

# ENVIRONMENT PROTECTION AMENDMENT (Container Deposit Scheme) Bill 2017



The Greens are introducing a private member's bill into the Victorian Parliament that would establish a container deposit scheme to reduce pollution and improve recycling rates of drinks containers.

## WHAT'S THE PROBLEM WITH DRINK CONTAINERS?

Over the past three decades our use of single-use, disposable drinks containers has skyrocketed. Global consumption of plastic drinking bottles in 2016 was estimated at 480 billion, up from around 300 billion ten years ago. Based on projected trends, we'll be consuming around 583 billion plastic drink bottles per year by 2021.<sup>1</sup>

Very little of this plastic is recycled. Boomerang Alliance estimates that Australia's plastic recycling rate is about 29%. The rest of it ends up in landfill, or worse, in litter streams, where it eventually makes its way into waterways and oceans. Most plastic takes hundreds of years to degrade, and is having a devastating effect on marine animals and the entire marine ecosystem.

While plastic poses a particular kind of environmental threat, other drink containers are also contributing to the pollution problem. Huge amounts of glass drink bottles, cans and cartons are consumed, recycled at patchy rates, and often littered. Litter data from Keep Australia Beautiful shows that five of the top nine most littered items in Australia (by volume) are drinks containers.<sup>2</sup>

The Victorian Government says Victoria doesn't need a container deposit scheme. It claims that Victoria's beverage recycling rates are the highest in the country. But this data is contested by Boomerang Alliance<sup>3</sup> and by Clean Up Australia Day data<sup>4</sup>. According to Clean Up Australia, the proportion of drink containers compared with all litter (26.6%)<sup>5</sup> is higher than the national average (23.9%) and more than double South Australia (10.2%).<sup>6</sup>

## HOW WILL THIS BILL ADDRESS THE PROBLEM?

We believe that the beverage industry and consumers of their products have a shared responsibility, along with government, to manage the waste produced by the industry. A container deposit scheme, which puts a value on packaging, is the most widely used mechanism internationally for encouraging the industry and its customers to fulfil this responsibility.

Similar schemes in other Australian states and around the world have significantly increased levels of recycling and reduced rates of litter. Typically,

### DEFINITIONS

#### Beverage

A liquid intended for human consumption by drinking, other than a prescribed exempt kind of liquid.

#### Collection point

Any facility or premises for the collection and handling of containers delivered to the facility or premises in consideration of the payment of refund amounts; or a reverse vending machine; or any other premises designated by regulations.

#### Reverse vending machine

A machine or other device from which refund amounts can be obtained by an operation that involves inserting empty containers into the device.

#### Container

A container that is designed to contain a beverage, that is sealed and sold for human consumption. Regulations would specify what sizes of beverage container are included in the scheme, and could exempt certain kinds of beverages.

1 Sandra Laville and Matthew Taylor, 'A million bottles a minute: world's plastic binge 'as dangerous as climate change', The Guardian, 28 June 2017: <https://www.theguardian.com/environment/2017/jun/28/a-million-a-minute-worlds-plastic-bottle-binge-as-dangerous-as-climate-change>

2 National Litter Index 2014/15, Keep Australia Beautiful, August 2015: [http://kab.org.au/wp-content/uploads/2012/05/NLI-Summary\\_2015\\_web.pdf](http://kab.org.au/wp-content/uploads/2012/05/NLI-Summary_2015_web.pdf)

3 Boomerang Alliance, 'Ask the Victorian Government to adopt a world class container deposit scheme': <http://www.boomerangalliance.org.au/vic>

4 Clean Up Australia Day Rubbish Reports: <http://www.cleanup.org.au/au/RubbishReports.html>

5 Clean Up Australia Day 2016 Rubbish Report – Victoria: <http://www.cleanupaustraliaday.org.au/images/content/1mg8ax-8wr28mv.pdf>

6 Clean Up Australia Day 2016 Rubbish Report – South Australia: <http://www.cleanupaustraliaday.org.au/images/content/8ypj3ogsb18gggw.pdf>

countries with deposit return schemes for plastic bottles achieve recycling rates of approximately 80 – 95%.<sup>7</sup> These schemes provide recyclers with an uncontaminated source of plastic for sorting and reprocessing. Recycled content can be reprocessed into new plastic bottles, requiring significantly less resources to produce new bottles compared with use of virgin plastic.

