

OFFICERS' ADVICE**RESPONSE TO THE "CONTAINER DEPOSIT SCHEME"**

Submitting Councillor: Cr Stuart James

MOTION

That Council:

- 1. Reiterates its support for the introduction of Container Deposit Scheme (CDS) legislation in Victoria.*
- 2. Writes to all members of the Victorian Parliament whose electorates encompass the City of Monash, advising them of Council's resolutions of support for a CDS in April 2018, August 2018 and August 2019, urging them to work together towards introducing one as a matter of urgency.*

BUDGET IMPLICATIONS

The recent changes to the Victoria recycling industry, due to the enforcement of the China 'National Sword Policy', have removed Councils' rebate from receivers, and introduced a price per tonne for recycling.

It is estimated that Council will collect a total of approximately 14,000 tonnes of kerbside recyclables in 2019/20. Of this 24.76% consists of containers with the vast majority by weight being glass bottles (22.7%). While most plastic containers will be eligible for a CDS scheme, only about 1/3 of glass bottles will be eligible.

Based on the included beverage packaging types in the NSW Return & Earn Scheme (plastic, metal, glass, liquid paperboard beverage containers between 150ml and 3 litres), Council will spend approximately \$82,325 on recycling these items through kerbside recycling in 2019/20, which is anticipated to decrease each year by about 3% (without the introduction of a Container Deposit Scheme) due to light weighting of material. This is based on a current cost per tonne of \$60. Due to the recycling crisis, the net effect on included beverage packaging types if the loss of the rebate is considered is \$149,143. A NSW study (2012) estimated that a Container Deposit Scheme would result in a 17% reduction in such containers collected in kerbside recycling. This would equate to savings of \$13,995 to Council in 2019/20 if a Container Deposit Scheme was in place.

A Container Deposit Scheme legislation would not change the costs of Council's kerbside collection costs (charged per bin lift, not by weight or volume), but may reduce the amount of beverage containers going to landfill.

Given the current issues with the recycling markets, which has significant annual costs to Council, any initiatives to reduce recycling costs is supported. A Container Deposit Scheme would not result in additional costs to the consumer, providing the consumer returns the container and redeems the deposit.

Current Container Deposit Schemes in place around Australia are designed to shift the financial cost of establishing and maintaining collection and recycling system from Councils to industry.

IMPACT ON INTERNAL RESOURCES

There is minimal impact on internal resources. Writing to members of Parliament who represent the City of Monash can be accommodated within existing staff workload.

COUNCIL PLAN AND COUNCIL POLICIES

The Council Plan (2017-2021) objectives of a Liveable and Sustainable City and Inviting Open and Urban Spaces; the Sustainability Strategy (2016- 2016) objective of reduced community consumption of resources and improved recycling (4.3) and the Waste Management Strategy (2017 – 2027) objective of promoting product stewardship supports the introduction of a CDS.

RELEVANCE TO WORK ALREADY UNDERTAKEN BY OFFICERS OR COMMITTEES

Council officers, in consultation with the Environment Advisory Committee, have commenced implementation of actions contained in the Monash *Environmental Sustainability Strategy 2016-2026* (ESS) and Waste Management Strategy 2017 – 2027.

Officers also continue to advocate to the State for the introduction of a CDS in Victoria through participation in reference groups such as the MWRRG Forum, Technical Advisory Reference Group (TARG) and through relevant submissions to inquiries and audits.

FURTHER CONSIDERATIONS

This matter relates to the introduction of State legislation, an issue that the Council has no direct control over.