



Improving South Australia's Recycling Makes Cents

Scoping Paper Consultation Summary Report

**Prepared for the South Australian Environment Protection
Authority by The Planning Exchange**

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1.0 EXECUTIVE SUMMARY

1.1 INTRODUCTION

During January-March 2019, South Australians were invited to provide feedback on the scoping paper *Improving South Australia's Recycling Makes Cents*. The paper sought to launch the public consultation surrounding a review of the state's Container Deposit Scheme (CDS). Feedback was sought to help inform the scope of the issues to be considered in the review and the research required to inform the review.

Employing different channels for the consultation, the South Australia Environment Protection Authority (EPA) received 1170 responses from members of the public, CDS operators, environment and community groups, industry and the government sector.

The EPA thanks those individuals, groups and organisations for their opinions and the time taken to prepare and submit their feedback.

This report provides a summary of responses in Section 2 and then, in Section 3, provides descriptions of the aggregated responses received, so that the reader may appreciate the depth and breadth of opinions on this far-ranging topic.

The feedback will help the South Australian Government in finalising the scope of issues to be captured in the CDS review and the research required to inform it.

1.2 HOW WE CONSULTED

The Minister for Environment and Water released the scoping paper via a media announcement on 13 January 2019. Supporting information and an invitation to comment were distributed via the EPA website, Department of Premier and Cabinet YourSAY engagement website, social media and in direct correspondence to key stakeholders. The consultation included an online survey.

Members of the general public employed the following channels to share their opinions:

- the SA Government's YourSAY community consultation website – 42 comments
- online questionnaire (general public) – 1001 respondents
- emails and posted letters to the EPA and Members of Parliament – 16 received
- social media – 28 comments.

Stakeholders were invited to submit their responses to the series of questions included in the scoping paper, and submissions were received from a range of organisations and sectors, representing a wide variety of viewpoints.

Responses were received from the following sectors:



- CDS operators – 7
- beverage production/sales organisations – 17
- wine industry members – 29
- industry organisations – 15
- environment and community groups – 3
- local government organisations – 9
- Members of Parliament and the Legislative Council – 3

The close of submissions referenced in the scoping paper was 22 February 2019. This report summarises submissions received until 22 March 2019.



1.3 COMMUNITY RESPONSES

When proposing issues of importance for the CDS review, two themes stood out from the many submitted by the general public. The first was a desire for additional containers to be covered by the CDS (51% of responses nominated this to be in their top three most important issues); the second was more convenient ways of recycling and claiming the deposit (42%).

Among those responding to the survey, there was strong support (84%) for the inclusion of more types of containers in the CDS. Most (96%) did not support the removal of any items from the current scheme. It was suggested that items not made from recycled materials, or which cannot be recycled, should be banned and/or phased out.

Some 62% of those participating in the consumer survey felt that the current 10-cent refund was adequate, 38% supported an increase and 1% a decrease. A range of arguments for and against an increase was proposed.

Community members told us that there was opportunity for further improvements to the CDS such as providing more education, improving waste collection, reducing packaging and waste, and national waste management and environmental leadership.

People were in support of changes to the operation of the CDS, such as banning the sale of non-recyclable items, the implementation of fines and incentives to increase compliance, and adding ways for consumers to drop off containers and to collect and receive deposit refunds.

Many people indicated an interest in remaining involved in this review process.

1.4 SECTOR STAKEHOLDER RESPONSES

Industry, community and government stakeholders also submitted responses to the scoping paper, and these represented a wide range of viewpoints, from requests to not alter the current CDS to those recommending wide-ranging overhauls and/or transition to a national scheme.

With many stating that it was time to advance the CDS aims, and others preferring to leave it as it was, a significant list of objectives and outcomes for the current and future CDS was generated by this consultation, including reduction of litter, reduction of waste to landfill, increasing recycling rates and resource recovery, and promoting the efficient operation and administration of the CDS.

Most of the submissions received from stakeholders agreed that the scheme was working well to reduce litter and increase resource recovery and recycling in SA.

Many also mentioned that it was time for SA to review the CDS and to aim for its improvement and/or expansion into other areas of waste management.

In discussing ways in which to improve waste management and resource recovery outcomes in SA, the EPA received many suggestions for activities and initiatives that could occur outside the CDS (or other legislation), e.g. education, kerbside collections, labelling, social procurement policies, or incentivising innovation.

There was a number of suggestions both in support of and against the inclusion of additional items in the CDS. These ranged from no change to the current CDS to expansion to cover all reusable and recyclable items in circulation. There were also many strong arguments for and against expanding into different containers and materials, particularly for wine and spirit bottles. Other containers that were suggested for inclusion included plastic milk and juice containers up to 3L.

There was only one suggestion for the removal of items from the current CDS list, for containers holding less than 150ml, based on new CDSs interstate.

The question asking for feedback on the topic of whether some containers should be banned from sale via the CDS, provided mixed responses. Some were in favour of using the legislation to ban some containers (and other challenging items) from use, but others felt that there were other ways of effecting removal that did not require a ban or legislation, e.g. product registration, national legislation, and improved recycling technology.

Stakeholders were requested to provide guidance on how the review of the CDS should consider the manner in which collection depots and super collectors operated. Issues raised that related to governance include:

- concerns about fairness due to the methods for calculating payments
- lack of transparency and auditing of calculations
- uneven negotiation powers
- independent auditing and dispute resolution
- restrictions on new entrants to the CDS
- data transparency and container counts i.e. weight, sorting
- ensuring a level playing field for producers
- improving technology
- standardising contracts and fees for all participants
- understanding material flows.

There were numerous mentions of the costs of the CDS, incurred by those involved at all steps along the container's journey, and there were many requests for the review to identify opportunities to decrease its costs where possible, e.g. via technology, increased competition, national alignment, etc.

Opinions on the matter of container marking were varied, with most industry stakeholders against changes to existing requirements, mainly due to the considerable costs involved in labelling and container alterations.

Following this, the EPA also received a number of requests to improve the CDS's monitoring and reporting to provide stakeholders and the public with increased transparency and understanding of costs and outcomes. Among the suggestions for ways of achieving this were frequent mentions of the implementation of technologies to manage container tracking, costs and measure outcomes.

It was mentioned that challenges to, and the costs of, CDS compliance could be improved through the implementation of a national CDS, or the harmonisation of those operating in each jurisdiction. In addition, the development of nationally standardised labelling and container registration guidelines would assist in establishing, enforcing and monitoring CDS compliance. Other suggestions for improving compliance were conducting spot checks on collectors and at collection points, increased financial transparency of the CDS, and increased outcomes reporting.

Support for dispute resolution was requested by smaller stakeholders and it was also suggested that the causes of disputed claims be investigated with the objective of resolving these issues before they become the subject of disagreement, e.g. a payment-by-weight system. Other suggestions included appointing an ombudsman, greater involvement from the EPA, clearer/tighter contractual terms and enforcement creating a new system of dispute resolution.

It was frequently pointed out that any changes to the existing CDS or activities associated with the supply of goods incurred costs along the supply chain and ultimately, to the consumer. The subject of altering container marking (labels, etc.) generated a great deal of discussion around this point, with many expressing concerns surrounding the effect of the costs associated with changing labels to

existing and new stock and the undue pressure that this would place on small businesses, particularly those in the wine industry. At the other end of the spectrum was the argument that enhanced labelling clarity, and/or a change in the CDS, would improve recycling and resource recovery outcomes.

While there were those of the opinion that the current access to collection depots was adequate, the EPA also received many suggestions to guide a review of the ways in which returning CDS containers could occur in the future. It was suggested that this include examination of the methods now employed interstate, (e.g. bag drops, reverse vending machines, and precinct facilities), increasing the number of depots in regional locations and improving the depot experience.

There were also arguments for and against an increase in the container deposit amount, from its current 10 cents per item to 15 cents and 20 cents and higher, including the suggestion for a sliding scale of deposits dependent upon the container type and material(s) used. Arguments for retaining the 10-cent deposit and refund amount included increased costs to business, including beverage producers and retailers, increase in price differential between states, particularly between SA and Victoria (currently without a CDS), and the potential financial impact on consumers. Arguments for increasing the deposit and refund amounts were providing increased financial motivation for consumer participation in the scheme.

Support was shown for expanding the ways and means in which consumers could receive refunds when returning CDS containers, as long as there remained access to cash for those who prefer it to electronic methods, vouchers or loyalty points, etc.

During the course of providing submissions, some of those engaging with the consultation questioned the need for a review at all, pointing out that the current CDS was working well and has been for many decades.

Some were in favour of change but suggested different elements of the CDS, while others urged the EPA to not limit the review of the CDS and to take as broad focus as possible to make the most of the opportunity it provided.

When asked if further information and research was required to guide a CDS review, these stakeholders provided a long list of requests for more information, which can be found at Appendix A.

Finally, there was strong support for opportunities for further engagement with these stakeholders during the ongoing process of the CDS review. Many invited private or public consultation, provided suggestions for its conduct and were generous with their offers of future support.

2.0 CONSULTATION SUMMARY

2.1 THE SOUTH AUSTRALIAN COMMUNITY

2.1.1 Sources of feedback

Members of the general public employed the following channels to share their opinions:

- the SA Government's YourSAY community consultation website – 42 comments
- Survey Monkey online questionnaire (general public) – 1001 respondents
- emails and posted letters to the EPA and Members of Parliament – 16 received
- social media – 28 comments.

2.1.2 Objectives of the CDS

Understanding of the CDS's objectives included the reduction of waste to landfill and increasing container returns for recycling. While achieving these (and more, e.g. employment, litter reduction, cash earning, and resource recovery) it was suggested that there was opportunity for further improvements such as education, improving waste collection, reducing packaging waste, and national waste management and environmental leadership.