The evidence that these schemes work is conclusive. It's time for the Victorian Government to follow the lead of so many governments globally and in Australia and in doing so, demonstrate that it can be the progressive government it continually claims to be.

## HOW WOULD THE LEGISLATION WORK IN PRACTICE?

The bill would make changes to Victoria's Environmental Protection Act, setting out the organisations to establish and run the scheme; how it would work; and penalties for certain offences.

Drinks in eligible containers would be sold including a deposit (likely 10 cents) and a small handling fee. Consumers would obtain their 10 cent refund on all eligible drinks containers by returning them to a collection point or reverse vending machine.

Regulations would specify the size and material of beverage containers that would be included in the scheme. This means that the types and sizes of containers are determined in regulations, not in law.

Based on existing schemes in other Australian states and territories, the scheme would likely include plastic and glass bottles, paperboard cartons, and steel and aluminium cans. For example, we would expect the following to be included:

- soft drink cans and bottles;
- bottled waters – both plastic and glass;
- small flavoured milk drinks;
- beer and cider cans and bottles; and
- sports drinks and spirit-based mixed drinks.

All eligible containers would have a refund mark printed on them or their labels so that consumers could identify which containers may be subject to a refund.

Collection depots may include large facilities co-located with recycling facilities; community-run facilities; and reverse vending machines, ideally located at major retail locations such as supermarkets. Convenient access to collection depots will be extremely important in ensuring that people are easily able to obtain refunds.

The scheme would be managed by two separate bodies: the network operator and the scheme coordinator. Both pay a fee that subsidises the running of the scheme, and both have specific responsibilities for establishing and maintaining infrastructure; paying refunds; and reporting on data and the effectiveness of the scheme.

## WHERE ELSE DO CONTAINER DEPOSIT SCHEMES EXIST?

These schemes exist in more than 40 jurisdictions (states, districts) in more than 20 countries around the world.<sup>8</sup>

In Australia, schemes already exist in South Australia (one of the longest running schemes in the world) and the Northern Territory. NSW has just established a scheme and the ACT, WA and Queensland have announced they intend to do so. Victorian governments over the past decade have expressed little interest in a container deposit scheme, despite high levels of public support for these schemes and evidence that they work.<sup>9</sup>

<sup>7</sup> 'Plastic Bottles: Turning Back the Plastic Tide', United Kingdom House of Commons' Environmental Audit Committee, December 2017, p 26: <http://www.eunomia.co.uk/reports-tools/plastic-bottles-turning-back-the-plastic-tide/>

<sup>8</sup> The Container Recycling Institute lists schemes currently operating in Australia, Austria, Barbados, Belgium, Canada, Croatia, Denmark, Estonia, Fiji, Finland, Germany, Guam, Iceland, Israel, Kiribati, Lithuania, Micronesia, Netherlands, Norway, Palau, Scotland, Sweden, Switzerland, Turks and Caicos and the United States of America. See the Bottle Bill Resource Guide at: <http://www.bottlebill.org/legislation/world.htm>

<sup>9</sup> Peter Bragge, Breanna Wright, Liam Smith, 'Container Deposit Schemes Work: So why is industry still so opposed?', The Conversation, 6 June 2016: <https://theconversation.com/container-deposit-schemes-work-so-why-is-industry-still-opposed-59599>

## WHO SUPPORTS AND DOESN'T SUPPORT A CONTAINER DEPOSIT SCHEME FOR VICTORIA?

There has been strong and consistent public support for container deposit schemes across Australia, as noted by a 2016 Senate inquiry into marine plastic pollution.<sup>10</sup> Hearings held as part of that inquiry noted CSIRO research showing a significant reduction of beverage containers in South Australia's marine environment, which has been attributed to their container deposit scheme which has been running since 1977.<sup>11</sup>

The Greens have twice before tried to introduce container deposit legislation in Victoria. These attempts have not been successful primarily due to technical reasons, but a lack of political will to genuinely improve recycling and reduce litter have hampered these efforts.

