT OF SPARTA HAS RECYCLED OVER 75,000 LBS OF BROWN AND CLEAR GLASS SINCE JAN 1 1971 CITIZENS HAVE BROUGHT THESE MATERIALS TO BINS WITHOUT A GREAT DEAL OF SOLICITATION. WE EXPCET THIS VOLUMN TO INCREASE GREATLY AS OUR GROUP COMPLETES PUBLICITY PROGRAMS AND EXPERIMENTAL PICUP CDRIVES LATER THIS MONTH. WE RE CERTAIN THAT THE MEMBERS OF OUR STATE
MRS WATER R SCHAEFER PRESIDENT SPARTA ACTION VOLU NTEERS FOR ECOLOGY 23 WALLKILL RD SPARTA NJER

SF-1201 (R5-69)

western union **Telegram**

817P EDT SEP 21 71 PA234
P WUA220 FH PDF SALEM NJER 21 815P EDT
THE HONORABLE KENNETH BLACK, DLY 75 DLR 9AM SURE
ASSEMBLY CHAMBERS STATE HOUSE TRENTON NJER
AT A EMERGENCY MEETING THIS DAY THE MAJORITY MEMBERSHIP OF THE SALEM COUNTY BOARD OF CHOSEN FREEHOLDERS REQUEST TO BE PUT ON RECORD AS OPPOSING ASSEMBLY BILL NO 2212. FORMAL RESOLUTION WILL FOLLOW BY MAIL BY ORDER OF THIS BOARD
W R SWAVERLY CLERK.