2.1.3 Inclusions to the CDS

A total of 84% of the people responding to this survey thought that more types of containers should be included in the CDS, leaving 16% who did not think so. Respondents answered subsequent open-ended, unprompted questions regarding inclusions. The most frequently mentioned items for inclusion were wine/spirit bottles, followed by single-use plastics, glass bottles and containers, and other containers that could be recycled.

2.1.4 Removing containers from the current CDS

Just 4% of these respondents (37 people) were of the opinion that there are containers that should be removed from the scheme, leaving 96% who did not support the removal of any items. These people suggested a range of items for removal.

2.1.5 Exempt Items

Milk containers were the only items proposed by the general public for exemption from the CDS.

2.1.6 Containers banned from sale or use in the future

It was suggested that items not made from recycled materials or from materials that cannot be recycled should be banned and/or phased out.

2.1.7 Enforcement and punitive measures

Comments suggested that consideration should be given to the conduct of checks and implementing punitive measures (like fines, levies, taxes, or fees) to enforce compliance and change behaviour.

2.1.8 Alternate payment preferences

Some 47% of respondents would prefer to keep receiving their refunds in cash, 31% would prefer an EFT credit (in one form or another) and 15% would be happy either way.

2.1.9 Ease of returning containers for refund

Some 59% of respondents felt that it was easy to return their containers for refund and 21% found it difficult. The remaining 20% of those responding told us that they found it neither easy nor difficult.

The majority of the barriers were related to user convenience (or the lack of it), in terms of locations of depots and/or sites to cash in their containers (mentioned by 37%), inabilities to travel to them (36%), and inadequate opening hours (20%).

2.1.10 Adequacy of current recycling depots

About 78% of respondents felt that the current recycling depots were adequate. One third suggested an increase in the number of collection points to reduce the distance people have to travel to drop off their containers.

Suggestions were made for the implementation of alternative collection points such as reverse vending machines, plastic recycling points at retailers, charity drop-off bins, and kerbside collections.

2.1.11 Container deposit refund

A total of 62% of those participating in the consumer survey felt that the current 10-cent refund was adequate, 38% wanted it increased and 1% wanted a decrease. A range of arguments for and against an increase was proposed.

2.1.12 Most important issues

It is clear that two themes stood out from the many mentioned, the first being a desire to broaden eligible containers captured by the CDS (51% of responses) and the second, more convenient ways of recycling and claiming the deposit (42%).

2.1.13 Engagement options

Involvement in open discussions, a forum or being part of a formal review were all suggested ways of remaining engaged on this topic.

- maximise community engagement influencing behavioural change and participation through education and information
- undertake research
- review and improve outcomes measurement, monitoring and reporting
- influence procurement practices
- prevent litter from entering marine environments
- provide a waste management system for single-use plastics
- improving best practice for green procurement activities.

“We do not wish to see the scheme watered down in any way, rather we wish to see it extended.” ⁱ

Most of the submissions received from stakeholders agreed that the scheme was working well to reduce litter and increase resource recovery and recycling in SA. Many reasons and evidence for this were provided, e.g.:

- longevity of the scheme
- scheme sustainability
- positive recovery rates and quality of material, particularly when compared to other jurisdictions and internationally
- positive environmental outcomes, including litter reduction and recycling activities
- resource recovery performance
- job creation performance.

Many also mentioned that it is time for SA to review the CDS and to aim for its improvement and/or expansion into other areas of waste management.

“While this scheme has successfully facilitated litter reduction and resource recovery, Council notes that it has not evolved considerably since its inception...” ⁱⁱ

Additional points were made as a result of seeking feedback surrounding the scheme’s objectives, as follows:

- There is more to be achieved via the CDS than when it was originally determined, e.g. to facilitate the adoption of compostable and reusable containers/products, to incentivise formal/informal reuse and resource recovery strategies.
- The scheme now needs to align with those of other states/territories, and/or become a national scheme.
- Costs and efficiencies of the scheme need to be addressed.
- The state is to also exploring ways, other than legislation, to achieve its waste management and resource recovery objectives.
- There is no need to change this scheme and there is no evidence changes are required.
- Changes will disrupt many state-based businesses, with negative impacts.
- The review should have the aim of directing scheme and/or state resourcing into the areas where it will be most beneficial, e.g. resolving the greatest waste issues, increasing the most lucrative recycling markets, investing in the most effective technology, developing alternative ways to improve outcomes.
- Realise the national/international effects of SA-only changes to the scheme.
- Use only evidence-based decision making when scoping the CDS review, its objectives and the methods employed to achieve these.
- The scheme should ban non-recyclable products.
- The review into the scheme should cover the following:
 - product design
 - labelling
 - container weights
 - processing
 - payment
 - labour intensity

- return rates
 - contribution to the litter stream.
- The scheme requires greater economic transparency.

2.2.3 Non-CDS opportunities to improve collection, recycling, resource recovery, etc.

Recognising that the scheme is driven by legislation, other ways to generate positive waste minimisation and resource recovery results were suggested that would work in partnership with the CDS:

- implement increased waste education and build awareness surrounding issues, to change behaviour among householders
- implement improved household kerbside collection activities e.g. glass-only bins, post-collection sorting
- collaborate with other jurisdictions and schemes to share and leverage databases and practices
- increased government investment into Australian recycling infrastructure
- develop a brand to headline marketing and community education activities
- examine opportunities for the existing CDS framework to be modified to work with other waste stream issues, e.g. e-waste, metals, batteries
- subsidising the introduction of technology to the CDS
- the CDS is not the only tool for reducing litter and increasing recycling in SA, and the review should take a holistic approach to achieving the objectives, with the possibility of recommending increased funding into these
- the scheme needs a brand to represent it in community education
- community education to drive waste management outcomes needs to be re-activated
- investment in recycling infrastructure and markets is required
- waste management could be improved via a simplified labelling system that supported the correct use of SA's three-bin system
- develop more opportunities to increase informal litter recovery and resource reuse, e.g. incentives
- encouraging 'green procurement' and 'social procurement' practices by setting minimum acceptable levels of recycled content will build markets for recovered resources
- provide encouragement to manufacturers of reusable containers and those who supply products in reusable containers
- reverse, or equalise, the cost advantages of incumbent non-compostable/non-recyclable/environmentally harmful products
- establish a central data repository for material flows, resource recovery rates, circular economy targets, data collection/reporting protocols
- facilitate research and innovation to improve resource recovery and waste valorisation, efficiencies and collection processes
- employ the unredeemed CDS deposits to invest in the CDS outcomes and/or other areas of waste management
- incentivising innovation and substitution to remove problematic products
- drive demand for substitutes/replacements for problematic products
- mandating recyclability as part of the product registration process
- inviting recycling programs to local areas
- installing more drinking fountains in public spaces
- develop ways of informing new arrivals and visitors to SA of the CDS and general waste management behaviour, e.g. accessible, multilingual
- expanding knowledge of the items which can be returned for recycling via the collection depots, e.g. glass, e-waste in the same trip as the CDS items.

"Most people don't know that you can return glass jars and wine bottles to the same depot that you take your deposit containers. Having visited the NAWMA co-mingled recycling facility, I can see how much easier it would be if there was greater separation at source." ⁱⁱⁱ

2.2.4 Removing containers from the current CDS

There was only one suggestion for the removal of items from the current CDS list, which was for containers which are less than 150mL.

The rationale behind this was:

- their “low contribution to the litter stream” ^{iv}
- to align with the models of other jurisdictions, who have exempted containers holding less than 150mL
- the high impact of the addition of the deposit on the containers’ retail price, i.e. demand reduction, sales decrease
- the disproportionate cost impacts on the CDS on small containers
- the proportion of sales/operating costs expended on the CDL, which is high for companies producing beverages in small containers.

“Containers less than 150ml do not appear in the litter stream in large number, if at all.” ^v

2.2.5 Expanding the list of containers to be included in the future

Stakeholders were asked, “Should more types of containers be included in the CDS?” The following containers were recommended for future inclusion into the CDS:

- wine bottles
- spirit bottles
- 2L and 3L milk (and flavoured milk) containers
- 3L+ juice containers
- polystyrene plastic
- drink pouches
- fluorescent green PET
- white PET
- clear PET containers
- some/all forms of liquid paper board (LPB)
- printer cartridges
- single-use coffee capsuled/pods
- soft plastics
- plastic milk, fruit and vegetable juice containers up to 3L
- all glass containers, e.g. condiment jars/bottles, medicines, anything which will bring a higher value when not comingled
- casks
- event beer and wine cups
- carry bags
- disposable coffee cups
- water containers, 1L and more
- oil containers
- cordial containers
- plastic containers (food and non-food)
- e-waste.

2.2.6 Arguments for expanding the list of containers to be included in the future

The primary reasons cited for expanding the containers included in the CDS were to increase recycling and resource recovery, encourage the circular economy and reduce litter and landfill. It was also raised that less consumer confusion will occur if non CDS containers that are the same size or material as CDS containers, are included in future. Submitters questioned the reason for these container anomalies in the current scheme’s scope.

It was discussed by the majority of submissions advocating for the inclusion of wine bottles in the scheme that their inclusion would increase the glass recycling rate in SA and reduce the contamination issues associated with glass fines in the kerbside recycling stream. It was raised that if more glass products could be incentivised for removal from the kerbside collection, this would result in greater amount of glass recycled and improve the quality and value of glass and other recyclables. Additionally, source separation of glass colours was cited as being more effective and efficient through the CDS, which adds further value and resale opportunity for the recovered glass. It was suggested that the inclusion of wine bottles and other glass containers in the CDS could also potentially drive the recycling sector to invest further (potentially locally) in glass recycling.

