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Container Deposit Schemes

Mary Westcott and Kelli Longworth
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INTRODUCTION

South Australia’s container deposit legislation (CDL) has been cited by some as an example of a successful policy that should be replicated elsewhere.1 It has been estimated that South Australia recycles about 70 – 80 per cent of its beverage containers, while the other Australian states and territories recycle about 40 per cent. There is also anecdotal evidence that, as a result of the CDL, there is less litter in South Australia than in the other states and territories.2 Over the years there have been numerous proposals to introduce CDL in other Australian states and territories,3 including a number of private members’ bills introduced at the Commonwealth and state levels. However, most of these bills have either been negatived or lapsed, or have been rejected on constitutional grounds. Thus, South Australia still remains the only Australian jurisdiction with a container deposit scheme.

The possible introduction of a national container deposit scheme has been one of the initiatives under discussion by the Environment Protection and Heritage Council (EPHC), a national body mostly comprised of federal, state and territory Environment Ministers. At the most recent meeting of the EPHC held in November, 2009, the preliminary findings of a community attitudes survey on a container deposit scheme were considered. The next steps for the EPHC, due to meet again in June 2010, are to consider the final report of this survey. Depending on community enthusiasm for the concept, the EPHC will embark on a comparison of a container deposit scheme with alternative options before concluding how best to proceed.4

This e-Research Brief explains how container deposit schemes operate, examines the South Australian container deposit scheme, outlines the various private members’ bills at both the Commonwealth and state levels which propose to introduce container deposit schemes, briefly discusses the current position in each Australian jurisdiction with respect to introducing container deposit schemes, describes reverse vending machines, and lists the pros and cons of container deposit schemes. This paper also provides numerous links to legislation, articles and reports. Information in this e-Research Brief is current to 7 December 2009.

WHAT IS A CONTAINER DEPOSIT SCHEME?

A container deposit scheme involves a consumer paying a deposit of, say, 10c,5 on a beverage container at the time of purchase and later redeeming the deposit from a beverage container collector (possibly a retailer or the operator of a collection depot) by surrendering the beverage container when it is empty.

SOUTH AUSTRALIA’S CONTAINER DEPOSIT LEGISLATION

In 1975, the South Australian Parliament passed their CDL (the Beverage Container Act 1975 (SA)).6 The Act established the legislative framework for the beverage container deposit refund scheme that came into force in 1977. The aim of introducing the legislation was to reduce the amount of litter in the state.7 The introduction of the container deposit scheme was recently described by the Hon Mike Rann MP, Premier of South Australia,8 as “absolutely incredibly controversial and bitterly fought by various producers”.9 The Hon John Hill MP, the South Australian Minister for Health,10 elaborated:11

... small business was opposed to it; the breweries were opposed to it; the retail industry was opposed to it; the canneries were opposed to it ...

It was going to be the end of civilisation. ... Of course after the event, it then proves not to have been the case, and this initiative remains a great success. ...

... By putting a 5c refund value on each drink bottle and can, this state recycles up to 90 per cent of drink containers while other states are well below 40 per cent. Up to 420 million containers are returned to South Australian recyclers each year, and this has been of enormous environmental benefit to our state. In addition, for more than 30 years, the scheme has helped community clubs and charities to raise money for projects.

The 420 million containers that are collected by recyclers in South Australia comprise 140 million glass bottles, 168 million cans, 92 million PET bottles and 20 million fruit drink and flavoured milk cartons. A survey on community awareness and acceptance of container deposit legislation conducted in South Australia in 2004 found that 92 per cent of respondents supported the CDL scheme (p 2).

In 2000, the South Australian Environment Protection Authority published a report prepared by consultants on the economic and environmental impacts of the state’s container deposit legislation.12 The authors concluded that CDL contributes “significantly” to the reduction of litter in the state (p 38). The study found that the cost of CDL to South Australia was $1,701,000 per year ($1.14 per capita per annum) which they said was offset by unquantified benefits including (p 38):
landfill reduction;
- litter reduction;
- reduced glass accidents;
- increased quantity of better quality recyclables; and
- pollution reduction.

The report also stated that CDL contributed directly and indirectly to 1,674 full and part time jobs (p 38).

Under the current South Australian scheme, a deposit is paid by beverage manufacturers to a collector, who sets up a collection system and retains the manufacturer’s funds until the consumer returns the used container and redeems their deposit. The manufacturer passes the cost of the deposit and a handling fee of around 3-4 cents per unit on to the consumer in the retail price. Unclaimed deposits are retained by the beverage manufacturer. The collector on-sells the used containers to beverage manufacturers, distributors and wholesalers.13

On 12 February 2008, the South Australian government announced that deposits on beverage containers would rise from 5c to 10c, with the increase to come into effect later in the year on 1 September 2008. A Ministerial Media Release reported that the deposit on drink containers was doubled because beverage container return rates had dropped from a high of 84% to 70%. The government’s aim is that all drink containers covered by the container deposit legislation are recycled. The Premier pointed out that if the deposit had increased in line with inflation it would now be 32 cents. He said that the increase in the refund would mean that not only would more beverage containers be recycled, but that litter and greenhouse gas emissions would be reduced.14 and the amount community groups could earn would increase.

There have, however, been concerns raised that the cost of beverages will rise in South Australia with the increase in the deposit.15 SA Brewing announced that it would raise the price of beer in South Australia by 10 cents a bottle to cover the increase in the deposit. ABC News reported that SA Brewing had subsidised the deposit of 5 cents and the administrative fee of about three to four cents16 in the past by pricing outside South Australia, but that they will not do that once the deposit is increased.17 Evidence from the Environment Protection Authority of South Australia indicated that collection data, as well as anecdotal accounts, suggested that the increased deposit has resulted in higher rates of return.18

Recent data collated by Keep Australia Beautiful in August 2009 has also shown that for South Australia “increasing the deposit on beverage containers from 5c to 10c has had an immediate impact by reducing drink cans and bottles to under 3% of total litter”.19

NATIONAL APPROACH TO CONTAINER DEPOSIT LEGISLATION

Due to constitutional constraints, the Commonwealth Government’s role in the area of waste management is “largely confined to working with the states through the EPHC and the National Environment Protection Council (NEPC) in the development of harmonised national approaches for significant waste issues”.20

The current activities of the EPHC and the NEPC in the area of container deposit legislation, together with an outline of the National Packaging Covenant and the National Environment Protection Measure (NEPM) for Used Packaging Materials, are discussed below.

ENVIRONMENT PROTECTION AND HERITAGE COUNCIL (EPHC)

The EPHC was established in June 2001 by the Council of Australian Governments (COAG) with the key objective being to protect the environment and heritage of Australia and New Zealand. The EPHC meets biannually with membership comprising Ministers, being mostly environment Ministers, from participating jurisdictions (i.e., Commonwealth, State and Territory Governments, the New Zealand Government and the Papua New Guinea Government).

In April 2008, the EPHC agreed to assess appropriate national measures to reduce litter from packaging wastes such as beverage containers and commissioned a report to be prepared on this issue.

At the 22 May 2009 meeting, the EPHC considered the Beverage Container Investigation – Final Report and agreed to “conduct a community attitudes survey on the preparedness [of the community] to pay for a container deposit scheme” for consideration at the next meeting. The preliminary findings of this survey were delivered at the recent 5 November 2009 meeting held in Perth. These findings indicated that there is “a high level of community interest in recycling packaging, with little difference between geographic locations”.

The Communiqué issued by the EPHC on 5 November 2009 at the conclusion of the meeting stated that:
the Ministers are keenly awaiting the results of the final report, to assist them to make an evidence based decision on what action to take on the community’s desire to recycle more packaging and reduce litter. If a sufficient willingness to pay is demonstrated by the community, through the report findings, the next step would be to compare this against the cost of a range of options, including a Container Deposit Scheme and a range of other targeted activities.

