

## FACT & ACTION SHEET

# CASH FOR CONTAINERS

**SUMMARY:** *In this F&A session, we will be discussing Cash for Containers, which is a recycling campaign aimed at implementing a Container Deposits System (CDS) across all states in Australia.*

### **What is a Container Deposits System?**

A container deposits system (CDS) means that a monetary deposit is collected when a drink is sold. When the beverage container is returned to a collection depot, the deposit is refunded.

In Australia, this system involves paying a 10c deposit, which can be refunded if the container is presented to an authorized recycling facility. It has been successfully implemented in SA for over 30 years, while NT recently adopted this strategy in 2012. However, the larger states of NSW, VIC and QLD have yet to follow.

**10¢ REFUND AT COLLECTION  
DEPOTS WHEN SOLD IN SA**



*A container recycling facility in SA.*

## **Background to the problem**

The Boomerang Alliance is campaigning for a national CDS to be implemented. Each year, Australians go through 13 billion beverage containers, of which 40% are recycled and the rest littered or land filled. Most of the recycled containers are collected via weekly council kerbside collections. However, this represents a large waste of resources because most beverages are consumed away from home, in public spaces or at public events.

## **Environmental benefits of recycling**

Beverage containers are made from an abundance of manufactured materials such as glass, plastic and metal. In Australia, the energy saved from recycling instead of landfill disposal is listed below (quantified in gigajoules)

- Plastics: 12,500,000 GJ
- Glass: 6,500,000 GJ
- Metals (including aluminium): 175,000,000 GJ.

Altogether, the energy saved is sufficient to run 4 million homes. In fact, the energy conserved by recycling 1 plastic drink container is equivalent to the energy required to power a computer for 25 minutes. This is an encouraging statistic, given that the recycling rates for beverage containers are currently so low. Furthermore, if all containers were made recyclable, and the proper avenues were implemented so that the majority were returned and collected at recycling facilities, the beverage industry could reduce its current energy expenditure by 55%, without any effect on consumer prices.

## **Opposition to the CDS**

Some large beverage companies, such as Coca-Cola Amatil, Schweppes and Lion Nathan, are strongly opposed to the CDS. They argue that a 10c deposit would force a price increase, and therefore deter consumers from purchasing beverages. However, consumers would recognise that the 10c is refundable if efforts were made to recycle the container. Furthermore, manufacturers are well aware that the 10c addition is minor compared to the total price.

Coca-Cola Amatil's opposition is problematic because of their influence on the beverage industry and the government. Instead of a CDS, Coca-Cola Amatil supports public recycling bins, which are ineffective for several reasons:

- Public waste and recycling bins are placed adjacent to each other, so rubbish is often misplaced, leading to contamination of recyclable containers.
- There is no incentive for using the waste or recycling bins, whereas the CDS uses the 10c refund as a financial reward for collecting used containers.

Consequently, public recycling bins only account for recycling 8.8% of all beverages consumed. In contrast, a CDS has enormous environmental and economic benefits:

- Ensure that only clean containers are collected and minimise efforts that would be wasted sorting through contaminated rubbish. This streamlined approach could increase recycling recovery to 80%.
- Save energy, water and raw materials that would otherwise be used for making new glass, aluminium and PET (plastic).
- Create new jobs at container recycling depots.
- Reframe public norms and attitudes within the community toward recycling.

## **Action**

In April 2012, MP Tony Burke said he would support CDS if all the states do. However, the state ministers have decided to re-evaluate alternative options and reconvene for a final decision in April/May 2013.

### ***Action 1***

Write to your local state Premier, to encourage them about implementing a 10c refundable deposit on all beverage containers (plastic, glass and aluminium) to promote recycling efforts and reduce litter.

Access the online letter template (as shown below) by going to this website: <http://www.boomerangalliance.org.au/component/content/article/38.html>

**To: The Premier**

*Environment ministers will be making a decision on packaging litter and recycling and it is crucial your government support the introduction of an efficient and low cost container deposit system (and not the ineffective industry alternative) in Australia which will:*

- *significantly lift our recycling rates of glass, plastic and metal beverage containers*
- *virtually eliminate beverage container litter, including marine pollution*
- *help charities*
- *create many new jobs*
- *involve no extra consumer cost above the deposit*
- *create funds for broader litter and recycling programs*
- *support hundreds of new convenient drop-off centres for other products like batteries and e-waste, as well.*

*No other option can provide all these benefits.*

**Action 2**

Write to the editor of your local newspaper or courier. A sample is provided below:

*Beverage container litter is everywhere. Have you seen (mention some local places)?*

*The solution is within our grasp with a 10c refundable deposit on the agenda for the nations Environment Ministers this year. We need every state in Australia to support it. The Boomerang Alliance of environment groups and local government organizations has an easy online letter at [www.boomerangalliance.org.au](http://www.boomerangalliance.org.au).*

*The Boomerang Alliance model is more efficient and less costly than the SA and NT systems and contrary to the beverage industry scaremongering it will not adversely affect our cost of living, it will create jobs, complement kerbside recycling and create convenient new drop-off centres for other problem items like e-waste and batteries.*

**More action:**

Visit this website for more options to support the CDS campaign:  
<http://www.boomerangalliance.org.au/take-action.html>

**References**

1. Boomerang Alliance: Campaigning for Recycling. <http://www.boomerangalliance.org.au/cash-for-containers.html>
2. The Australian recycling sector, Department of Sustainability, Environment, Water, Population and Communities. January 2012 Report. <http://www.environment.gov.au/wastepolicy/publications/pubs/australian-recycling-sector.pdf>