A number of councils advocated that including glass, milk and juice cartons in the CDS may reduce waste management fees for councils, as the value of these containers would increase and therefore be diverted from the yellow recycling bin system. This would in turn make it more feasible for councils to continue to provide comingled recycling bin services and be able to manage the increase in waste levy costs without passing these onto communities.

It was argued that milk and pure juice containers currently excluded from the scheme be included in the scheme as they are still a litter concern.

2.2.7 Arguments against expanding the list of containers to be included in the future

There were many submissions from grape growers, wine industry representatives, manufacturers and retailers against adding wine and spirit bottles to the CDS. The majority of these submissions were concerned about the costs to SA hotels, wine and beverage producers and bottle shops; e.g. administrative, business, direct costs to packaging and marketing, registration fees, cash-flow security, refund management and export costs.

It was argued that such costs would increase pressure on sustainability and reduce the ability for producers to be competitive. Many concerns revolved around the costs of re-labelling wine and spirit bottles, which have a long shelf life. There was concern that if wine is included in the CDS, other aspects in the wine-growing/manufacturing/sales and consumption supply/value chain will suffer, resulting in job losses, industry stagnation, and potentially damaging the wine tourism industry. It was estimated in one submission that the direct cost of including wine bottles in the CDS is would be \$4.5-\$5 million per annum.

Some submissions argued that there is no need to change the current CDS because it is “hugely successful” in reducing the types of litter it covers. It was further argued that wine bottles are not highly prevalent in the litter stream and therefore not relevant to the aims of the scheme.

Other concerns regarding an increase in costs to consumers and increased opportunities for cross-border arbitrage were mentioned. Concern that there is a lack of recycling infrastructure and capacity for increased CDS inclusions was also raised.

There were also requests for the exclusion of other items from the scheme (should they be considered):

- 3L containers
- takeaway cutlery/utensils, because they should be separately regulated and transitioned to compostables
- items being managed by other means, e.g. NPCO packaging guidelines
- items that have been proposed for banning under the scheme.

2.2.8 Containers banned from sale or use in the future

The question asking for feedback on the topic of whether some containers should be banned from sale via the CDS provided mixed responses. Some were in favour of using the legislation to ban some containers (and other challenging items) from use, while others felt that there were other ways of effecting removal that did not require a ban or legislation.

“During product registration, beverage suppliers should be required to demonstrate recyclability before the container approval is granted by government to track containers going to landfill and measuring weather (sic) industry is phasing out problematic materials.”^{vi}

Suggested items that could, or should, be removed from use were:

- generally, containers that cannot easily be recycled
- generally, containers that have the potential to cause environmental harm.
- complex beverage containers such as juice or yoghurt squeeze packs, particularly those wrapped in a soft plastic layer of “sleeves”/with excessive packaging, flexible plastic or aluminium foil packaging, i.e. spout pouch bag
- items comprising several different plastics/materials
- “over-packaged” items
- items made from liquid packaging board, i.e. UHT, Tetra Pak containers.

Suggested ways of removing these from sale or use were included:

- CDS legislation
- other legislation
- national/state product manufacturing and packaging guidelines, preventing registration/sale of non-compliant packs and materials
- national bans and restrictions vs state-based ones (to reduce jurisdictional confusion and costs)
- develop recycling technology to overcome challenges to recovery.

2.2.9 Scheme governance

Stakeholders were requested to provide guidance for how the review of the CDS should consider the manner in which collection depots and super collectors operate. Many forwarded ideas and suggestions, which have been summarised below:

Structure

- using the QLD CDS as a basis, appoint a scheme coordinator
- select collectors by tender, making their annual reports available to the public
- prevent super collectors from holding unreasonable control over collection points
- investigate (and if present, resolve) potentials for conflicts of interest among scheme participants/super collectors
- maintain the SA CDS as a producer-led scheme
- ensure the super collectors (if this system remains) have an economic footprint⁷ in SA
- the scheme should be non-profit and be run by a non-profit coordinator(s)
- allow new entrants to the SA scheme.

Auditing and reporting

- adopt technology to track the chain of custody of individual containers
- provide greater transparency to the reporting of scheme fees and costs, improve efficiency, auditing and reporting via technology
- conduct external audits of collectors’ governance, data and reporting, proof of recycling and other processing activities
- introduce independence and transparency into auditing and reporting.

Sorting and weighing

- change from the weight-based method of payment to a per-unit measure and/or reform the ‘payment by weight’ system
- review/cease the requirement to sort by brand at depots

- provide flexible collection, logistics, sorting and processing models
- introduce new ways to sort items, e.g. at households, at depots
- review the rates per container, and reduce if possible.

Overall

- achieve national consistency between CDSs, and/or transition to a national scheme
- enact legislative reform
- examine all proposed changes to the scheme and prevent the occurrence of “perverse outcomes” in profiting from them, e.g. soft drink/beer manufacturers profiting from an impost on the wine industry
- synergise the scheme with meeting the needs of contemporary households, e.g. housing trends, vehicle ownership, consumer preference
- review international systems, and newer Australian ones, to generate improved outcomes
- review the scheme’s efficiency.

Depots

- guarantee sustainability and security of smaller and regional depots to ensure adequate geographic coverage for collection and refund points
- review worker health and safety of the CDS legislation, e.g. use of cages, balers, bales, delivery contracts
- maintain existing container collection depots
- review which parts of containers are to be included/excluded, e.g. tags, lids.

Administration

- review label approval pathways
- increase handling fees
- introduction of electronic payments
- update the guidelines for CDS approvals in SA.

There were numerous mentions of the costs of the scheme, incurred by those involved at all steps along the container’s journey, and there were many requests for the review to identify opportunities to decrease its costs in every way possible, e.g. via technology, increased competition, national alignment, etc.

2.2.10 Container marking

Opinions on the matter of container marking were varied, with most industry stakeholders against changes to existing requirements, mainly due to the considerable costs involved in labelling and container alterations.

“Further revisions or modernisation of the refund marking should only be considered where they will result in a tangible improvement, as any changes to beverage product labelling represent a significant complexity and costs to beverage suppliers, which may ultimately be passed through to the community.” ^{vii}

A summary of the rationale for maintaining current container markings (i.e. no changes) follows:

- Changes will cost both industry and consumers.
- There is no need to change.
- Creation of more labelling will cause confusion among consumers, who understand the current labelling.

“The issue of labelling is (a) contentious subject.”^{viii}

Those in favour of alterations to the current container markings provided the following reasons:

- the opportunity to provide a national tracking system, e.g. via barcodes, to link schemes and containers across jurisdictions
- common refund marking/symbol/logo across the nation will reduce consumer and industry confusion
- container markings can support automated counting, thus decrease scheme costs
- develop a nationally recognised CDS logo that could be used on all labels included in CDSs in Australia
- a newer, fresher font
- larger type for the 10-cent marking
- simplification of the wording
- make eligible containers more identifiable
- labels are not currently accessible or multilingual, and the information is not communicated to non-English speakers and/or those living with disability.

It was also mentioned that any proposed alterations to container markings must include widespread consultation with container owners to ensure that the process and outcomes of change are as acceptable and affordable as possible.

2.2.11 Deposit payments

People and organisations were asked if there were other ways in which they would like refunds to be paid. Those who supported the investigation of additional ways suggested the following:

- investigation into the implementation of reverse vending machines
- payment via non-cash, electronic methods to increase consumer convenience and reduce cash-handling costs and risks
- payment by vouchers, with cash equivalent values for redemption at participating retailers
- donations to registered charities, not-for-profits
- links to special offers
- payments to build a retail precinct loyalty scheme.

It was noted that even if new ways for receiving refunds were to be developed, cash payments should remain as an option.

“Removal of a cash payment option may impact the success rate of the current scheme.”^{ix}

2.2.12 Container returns

Stakeholders were asked if the current methods of returning containers for refunds were adequate and/or if they had other suggestions to improve convenience. Those advocating for changes provided the following suggestions:

- bag drops
- reverse vending machines (RVMS) at shopping destinations, in high-density living areas, e.g. ‘return and earn’ machines at shops, schools, community centres
- mobile collection depots
- improvements to household/kerbside collections
- reviewing (and extending) the hours and locations of collection depots
- reviewing the methods of interstate collections and learning from these schemes
- implementing technology to provide automated counting and sorting at collection points
- increasing the coverage and convenience of regional container depots and other methods of returning containers
- upgrading the customer experience at depots, e.g. service improvements, physical appearance

- creating additional channels in regional areas.

Those not in favour of changing the current arrangements gave the following reasons:

- Mandating retailers' involvement in the scheme, via reverse vending machines, bag drops, recycling bins, etc. would be problematic, and it would be preferable this be a voluntary service decided by retailers and property managers on a case-by-case basis.
- The pros and cons of alternative methods should be identified before making changes to SA's CDS.
- Collection issues and methods are not the responsibility of the CDS, rather, it is a waste collection and management issue to be resolved by the operators in this sector.
- There should be protections against changes to the current system that may reduce the scheme's benefits to individuals and organisations collecting for cash and environmental outcomes, e.g. community fundraising, adults on low incomes, teenagers supplementing pocket money, groups funding clean-ups, etc.
- There is adequate cover and facilities across SA.
- Changing the scheme and/or collection points and methods will result in job loss.

2.2.13 Dispute resolution

A review of the methods for avoiding and/or handling dispute resolution would be welcomed, particularly by those without the resources to resort to paid, legal or mediation support. Areas to be addressed were:

- ways of avoiding disputes from arising, e.g. barcoding containers, removing the weight-based payment system, transparency of accounting, data accuracy, coping with 'lightweighting' of containers
- appointing an ombudsman
- greater involvement from the EPA
- clearer/tighter contractual terms and enforcement
- a new system of dispute resolution.