A number of associations and organisations, such as the Local Government Association of NSW and the Total Environment Centre, have indicated disappointment that the EPHC did not deliver immediate plans to introduce national container deposit legislation.22

The next EPHC meeting is scheduled for 4 June 2010 in Darwin.

NATIONAL ENVIRONMENT PROTECTION COUNCIL

The EPHC incorporates the National Environment Protection Council (NEPC). The NEPC comprises environment ministers from the Australian Government and each state and territory. Established in 1992 as a stand-alone national body, the NEPC was subsequently incorporated into the EPHC in June 2001. Although the NEPC meets at the same time as the EPHC, it retains a distinct status by virtue of its law making powers under the National Environment Protection Council Act 1994 (Cth).

The purposes of the NEPC are to ensure that:

- Australians enjoy the benefit of equivalent protection from air, water or soil pollution and from noise wherever they live; and
- business decisions are not distorted and markets are not fragmented by variations in major environment protection initiatives between member governments.23

NEPC has powers to make National Environment Protection Measures (NEPMs) on a number of environmental issues, including specifically the re-use and recycling of used materials. In July 1999, it issued the Used Packaging Materials NEPM to provide regulatory support for the National Packaging Covenant. Designed to deal with free riders and non-signatories, the Used Packaging Materials NEPM has been varied numerous times since 1999, the latest update being in July 2005 to extend the NEPM until 2010.

NATIONAL PACKAGING COVENANT

The National Packaging Covenant (the Covenant) has been the leading instrument for managing the environmental impacts of consumer packaging in Australia since 1999. The Covenant is a self-regulatory agreement aimed at improving the recovery, reuse and recycling of used domestic consumer packaging materials in Australia. It currently has 732 Covenant signatories representing Australian industry, industry associations, state government, local government and community groups.

The Covenant, which will be in force until 2010, functions to:

- minimise the environmental impacts arising from the disposal of used packaging;
- conserve resources through the introduction of more efficient design and production processes;
- facilitate the re-use and recycling of used packaging materials; and
- ensure that all involved in the packaging chain play their part in reducing packaging waste.

The Australian Government has been a Covenant signatory since 1999.24 As a signatory, the Australian Government has developed a set of actions it intends to take to implement its Covenant responsibilities. These actions are outlined in the Australian Government Action Plan together with the key performance indicators that it uses to report against annually. They include the Australian Government committing to:

- minimising the use of packaging and paper;
- using products that can be recovered; and
- purchasing products that incorporate recovered materials.25

THE NATIONAL ENVIRONMENT PROTECTION MEASURE (NEPM) FOR USED PACKAGING MATERIALS

The National Environment Protection Measure (NEPM) for Used Packaging provides regulatory support for the
voluntary National Packaging Covenant. The NEPM helps ensure that the signatories meet their Covenant obligations through action plans and reports. The NEPM aims to “ensure that signatories to the Covenant are not unfairly disadvantaged in the market place”.

Another key goal of the Used Packaging Materials NEPM is to:

- reduce environmental degradation arising from the disposal of used packaging and conserve virgin materials through the encouragement of re-use and recycling of used packaging materials by supporting and complementing the voluntary strategies in the National Packaging Covenant.

**COMMONWEALTH BILLS CONCERNING CONTAINER DEPOSIT LEGISLATION**

To date, two private members' bills have been introduced into the Commonwealth Government Senate relating to CDL:

- The **Drink Container Recycling Bill 2008 (Cth)**; and
- The **Environment Protection (Beverage Container Deposit and Recovery Scheme) Bill 2009 (Cth)**.

**Drink Container Recycling Bill 2008 (Cth)**

The Drink Container Recycling Bill 2008 (Cth), a private member’s bill, was introduced into the Senate on 13 March 2008 by Senator Steve Fielding, leader of Family First. In his second reading speech, Senator Fielding explained that environmental considerations were the impetus for the bill, primarily reducing the amount of litter and saving energy. The objects of the bill are set out in clause 3; they are to:

- promote the development of product stewardship arrangements for used beverage containers to reduce, minimise and, where practicable, eliminate harm to the environment caused by discarded used beverage containers and failure to recycle them;
- ensure the environmentally sustainable management and reuse of used beverage containers; and
- support economic recycling options for used beverage containers.

Part 3 of the bill deals with beverage container deposits. The proposed amount of the deposit on beverage containers is not set out in the bill; the amount is to be prescribed by regulation. Clause 18 of the bill requires a retailer to collect a deposit at the time of purchase of a beverage (except where the beverage is to be consumed on the premises). The purchaser is able to redeem the deposit from a container redemption facility unless the beverage container is:

- contaminated, rusty or unclean; or
- is not able to be identified as a beverage container to which the bill applies.

Producers or distributors are not permitted to supply or sell a beverage in a container unless the container bears a refund marking for the refund of the deposit for the container: clause 17 of the bill.

The bill was referred to the Australian Senate Environment, Communications and Arts Committee on 20 March 2008. On 3 September 2008, the Australian Senate Environment, Communications and the Arts Committee published the report of its inquiry into, amongst other issues, the Drink Container Recycling Bill 2008 (Cth). The Committee recommended (Recommendation 16) that the EPHC “work towards a national container deposit system … [and] consider the South Australian model and the Drink Container Recycling Bill 2008 (Cth)”. Submissions received by the Committee are available on the Committee’s website, as are the public hearing transcripts.

On 5 November 2009, after the EPHC meeting, Senator Fielding issued a press statement urging that:

Environment Minister Peter Garrett should just get on with the job and use Family First’s national drink container recycling scheme which has been sitting in Federal Parliament for over a year.

This bill is currently still before the Senate.

**The Environment Protection (Beverage Container Deposit and Recovery Scheme) Bill 2009 (Cth)**

The **Environment Protection (Beverage Container Deposit and Recovery Scheme) Bill 2009 (Cth)** was introduced by Senator Scott Ludlam, Senator for Western Australia and a member of The Greens, into the Senate on 12 May 2009. In his second reading speech, Senator Ludlam noted, being an apparent reference to the status of the September 2008 Senate Report on the Drink Container Recycling Bill 2008, that he had:
participated in an inquiry into the CDL in which all the benefits were canvassed, evidence put on the table and quite a strong report produced. The recommendation was however to send the idea to COAG; specifically to the EPHC, from where very little has been heard ever since. 30

The objects of the bill are set out in Clause 3, being to:

- promote the principles of environment protection by regulating the use, sale and recovery of beverage containers;
- ensure the environmentally sustainable management and reuse of used beverage containers; and
- support economic recycling options for used beverage containers.

Part 2 of the bill deals with the establishment of the beverage container deposits and recovery scheme. The proposed amount of the deposit on beverage containers is 10 cents or any higher amount as may be prescribed in the regulations. 31 This section is consistent with the deposit amount currently provided in South Australia. 32 The 10 cent deposit would apply to containers not exceeding 4 litres of the following types:

- A plastic or glass bottle;
- An aluminium or steel can;
- A liquid paperboard or composite carton; and
- A composite container. 33

A person may not sell a beverage container unless the container is labelled as refundable. 34

On 17 June 2009, the bill was referred to the Australian Senate Environment, Communications and the Arts Committee. The Australian Senate Environment, Communications and the Arts Committee recently issued the report of its inquiry into the Environment Protection (Beverage Container Deposit and Recovery Scheme) Bill 2009 (Cth) on 17 September 2009. The Committee noted widespread community support for initiatives that will increase rates of recycling and reduce levels of litter but also noted how complex this area of policymaking can be. It concluded that it was unable to determine or quantify the benefits of the model proposed in the bill without further data. The Committee recommended (Recommendation 1) that “the EPHC advance its analysis of container deposit schemes without delay, ensuring that any further modelling draws on data derived from existing container deposit schemes and includes consideration of the model outlined in this bill”. The Committee also recommended (Recommendation 2) that the bill not be passed at this time.

