

# cash for containers

## WHAT'S IN IT FOR ME?

### HOUSEHOLDS AND WORKING FAMILIES

This short paper seeks to explain the benefits and impacts of a container deposit system (CDS) on typical Australian households and families.

#### KEY ISSUES

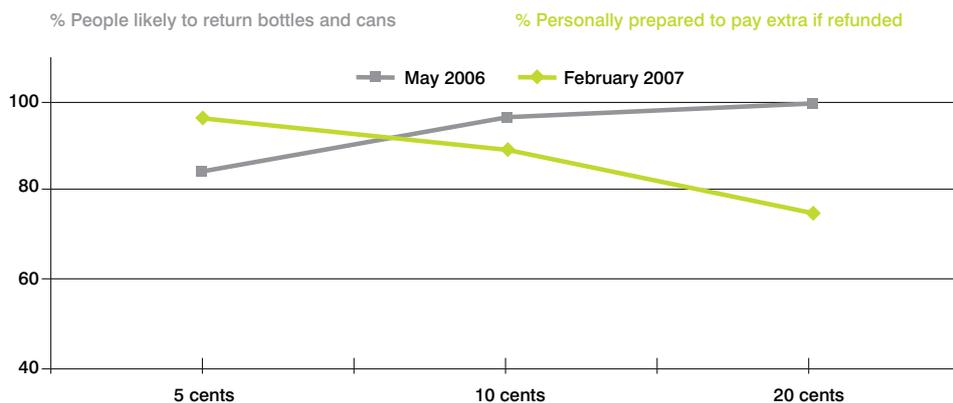
**IT'S WHAT WE WANT:** Australian families are proud of the efforts they make to recycle at home and have been vocal in their annoyance at unsightly litter ruining our parklands, waterfronts and streetscapes. Our social research stretching back some 5 years has consistently indicated that well over 90% of the population want a Container Deposit System and are happy to have a refundable 10 cent deposit when they purchase a drink bottle or can. The results of our research can be seen in the graph below:

- Reduce the amount of waste going to landfill by over 6%
- Reduce air pollution and particulates by a similar amount to permanently removing 140,000 cars off Australian roads.

**PARTICIPATION:** Perhaps more importantly for Australians living in rural and remote locations, a CDS will mean that some 250,000 homes in rural towns will have access to recycling for the first time.

Additionally, a CDS will establish another 1,200 drop off

Source Newspan



Yet, pressure from the major bottlers - Coca Cola, Lion Nathan and Fosters - continues to intimidate governments from adopting this simple but effective policy measure. A CDS system will make a big difference because increased recycling makes our economy more efficient and green. Based on our research it will:

- Reduce the amount of litter found on our streets and in our parks and waterways by almost 20% (by volume)
- Increase the recycling of bottles and cans by over 650,000 tonnes per annum
- Reduce Australia's greenhouse gas emissions by over 1.3 million tonnes of CO<sub>2</sub>-e p.a;
- Water savings to permanently supply over 24,000 Australian homes

centres across the country – where you could also drop off your used paint containers, electronic waste and batteries.

It will give charities and volunteer groups like your local scouts, surf club or community service group substantial fundraising opportunities. In South Australia alone the Scouts earn over \$22 million per annum (and \$2M profit) operating cash for container collections and depots. Nationally we estimate that the community service sector will earn around \$70 million a year to re-invest into local communities.

Redemption of the deposits is not inconvenient. People living in states with a CDS integrate container return into their normal trips rather than making extra ones. Drop-off centres will be conveniently located; and those who cannot travel will find charity groups can arrange collection.

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**COSTS:** Some of the big beverage companies spread lots of myths about container deposit systems. They suggest that it will somehow hurt kerbside recycling systems; that the homeless will sneak around your neighbourhoods emptying your bins or that a 10¢ deposit will somehow cause a big jump in the cost of groceries.

## The facts are these:

**Yes:** if a CDS is adopted the shelf price of your drinks will (temporarily) go up by 10¢ a container, but if you do the right thing and return your containers you get the money back. Most simply a CDS creates an incentive to ensure that we recycle these valuable resources. From experience at least 80% of containers are returned. Those that don't return are either littering or putting the containers in the garbage.

**No:** in South Australia there have been very few reports that people trawl through your garbage bins to get the used containers. Yes, many disadvantaged people do collect containers to earn money, but they can access containers far more easily by cleaning up our parks and streetscapes.

**No:** a CDS will not hurt our kerbside recycling system, in fact the most recent government report identifies that a national CDS will save councils over \$32 million net a year to operate kerbside waste and recycling services. The two previous government reports (in NSW and WA) also found that kerbside receives benefits overall.

The private sector will pay for the new collection infrastructure so there is no cost to government that could be passed onto tax and ratepayers.

**IMPACT ON FAMILIES:** So long as government ensures that deposits are paid into a central fund (rather than allow big beverage companies to pocket any unredeemed deposits) there is little if any cost to households that return their containers.<sup>1</sup> In fact there is actually a small saving on your council waste and recycling charges – estimated to be about \$8 pa a household.

Further a container deposit system will also create about 1,000 new green jobs running collection centres, in transport and system administration. It will also establish a fund of around \$80 million a year to encourage the growth of new recycling operations in Australia, much of which is threatened by offshore operations.

## Summary:

It is clear that a national CDS will be a big boost to protecting our environment and also create significant opportunities for Australian households and families:

- A saving of over \$32 million in current local government waste and recycling services
- \$70 million a year for local community groups to invest in local communities
- Big reductions in littering and waste to landfill
- Big savings in greenhouse gas emissions, water use and air quality
- Strong employment prospects for the long term unemployed
- An insignificant, if any, impact on grocery prices.

<sup>1</sup>The most recent study by BDA/Wright Corporate Strategy for environment ministers suggested there might be less than half a cent increase in beverage prices.



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## The Boomerang Alliance:

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