2.2.14 Compliance

Stakeholders were asked if there were opportunities for improvements in the administration and enforcement of the scheme. This prompted the frequent mention of the need for a national scheme that 'harmonises' all CDSs in Australia.

"... while the scheme is generally well run, additional monitoring and enforcement of compliance would further increase public confidence in the scheme." ^x

A summary of the rationales behind this request is as follows:

- high cost of compliance with multiple schemes/regimes in different states
- central operations will provide efficiencies for all parties
- cost savings can be invested into scheme developments, resulting in improved integrity and performance
- the repetition of registration/reporting tasks is onerous and expensive
- reduce consumer confusion across borders
- reduce governance and administrative ('red tape') costs of schemes across borders
- standardised product labelling
- standardised, national consumer education campaigns and materials, "so there will be no confusion about what rules apply in SA" ^{xi}
- other jurisdictions, implementing their schemes after SA's, have made efforts to provide consistency with SA's CDS and those of other jurisdictions, e.g. ACT, QLD
- the "current patchwork of CDS schemes" is already difficult and confusing, without adding to this misalignment
- standardised container tracking, audits and reporting

- different rates per container among different jurisdictions
- increased oversight of the CDS to oversee operations, reduce fraud and increase consumer confidence
- removal of opportunities for fraudulent activities
- removal of barriers to entry into CDSs of different states/territories and thus increasing competition and improving outcomes
- reducing cost burdens for those operating in different jurisdictions
- standardising audit practices
- resolving (nationally) the payment-by-weight vs payment-by-unit issue
- national monitoring of objectives and outcomes
- national enforcement of illegal littering laws.

Similar suggestions were made surrounding the topic of product registration, as follows:

- develop a national system of product registration, accessible by each state's super collector, and provide national manufacturers with a single source of registrations and approvals; this would also incur a single charge and save time
- develop a national sales reporting system, where container numbers could be registered and accessed via a single portal
- current high cost of product registration discourages the manufacture of "small batches of interesting ciders" ^{xii}
- NSW, ACT and QLD currently share a registration database, but SA does not access this and the chance of missing SA is therefore higher
- the registration system is difficult and confusing for 'first timers' and requires simplification.

Other suggestions for improving compliance were:

- conduct of spot checks on collectors and at collection points
- increased financial transparency of the scheme
- increased outcomes reporting
- decrease the manufacturer's fee of 16.6 cents per container for the 10-cent deposit to reduce costs to manufacturers; it is suggested that savings could be made on the scheme's administration to enable this reduction
- compliance would be easier to manage if inconsistencies were to be identified and resolved
- allowing only products/containers that can prove recyclability
- increased enforcement and consequences of non-compliance and fraudulent activities.

2.2.15 Monitoring and information

Stakeholders were asked to comment upon the sufficiency and transparency of the scheme's information with some suggesting it was adequate and others requesting more, and there were a number of suggestions for areas to develop, as follows:

- implementation of a technological approach to tracking containers, e.g. barcodes, chains of custody, container counting
- reviewing the NSW scheme to provide information on MRF protocols, quarterly reconciliation, export protocols, tracking and 'first supplier' definition
- general investigations and reviews to improve transparency and reporting, reducing opportunities for fraud
- increase in penalties for non-compliance
- measurement of recycling outcomes
- implementing a national CDS and standardising efficient and effective standards for monitoring, information and reporting on outcomes, costs and areas for improvement
- quantification and reporting of greenhouse gas reductions, contributions to resource efficiency, reduction in landfill space, environmental outcomes
- communication of reports/outcomes to the general public.

2.2.16 Refund amount

There were mixed opinions of whether the current 10-cent refund amount should be retained or increased (and none suggested it should be reduced). Summaries of the reasoning behind both of those viewpoints are below.

Arguments for retaining the 10-cent deposit and refund amount were:

- the scheme is working
- changes would result in increased costs to business, including beverage producers and retailers – the wine industry estimates an additional \$4.5 million in direct costs to producers, which does not take into account administrative time/tasks (e.g. reporting, financial tasks), repackaging (e.g. label re-design, printing, loss of packaging stock), label compliance/approvals registration (e.g. \$295.50/label or \$2,147.30 for 20+ labels)
- a change would disadvantage hotels and bottle shops by increasing the retail cost of goods, i.e. \$2.40 increase in wholesale price of a carton of 24 beers (+GST)
- a change would increase the advantage of 'big box' liquor retailers over smaller operators, due to their financial capacity to absorb the increases in wholesale pricing created by increases in container deposit amounts
- there will be an increase in the price differential between states, particularly between SA and Victoria (currently without a CDS)
- if not undertaken nationally, the increased price in SA will encourage over-the-border and online liquor purchasing, causing a loss of sales in SA
- if higher container deposits (say 20 cents) are not made/paid interstate, then there is an increased risk of loss to the scheme when these are returned for refund in SA, i.e. consumer pays 10-cent deposit interstate and returns containers for 20-cent refund in SA
- it will have a particular effect on retailers located near borders, e.g. Mt Gambier, which may experience a \$4.80/carton beer price differential (+GST) vs a Victorian retailer
- SA retailers may choose to purchase their wholesale products in Victoria and/or other jurisdictions with no, or lower, CDS deposits thus minimising their retail pricing; in turn, this may disrupt the scheme and reduce its effectiveness
- the administrative and practical costs and activities required to cope with an inconsistent scheme across Australia – currently, the states/territories in which a scheme operates (all bar Victoria) are based on a 10-cent refund, and an increase in SA only, to 20 cents will further complicate matters and incur higher packaging/labelling costs for manufacturers
- will impact consumers, with an unduly high cost of products which will/may be wholly or partially passed onto them
- will harm all manner of businesses and create/cause an unsustainable sector
- there is no proof that an increase in refund will result in a significant increase in recycling, environmental outcomes, etc.
- increases in cost/time to change labelling, pricing, scheme administration costs and a loss of productivity, etc.
- will create consumer confusion
- an increase in any refund amount will increase retail price and in turn, affect beverage demand (negatively) as exemplified by the volume decline of 3.4% in NSW in 2018 (vs 0.4% in other states)
- increased risks to collectors, owing to increased value of stocks and cash on-hand
- increased costs and impacts of fraud and arbitrage
- changes to the scheme would be better served in increasing the range of items included
- all other options for increasing collections/reducing landfill etc. should be explored before resorting to refunds as incentives, e.g. consumer awareness and education, convenience for returns, non-cash refunds (e.g. store points).

[“On the basis of historical evidence, it appears likely that increasing the refund amount may simply result in a short-lived ‘sugar hit’, without driving long-term substantial behavioural change.”^{xiii}](#)

Arguments for increasing the deposit and refund amounts were:

- 10 cents is not representative of inflation and has failed to maintain its financial motivation. i.e. in 1977, 5 cents was worth approximately 30 cents in today's money
- change the amount when the CDS scope changes to minimise frequency of disruption

- an increase in refund will increase return rates (which are falling) and/or the conduct of modelling to inform this theory
- make the change in two steps; from 10 cents to 15 cents and then 15 cents to 20 cents (to replicate the 5-cent to 10-cent experience)
- make a national change to 20 cents at the same time
- there was a suggestion for a sliding scale of refund payments, to be implemented nationally to offer consistency and improved outcomes
- increase handling fees to provide additional funds to improve outcomes and worker safety.

2.2.17 Supporting research

Many suggestions were received for increasing the research and consultation surrounding the CDS. The lists from each of the stakeholder groups have been amalgamated and the cumulative result is in Appendix A.

2.2.18 Out of scope

Some of these contributors questioned whether a review of the CDS was at all necessary, pointing out that it was working well and had been for many decades.

“... I have to question why we need to change a system that currently works very well. There is no evidence that it will reduce litter or have any favourable impact on the environment, and no mention has been made of non-beverage containers.” ^{xiv}

Some suggested different elements of the scheme, the industry, recycling and resource-recovery activities, etc. that be placed out of the scope of the CDS review. These have been summarised below:

- refund amount
- anything that may negatively affect the scheme’s contribution to supporting community organisations and individuals who benefit from cash-for-containers activities
- removal of existing collection depots
- any products currently included in the CDS.

Others urged the EPA to not limit the review of the CDS and to take as broad a focus as possible to make the most of the opportunity it provides.

2.2.19 Engagement options

When asked for suggestions for future avenues of consultation with the CDS review in the future, the majority of these stakeholders told us they would welcome this and offered the following suggestions for engagement:

- talk/discuss directly with the writers of these submissions
- involvement in a working party and/or an advisory group
- engage through the industry peak body or bodies/
- email
- online call
- call and set up a personal meeting
- public meetings, stakeholder engagement meetings
- partnerships with industry and councils
- participation in, or hosting of, trials and tests
- consultation via local Australian offices with international partners/officers to gain global viewpoints
- EPA’s Stakeholder Reference Group
- opportunities to comment upon the proposed 2019 Discussion Paper
- ongoing community engagement
- specific discussions with stakeholders surrounding their submission to the consultation
- workshops

- opportunities to review reports
- survey participation.

3.0 DETAILED FEEDBACK

3.1 THE SOUTH AUSTRALIAN COMMUNITY

3.1.1 Sources of feedback from the South Australian community

Members of the general public employed the following channels to share their opinions:

- The SA Government's YourSay community consultation website – 42 comments
- Survey Monkey online questionnaire (general public) – 1001 respondents
- Emails and posted letters to the EPA and Members of Parliament – 16 received
- Social media comments – 28 received.