**AUSTRALIAN LOCAL GOVERNMENT ASSOCIATION**

The 2009 National General Assembly of Local Government resolved to support the introduction of a container deposit scheme throughout the Commonwealth of Australia. 35

**NEW SOUTH WALES**

As part of the statutory review of the Waste Minimisation and Management Act 1995 (NSW), the New South Wales (NSW) government commissioned an independent inquiry into CDL. 36 The report, “Independent Review of Container Deposit Legislation in New South Wales”, which was completed in 2001, was prepared by Dr Stuart White of the Institute for Sustainable Futures (ISF). The study examined the difference between recycling and disposing of used beverage containers. It found that NSW would receive an environmental benefit in the range of $70 - $100 million per annum if CDL was implemented in the state. 37 The authors of the NSW report on CDL recommended a scheme in which “consumers pay a 10 cent deposit for drink containers, redeemable at retail outlets or at a network of collection depots”. 38

To date, however, NSW has not implemented a container deposit scheme, although a private member’s bill seeking to establish such a scheme was introduced into the Legislative Council on 10 April 2008 by Mr Ian Cohen MLC, 39 a member of The Greens. The Bill, the Waste Avoidance and Resources Recovery (Container Recovery) Bill 2008 (NSW), proposed to amend the Waste Avoidance and Resources Recovery Act 2001 (NSW) to provide for the introduction of a beverage container deposit scheme if certain targets set by the National Packaging Covenant were not met by the time of its review in 2008 or when it expires in 2010. It was proposed that the scheme be funded by a proposed beverage container tax.

Under the bill, a beverage container must not be sold unless it is labelled “10 cent refund payable at any authorised NSW collection depot”: section 18E. The Minister may establish, or approve the establishment of, collection depots for the empty beverage containers. These collection depots may include (clause 18G(2)):

- reverse vending machines; 40
- council depots;
- community centres and community based facilities;
- depots at shopping centres and centre car parks;
- “drive through” recycling centres; and
- depots at service stations or other retailers.

Operators of a collection depot must accept all unbroken empty beverage containers that are returned to the collection depot and pay the person returning it the refund due to the person: clause 18H.

The bill was negatived at the second reading on 18 June 2009.41

While there is currently no state-wide container deposit legislation in operation in NSW, the NSW town of Broken Hill, near the SA border, enjoyed the benefits of SA’s container deposit legislation until quite recently. A special contractual arrangement had been in place between Lion Nathan, SA Brewing and Channings’ Bottle Yard which provided for the citizens of Broken Hill to take their cans and bottles to Channings’ bottle yard for recycling in exchange for a cash payment. However, this contract was cancelled when the SA Government increased the drink container deposit amount from five to 10 cents from 1 September 2008, resulting in numerous workers losing their jobs and a less tidy town.42

THE AUSTRALIAN CAPITAL TERRITORY

The Waste Minimisation (Container Recovery) Amendment Bill 2008 (ACT) was introduced into the Australian Capital Territory (ACT) Legislative Assembly on 7 May 2008 by Dr Deb Fosky (then a Member of the Legislative Assembly and a member for The Greens), to amend the Waste Minimisation Act 2001 (ACT). In her Second Reading Speech, Dr Fosky said that she had intentionally mirrored much of the NSW bill (discussed above) so as to achieve uniformity with the neighbouring state. She noted, however, that the proposed ACT scheme could operate independently. The Waste Minimisation (Container Recovery) Amendment Bill 2008 (ACT) lapsed on 18 October 2008, being the polling day for the 2008 ACT general election.43

QUEENSLAND

In March 2008, the then Queensland Minister for Sustainability, Climate Change and Innovation, the Hon Andrew McNamara MP, was reported in the Courier-Mail as saying that the Queensland government did not plan to introduce CDL in Queensland, but Queensland may join a national beverage container deposit scheme if one is established and that, while he could see some value in CDL, he was concerned about the impact on the financial viability of kerbside recycling if the amount of glass and aluminium is reduced as these are the highest value recyclables.44

During the Estimates Committee meeting on 23 July 2008, the then Queensland Minister for Sustainability, Climate Change and Innovation, the Hon Andrew McNamara MP, also noted that the EPHC had asked Queensland, along with Western Australia, to co-chair a working group on CDL. He commented that Queensland currently has very good existing council recycling systems and that Queensland should not take action that could “undermine the profitability of those systems by striking out on its own”. He indicated a strong willingness to continue to work with the Commonwealth and with other states to address the issue of beverage container waste with a view to a uniform national approach.45 Mr Dave Gibson MP, (previously the Queensland Liberal National Party Shadow Minister for Sustainability and now the Queensland Liberal National Party Shadow Minister for Infrastructure and Planning) is in favour of the introduction of a container deposit scheme which mirrors the South Australian scheme.46

A Clean Up Australia opinion poll found that 86% of Queenslanders support a 10 cent deposit on drink cans and bottles.

It was reported in the Courier-Mail on 4 February 2009, that Mr Ronan Lee (the then Member for Indooroopilly and member of The Greens) intended to introduce a private member’s bill to create a container deposit scheme.47 However, Mr Lee was defeated at the 21 March 2009 Queensland state election; thus this private member’s bill did not eventuate.

WESTERN AUSTRALIA

In 2005, the Western Australian government announced that container deposit legislation would be introduced in that state. A stakeholder advisory group was established to advise the government on the best means of implementing a scheme.48 However, in November 2007, the WA government stated in the Legislative Council that regulations for a container deposit scheme had not been drafted and that the government was waiting on
“independent economic analysis on the introduction of such a scheme” before deciding whether to introduce CDL.\textsuperscript{49}

In June 2008, the WA Local Government Association issued a [Policy Statement on Container Deposit Systems](#) which concluded that:

\begin{quote}
...a national Container Deposit System is preferred over a state-based scheme as it enables greater financial efficiency … However, in the absence of the likely introduction of a national scheme within a reasonable timeframe, Local Government considers it necessary and reasonable to put in place a state-based deposit system unilaterally.\textsuperscript{50}
\end{quote}

On 19 May 2009, the Legislative Council’s Standing Committee on Environment and Public Affairs tabled a report on “Municipal Waste Management in Western Australia”. The inquiry found that a container deposit scheme could resolve “the issue of prohibitive transport costs in rural and regional areas with respect to recyclable waste”.\textsuperscript{51}

During a recent parliamentary debate in the Western Australian Legislative Assembly on 17 September 2009 concerning the [Waste Avoidance and Resource Recovery Amendment Bill 2009 (WA)](#), Mr John Hyde MLA indicated that all that was needed in Western Australia to commence a container deposit scheme was for the government to publish a starting date in the Government Gazette.\textsuperscript{52}

During the same debate, Ms Adele Carles MLA proposed an amendment to this legislation to include a specific reference to the implementation of a comprehensive container deposit scheme for Western Australia.\textsuperscript{53} However this amendment was rejected on the basis that the existing general language in the legislation already covered this possibility.

