



3. DECLARATIONS OF CONFLICTS OF INTEREST

4. PETITIONS AND JOINT LETTERS

Item 4.1 Cash for Containers

A Petition containing 51 signatures, was received by Council at the Ordinary Council Meeting on 7 November 2018.

The Petition stated:

We, the undersigned residents and visitors to Port Phillip, support Cash for Containers, the introduction of a 10-cent refundable deposit on bottles and cans to clean up litter and increase recycling in Victoria. We ask that Port Phillip Council make a unanimous and official declaration of support for a Container Deposit Scheme in Victoria.

Supported by almost 80% of Victorians (Newspoll), Cash for Containers has real and lasting benefits. 85% of Australians want it now! South Australia has been doing it successfully for almost 40 years. The Northern Territory kicked it off in 2012, significantly increasing their recycling rate. NSW & ACT started theirs this year, with QLD and WA to follow later in 2018.

We support a modern, efficient, convenient and low-cost Cash for Containers scheme. The social and economic benefits include more jobs in resource recovery and a new source of income for charities. The environmental benefits are enormous, with less plastic and other pollution in our bays, our waterways, and natural places.

Litter studies by Sustainability Victoria show an increasing problem with drink containers and many of our waterways experience serious container litter. Port Phillip Council is already being adversely affected by plastic pollution in its waterway, seashore, and being ingested by wildlife.

We call on you to support the introduction of a 10-cent refundable deposit on bottles and cans in Victoria – to reduce the litter and increase the recycling of beverage containers.

Officer Comment:

BACKGROUND

Cash for Containers, or a Container Deposit Scheme (CDS), is a tool that can be used by governments to create incentives for the community to recycle containers and is intended to reduce litter. It is a type of product stewardship, where the producers and consumers of packaging take greater responsibility for the waste impacts of these products. This type of product stewardship requires the beverage industry (manufacturers, importers, wholesalers or retailers) to provide a refund to consumers upon the return of certain beverage containers.

Depending on the deposit system, containers can be returned to the manufacturers via:

- the retailer;
- designated collection depots;

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- reverse vending machines; and
- recovered as part of existing kerbside recycling collection system.

Container Deposit Schemes in Australia have been implemented at a state level. They have been introduced in South Australia (1977), Northern Territory (2011), New South Wales (December 2017), ACT (2018), Queensland (November 2018). A new Container Deposit Scheme is scheduled to commence in Western Australia in 2019. All Schemes in Australia are regulated by the state or territory EPA, and are operated by private providers. The operator is responsible for the provision of locations, setting up and operating all collection points.

The Victorian state government has not historically supported a state-based Container Deposit Scheme. The Victorian state government has previously expressed support for a national Container Deposit Scheme, with the intent to ensure consistency across the country, as items acceptable to the Schemes currently vary from state to state.

COUNCIL POLICY

Council does not have a specific Policy position regarding Container Deposit Schemes.

The introduction of CDS legislation could however support the Council Plan 2017-2027 Direction 3.5 *a sustained reduction in waste*. A CDS is also consistent with Outcome 2 of Council's Don't Waste It! Strategy 2018-2028, *A City that maximises reuse and recycling*, specifically in relation to a promotion and advocacy of Product Stewardship (Action 6).

ACTIONS COUNCIL IS CURRENTLY UNDERTAKING TO MAXIMISE RECYCLING OF BEVERAGE CONTAINERS

Beverage containers form a significant proportion of litter collected within public place litter bins. According to Sustainability Victoria data, public place litter bins can contain up to 60 per cent recycled materials, including beverage containers. As a result, the City of Port Phillip has arranged for all public place litter bins to be sent to our recyclers for sorting from mid-2019/20. This will maximise beverage container recycling, and ensure full value is gained from all litter collected in public place bins, without the need to introduce an additional recycling bins in public places.

PERFORMANCE OF CONTAINER DEPOSIT SCHEMES

Container Deposit Schemes that have been in place for some time in the Northern Territory (NT) and South Australia, show a varied but generally positive effect on reducing litter levels of beverage containers.