The following pages provide descriptions of the aggregated responses received.



3.1.2 The online public survey via YourSay and Survey Monkey

The SA community and key stakeholders were invited to participate in an online survey. People were encouraged to leave their comments on the “Your Say” site in response to the question of “How can we improve SA’s CDS?” and/or progress through to an online survey.

The survey ran between 13 January and 22 February 2019 and collected responses from people who had voluntarily accessed the YourSay site and followed a link to the online survey tool (Questionnaire: refer Appendix B).

This survey asked the following questions:

How can we improve South Australia’s CDS? Your feedback will help government to determine the scope of the review and the research required to inform the review. It will also tell us what you think works well and should be retained.

- Should more types of containers be included in the CDS? If yes, please tell us which ones.
- Are there containers (currently receiving a 10-cent refund) that should be removed from the scheme? If yes, please tell us which ones.
- Is there another way that you would like refunds to be paid (i.e. electronically, rather than in cash)?
- How easy/difficult is it to return containers for refund? If you selected difficult or very difficult, what are the barriers?
- Are current recycling depots adequate in terms of how many there are and where they are? Tell us why – we would value any additional feedback.
- The refund on beverage containers is 10 cents. Do you think the refund amount should be increased or decreased?
- What do you consider the top three most important issues to be considered as part of the review?
- Thank you for taking part in this survey. Please tell us which category best describes you:
- Tell us how you would like to be involved in the CDS review conversation in the future.
- Please provide your contact details so we can get in touch with you.

At the close of consultation, 1001 people had responded to the invitation to undertake the survey, answering either all or some of the (optional) questions, with the greatest proportion describing themselves as CDS users, and/or members of the public (89%).

Respondents were South Australians who were both aware of the consultation (via any channel) and motivated to register and participate (engagement report: refer Appendix C). For these reasons, those responding cannot be described as constituting a randomised or statistically representative sample of the entirety of the South Australian public.

A summary of the survey's responses follows. Quotes cited in this section have been extracted from comments received from the public through YourSAY and Survey Monkey, some of which were sent in anonymously.

3.1.2.1 Inclusions to the CDS

Respondents were asked the following question:

Should more types of containers be included in the CDS?

	Number of responses (N=1001)	Percent (%)
Yes	839	84%
No	162	16%

A total of 84% of the people responding to this survey told us that more types of containers should be included in the CDS, leaving 16% who did not think so.

Respondents were then provided with the option of suggesting (unprompted) which containers should be added to the scheme and 822 people provided suggestions.

The highest number of unprompted responses suggested wine and spirit bottles are added to the scheme and the second-most frequently-mentioned category was plastics, followed by glass containers like sauce bottles and jars.

"Takeaway coffee cups, plastic takeaway containers, milk bottles (both plastic and cardboard with plastic lining), glass bottles including wine bottles and glass water bottles, garden plant pots, cosmetics containers (e.g. cream tubes, tubs, sunscreen bottles etc.), medication containers, food containers (e.g. honey pots, biscuit trays etc.)."

"Wine and spirit bottles used to attract a 20-cent refund say in the '90s early '00s. We should be looking at these again and refunds for things including juice bottles, milk cartons and bottles, even things like takeaway containers, fast food waste, coffee cups, cigarette butts etc., etc. Look at Singapore, one of the cleanest places, refund for recycling everything including bus tickets."

"Wine bottles – they have a much greater mass of glass than a single beer bottle. Milk cartons – if a 600ml flavoured milk carton is part of the scheme, why not a 4L plastic milk bottle?"

3.1.2.2 Removing containers from the current CDS

Respondents were asked the following question:

Are there containers (currently receiving a 10-cent refund) that should be removed from the scheme?

	Number of responses (n=1001)	Percent (%)
Yes	37	4%
No	964	96%

Just 4% of these respondents (37 people) were of the opinion that there were containers that should be removed from the scheme, leaving 96% who did not support the removal of any items.

People were also provided with the opportunity to elaborate and this invitation may have created some confusion, because some people (who were not in support of removing items from the scheme) have used the opportunity to provide feedback on the CDS and/or recycling-related topics, rather than recommending additional items for exclusion.

Those who did answer the question directly (27 people), suggested that the following items should be excluded from the CDS:

- small containers, e.g. Yakult, juice poppers – 8 responses
- milk containers (due to hygiene concerns) – 4 responses
- anything that does not create litter/loss of resources/cannot be recycled/has no value – 4 responses
- all plastic bottles (with the rationale that they should be banned from sale) – 3 responses
- everything currently included (advocates for cessation of the scheme) – 2 responses
- larger containers, bigger than single serves, e.g. more than 600mL, 2L juices, grocery shopping pack sizes – 2 responses
- steel cans – 2 responses
- fruit juice (no further rationale provided) – 1 response
- beverages sold in quantities less than 10,000 units (to spare the approval process) – 1 response
- 2L fruit juice containers (because they do not fit in the bale bags at recyclers) – 1 response

“Yakult-type mini probiotics or whatever they are. They should be just simply recycled.”

3.1.2.3 Alternative payment preferences

Respondents were asked the following open-ended question and to respond in writing:

Is there another way that you would like refunds to be paid (i.e. electronically, rather than cash)?

These written responses were grouped into themes, counted and have been reported in the following table:

Multiple responses	Number of responses (n=911)	Percent (%)
No/cash is fine	424	47%
Electronically Electronic would be an added convenience. If it can be done sensibly, then a credit to a recycling credit card. Vending machine.	261	29%
Either way. Cash is preferred, but EFT could be OK – timelier. Unless you have a membership card function. Depends on the ease. I don't think it matters.	137	15%
I would like them not to be paid/option to donate to charity.	28	3%
Electronic is fine/only if it can be managed simply and cost effectively. Wouldn't want it to be a hassle at tax time. As long as there is no transaction fee would make it simpler for the refund points. Security could be an issue.	15	2%
Sometimes the count we make at home does not align with the money we get. Make them give you the right money every time as a lot short-change people.	4	0.4%

The refund depots do not calculate quantity properly and this is fraudulent!		
Sydney Circular Quay has a chute you put your recyclables in, and it reads the bar code to confirm it is recyclable. Would only be able to take small quantities, but if there are enough of them at the right places, it should work well.	4	0.4%
No. Drop it altogether – it is a tax.	1	0.1%
No comment	37	4%

Among these responses, 47% of people would prefer to keep receiving their refunds in cash, 31% would prefer an EFT credit (in one form or another, i.e. 29% without reservation and 2% as long as it is not a hassle) and 15% are happy either way. Another 3% suggested that a direct transfer to a charity would be a good idea. Others provided innovative alternatives, some of their own design and others observed in other jurisdictions.

“A credit system via an app would be cool and could speed up the process of depositing.”

“A form of environmental credits or tokens. As more of a ranking system to encourage positive environmental changes through competition or pride. I find some people would like to be a part of a healthy competition and the added benefit of saving the environment is a major incentive.”

“A little cash is always nice.”

3.1.2.4 Ease of returning containers for refund

Respondents were asked the following question and provided with a five-point scale to capture their experience:

How easy/difficult is it to return containers for refund?

CONTAINER RETURN EASY/DIFFICULT	Number of responses (n=998)	Percent (%)
Very easy	282	28%
Easy	308	31%
Neither easy nor difficult	197	20%
Difficult	190	19%
Very difficult	21	2%

The question went on to invite those who indicated that it was a difficult process to return containers for a refund to tell us more about the barriers they faced.

Although 211 people indicated they found it difficult, more than this number (319 people) took the opportunity to provide additional feedback. Their written responses were grouped into themes and counted, and have been reported in the following table:

IF YOU SELECTED DIFFICULT OR VERY DIFFICULT, WHAT ARE THE BARRIERS?
MULTIPLE RESPONSES

	Number of responses (n=319)	Percent (%)
More depots More locations would make it more convenient Return sites limited and distant Lack of recycling areas Supplying specific container bins could help	119	37%
Lack of transport Normal council bin pick up A mobile pick-up service would be more efficient and widely used, I would imagine It is very difficult for people without cars to get refunds Cost of transport doesn't cover the refund	82	26%
Weekends as opening hours/hours of operation Closed on weekend Timing clashes with office hours	63	20%
Time it takes to wait in line Always too busy to bother with/had to queue; took ages Time spent counting and recounting containers	52	16%
Ways of storing them can be problematic so maybe more available bags Sacks to store and transport items would be helpful Just the fact that you have store the stuff until you load up the car Having to sort the containers before taking them to the depot We have a huge job of counting them before taking it	50	16%
Don't do it Sheer laziness Small amount of money I don't want to collect lots of bottles and cans and go to a depot where I don't even understand exactly what the process is Difficult purely due to lack of time in people's personal lives Easier to dispose of containers through council recycling bin Finding the time in a busy life to actually go to the depot	45	14%
Would be ideal to have machines outside Inside supermarkets Perhaps consider automated reverse vending-style machines	31	10%
Where the containers can be returned to the place of purchase would be a good incentive Deposits can be done at bottle shops	16	5%
Receiving facilities are often grubby and dirty and seem to be run by grumpy people Sometimes milk containers can be a bit smelly It is dirty to store at home	16	5%
Information campaign hasn't been strong enough More ads on where the depots are located	6	2%
Ripped off by the people working there	4	1%

The majority of the barriers were related to user convenience (or the lack of it), in terms of locations of depots, recycling facilities and/or sites to cash-in their containers, mentioned by 37%. Following on

from this is an inability to travel to, or transport, containers to the local depot (36%), with some suggesting that it would be easier if this were part of the council collection (households).

“Distance in rural areas.”

