

Bottled water: the new social poison?

Julian Lee, Marketing Reporter
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FIRST fast food, then plastic bags. Now bottled water is the next alleged social evil to find itself in the crosshairs of pressure groups.

Environmentaists lay the blame for a growing mountain of plastic in landfill and the increasing strain on water resources directly at the feet of the large companies that sell bottled water.

The problem of our growing addiction to bottled water will come up at a meeting of environment ministers next month where the question of a national refund scheme for plastic or glass bottles will be raised.

Figures show the thirst for bottled water is far from being slaked. The market is expected to grow 9.1 per cent to \$460 million this financial year, according to a forecast by the market researcher IBIS World, and Australia lags other developed countries in consumption.

NSW households are second only to those in South Australia in their reliance on bottled water: 13 per cent of South Australian households say they rely on bottled water as their main source of drinking water, compared with 9 per cent in NSW.

In the next year Australians are expected to drink 242 megalitres of bottled water, the equivalent of 19 600-millilitre bottles each. IBIS World predicts a boom in "premium" water as manufacturers claw back the higher costs of producing the plastic bottles from a crude oil derivative.

Expensive brands of water, marketed to younger women as essential fashion accessories or the key to a healthier lifestyle, are appearing on the market. The latest from Coca-Cola Amatil, which dominates the water market, is the trendily packaged Glaceau brand which contains added vitamins.

As sales of fizzy drinks flatten, beverage companies like Coca-Cola and Frucor are turning to water to pick up the slack. Audrey Riddell, an analyst for IBIS World, says canny marketing, in particular to women who drink more than men, is driving demand for a demand for a product only as good as what comes out of the tap. "Young women aren't buying it just for rehydration but to send a signal that they can afford to pay for something that is many more times expensive than tap-water," Ms Riddell said. "They are showing off their affluence and sophistication."

Clean Up Australia estimates the average price of bottled water is \$2.53 a litre, against about a cent a litre for tap water.

The chief executive of Clean Up Australia, Terrie-Ann Johnson, said the shift in drinking habits from sugary fizzy drinks to water was showing up in waste. "We are finding more and more that the [plastic] bottles that we find in the waste stream are for water," she said.

The director of the Total Environment Centre, Jeff Angel, who wants a national refund scheme such as the one operating in South Australia, said: "When you look at the life cycle of a bottle of water from the extraction process, through to the transport and right the way through to its disposal, which is more often than not in landfill, then you have to say that this is an unjustified luxury."

The Department of Environment and Climate Change estimates about 200 millilitres of oil is used to produce each one-litre bottle, including the plastic, transport and refrigeration.

The bottled water industry says that amount of oil makes three bottles.

Mr Angel added: "As demand increases, there's a serious potential to exhaust local supplies of water [from aquifers]."

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