

Submission on the Discussion paper: Container deposit scheme – Expanding the scope of eligible beverage containers

February 2023

Status of this Submission

This Submission has been prepared through the Municipal Waste Advisory Council (MWAC) for the Western Australian Local Government Association (WALGA). MWAC is a standing committee of WALGA, with delegated authority to represent the Association in all matters relating to solid waste management. MWAC's membership includes the major Regional Councils (waste management) as well as a number of Local Government representatives. This makes MWAC a unique forum through which all the major Local Government waste management organisations cooperate.

This Submission therefore represents the consolidated view of Western Australian Local Government. However, individual Local Governments and Regional Councils may have views that differ from the positions taken here.

This Draft Submission is for Local Government comment. Please provide feedback by **COB 27 March 2023** to waste@walga.asn.au.

Introduction

WALGA welcomes the opportunity to comment on the Department of Water and Environmental Regulation's (DWER) [Discussion paper: Container deposit scheme – Expanding the scope of eligible beverage containers](#).

Since its introduction in October 2020, the WA Container Deposit Scheme, Containers for Change, has seen more than 1.5 billion containers returned and recovered through refund points and Material Recovery Facilities (MRFs).

The benefits of Containers for Change have been far reaching, generating more than 800 jobs within the WA community in addition to the environmental benefits of reducing litter and increasing material recovery across the state. The Scheme supports the WA [Waste Avoidance and Resource Recovery Strategy 2030](#), by promoting the recovery of more, and higher quality and value and resources, from waste.

The Scheme Coordinator, WA Return Recycle Renew Limited (WARRRL), is required by the legislation to achieve 85 per cent of eligible containers by the end of the 2023-24 financial year. As of November 2022, the Scheme recovery rate averaged 64 per cent, a significant increase on the pre-Scheme rate of 34 per cent.

The Department is seeking feedback from community, industry and government sectors on proposed expansion of the Containers for Change Scheme. The Discussion Paper presents the option to expand the Scheme by including wine and spirit bottles and increasing the size of containers already accepted, in order to deliver further benefits to the community.

South Australia undertook a consultation process, between 2019 and 2021, to gauge community and industry feedback on proposed changes to the state's Container Deposit Scheme. This consultation showed broad support for expanding the range of beverage containers included in the SA Scheme. The New South Wales Environment Protection

Authority (NSW EPA) and Queensland Department of Environment and Science undertook similar consultations in late 2022/early 2023.

WALGA acknowledges the significant environmental and community benefits provided by individual schemes since their inception, and that the reviews present an opportunity for aligning the scope of containers across Australia to assist in developing consistent national frameworks and messaging. WALGA's [Policy Statement on Container Deposit Schemes](#) has been used as a basis for this Submission. The following criteria, taken from the WALGA Policy Statement, have been used to assess whether there is benefit in including these materials in the Scheme:

- a) *Does the material or container type cause significant environmental or social impacts?*
- b) *Does the material or container type cause significant costs for waste processors?*
- c) *Does the material or container type have unrealised potential for recycling / resource recovery?*
- d) *Is the material or container type likely to be disposed of illegally?*
- e) *Does the material or container type cause significant community concern?*
- f) *Is there an alternative system in place to recover the material or container type effectively?*

This Submission provides feedback on the proposed scope and type of materials to be included in an expanded WA Container Deposit Scheme.

Proposed Expansion of the WA Container Deposit Scheme

The expansion proposed by DWER, of the WA Container Deposit Scheme, focuses on inclusion of glass wine and spirit bottles, alongside increased size limits for beverage containers already included in the Scheme. The proposed changes for each container type are outlined in Table 1.

The expansion in scope of containers in the WA Scheme will deliver a range of benefits, including increased diversion of glass from kerbside recycling bins. This will lead to cleaner streams of separated material for processing, further reduction of litter and clearer messaging on eligibility.

The inclusion of glass wine and spirit bottles is supported.

These changes will reduce community confusion around accepted items and potentially provide more incentive to participate in the Scheme at both household and commercial level. While the Discussion Paper does not provide a specific estimate of the increased number of glass containers expected through the proposed expansion, the further diversion of glass from kerbside recycling is expected to contribute to cleaner recycling streams and greater efficiencies in kerbside service due to weight reduction.