“Distance to recycling centres can be a challenge.”

Time pressures were also an issue, with 20% preferring extended opening hours for the depots and 16% seeking a faster service/process.

Another 16% were concerned about the sight of their containers stacking up (pre-dropping to depot) and/or the process of preparing containers for the depot.

“Depots are not always nearby and not all recycling depots take all types of containers. Can also be time consuming for busy families to count all the containers and take them to be refunded.”

Just 14% of these respondents considered themselves the barrier to overcome, citing their lack of motivation to take containers to depots.

“Don't know where to take them, don't see any recycling depots. I could find them, but I'd have to save up plenty before it would be worth going out of my way to return them. Grocery store car parks, state schools, or service stations would be simple.”

Another 10% used the opportunity to suggest that reverse vending machines are an alternative to visiting container refund facilities, e.g. outside supermarkets, inside bottle shops.

“Can be difficult when lines get long on weekends. Could be possible to look at the Ontario, Canada model where deposits can be done at bottle shops.”

3.1.2.5 Adequacy of current recycling depots

Respondents were asked the following question and provided a five-point scale to capture their experience:

Are current recycling depots adequate in terms of how many there are and where they are?

DEPOT ADEQUACY	Number of responses (n=1001)	Percent (%)
Not at all adequate	48	5%
Not so adequate	166	17%
Somewhat adequate	401	40%
Very adequate	294	29%
Extremely adequate	92	9%

A total of 78% of these respondents felt that the current recycling depots were adequate (to one extent or another, i.e. extremely 9%, very 29% or somewhat 40%). Another 23% felt they were not adequate, with 17% describing the depots as “not so adequate” and 5% as “not at all adequate”.

The question went on to invite people to share their reasons why. The majority of the 537 responses provided suggestions for areas to develop the depots and process of returning containers. These written responses were grouped into themes and counted, and have been reported in the following table:

TELL US WHY - WE WOULD VALUE ANY ADDITIONAL FEEDBACK: MULTIPLE RESPONSES	Number of responses (n=537)	Percent (%)
Only one in my area/too far/more depots will encourage more people to recycle	196	36%
No problem in finding them in the city/there is one not far from me	143	27%
Return stations in supermarket/vending machines Bottles back to where you bought them from (supermarket or bottle-o) At service stations/more drop off locations/more collection stations	88	16%
Long queue Takes a long time	57	11%
Opening hours Opening on weekends would improve accessibility Open on longer on Saturday and Sunday	50	9%
Transport issues Need a car	37	7%
Not advertised well Not many people aware where the depot is	23	4%
People are time-poor Lazy and if the depot is closed will put in recycle bin Not much time	16	3%
"No comment"	13	2%
I put my containers in a charity collection bin	11	2%
Too much sorting required (especially cans) Storing Messy	10	2%
Not sure the manual counting is spot on – we count but get less generally Never know if they are counting right and giving you the correct money	10	2%
20 cents might be more of an incentive for more to return bottles	2	0.4%
Broader type of product recycled would help greatly	1	0.2%

One third (36%) of these respondents suggested an increase in the number of collection points to reduce the distance people have to travel to drop off their containers.

"We need more depots and also adding CDS vending machines at container points of sale would help dramatically."

"There just aren't enough around. I'm lucky to have one a couple of streets away, but even then it can be busy no matter what time you go. It would be good to have 24-hour depots, or at least depots with extended trading hours. Self-service depots could also be beneficial in some locations."

Just over a quarter of people (27%) provided affirmation that their local depot was easy to find and/or conveniently located.

"Where I live there are two recycling depots so I can't complain."

Others provided a range of suggestions to increase scheme patronage, such as: reverse vending at convenient retail locations, extended opening hours, assistance with transport/pick-ups and customer service improvements.

“Street-side refunding machines would increase the general clean-up at beaches, etc.”

“Smelly dirty slow, need to touch dirty bottles, need to queue, need to wait till it's open, need to talk to the depot man, need to count bottles, need to have enough to not be scorned by the depot man.”

3.1.2.6 Container deposit refund

Respondents were asked the following question:

The refund on beverage containers is 10 cents. Do you think the refund amount should be increased or decreased?

INCREASE/DECREASE REFUND?	Number of responses (n=987)	Percent (%)
Increase	371	38%
Decrease	7	1%
Neither, 10 cents is fine	609	62%

**Percentages adding to greater or less than 100% are due to the effects of rounding to the nearest whole number.*

Over 62% of those participating in this consultation felt that the current 10-cent refund is fine, 38% want it to be increased and 1% are seeking a decrease.

3.1.2.7 Most important issues to be considered in the review

Respondents were asked the following open-ended question and to respond in writing:

What do you consider the top 3 most important issues to be considered as part of the review?

These written responses were grouped into themes, counted and have been reported in the table below:

TOP 3 MOST IMPORTANT ISSUES TO BE CONSIDERED AS PART OF THE REVIEW? MULTIPLE RESPONSES	Number of responses (n=930)	Percent (%)
Increase the products accepted. Wine bottles Glass Milk containers Plastic 2 & 3L milk bottles should also be included Cigarette packets Coffee cups Bottle caps Single-use plastics should be included in CDS Soft plastics	472	51%
Recycling initiatives Accessibility Making it easier for consumers to access CDS by looking at ways to more easily return items Easy to return items/placement of depots More locations More bins	393	42%

**TOP 3 MOST IMPORTANT ISSUES TO BE
CONSIDERED AS PART OF THE REVIEW?
MULTIPLE RESPONSES**

	Number of responses (n=930)	Percent (%)
Reducing litter Better opening hours of the depots Easy/fast/simple recycling		
Responses related to increase in refund Electronic refund Accurate refund by depot employees	253	27%
Education Encourage recycling Awareness of where to recycle Advertising More information to the public about the processes and benefits of recycling Environmental impact Consumer awareness People need to make sure the bottles they bring in are in an adequate condition Government could possibly provide bottle storage bins to people so they are likely not to just throw them in the garbage	194	21%
Banning single-use plastics Reduction of one-use plastics Increase recycling Reduce packaging unnecessarily by supermarkets Usage of alternative products Removal of soft plastics Sustainable practices	145	16%
Save our environment/reduce landfill	84	9%
Wine bottles should also be included in the CDS	65	7%
Show the public how returned beverage containers are used Disposal of items collected	63	7%
Make producers Supermarkets Eateries responsible for their packaging Plastics Place bins outside these areas Getting more manufacturers on board to produce environmentally friendly materials	56	6%
Introducing reverse-vending machines	54	6%
Ways of investing in recycling via CDS, e.g. expanding recycling centres with automated machines, increase the deposit to 15 cents per item with 5 cents to fund multiple start-up value-add recycling centres. Factories in regional areas, if the refund money from kerbside collection (where no refund goes to purchaser) actually goes back into recycling.	47	5%

**TOP 3 MOST IMPORTANT ISSUES TO BE
CONSIDERED AS PART OF THE REVIEW?
MULTIPLE RESPONSES**

	Number of responses (n=930)	Percent (%)
Establishing secondary markets for recycled items, and helping the local manufacturers in investing in the circular economy.		
Focus on improving the scheme through research, e.g. what sort of material is littered and not recycled. Effectiveness of the scheme/what is the most effective way to reduce our waste. Streamline process of the scheme	47	5%
Needs to undertake a thorough cost-benefit analysis More detailed review is necessary before changing the existing CDS system	40	4%
Since it seems to be working, there is no need to change	38	4%
It would create another bureaucratic burden on industry Increase cost of production to the manufacturer. Do not include wine or spirits unless you are going to reduce the wet/excise tax to compensate.	37	4%
Wine bottles should not be included in the scheme. Wine bottles represent only 0.04% of the litter stream and only a small percentage of containers are returned for the deposit.	34	4%
Roll-out nationally would make sense/national consistency required. Interaction of SA system with other interstate systems.	33	4%
Responses related to storing and sorting (in depot as well as homes). Prevent contamination by sorting correctly.	31	3%
Giving consumers options to donate the funds to a charity. Get charity involved.	21	2%
Signage/making labelling more prominent	21	2%
SA has been a leader in this field. Govt. support required/requested.	19	2%
Irresponsibility of people. People actually putting containers in recycle bins.	14	2%
Ensuring fines to retailers, producers and consumers for illegal activities	10	1%
"Nothing"	14	2%

It is clear that two themes stood out from the myriad of others, the first being a desire for additions to the CDS (51% of responses) and the second, devising ways to facilitate a more convenient way of recycling and claiming one's deposit (42%).

"Increasing the number of products accepted."

"More mobile stations, the depot system is what puts people off going there."

The next most frequently mentioned topic (27% of responses) was the practicalities of refunds, e.g. the amounts, the manner in which they're paid and their calculation.

"Increasing the type of containers that attract the 10-cent refund, increasing the capacity or number of depots, investigating different refunding options."

3.1.3 Community feedback received via YourSAy and social media channels

In addition to the survey and emails, etc., feedback was submitted via the government's YourSAy consultation portal and social media channels, i.e. EPA CDS Facebook page and that of the Minister for Environment and Water. Quotes cited in this section have been extracted from comments received from the public through YourSAy and Survey Monkey, some of which were sent in anonymously.

3.1.3.1 Should more types of containers be included in the CDS?

A summary of suggestions for items to be added to the scheme is:

- wine bottles, including sparkling wine
- spirit bottles
- milk cartons and containers, up to 3L
- disposable, plastic-lined coffee cups
- cigarette packets
- soft drink cups from fast food retailers
- plastic (pay per kg), soft plastics
- shampoo and conditioner bottles
- all glass bottles/containers, e.g. jam., sauce, condiment jars
- food tins
- metal containers
- liquid paperboard (LPB) containers
- lids
- containers that do not contain food or daily staples
- flavoured milks, including the large formats
- cream
- non-food essentials
- orange juice cartons and containers, up to 3L
- Tetra Pak containers
- large plastic containers
- takeaway beverage lids, e.g. soft drinks, fruit juice, slushies
- pizza boxes
- cardboard cereal boxes
- plastic produce bags
- straws
- plastic utensils.