After the recent EPHC meetings in Western Australia, the Conservation Council of Western Australia issued a [media release](#) on 5 November 2009 indicating disappointment that the “steps towards the introduction of a national container deposit scheme…. have been stalled”. The media release also noted:

\begin{quote}
“The case for a container deposit scheme couldn’t be clearer. Not only will a 10 cent recycling refund scheme increase WA’s embarrassingly low rate of recycling but it will also create new jobs, investment in recycling industry and most importantly reduce the amount of litter going into landfill.”
\end{quote}

The issue of introducing a container deposit scheme in Western Australia was also discussed on 17 November 2009 in the Legislative Council by the Hon Robin Chapple MLC, Minister for the Mining and Pastoral Region.\textsuperscript{54} The debate continued on 1 December 2009.\textsuperscript{55} Although the proposed amendment to specifically refer to container deposit schemes in the Waste Avoidance and Resource Recovery Amendment Bill 2009 (WA) was not accepted, the bill itself was passed by both Houses on 1 December 2009.\textsuperscript{56}

### TASMANIA

On 28 May 2009, the [Feasibility Study of a Container Deposit System for Tasmania](#), commissioned by the Tasmanian Government and undertaken by Hyder Consulting Pty Ltd, was released. The report concludes that a “hybrid” container deposit system utilising the most effective elements of the South Australian system and overseas systems could significantly improve container recovery in Tasmania. However, establishing and operating such a system was acknowledged to be complex and challenging.\textsuperscript{57}

Interestingly, the report recommended that the container deposit system in Tasmania should include a deposit of 20 cents per designated container. A lower amount of 10c deposit was rejected as not providing enough incentive and a higher 50c deposit was rejected as it would likely result in market distortions and increase the potential for fraud.\textsuperscript{58}

One of the main issues for Tasmania is that there are no secondary reprocessing facilities in that state. Additionally, transporting the recovered containers to appropriate facilities on the mainland “is likely to diminish most of the environmental benefits possible under the [container deposit system] for aluminium and potentially glass”.\textsuperscript{59}

### NORTHERN TERRITORY

In 2003, the Northern Territory (NT) Parliament considered the [Container Deposit (Environmental Protection) Bill 2003 (NT)](#) which proposed to introduce a container deposit scheme. The private member’s bill was introduced by Ms Loraine Braham (then an Independent Member of the NT Legislative Assembly). In the [Second Reading Speech](#) for this bill, Ms Braham indicated that the aim of the bill was to reduce litter, increase levels of recycling, provide jobs and indirectly benefit tourism in the Territory. The bill was not passed, however, reportedly because the NT Government was concerned that it would have resulted in an increase in the cost of living for Northern Territorian families.\textsuperscript{50}
In April 2008, the then NT Environment Minister, the Hon Len Kiely MLA, said that while it was too expensive for the NT to introduce an independent container deposit scheme, the Territory may become part of a national scheme if the cost is able to be shared.\footnote{61}

Then, on 11 March 2009, the NT became the first jurisdiction in Australia to commit to CDL since the South Australian Government introduced its pioneering legislation in 1975. Chief Minister Hon Paul Henderson MLA announced that a “cash for containers” scheme would be introduced by the NT Government by 2011 “provided it is financially viable, legally sound and can deliver in both urban and remote centres”.

At this year’s Freds Pass Show in Darwin, a trial for the NT “cash for containers” scheme was funded by a $5000 NT Government grant and operated by a local Scouts group. All empty drink containers purchased at the show could be cashed in for a refund of 10 cents each. The Hon Alison Anderson, the then Minister for the Environment, said that the “trial would give a glimpse of how this scheme will work when it is implemented” in the NT by 2011.\footnote{62}

\section*{VICTORIA}

On 28 February 2008, in a Question Without Notice, the Victorian Premier, the Hon John Brumby MP, was asked if the Victorian Government will support the introduction of a national CDL scheme.\footnote{63} The Premier replied that Victoria has not implemented a CDL scheme because the state has “an excellent kerbside recycling scheme” and because Victoria is a signatory to the National Packaging Covenant which has also been successful. The Premier concluded by saying that the government has “an open mind on the issue, but ... would need to be convinced by the evidence that container deposit legislation could further assist by providing encouragement and greater levels of recycling ...”.\footnote{64}

On 1 April 2009, a private member’s bill, the \textit{Environment Protection Amendment (Beverage Container Deposit and Recovery Scheme) Bill (Vic) 2009}, was introduced into the Victorian Legislative Council by Ms Colleen Hartland MP, a member of The Greens. This bill sought to amend the \textit{Environmental Protection Act 1970 (Vic)} to establish a beverage container deposit and recovery system. It was passed by the Legislative Council on 24 June 2009. However, the Legislative Assembly deemed the bill unconstitutional and did not debate it. The bill was deemed to be unconstitutional as the bill sought to unlawfully impose a levy which, under the \textit{Constitution Act 1975 (Vic)}, is exclusively the power of the Legislative Assembly.\footnote{65} The \textit{Age} reported that Ms Hartland MP said that:

\begin{quote}
the Government was hiding behind a legal technicality and was out of touch with the community. ... “It remains a community supported campaign: 94 per cent of Victorians support a container deposit system, and now the Legislative Council of the Victorian Parliament also supports it”.\footnote{66}
\end{quote}

\section*{REVERSE VENDING MACHINES}

From April 2009, a national roll-out of reverse vending machines (RVMs) commenced at various locations across Australia including major shopping centres and schools.\footnote{67} The Hon Bruce Scott MP described RVMs in the House of Representatives in June 2008:\footnote{68}

\begin{quote}
Reverse vending machines are small, automated machines which have been installed in supermarkets, local shops, service stations and kiosks across Finland. The machines take up very little shop space and their installation is in cooperation with retailers. Consumers take their empty glass and plastic bottles to their local supermarket or 7-Eleven equivalent and deposit their empty bottles. After they have deposited their bottles one by one into the automated chute, the machine prints out a bar-coded docket which tells the consumer how much money they will be reimbursed. The consumer then takes it to the checkout and is reimbursed the money. Larger plastic bottles attract a larger refund than small ones.

Finland has a return rate of some 98 per cent – the highest in Europe. On average, a glass bottle is refilled 33 times and a plastic bottle is refilled 18 times. The empty plastic bottle caps are also recycled. It is estimated that this highly successful scheme prevents around 380,000 tonnes of waste annually. The scheme has also had an impact on the trucking industry: trucks deliver the full bottles and return the empty bottles to the manufacturer or soft drink plant, thereby reducing the number of empty trucks on the road and increasing transport productivity.\footnote{69}

The Hon Bruce Scott MP proposed that, as part of a national container deposit scheme, the government should provide financial incentives to vendors to install RVMs. Unlike recycling bins, RVMs can identify recyclable and non-recyclable material as well as crunching cans and bottles on site. They can also sort and process used beverage containers for recycling and hold up to 3000 aluminium cans and 600 plastic bottles. This capacity means that RVMs may be emptied less frequently than ordinary recycling bins, which in turn saves on labour costs.\footnote{70} Narelle Anderson, Managing Director of Envirobank, which makes RVMs says “reverse vending machines are the modern day answer to cash-for-cans”.\footnote{71}
\end{quote}
Not everyone is in favour of introducing RVMs. In a 2006 article in *Waste Management and Environment*, Kirsty McCann from the Packaging Stewardship Forum of the Australian Food & Grocery Council identified factors she considered to be drawbacks associated with reverse vending machines:

- cost and maintenance;
- potential vandalism;
- requirement to empty them regularly and store the material elsewhere; and
- possible contamination of the collected material.

Ms McCann concluded that the cost of RVMs outweighs any potential benefits, although she noted that there is a lack of information about them and suggested that in the future they may “offer solutions in niche markets as a complementary component of the existing infrastructure system”.72

RVMs have been used for a number of years in various locations around the world, including the United States, Finland, Norway and China.73

**PROS AND CONS OF CONTAINER DEPOSIT SCHEMES**

There are differing views on whether CDL should be introduced throughout Australia. The Packaging Council of Australia, for example, argues against the proposed introduction of CDL at a national or state level. On the other hand, the groups which form the Boomerang Alliance (such as the Australian Conservation Foundation, Clean Up Australia, Friends of the Earth, Greenpeace Australia Pacific and the Local Government & Shires Association of NSW) strongly support the introduction of CDL.

