



Summary of online submissions: Container refund amount

February 2007

Consultation topic: Should the container refund be 5, 10 or 20 cents?

Consultation closed: 22 December 2006

Other resources: Container Deposit Legislation page <<http://www.epa.sa.gov.au/cdl.html>>
Explanatory report, Environment Protection (Beverage containers) Amendment Bill
<<http://www.epa.sa.gov.au/pdfs/CDLBill.pdf>>
Community awareness and acceptance of Container Deposit Legislation
<http://www.epa.sa.gov.au/pdfs/cdl_survey.pdf>
Consultancy report: *Container Deposit Legislation: Economic and environmental impacts*
<http://www.epa.sa.gov.au/pdfs/cdl_report.pdf>

Preamble

During the consultation period 25 October 2006 to 22 December 2006 members of the public were invited to make submissions on the Environment Protection Authority (EPA) online consultation forum regarding the refund amount for containers subject to the container deposit legislation (CDL) in the *Environment Protection Act 1993*.

The refund for most containers in the CDL system is five cents; these are referred to as 'category B' containers and are returned through the network of collection depots across the State. The EPA online consultation forum asked a range of questions as to whether the five-cent refund should be increased. This document provides a summary of the submissions posted on the EPA online consultation forum on this issue.

Submissions received as part of the wider consultation process other than those posted on the online forum are not represented in this document.

The comments from respondents provided in this summary report do not necessarily reflect the views of the EPA, and the report is provided for public information purposes only. The EPA cannot guarantee the accuracy of the content of the report, and does not accept liability for any loss or damage incurred as a result of relying on the accuracy of the content of this report.

Refund amount

QUESTIONS	SUBMISSIONS RECEIVED	COMMON THEMES
<p>Question 1.1 stated: 'Should the container refund be 5, 10 or 20 cents? Please indicate which of the three proposed amounts you prefer and provide any additional comments on a separate line.'</p>	<p>There were 33 participants that responded to question 1.1.</p> <p>17 participants supported an increase in the refund amount and 15 opposed an increase in the refund amount. One participant who did not commit to a position, made general observations.</p> <p>Of the 17 participants who supported the increase in the refund amount, 12 selected 20 cents (four of these nominated 20 cents or more), one participant nominated 10 or 20 cents and four participants nominated a variable refund amount, which would allocate different refund amounts for different container types.</p>	<p><i>Comments that reflected common themes in the posts supporting the increase in the refund amount for CDL beverage containers are summarised below:</i></p> <ul style="list-style-type: none"> • an increase in the refund would encourage more people to return containers • an increase in the refund would reduce the environmental impact of drink containers i.e., reduce litter, increase recycling, decrease the amount of recyclables going to landfill • an increase in the refund would be a positive social justice initiative as refunds provide an income opportunity to some of the most disadvantaged members of society and provide revenue-raising opportunity for community groups. <p>Common themes in those posts opposing the increase in the refund amount for CDL beverage containers are summarised below:</p> <ul style="list-style-type: none"> • increasing the refund amount would affect the costs to consumers on beverages that carry the refund amount as currently some retailers do not pass on the deposit to South Australian consumers • an increase in the refund amount could lead to a decline in sales and risk jobs in the beverage industry • an increase in the refund for beverage containers would not address the environmental impacts caused by other recyclable products and the responsibility for recycling should be shared across all generators of litter • return rates in South Australia are already in excess of the national average • the increase in deposit would mean that more people would recycle their containers therefore making fewer containers available for people who supplement their income with the refund amount or raise revenue for community groups.

QUESTIONS	SUBMISSIONS RECEIVED	COMMON THEMES
<p>Question 1.2 asked: <i>'Do you consider the CDL refund amount of five cents for category B containers and ten cents for category A containers to be adequate to encourage litter reduction and recycling'</i></p>	<p>There were replies posted from two participants in response to question 1.2 and both responded 'no' to the question.</p>	<p>One participant advocated for an increase in the refund amount and the other suggested putting more support into kerbside recycling.</p>
<p>Question two asked: <i>'What impact would an increase in the refund amounts have on you as an individual; or as part of an affected industry sector including beverage manufacturers, distributors, retailers and those in the collection and recycling industry; or a local government organisation?'</i></p>	<p>There were replies posted from five participants in response to question two.</p> <p>One submission identified that the increase in the refund amounts would have a positive impact and the other four submissions identified negative impacts of an increase.</p>	<p>The positive impacts identified in the posts included:</p> <ul style="list-style-type: none"> • cost saving on collection of roadside rubbish and increased visual amenity of roadsides • increase in recycling of cans in remote areas. <p>The negative impacts identified in the posts included:</p> <ul style="list-style-type: none"> • increased prices and decrease in demand for CDL beverages • cost to beverage manufacturers of printing new labels • retailers who can't afford to subsidise the increase may become uncompetitive and lose sales • job losses • more beverage containers sent from interstate to collect refunds in South Australia.

Lead-in period

QUESTIONS	SUBMISSIONS RECEIVED	COMMON THEMES
<p>Question three asked: <i>'It is recognised that any change in the refund level will require industry to undertake a re-labelling process and that collection depots will need to provide for higher cash turnover. If the refund amount was to be changed what do you consider to be an appropriate lead-in time to allow the beverage industry sufficient time to ensure labelling at the point of sale reflects the new deposit level?'</i></p>	<p>Responses received: There were replies posted from three participants in response to question three that nominated an 18 to 24 month lead-in time.</p>	<p>All participants nominated an 18 to 24 month lead-in time to allow the beverage industry sufficient time to ensure labelling at the point of sale reflects the new deposit level. It is noted that in comments on question two, one participant recommended a three-year lead-in time being necessary.</p>
<p>Question four asked: <i>'If a refund amount was to be changed what is an appropriate lead-in time to allow education of the community'</i></p>	<p>There were replies posted from three participants in response to question four.</p>	<p>Two participants nominated a three to six-month lead-in time to allow education of the community and one nominated six to 12 months.</p>

Tiered deposit scheme

QUESTIONS	SUBMISSIONS RECEIVED	COMMON THEMES
<p>Question five asked: <i>'Do you believe the Government should consider a deposit scheme with deposits set at different levels for different kinds of containers (also called a tiered scheme) for South Australia?'</i></p>	<p>Responses received: There were replies posted from five participants in response to question five.</p> <p>Three participants believed that the Government should consider a tiered scheme and two opposed the consideration of a tiered scheme.</p>	<p>Comments in those posts supporting the consideration of a tiered scheme included:</p> <ul style="list-style-type: none"> • higher refunds should be imposed on containers that are harder to recycle to encourage people to buy fewer of such containers • a variable rate should correlate with the resource value (including embodied energy and CO2), biodegradability, size, ease of storage and cost of disposal for the recovered container. <p>Comments in those posts opposing the consideration of a tiered scheme included:</p> <ul style="list-style-type: none"> • this is not a practical option and an additional complexity in particular a complexity for collection yards and large recyclers to sort the different types • the burden of having differential rates would be immense to everyone • a tiered deposit will confuse people and skew purchase decisions.

FURTHER INFORMATION

Legislation

Legislation may be viewed on the internet at: <www.legislation.sa.gov.au>

Copies of legislation are available for purchase from:

Service SA Government Legislation Outlet	Telephone:	13 23 24
101 Grenfell Street	Fax:	(08) 8204 1909
Adelaide SA 5000	Internet:	< shop.service.sa.gov.au >
	Email:	< servicesa@saugov.sa.gov.au >

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