3.1.3.2 Containers banned from sale or use in the future

Items which should be phased out of circulation and/or directly banned are:

- anything that can't be recycled and/or composted
- takeaway soft drink containers
- takeaway coffee cups
- mixed materials that cannot be easily recycled
- any packaging not made from recycled materials
- plastic foam sheets.

“... we really need to get strict on manufacture and waste of all disposable packaging.”

“It makes more sense to ban these types of materials, as the industries making these products would quickly make the switch.”

3.1.3.3 Implementation of punitive measures

Punitive measures, like fines, should be employed to address:

- over-packaging, e.g. bananas wrapped in plastic
- littering, dropping rubbish
- charge/penalise the manufacturers directly for the cost of recycling their items/packaging
- penalise supermarkets for harmful packaging
- returning packaging/discarded/used items to manufacturers for recycling/recovery/disposal
- incorrect sorting of waste at household levels – bins should be audited, and people fined for non-compliance to change behaviour.

Cautionary advice was given, as follows:

- If new items are included in the CDS, primary producers should not be penalised for their inclusion.
- Find ways to overcome people's reluctance to wash used dairy product containers for recycling. Currently this aversion results in many containers going to landfill so as to avoid the need to clean them.

3.1.3.4 Exempt items

Milk was the only recommendation received for an item not currently within the CDS that should continue to be excluded.

3.1.3.5 Returns, collections and payments

The majority of this feedback was comprised of suggestions for more, and different, ways to recycle items and/or collect deposit refunds:

- reverse vending machines
- increase in locations to deposit containers (and other items), beyond just CDS items, e.g. magazines, jars, lids, bread tags, ring pulls
- weighing items collected at the kerbside to calculate refunds
- more locations for dropping off plastic, e.g. berry containers.

3.1.3.6 Changes to deposits and refunds

People who did not support an increase in the CDS deposit/refund of 10 cents felt that people should be recycling for reasons other than the refund, e.g.:

- We should be setting examples to younger generations.
- Recycle because it's the right thing to do for the environment.
- Make people responsible for their waste disposal.

"It's sad that some people will only recycle when they get something in return, i.e. the 10-cent refund!"

Those who were in favour of increases to the refunds and/or the range of items upon which deposits should be charged and refunds given, provided the following rationales:

- It is currently not worth the time and effort it takes to claim the refund.
- It would encourage more people to recycle more items, more frequently.
- The money comes in handy for people struggling financially.
- Relative value of what the refund buys has fallen considerably since 1980.
- Increase to 20 cents and charge the additional 10 cents to manufacturers.
- Increase to 20 cents and include all glass containers.
- Increase to 20 cents but communicate this differently to the retail price so that the consumer knows, and is reminded of, the deposit amount separately to the cost of product purchase.

- Increase from 10 cents to 15 cents after five years.
- Add a 5-cent charge on takeaway beverage lids and soft drink bottle caps.

“The time and effort put into storing, cleaning, counting, bagging, delivering to the recyclers... no. I do not think the amount I ultimately ended up with is worth it. So, YES, increase the refund!”

3.1.3.7 Perceptions of the top issues to be considered as part of the review

People were asked to list the top three issues to be considered as part of the review and their responses have been summarised below:

- ensure recycling gets recycled, does not go to waste
- increase education so people recycle more
- increase awareness so people recycle more
- make all councils have green waste collection
- remind people that deposits on containers has actually been in operation for longer than since 1977 – before that there were higher deposits on different containers, e.g. beer bottles, milk bottles, wine bottles and flagons, soft drink bottles, crates
- education surrounding correct use of green waste bins
- reduce plastic rubbish by any means, e.g. tax, CDS, bans, encouragement of recyclable/compostable replacements
- decrease waste-to-landfill
- increase the employment of reusable containers, e.g. coffee cups, through education and awareness-building for both consumers and coffee-retailers; retailers would have to be indemnified against illness etc. caused by customers' containers, e.g. gastro
- reduce manufacturing of new containers, e.g. adding tariffs to plastics, government surcharges on non-recycled items/packaging
- return to simple materials that are easy to recycle, replacing the complex ones now in use
- educate the community so that people understand the problem(s)
- implement electronic refund machines, while safeguarding the revenue to the Scouts, CDS businesses, etc.
- reduce use of plastic at every stage along the product lifecycle/supply chain/delivery chain
- use of rewards/penalties/banning to increase employment of compostables and recyclables
- speed of change/improvement
- implement deposits or taxes on all containers
- audit household waste and implementing punitive measures to change behaviour.
- invest in technology that automatically sorts waste so that nothing ends up in the wrong place
- resolve food waste issues via any means, e.g. converting to energy, compost, fertiliser, refer: Cape Town Waste Transformers

“Deposits encourage proper disposal. Taxes could cover the cost of proper disposal and recycling.”

3.1.4 Community feedback received via formal submissions

In addition to the feedback received via the YourSAy facility, the online survey and social media channels, members of the community also sent written submissions to the government expressing their opinions relating to the scoping paper specifically, and the CDS and waste and environmental management generally. This content has been captured and summarised in the following pages.

These submissions were received from 14 members of the general public, and one representative organisation. A list of all submitters can be found at Appendix D.

3.1.4.1 Objectives of the CDS

1. What should be the objectives of the CDS?

Currently the objects of the CDS are reflected in the Beverage Containers Division of the Environment Protection Act 1993.

Different stakeholders provided different views of the current and future objectives of the scheme and these have been summarised below:

- The reduction of recyclable waste going to landfill
- “Improve the return rate of containers so they are no longer in the litter stream and can be reused and/or recycled.” ^{xv}

2. How well do you think the CDS is currently achieving these objectives?

Positive feedback was received concerning the scheme’s success in reducing litter and increasing recycling outcomes.

The current Scheme was recognised for having facilitated the following positive outcomes:

- South Australian employment
- resource recovery
- reduced pollution
- keeping SA clean
- a planned recycling system
- cash for people and organisations who need it
- fewer items going to landfill
- 77% of containers being recovered annually.

“Many travellers comment favourably on SA, in terms of its relative freedom from bottle, can and carton litter of our roadsides.” ^{xvi}

This question prompted some of these submissions to urge the government to employ the CDS to strive for further improvements to the scheme and its outcomes.

“I think it is going well but there is always room for improvement.” ^{xvii}

“This review is a chance to make changes to improve, if not achieve 100% recovery.” ^{xviii}

3. Are there other aims that the scheme could achieve that should be reflected in the legislation, e.g. resource recovery and recycling?

The other areas in which the Scheme has been effective is the provision of a source of funding for organisations, individuals and in creating employment and activities for people. These many additional outcomes have ongoing, positive repercussions for SA and its citizens.

“Bottle drives bring in hundreds or thousands of dollars to local community organisations each year ... Many people who were short of money, e.g. pensioners or teenagers from low income backgrounds, could earn \$10, \$20, \$30 a week, which made a big difference in their lives.” ^{xix}

Areas suggested for development were:

- the scheme could provide funding to educate and increase awareness of waste management, particularly among school students
- the provision of bin stickers
- decreasing unsorted/comingled household waste by applying the CDS to all/more containers
- improved sorting at council waste collection depots.

3.1.4.2 Opportunities to improve the effectiveness of the South Australian CDS

Your views are sought on what opportunities the review should consider to improve the operation of the CDS. In commenting on what you think could be working better you may have a view on the following components of the scheme:

In considering the opportunities for improving the effectiveness of the scheme, it was mentioned that there were aspects of behaviour of the community and business/industry sectors that were not assisting in achieving the objectives of the CDS, e.g. using the wrong bins in public places, failing to sort correctly, supplying products which were harmful to the environment, etc.

Suggestions to remedy these behaviours have been summarised below:

- educate the public and vendors of the need for effective waste disposal
- cease using/supplying plastic straws
- provide the right bins in public spaces
- people who empty bins should sort rubbish rather than dump directly to landfill
- employ the “War On Waste” program to showcase SA’s leadership
- legislate that containers need to be reusable, recyclable or compostable after (say) 2022.

4. Containers included – should more types of containers be included in the CDS and are there containers currently receiving a 10-cent refund that should be removed from the scheme?

Items put forward for addition to the scheme were:

- all beverage containers
- large milk cartons and containers
- large juice cartons and containers
- items which lead to the production of microplastics
- wine bottles
- composite materials
- takeaway drink and food containers
- all clear PET containers
- dairy product containers
- all containers, whether recyclable or not, e.g. sauce bottles, fruit tins, dog food containers, Vegemite jars, chip wrappers, plastic bags, baked beans
- bottle caps
- spirit bottles
- non-food containers, e.g. laundry and washing detergents, disinfectants.

“We are of the view that this should be vastly expanded to all drink containers, irrespective of type and size, including wine and cordial containers as these form a significant part of the waste stream.” ^{xx}

“If all these containers had a deposit on them, then sorting of this rubbish would occur close to where they are used, and the kerb-side waste stream would dramatically decrease in volume, and/or it would be worth employing people at council waste collection depots to sort them out from other rubbish and claim the refund.” ^{xxi}

It was suggested that the scheme could consider not only deposits on containers but also taxes to help reduce unnecessary packaging and cover the cost of “proper disposal and recycling”. ^{xxii}

In an argument against changes to the CDS, the point was made that business is already tough, without additional challenges from the scheme.