Modelling undertaken by South Australia has estimated expanding their Scheme to include glass wine and spirit bottles, as well as increasing the size of currently accepted containers, has the potential to reduce the amount of glass in kerbside bins by 15% with a saving to Local Governments of \$34 million in waste management costs.

While similar modelling has not been undertaken for Western Australia, the Discussion Paper estimates an additional 45 million 'expanded scope' glass containers were collected through the kerbside recycling system in 2021. Many of these containers would be diverted from kerbside under the proposed expansion, reducing costs for kerbside

recycling. Currently, non-Container Deposit Scheme glass costs to recycle, its removal from kerbside is likely to have a positive financial impact.

The increase in size limits, of up to 3L for containers already accepted in the Scheme, is supported.

Including larger container sizes will simplify messaging regarding eligible containers and provide more incentive to participate in the Scheme, as both households and commercial premises may be utilising a wide range of containers in their daily operations.

Feedback from Material Recovery Facility operators indicates increased numbers of larger containers, primarily water containers between 5 and 10 litres, are being received through MRFs but are not able to be readily processed alongside smaller containers.

Recommendation: The collection of larger beverage containers up to 10L be investigated as part of an expanded Scheme.

Plain milk and alternative milk containers

Plain milk containers and registered health tonics are proposed to remain excluded from the Scheme. The continued exclusion of plain milk and alternative milk containers from an expanded Scheme has not been addressed in detail in the Discussion Paper, however these items were originally excluded from the Scheme on the basis they are a staple item in most households, including low-income households, and are not considered a significant litter item.

WALGA acknowledges these points, however, based on an assessment against the criteria included in the WALGA Policy Statement, considers that these materials should be included in an expanded Scheme. This would contribute to the recovery of higher rates of quality materials and provide further incentive for householders to divert these materials from landfill, particularly in areas where kerbside recycling may not be accessible. Consultation feedback from South Australia conducted in 2021 indicated a high level of interest in including milk containers in an expanded Scheme, with only 12 per cent of respondents in favour of continuing to exclude plain milk containers.¹

Inclusion of milk and milk alternative containers in the Scheme will not only provide opportunity to recover higher quantities of high value HDPE containers in a cleaner stream, but also offer a recycling option for composite packaging (such as Tetra Pak™), which have very limited recycling process. As the Scheme currently accepts composite packaging containers, of up to 1L size for some beverages, existing recycling arrangements can be leveraged to process these materials.

Community feedback reported by Local Governments and refund point operators shows strong support for these materials to be included in the Scheme. Data collected through Local Government bin tagging and auditing programs shows there is a high level of community confusion around the recyclability of composite packaging such as Tetra Pak™, which are a common contaminant in kerbside recycling bins. The proposed inclusion in the Scheme of these containers for juices and water, while still excluding milk and milk alternatives, is likely to cause further community confusion.

¹ [Improving South Australia's Recycling makes cents – Consultation summary report](#)

Further benefits would be realised through ease and consistency of messaging, as the expanded scope would include all beverage containers community confusion on 'what's in and what's out' of kerbside recycling would be mitigated.

Inclusion of plain milk and milk alternative containers also has the potential to increase commercial participation in the Scheme, through the high volume of container types used by the hospitality sector.

Expansion of products accepted in the Scheme, including plain milk and milk alternative containers, presents an opportunity to capture the full range of beverage containers represented in the comingled recycling bin and therefore improve overall material recovery rates across the State through increased recycling options and incentives.

Recommendation: That plain milk and milk alternative container types be included in an expanded WA Scheme.

Regional Benefits

Western Australia's geography and distance between transport hubs results in high costs to Local Governments when considering the provision of kerbside recycling services to regional and remote communities.

At present, 36 Local Governments in WA do not offer a domestic kerbside recycling service, primarily in the Wheatbelt, Goldfields-Esperance, Kimberley, Pilbara, Midwest and Gascoyne regions².

Of these, 23 Local Governments have access to a Containers for Change collection point within their boundaries. Under the Scheme's minimum network standards, refund points are required to be within a maximum distance of 200km from townsites in remote and very remote areas.