As a result of conflicting reports, the true cost to an existing kerbside recycling scheme of introducing a container deposit scheme is unclear. The proponents of CDL argue that CDL is beneficial to existing kerbside recycling while opponents of CDL argue that CDL is detrimental to kerbside recycling.

A spokesman for brewer Lion Nathan disagrees with the focus on beverage containers; he considers that a broader view of recycling should be taken and that other industries, such as building, mining and car manufacturing, should be examined.74

**ARGUMENTS IN SUPPORT OF CONTAINER DEPOSIT LEGISLATION**

Proponents of CDL suggest that it provides numerous benefits ranging from litter reduction to providing a possible source of income for community groups.

**Litter Reduction**

Litter reduction is often the primary reason given for introducing a container deposit scheme. South Australia’s scheme was introduced to help reduce the amount of litter in public places, and, as noted above, there is anecdotal evidence that SA now has less roadside litter than other states. The authors of the consultancy report published by the South Australian Environment Protection Authority concluded that CDL contributes “significantly” to the reduction of litter in the state (p 38). Senator Steve Fielding said in his Dissenting Report on the Senate Standing Committee’s Inquiry into the Management of Australia’s Waste Streams (para 1.15) that, based on modelling by the Boomerang Alliance, there would be a 12 – 15% reduction in the volume of litter if a national CDL scheme is implemented.

Clean Up Australia “strongly supports the introduction of a National Container Deposit Legislation” (p 2 of its Submission to the Senate Inquiry). The *Rubbish Report 2007*, published by Clean Up Australia, showed that six of the top ten items collected on Clean Up Australia Day 2007 were beverage containers and bottle caps (p 17). In its submission to the Senate inquiry, Clean Up Australia points out (p 2) that South Australia was the only state in which beverage containers were not in the top five most commonly collected rubbish types on Clean Up Australia Day.

Putting a monetary value on beverage containers means that there is a greater incentive for people to recycle them and therefore litter is reduced because people either do not throw used beverage containers on the ground once they have finished with them, or if they do, there is an incentive for other people to pick them up to claim the deposit. While many residents have kerbside recycling, it does not cater for the beverage containers that contain drinks that are consumed away from home.75

**Increased Recycling and Reduction in Waste Going to Landfill**

The Productivity Commission’s *Waste Management: Productivity Commission Inquiry Report* (p 240) cites studies of CDL schemes which show that CDL “significantly increases recovery rates of containers”.76 Increased recycling levels means a reduction in waste going to landfill. Mr Jason Wood MP in the House of
Representatives said: Based on South Australian figures, a national scheme could save up to 500,000 tonnes of packaging landfill each year – equal to about 12 billion bottles and cans. That would be 12 billion bottles that are currently not being recycled, that are lining our streets and that are flowing into our stormwater drains and down our creeks or taking up space in landfills.

The South Australian consultancy report (p 8) cited a 1998 Metropolitan Waste Analysis which “indicated a contribution of 7.3% by CDL depots to a total diversion rate of 17.4% when the entire waste stream for domestic waste is included”. The Packaging Council of Australia, however, said in its submission to the Senate Inquiry on waste management that beverage containers comprise around four per cent of the municipal waste stream. A submission from the ISF estimated that if NSW implemented a similar scheme to that in South Australia, the municipal waste stream would be reduced by between four and eight per cent. Senator Steve Fielding said in his Dissenting Report on the Inquiry into the Management of Australia’s Waste Streams (para 1.15) that based on modelling by Boomerang Alliance there would be “[a] 6% reduction in municipal waste to landfill – 631,008 tonnes per annum”.

Other Environmental Benefits

Proponents of CDL claim that CDL has a positive effect on the environment because less energy and water are used than if raw materials are used to make beverage containers, and less carbon is emitted. In the Senate Committee’s Dissenting Report (para 1.3), Senator Fielding said that a national container deposit scheme would mean up to 1.8 million tonnes of greenhouse gases a year would not be released and it “would save 8 gigalitres of water every year”. The Hon Bruce Scott MP made the point in the House of Representatives in June 2008 that it uses less energy to recycle an aluminium can, for instance, than to make a new one using raw materials.

Employment

One of the benefits of CDL is said to be the number of jobs that are created. The Independent Review of Container Deposit Legislation in NSW concluded that up to 1,500 permanent full-time positions would be created if CDL were introduced in NSW.

With respect to South Australia, the 2000 SA report (p 38) stated:

> Overall, it is estimated that CDL has a positive direct and follow on (multiplier) employment impact on the State of 1674 full and part time jobs (taking into consideration the negative impacts of handling fees and other costs).

The report noted that many of the employment opportunities created by CDL are in regional areas where there are limited employment opportunities.

Senator Fielding said, in his Dissenting Report on the Senate Standing Committee’s Inquiry into the Management of Australia’s Waste Streams (para 1.15) that, based on the Boomerang Alliance submission, there would be at least 1,000 new jobs if a national container deposit scheme were implemented.

Source of Income for Charities, Schools, Clubs, etc

Container deposit schemes are regarded by many as a good fundraising opportunity for community groups, such as charities, P & Cs and sporting clubs. The South Australian branch of the Scout Association of Australia has been able to keep its membership fees lower than those of the branches in other Australian states and territories because of income raised from the state’s container deposit scheme. The Hon Bruce Scott MP said in the House of Representatives in June 2008 that the scouting movement made over $7 million from bottle recycling in South Australia last year.

Beneficial for Other Recycling

It has been argued that container deposit schemes can benefit existing kerbside recycling schemes. Stuart White, writing in Waste Management and Environment, for example, says that CDL reduces “high volume, low weight containers” and thereby reduces the cost of providing kerbside recycling. Garth Lamb, writing in a different issue of the same publication, concedes that there is less high value PET available for kerbside recycling if a CDL scheme is also operating but there is also “less glass contamination of paper, which then sells for a higher price”. Garth Lamb also notes that compaction rates for recycling trucks are able to be higher because there is less glass to break. The greater compaction means greater capacity. Kerbside recyclers are able to claim the deposit of beverage containers that are collected; this, White claims, “more than offsets the reduction in materials value”. He concludes that local governments “would realise financial benefits from the introduction of a [container deposit scheme]”.

The Boomerang Alliance says (p 1) that kerbside recycling is heavily subsidised by ratepayers because the
cost of collecting the recyclables is more than local governments are able to recoup from their sale. The Boomerang Alliance says (p 1) that councils in South Australia have reported earning up to $90,000 per year from the state’s container deposit scheme. The 2000 SA study found (p 39) that while some stealing of kerbside recyclables occurs, the ability of the local government and contractors to redeem the deposits of the remaining beverage containers “should significantly offset any increase in the unit cost of collection caused by the diversion of deposit containers to collection depots”.

The Boomerang Alliance considers (p 2) that CDL works well in parallel with kerbside recycling because kerbside recycling is “very poor at recovering” beverage containers consumed away from home to which CDL is well suited.

The network of collection points created for beverage containers can be used for other waste, such as computers and batteries. 

**Less Broken Glass**

The Bicycle Transport Alliance suggested that there would be more cyclists if CDL was introduced because cyclists would have less punctures to repair due to there being less broken glass on roads and paths. The Boomerang Alliance considers (p 1) another benefit of CDL to be less injuries from broken glass. A recent Massachusetts study shows that there was a significant reduction in presentations at hospitals from broken glass injuries after the introduction of container deposit schemes.