There was a 50 per cent fall in beverage container litter reported 12 months after the NT introduced its Container Deposit Scheme in 2011. Subsequent litter reports have indicated that the scheme overall is still working, with only marginal increases in beverage container litter over the past few years.

South Australia introduced a CDS in 1977, prior to both the National Reporting Index and the development of the kerbside collection of recycling. Data regarding beverage container litter is unavailable prior to 2008. In 2008 South Australia increased the refund from 5 cents per container to 10 cents. This resulted in a step-change 25 per cent reduction in beverage container litter measured in South Australia during the next year. There has been some

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volatility in the levels of beverage container litter in South Australia since 2008, with a significant spike in beverage container litter reported in 2015/16, although the general trend is favourable overall.

More recently, Queensland commenced a scheme 1 November 2018. To date, information relating to the implementation of the scheme is positive, with a much higher return of containers that experienced by NSW in its first month. The Queensland Container Deposit Scheme has partners with State schools for trials that will commence early 2019. Over thirty schools will become drop off sites, with the schools benefiting financially from the program.

The NSW Container Deposit Scheme: '*Return and Earn*' has now been in place for 12 months. This Scheme was implemented to improve the recycling of beverage containers, as only 33 per cent of beverage containers were being recycled prior to the Scheme implementation. After twelve months of the Scheme, the "Return and Earn" program has anecdotally reported a new recycling rate of 60 per cent of all acceptable beverage containers.

A review of the NSW Container Deposit Scheme has identified the following issues:

- Delays in rollout of supporting infrastructure;
- Unforeseen implementation costs;
- Backlash over increased costs to consumers;
- Rejection of containers at drop off, due to strict requirements (including being empty, uncrushed, unbroken and having the original label attached); and
- Dumping of other waste at the collection facilities, including cardboard cartons and plastic bags.

The required number and location of drop off points has been reported by the 'Return and Earn' Scheme in NSW as the most significant improvement opportunity for the program. Dumped waste, and the management of this issue is another major learning for the program.

Any implementation of a scheme in Victoria will need to ensure the same issues are not repeated, and that perverse outcomes are avoided through design and implementation. There remains a potential that if poorly designed and implemented, Container Deposit Schemes can result in unwanted outcomes for the community. Unintended outcomes can include:

- Scavenging of kerbside and public place bins, resulting in litter and injuries;
- Dumped waste, due to a lack of drop off points or collection frequency;
- Accumulation of additional dumped waste at drop off points;
- Unintended revenue benefits for industry players;
- Community confusion as to what can go in their recycling bins at home, as most differ significantly from Container Deposit Scheme requirements;
- Smashed glass in public spaces; and
- High costs.



OFFICER RECOMMENDATION

That Council:

- 1.1 Supports the establishment of a state-wide Container Deposit Scheme (CDS) in Victoria, subject to the following conditions:
 - 1.1.1 That any scheme introduced has significant consultation with local government;
 - 1.1.2 That a network of container return locations at point-of-sale are developed prior to implementation;
 - 1.1.3 That any scheme introduced ensures any revenues arising will be used to further support litter management programs;
 - 1.1.4 That sufficient resourcing and funding is allocated to the ongoing monitoring and management of dumped waste related to the Scheme;
 - 1.1.5 Refund levels are set appropriately to reinforce desired behaviours;
 - 1.1.6 That the exclusions of certain classes of beverage containers from any new scheme are minimised, preventing confusion and potential littering;
 - 1.1.7 That the performance of any new scheme is transparently and regularly reported to the community;
 - 1.1.8 That the Scheme is fully self-funded, with no costs passed on to Council.
- 1.2 Writes to the relevant member of the Victorian Parliament, advising that Council has resolved to support the introduction of the Container Deposit Scheme and urges the State government to pass legislation to introduce this Scheme into Victoria subject to the conditions listed in section 1.1 above.
- 1.3 Thanks petitioners for their submission and advises the Petition organiser of the outcome.

TRIM FILE NO: F18/1

ATTACHMENTS Nil