Expansion of the Scheme, to accept as wide a range of beverage containers as possible, including plain milk and milk alternatives, is an opportunity to significantly increase material recovery in regional areas by leveraging the existing network and providing an incentive to consumers to recycle.

The numbers of containers redeemed through regional refund points relative to population has been consistently high, showing community willingness to participate. As many regional sites are smaller operations or flexible refund points, expansion of the Scheme and associated increase in throughput offers an opportunity to increase the viability of existing sites, as well as create new employment opportunities.

Recommendation: Review all sites to ensure sufficient there is sufficient capacity and resourcing to effectively accept and process the estimated increase in containers.

Deposit rate considerations

WALGA's 2017 [Submission](#) on the Scheme establishment recommended the refund amount and handling fees be reviewed within the first two to three years of Scheme operation.

² [Domestic waste and recycling dashboard 2020-21, Waste Authority](#)

Economic modelling undertaken by South Australia showed the highest recycling rate for the SA Scheme would be achieved through increasing the deposit rate from 10c to 20c per container, by providing a greater incentive for consumers to participate.³ Stakeholder feedback was generally in favour of the increase, with the highest number of responses (21%), in favour of increasing the deposit rate in line with inflation and other jurisdictions.

Comparison of container deposit schemes worldwide shows higher overall return rates for schemes offering higher deposit values, coupled with a convenient and accessible return network⁴.

Recommendation: That the 10c deposit rate be reviewed, with the view to a potential increase.

Collection of other materials

Following the pause of the REDCycle soft plastic recycling program in November 2022, Local Governments have received feedback about reduced recycling opportunities for this material, which cannot be processed through comingled kerbside recycling bins.

The success of the Scheme since implementation shows a high percentage of the State's population has access to, and awareness of, the refund point network, which could be utilised to provide drop off options for soft plastics.

Leveraging the existing network of refund points to also accept soft plastics offers the opportunity to collect clean, source separated material to potentially be collected and transported as part of existing arrangements to ensure economies of scale.

While work is ongoing to secure processing and end market solutions for source separated soft plastics, consideration should be given to establishing a collection methodology which builds on the community's desire to recycle soft plastics and ensures the material retains the highest possible value.

Recommendation: That the collection of soft plastics throughout the existing refund point network be investigated, as part of the proposed Scheme expansion.

Table 1: A summary of the current and proposed container types

³ [SA Container Deposit Scheme - Economic analysis review \(final report\), December 2020 \(epa.sa.gov.au\)](https://www.epa.sa.gov.au)

⁴ [European Deposit Systems for One-Way Beverage Containers: Comparison of Key Features \(reloopplatform.org\)](https://reloopplatform.org)

Beverage type	Accepted in current scheme	Proposed inclusions	WALGA Comment
Wine and spirits	Wine and spirits in plastic containers from 150ml to 3L Wine sachets (plastic and/or foil) 150ml – 250ml Wine in aseptic packs 150ml – 1L	Wine and spirits in glass containers from 150ml to 3L Wine sachets (plastic and/or foil) 250ml – 3L Wine in casks/aseptic packs 1L – 3L	Support
Fruit and vegetable juice (less than 90% pure)	All container types 150ml – 3L	All container types 150ml-3L	Support
Flavoured milk	All container types 150ml – 1L	All container types 1L – 3L	Support
Concentrated fruit and vegetable juice (intended for dilution)	All container types 150ml – 1L	All container types 1L – 3L	Support
Cordial (undiluted)	Not accepted	All container types 150mL – 3L	Support
Flavoured alcoholic beverages with a wine base	Aseptic packs 150ml – 1L	Aseptic packs 1L – 3L	Support
Water	All container types 150mL- 1L	Cask/aseptic packs 1-3L	Recommend including in the Scheme: Plastic containers 3L-10L
Plain milk and milk substitutes	Not accepted	Not accepted	Recommend including in the Scheme: Plastic and glass bottles 150ml-3L Liquid paperboard cartons 150ml – 3L Composite packs 150ml-3L
Registered health tonics	Not accepted	Not accepted	Support continued exclusion