There will also be less contamination of the paper collected to be recycled.

**ARGUMENTS AGAINST CONTAINER DEPOSIT LEGISLATION**

Cost is at the heart of most of the arguments against introducing container deposit schemes. These costs relate to such matters as: the cost of establishing a scheme, the increased cost of beverages and the cost to existing kerbside recycling collectors (and resulting increases in rates if the local government is the kerbside collector).

The Australian Food and Grocery Council released a media statement on 26 February 2009, where its Chief Executive Kate Carnell said that “it was disappointing that high profile members of the community were still calling for costly, outdated 1970s solutions to 2009 challenges”.

In its 2006 report on CDL, the Productivity Commission concluded (page 246):

> The case for introducing CDL in addition to existing kerbside collection schemes on resource recovery grounds is weak. CDL achieves improved recovery of beverage containers. However, it does so at the cost of introducing an additional collection system that competes with existing kerbside collection schemes for resources, and is likely to reduce the economies of scale of kerbside collection. Resource recovery under CDL is also likely to be significantly more costly than under kerbside recycling.

> With regard to litter reduction, CDL reduces beverage container litter, but there is little evidence that it affects other littering behaviour. The litter-reduction benefits (measured as reduced costs of litter collection) are likely to be marginal. This is due to the fact that beverage containers make up a relatively small component of the litter stream and most of the litter collection costs are fixed. The costs of achieving the benefits are likely to be high. CDL does not target the littering behaviour directly nor, by focusing on one component of the litter stream, does it do so comprehensively.

> The high operating costs typically associated with CDL suggest that the benefits of a consumer deposit-refund scheme would need to be very substantial to justify its implementation. Thus, a deposit-refund scheme might only be warranted for products with a disproportionately high cost of illegal disposal.

> The Productivity Commission made a finding in relation to CDL that kerbside recycling is “a less costly option for recovering resources, while general anti-litter programs are likely to be a more cost-effective way of pursuing overall litter reduction”.

> The Productivity Commission noted that the cost of running a CDL scheme “will, to some degree, depend on the program design.” It has been suggested, for example, that using reverse vending machines “could significantly reduce the costs of container recovery”. A system such as that in South Australia would be quite expensive to implement because the beverage containers are manually sorted.

> An article in the Courier-Mail on 24 June 2008 cited the Brisbane City Council (BCC) warning that implementing CDL in Queensland could mean increases in rates because council recycling will not be as profitable (the BCC expects its waste revenue would be halved). It estimates that it will cost between $30 million and $40 million to implement a container deposit scheme in Brisbane.

During debate in NSW Parliament in 2000, the Hon Mr Debus MP, then Minister for the Environment, said that, while the government was “not entirely opposed to container deposit legislation”, it had concerns including compromising the viability of kerbside recycling by removing the most valuable materials. Russ Martin in
Waste Management and Environment says that no container deposit system has been implemented in a place with existing “comprehensive recycling and litter programs, so we have to anticipate impacts”. He points out that if consumers redeem bottle deposits, it “would come at the expense of kerbside recycling programs through lost material sales revenue, lower yields per household and lost economies of scale. ... The more material that goes through kerbside programs, the greater their efficiency, the lower the cost and the greater their environmental benefit”.

CONCLUSION

Most Australian states and territories, other than South Australia where CDL is already entrenched, appear to be waiting for the Commonwealth Government to institute a national container deposit system before taking action locally. The EPHC is in charge of this process at the national level. The agenda for the next meeting of the EPHC, to be held in June 2010, is to consider community attitudes to CDL, and then, if appropriate, to commission a report into the available options. Given these outstanding action items, it is unlikely that significant steps towards actually implementing a national container deposit system will be taken within the immediate short-term.
LINKS TO SELECTED FURTHER READING

QUEENSLAND

Ministerial Media Statements

- The Hon Andrew McNamara MP, Minister for Sustainability, Climate Change and Innovation, Queensland welcomes no plastic bag levy decision, 17 April 2008
- The Hon Anna Bligh MP, Premier, and the Hon Andrew McNamara MP, Minister for Sustainability, Climate Change and Innovation, Qld to back bans on plastic bags but not at the expense of Qlders, 16 April 2008

COMMONWEALTH

Private Members’ Bills

- Environment Protection (Beverage Container Deposit and Recovery Scheme) Bill 2009 (Cth)
- Drink Container Recycling Bill 2008 (Cth)

Senate Committee Inquiries

- Senate Standing Committee on Environment, Communications and the Arts, Inquiry into the Environment Protection (Beverage Container Deposit and Recovery Scheme) Bill 2009 (website)
  - Report, September 2009
- Senate Standing Committee on Environment, Communications and the Arts, Inquiry into the Management of Australia’s Waste Streams (website)
  - Report, September 2008
  - Dissenting Report, September 2008
  - Submissions received
  - Public Hearings and Transcripts

Media Statements

- Media Release: Steve Fielding (Family First Party), Senator for Victoria: Drink Container Recycling – Just Do It, 5 November 2009
- Media Release: Steve Fielding (Family First Party), Senator for Victoria: Senate Inquiry into Family First’s Drink Container Recycling Bill, 20 March 2009

EPHC

- 19th Meeting of EPHC Communiqué, Historic agreement sets waste agenda to 2020 for less waste and more resources, 5 November 2009

Productivity Commission Inquiry

- Submissions
- Public Hearing Transcripts
SOUTH AUSTRALIA

Container Deposit Legislation

- Environment Protection Act 1993 (SA)
- Environment Protection Regulations 2009 which replaced the Environment Protection (Beverage Container) Regulations 2008 (SA) from 1 September 2009

Ministerial Media Statement

- Hon Mike Rann MP, Premier of South Australia, Empty drink containers now worth more, 31 August 2008
- Hon Mike Rann MP, Premier of South Australia, Drink container deposit increases to 10 cents, 12 February 2008

Government Publications

- EPA, Container Deposit Legislation (CDL) – a South Australian environmental success story, EPA 074/04, March 2004
- EPA (SA) – Waste: Container Deposit Legislation (website explains what the CDL scheme covers)
- Department of Trade and Economic Development, Drink container deposit rises to 10 cents
- Brochure explaining 2003 amendments to the Act to include flavoured milk, fruit or vegetable juice, non-carbonated soft drinks and cider style alcoholic and non-alcoholic drinks in glass containers

Reports

- McGregor Tan Research, Community awareness and acceptance of Container Deposit Legislation, prepared for the Environment Protection Authority, 2004

NEW SOUTH WALES

Private Member’s Bill

- Waste Avoidance and Resources Recovery (Container Recovery) Bill 2008 (NSW) (including Explanatory Note)
- Second Reading Speech, Legislative Council, pp 6748 - 6751

Independent Review of Container Deposit Legislation in NSW

- Report

Two of the Submissions

- Local Government and Shires Associations of New South Wales, Submission to Independent Review of Container Deposit Legislation in NSW, 22 December 2000
- Centre for Environmental Solutions Pty Ltd (C4ES), Impacts of Container Deposit Legislation on New South Wales Recycling and Litter Management Programs, December 2000, prepared on behalf of the Beverage Industry Environment Council

A Critique of the Review

- Access Economics Pty Limited, Critical Assessment of Independent Review of Container Deposit
Legislation in New South Wales, Prepared by Dr Stuart White, Director, Institute for Sustainable Futures, University of Technology, Sydney, Report commissioned by Beverage Industry Council on behalf of the Packaging Industry Sector, 30 April 2002