The beverage industry has traditionally been resistant to container deposit schemes fearing reduced sales and profits as a result of increased drinks prices. But there have been some instances of these positions shifting. In Scotland in 2017, Coca Cola came out in public support of a container deposit scheme, and the Scottish Government subsequently agreed to establish a container deposit scheme there.

## HOW EFFECTIVE HAVE THEY BEEN ELSEWHERE?

In 2015 BehaviourWorks Australia at Monash University was commissioned by the NSW Environment Protection Authority to review research and data from 47 examples of container deposit schemes or trials around the world. While many reviews have been undertaken in particular jurisdictions, to our knowledge this is the largest and most up-to-date piece of research on the impact of container deposit schemes.

Across all 47 jurisdictions an average of 76% of drinks containers were recycled through these schemes. In the US, container deposit states recovered 84%, 48% and 65% of aluminium, plastic and glass containers, compared with recovery rates with no schemes of 39%, 20% and 25%. In South Australia, the rates for recovery of cans, plastic and glass containers are 84%, 74% and 85% compared with national averages of 63%, 36% and 36%.<sup>12</sup>

The research also found that these schemes are very sustainable. 40 government schemes around the world have operated for an average of 24.8 years and all except two are still going.

## WILL A CONTAINER DEPOSIT SCHEME MAKE KERBSIDE RECYCLING LESS VIABLE FOR COUNCILS?

Evidence elsewhere shows that this scheme can operate well with kerbside recycling, and may provide significant savings to councils. It also enables communities that don't have kerbside collection to participate in recycling. A number of studies have found that in addition to the environmental benefits of a container deposit schemes, these schemes can actually reduce recycling costs for councils.<sup>13</sup>

<sup>10</sup> 'Toxic Tide: the threat of marine plastic', Australian Senate Inquiry, 20 April 2016: [https://www.aph.gov.au/Parliamentary\\_Business/Committees/Senate/Environment\\_and\\_Communications/Marine\\_plastics/Report/c08](https://www.aph.gov.au/Parliamentary_Business/Committees/Senate/Environment_and_Communications/Marine_plastics/Report/c08)

<sup>11</sup> 'Toxic Tide: the threat of marine plastic', op cit.

<sup>12</sup> Bragge, Wright and Smith, op cit.

<sup>13</sup> 'Understanding the potential impacts of CDS on local government kerbside recycling collection', Local Government NSW, 2016 February 2017: <http://www.lgnsw.org.au/files/imce-uploads/90/LGNSW%20CDS%20Final%20Report%202016%20November%202015.pdf> and 'The impacts (cost/benefits) of the introduction of a container deposit/refund system (CDS) on kerbside recycling and councils', MRA Consulting, August 2012: <http://www.lgnsw.org.au/files/imce-uploads/90/LGSA%20CDS%20Impact%20Study%2020100812a.pdf>

## **CONSULTATION QUESTIONS**

Do you support the implementation of a container deposit scheme for Victoria?

Would you participate in the scheme?

If so, would you participate as a) an individual b) a group or c) both?

What do you think the most important benefit of a container deposit scheme will be to Victoria?

What locations would be most convenient for you to recycle your eligible containers?

How would you like to receive your refunds for containers? Would you prefer a) a cash refund b) an electronic refund c) the flexibility of both or d) other?

How far do you normally travel for shopping, sporting or other regular activities?

What do you think would be reasonable access to collection points for metropolitan, regional and remote areas?

What options are there for the retail sector to participate in the scheme?

How should costs be allocated to beverage suppliers?

Is there anything you think should be addressed that is missing from the draft bill?

What is your postcode?

**The easiest way to have your say is using our [online consultation form](#). If you prefer, you can email your responses to us, or post them to us at 1/1174 Nepean Hwy, Cheltenham VIC 3192.**