Response of the Institute for Sustainable Futures to Certain Concerns

- Institute for Sustainable Futures, University of Technology, Sydney, Independent Review of Container Deposit Legislation in NSW: Response to C4ES Pty Ltd Concerns

Other documents

- Leaflet: Local Government Supports Container Deposit Legislation, May 2002
- Peter Hopper, Container Deposit Legislation for New South Wales: Bringing Back Returnables, Friends of the Earth, December 1992
- Boomerang Alliance, Container Deposit Legislation and Kerbside Recycling

AUSTRALIAN CAPITAL TERRITORY

Private Member’s Bill and Second Reading Speech

- Waste Minimisation (Container Recovery) Amendment Bill 2008 (ACT)
- Explanatory Statement
- Second Reading Speech, 7 May 2008, pp 1478 – 1483

Other Hansard

- Ms Tucker MLA, Container Deposit Legislation, Legislative Assembly for the ACT, Week 4 Hansard, 10 April 2002, pp 964 – 967

VICTORIA

- Parliamentary Library Research Service, Environment Protection Amendment (Beverage Container Deposit and Recovery Scheme) Bill 2009, Research Brief, Number 3, May 2009
- The office of Ms Colleen Hartland MLC, Turning Rubbish into Community Money, The benefits of a 10c deposit on drink containers in Victoria, March 2009
- EPA Victoria, Container Deposit Legislation – Financial Impacts, Policy Background Paper, January 2003

NORTHERN TERRITORY

- Media Release: Alison Anderson MLA, Minister for Environment, Get Cash for Your Containers at the Freds Pass Show, 15 May 2009
- Media Release: Paul Henderson MLA, Chief Minister, Cash for Cleaning up the Territory, 11 March 2009

WESTERN AUSTRALIA

Hansard

- Mr John Hyde MLA and Dr Judy Edwards MLA, Container Deposit Legislation, Legislative Assembly, Hansard, 19 September 2002, pp 1279 – 1281
Report

- Stakeholder Advisory Group on Best Practice Container Deposit Systems for Western Australia with the support of Department of Environment and Conservation, Stakeholder Advisory Group Investigation into Best Practice Container Deposit Systems for Western Australia, Final Report, January 2007

TASMANIA

Report

- Department of Environment, Parks, Heritage and the Arts, Feasibility Study of a Container Deposit System for Tasmania, Hyder Consulting Pty Ltd, 28 May 2009

OTHER DOCUMENTS

Reports

- WA Local Government Association, Container Deposit System Policy Statement, June 2008
- Dave West, Container Deposits: The Common Sense Approach V2.1 (Western Australia), Boomerang Alliance, February 2007
- Perchards, Comments on Boomerang Alliance Paper, Container Deposits – The Common Sense Approach, November 2006

Websites

- Bottle Bill Resource Guide – good for coverage of the USA, Canada and some other countries. The site includes numerous links to recent media coverage of container deposit legislation as well as a description of the CDL.
- The Boomerang Alliance, a strong advocate for zero waste in Australia, has a collection of documents about the campaign for deposit laws in WA on their website.

NEWSPAPER AND ONLINE ARTICLES

A selection of newspaper and online articles published in 2008 and 2009:

- Drink scheme canned for now, Sydney Morning Herald, 10 November 2009
- Drink makers fight deposit scheme plan, Australian Financial Review, 5 November 2009
- WA’s waste crisis to continue with EPHC stalling on container deposits, Conservation Council of Western Australia Inc., Media Release, 5 November 2009
- Dirty tactics suspected in container recycling battle, Age, 1 November 2009
- Cost of a drink to rise – Recycling under fire, Sunday Mail, 1 November 2009
- Crunch time for recycle bid, Australian Financial Review, 29 October 2009
- Drink giants face $500m recycling bill, Australian Financial Review, 28 October 2009
- Clean-up sparks call for container deposit scheme, ABC Online, 5 October 2009
- Deposit container legislation put on ice, Australian Food News, 18 September 2009
- Hopes high for new recycling initiative, Australian Food News, 10 September 2009
- Beverage container levy plan under Senate scrutiny, Australian Food News, 24 August 2009
- Government rejects bottle refund bill, Age, 25 June 2009
- Beverage container deposit plan still up in air, Australian Food News, 22 May 2009
- Industry in bid to can deposits, Courier Mail, 20 May 2009
- Secret plan for recycling levy on bottles, cans, Sydney Morning Herald, 15 May 2009
- Insert here: Empties instead of coins, Sydney Morning Herald, 29 April 2009
• Bottle-drive for refund scheme, *Age*, 6 March 2009
• **Outdated 70s solution to recycling won’t work**, *Media Release*, Australian Food and Grocery Council, 26 February 2009
• Broad support for 10c deposit on bottles, *Courier Mail*, 4 February 2009
• **Container deposit scheme offers jobs hope**, *ABC News*, 28 January 2009
• **Council still awaiting bottle refund answers**, *ABC News*, 4 September 2008
• **Recycling deposit scheme considered**, *ABC News*, 1 July 2008
• **SA ahead of the rest on recycling**, *7:30 Report*, 26 June 2008
• **Beer up to cover deposit rise**, *ABC News*, 25 June 2008
• Bottle bank a money waster: Beer to rise $4 a carton, warns council, *Courier-Mail*, 24 June 2008
• **Deposit rise to hit drink prices**, *adelaidenow.com.au*, 21 June 2008
• **NT still keen on national container deposit scheme**, *ABC News*, 18 April 2008
• **Beverage companies deny container deposit scare campaign**, *ABC News*, 17 April 2008
• **Step forward on national container deposits**, *ABC News*, 17 April 2008
• It’s economical being green, *Courier-Mail*, 1 April 2008
• Cash plan for recycling of containers facing the can, *Courier-Mail*, 31 March 2008
• Passing the buck on waste, *Courier-Mail*, 30 March 2008
• Editorial: Awareness should be part of cycle, *Courier-Mail*, 29 March 2008
• Cash or Trash – Bottle and can deposit plan to boost recycling, *Courier-Mail*, 28 March 2008
• **Kiely, Garrett discuss container deposit program**, *ABC News*, 29 February 2008
• Deposit scheme push to give cash for trash, *Courier-Mail*, 27 February 2008
• **AFGC concern: Container deposit legislation**, 25 February 2008
• **Return to sender, or many unhappy returns?** *Sydney Morning Herald*, 23 February 2008
• **Brewer rejects container deposit scheme**, *ABC News*, 22 February 2008
• **Container deposits to double in SA**, *ABC News*, 12 February 2008
• **Deposit increase to force drink price rise**, *ABC News*, 12 February 2008
• **Kiernan wants cash for cans**, *ABC News*, 8 February 2008

**History Note:** This e-Research Brief was first published in October 2008 and updated as at 7 December 2009.
ENDNOTES

1 See for example, Senator Steve Fielding, Second Reading Speech, Senate, Parliamentary Debates, 13 March 2008, pp 773-774 and Genia McCaffery, president of the Local Government and Shires Association of NSW and North Sydney’s mayor, cited in Christine Kilpatrick, Deposit schemes cut the stream, Weekend Australia, 31 May - 1 June 2008, Recycling Special Report, p 2. Others, however, do not see it in such a positive light; Coca-Cola Amatil and Foster’s Group, for example, reportedly have described container deposit schemes as a “1970s solution to a 21st century problem” and argued that the introduction of CDL would increase the cost of beverages: Renee Viellaris, Cash or Trash: Bottle and can deposit plan to boost recycling, Courier-Mail, 28 March 2008.

2 See, for example, the Hon JD Hill, Broomhill, Hon GR, South Australia, House of Assembly, Parliamentary Debates, 12 February 2008, p 1912.

3 See, for example, Senate Standing Committee on Environment, Communications and the Arts, Report on the Environment Protection (Beverage Container Deposit and Recovery Scheme) Bill 2009, September 2009, pp 3-4 and the Hon Carmel Tebbutt MP, then Minister Assisting the Minister for the Environment, Container deposit legislation, New South Wales, Legislative Council, Questions Without Notice, Parliamentary Debates, 11 April 2001, p 13,552.

4 19th Meeting of the EPHC Communiqué, Historic agreement sets waste agenda to 2020 for less waste and more resources, 5 November 2009.

5 South Australia’s beverage container deposit rose to 10 cents on 1 September 2008: Regulation 6 of the Environment Protection (Beverage Container) Regulations 2008 (SA) (which were revoked and replaced by the Environment Protection Regulations 2009 (SA) from 1 September 2009) and section 2 of the Environment Protection (Miscellaneous) Amendment Act 2008 (SA). See also EPA (SA), Waste: Container Deposit Refunds. Proponents of CDL have different views on how much the deposit should be and whether it should be different for different sized beverage containers. Ian Kiernan, the founder of Clean Up Australia Day, said in January 2008 that he would like a 20 cent deposit added to the cost of plastic beverage containers in the Northern Territory: Kiernan wants cash for cans, ABC News, 8 February 2008.

6 The Beverage Container Act 1975 (SA) was repealed in 1993 and the relevant provisions were inserted in the Environmental Protection Act 1993 (SA).

7 The Hon JD Hill MP, Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts, Broomhill, Hon GR, South Australia, House of Assembly, Parliamentary Debates, 12 February 2008, p 1911.

8 The Hon Mike Rann MP is also Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts and Minister for Sustainability and Climate Change.

9 The Hon Mike Rann MP, Broomhill, Hon GR, p 1908.

10 The Hon John Hill MP is also the Minister for Southern Suburbs and the Minister Assisting the Premier in the Arts.

11 The Hon JD Hill MP, Broomhill, Hon GR, p 1911.


14 It is forecast that greenhouse gas emissions will be reduced by up to 70,000 tonnes per year: The Hon Mike Rann MP, *Drink container deposit increases to 10 cents*, Ministerial Media Release, 12 February 2008.

15 See, for example, Emma Chalmers, Bottle bank a money waster: Beer to rise $4 a carton, warns council, *Courier-Mail*, 24 June 2008 and *Deposit increase to force drink price rise*, *ABC News*, 12 February 2008.


17 *Beer up to cover deposit rise*, *ABC News*, 25 June 2008.


21 19th Meeting of the EPHC *Communiqué*, Historic agreement sets waste agenda to 2020 for less waste and more resources, 5 November 2009, p 5.

22 See Local Government Association of NSW president Cr Genia McCaffery’s views reported in *EPHC Falls Short of Local Government Expectations*, November 2009 and the Director of the Total Environment Centre, Jeff Angel’s, comments quoted in *Australia’s Rubbish on the Move*, 5 November 2009.


24 The governments of all states and territories (other than the Government of the Northern Territory) are also signatories to this Covenant.


27 Clause 18(1) of the *Drink Container Recycling Bill 2008* (Cth).

28 Clause 19 of the *Drink Container Recycling Bill 2008* (Cth).

29 To check the progress of the Drink Container Recycling Bill 2008 (Cth), click here.


31 Clause 12 of the *Environment Protection (Beverage Container Deposit and Recovery Scheme) Bill 2009* (Cth).

32 *Explanatory Memorandum* to the *Environment Protection (Beverage Container Deposit and Recovery Scheme) Bill 2009* (Cth), p 3.

33 Clause 8 of the *Environment Protection (Beverage Container Deposit and Recovery Scheme) Bill 2009* (Cth).
Clause 14 of the Environment Protection (Beverage Container Deposit and Recovery Scheme) Bill 2009 (Cth).


The Hon Carmel Tebbutt, MP, then Minister Assisting the Minister for the Environment, Container deposit legislation, New South Wales, Legislative Council, Questions Without Notice, Parliamentary Debates, 11 April 2001, p 13,552.

Stuart White, Container Deposit Legislation, Earthbeat, Radio National, 25 March 2002. Note, however, the study’s results were not universally accepted. The Beverage Industry Environment Council commissioned Access Economics Pty Limited to prepare a report (Critical Assessment of Independent Review of Container Deposit Legislation in New South Wales, Prepared by Dr Stuart White, Director, Institute for Sustainable Futures, University of Technology, Sydney, 2002) on behalf of the Packaging Industry Sector which provided a critical assessment of Dr White’s report. In the view of the authors of the critique (p i), Dr White’s report failed to properly respond to the terms of reference and it had numerous methodological errors, such as limited primary research, selective use of research, partial analysis, non-transparency of numerical results and gaps and defects in the internal logic and analysis.


Waste Avoidance and Resources Recovery (Container Recovery) Bill 2008 (NSW).

These are described below.


This date, 18 October 2008, was the date of the most recent election in the ACT. The ACT Legislative Assembly has fixed four-year terms, with elections held every four years on the third Saturday in October.

The Hon Andrew McNamara MP, Queensland welcomes no plastic bag levy decision, Ministerial Media Statement, 17 April 2008. See also, Hon Andrew McNamara MP, Estimates Committee F – Sustainability, Climate Change and Innovation, 23 July 2008, p 55.

Hon Andrew McNamara MP, Estimates Committee F – Sustainability, Climate Change and Innovation, 23 July 2008, p 55.


Broad support for 10c deposit on bottles, Courier-Mail, 4 February 2009.


The Hon Sally Talbot MLC, Container Deposit Legislation, Western Australia, Legislative Council, 27 November 2007, p 7732.


Western Australia Legislative Council Standing Committee on Environment and Public Affairs, Municipal Waste Management in Western Australia, p 15.


The legislation was assented to on 7 December 2009 and came into operation upon Royal Assent. See Parliament of Western Australia – Bills – All Bills.

Department of Primary Industries, Parks, Water and Environment, Tasmanian Government website.


NT Government rejects best model for Container Deposit Legislation, EnvironmeNT, April/May 2003, p 7.


Mr Ingram MP, Environment: container deposit scheme, Question Without Notice, VicHansard, 28 February 2008, p 545.


The Hon Bruce Scott MP, Recycling, p 4111.

See www.Envirobank.com.au

Oliver Murray, Instant rewards for your old rubbish with reverse vending machines, Macarthur Chronicle, 6 August 2009.

Kirsty McCann, Take that back, Waste Management and Environment, 17(3), April 2006.


Note, however, the Report said that the Packaging Council of Australia’s submission to the inquiry claimed that the impact of CDL on overall recovery rates will not be high because beverage containers only comprise about 4% of total waste.


In a Ministerial Media Release, the South Australian Premier, the Hon Mike Rann MP said that the increase in South Australia’s container deposit levy will mean that up to 70,000 tonnes of carbon will not be released: the Hon Mike Rann MP, Premier of South Australia, *Drink container deposit increases to 10 cents*.

The Hon Bruce Scott MP, *Recycling*, p 4111.

Stuart White, A bottler of an idea.


Productivity Commission, p 243.

Productivity Commission, p 244.

Productivity Commission, p 243.

The Hon Bob Debus MP was then also Minister for Emergency Services, Minister for Corrective Services, and Minister Assisting the Premier on the Arts.

The Hon Bob Debus MP, then Minister for the Environment, Minister for Emergency Services, Minister for Corrective Services, and Minister Assisting the Premier on the Arts, Protection of the Environment Operations Amendment (Littering) Bill, *Second Reading Debate*, New South Wales, Legislative Assembly, 12 April 2000, pp 101-104.


Russ Martin, CDL – the case against.