5. Banning of containers – should the scheme ban the sale of beverage containers that present challenges for recycling?

With the emphasis on placing the onus on manufacturers to be responsible for their packaging, there was support for banning/phasing out items which cannot be recycled (or are problematic), including:

- items which contribute to the release of microplastics into the environment
- composite materials
- polystyrene

- items that cannot be either/or recycled, reused or composted.

“Now is the time for hard decisions. I believe that with good public education and engagement with industry, tighter controls would be accepted.” ^{xxiii}

An exception to this might be considered, such as items with no alternative recyclable container (although it was mentioned the onus should be on manufacturers to develop these).

6. Governance arrangements – should the review consider how collection depots and super collectors operate?

There was support for reviewing collection depots, along with opinions stating that there was no need for this.

7. Marking of containers – is there a need to modernise how containers are marked to display the 10-cent refund?

It was recommended that the display on containers is improved, reasoning that the more information, the better.

It was also mentioned that there is no need for a change to markings.

8. Payment of deposit – is there another way that you would like refunds to be paid?

Once again, there were differing viewpoints, with some suggesting that electronic payments would be useful, desirable and quicker, while others saw no reason to alter the existing cash method.

9. Ease of returning containers – how difficult is it to return your containers for a refund? Are current recycling depots adequate in terms of how many there are and where they are?

There were a number of comments relating to the experience of collection depots, some relating to their operations and others to their locations and the process of returning containers.

“The process currently seems very dirty and time consuming and limited in opening hours.” ^{xxiv}

“I have lived in a country town, and in the city, and I have experienced no difficulty with deposits and getting refunds.” ^{xxv}

There was a suggestion to increase the number of neighbourhood-based options for recycling, like reverse vending machines at the point of sale. One overseas traveller shared her experience of vending machines which that for single deposits, returning refunds electronically.

“It opened more opportunities for single cans and bottles to be refunded rather than being dumped into a bin.” ^{xxvi}

Another suggested that people could leave their empties out on bin night for charities to collect. Or that charities could provide local bins for residents to deposit their empties.

“... if local charities had collection bins so I could choose to drop of (sic) my \$100 of empties each year.” ^{xxvii}

We were asked about the best ways of returning containers and whether there was an opportunity to change current practice, i.e.:

- Can cans be crushed to reduce the space they occupy and frequency in which they need to be dropped off at depots?
- What's the best way to capture the items, in a bag, box or shopping bags etc.?
- Is it better to pre-sort or leave it to the depot staff?
- Is there a way to self-serve or speed up the return process, e.g. sort all items into common categories and have them weighed automatically and paid out?

- Is there a special bag for container returns?

“So if I rock up to a recycling depot with CANS ONLY, or green glass only or brown glass only, I can empty it on a weigh table and get a cash amount in 10 seconds instead of someone counting the things making a hell of a racket.” ^{xxviii}

One stakeholder suggested that the recycling depots could be expanded to accept a wider range of pre-sorted items from householders to facilitate cleaner waste streams and reduce the amounts from kerbside collections. Householders could be rewarded for their sorting and transporting to the depots and depots would increase their employment, benefiting many.

11. Compliance – are there opportunities for improvements in the administration and enforcement of the scheme?

It was suggested that enforcement of the scheme should be improved, via:

- council checks on bin contents
- raising awareness of the scheme
- on-the-spot random checks on businesses
- charging a fee to interstate people coming to SA to make money from the scheme, e.g. 10%-20% to be returned to the CDS
- reviewing (and resolving) the differences between the CDS arrangements of different jurisdictions.

12. Monitoring and information – is there sufficient and transparent information in the current scheme for example audit needs?

One stakeholder suggested that there is not enough monitoring or information on the CDS. They also asked the question: “What about language barriers?” ^{xxix}

3.1.4.3 Refund amount

13. Should the refund amount be revised?

There was little feedback on this question.

It was suggested that a review of the deposit amount should be conducted to determine its effect on returns. If increases do stimulate a greater rate of return then higher deposit amounts should be considered, and if not, then other ways will need to be employed to increase recovery.

“This money is not lost to the consumer if they return the goods – it is only on loan.” ^{xxx}

3.1.4.4 Supporting research

14. What research do you think is required to inform the CDS review?

The following areas of research were recommended:

- an investigation into what governments and schools do to inform practice of leading by example
- determining (and communicating) complete numbers of containers produced, numbers returned, and the energy required for both processes to determine the best ecological outcomes.

3.1.4.5 Engagement options

16. How would you like to be part of the CDS review conversation in the future?

Many of these members of the community told us that they would welcome ongoing consultation and suggested different ways of achieving this, as follows:

- open discussion
- forum
- serving on/participating in a review.

3.2 SECTOR STAKEHOLDERS

3.2.1 Sources of feedback from sector stakeholders

Stakeholders were invited to submit their responses to the series of questions included in the scoping paper and displayed below. Submissions were received from a range of organisations, occupying different sectors, and representing a wide variety of viewpoints. These were submitted in numerous forms and have been read and noted and the feedback has been summarised in the following pages.

Questions

In providing your feedback you may like to consider and respond to the following questions on commonly raised issues. These are offered to help generate discussion and are not meant to be a comprehensive list of potential issues and opportunities.

Questions to guide the preparation of submission

Objectives

- 1 What should be the objectives of the container deposit scheme [CDS]?

Currently the objectives of the CDS are reflected in the Beverage Container Division of the *Environment Protection Act 1993*.

- 2 How well do you think the CDS is currently achieving these objectives?
- 3 Are there other aims that the scheme could achieve that should be reflected in the legislation?

Opportunities to improve the effectiveness of the South Australian CDS

Your views are sought on what opportunities the review should consider to improve the operation of the CDS. In commenting on what you think could be working better you may have a view on the following components of the scheme:

- 4 Containers included – should more types of containers be included in the CDS and are there containers currently receiving a 10-cent refund that should be removed from the scheme?
- 5 Banning of containers – should the scheme ban the sale of beverage containers that present challenges for recycling?

- 6 Governance arrangements – should the review consider how collection depots and supercollectors operate?
- 7 Marking of containers – is there a need to modernise how containers are marked to display the 10-cent refund?
- 8 Payment of deposit – is there another way that you would like refunds to be paid?
- 9 Ease of returning containers – how difficult is it to return your containers for a refund? Are current recycling depots adequate in terms of how many there are and where they are?
- 10 Dispute resolution – should the review consider options to improve the process of dispute resolution between industry parties in the scheme?
- 11 Compliance – are there opportunities for improvements in the administration and enforcement of the scheme?
- 12 Monitoring and information – is there sufficient and transparent information in the current scheme, for example audit needs?

Refund amount

- 13 Should the refund amount be revised?

Supporting research

- 14 What research do you think is required to inform the CDS review?

Out of scope

- 15 Are there parts of the scheme that are working really well and you think should not be considered for change as part of the review?

Engagement options

- 16 How would you like to be part of the CDS review conversation in the future?

3.2.2 Sector stakeholders from whom formal submissions were received

The stakeholders who formally engaged with this consultation are listed below:

CDS operators

Submissions were received from the following seven organisations:

- Marine Stores Pty Ltd
- Pirie Bottle & Scrap Metal
- Penola Recyclables
- Recyclers SA
- Statewide Recycling
- TOMRA Collection Pty Ltd
- anonymous submission.

Beverage production/sales stakeholders

Submissions were received from the following 17 organisations:

- Australian Food & Grocery Council
- Australian Hotels Association (SA)
- Bickford's Group
- Campbell Arnott's
- Cider Australia
- Coca-Cola Amatil
- Empire Liquor Pty Ltd
- Food SA
- Hurley Hotel Group
- Lion
- LOBO Juice and Cider Pty Ltd
- National Retail Association
- Retail Drinks Australia
- Tru Blu Beverages
- Woolworths Group
- Yakult Australia Pty Ltd
- anonymous submission.

Wine industry

Submissions were received from the following 29 organisations:

- Accolade Wines
- Adelaide Hills Wine Region Association
- Angove Family Winemakers
- Australian Grape & Wine
- Balnaves of Coonawarra
- Brothers at War
- D'Arenberg Winery
- Hahndorf Hill Winery
- Heathvale Wines
- Elderton Wines
- LiebichWein
- Majella Wines
- McLaren Vale Grape Wine & Tourism Association
- Mitchell Wines
- Pernod Ricard Winemakers
- Pikes Wines and Pikes Beer Company
- Pindarie
- Poonawatta
- Rusden Wines
- Schild Estate
- Shaw and Smith
- SA Wine Industry Association Incorporated
- Stone Bridge Wines
- Taylors Wines
- The Grapes of Ross Pty Ltd
- Treasury Wine Estate
- Wicks Estate
- Yalumba
- Zonte's Footstep Pty Ltd.

Industry organisations

Submissions were received from the following 15 organisations:

- Adelaide Hills Region Waste Management Authority (AHRWMA)
- Australian Beverages Council
- Australian Council of Recycling (ACOR) and Reloop Pacific
- Business SA
- Eastern Waste Management Authority (EastWaste)
- Ernst & Young
- Jeffries Group
- National Waste and Recycling Industry Council (NWRIC)
- Northern Adelaide Waste Management Authority (NAWMA)
- Peats Group Ltd.
- Rawtec
- Re.Group
- Spirits & Cocktails Australia
- Waste Management & Resource Recovery Association Australia (WMRR)
- Waste & Recycling Industry Association of SA (WRISA).

Environment and community groups

Submissions were received from the following 3 organisations:

- Boomerang Alliance
- Friends of Willunga Basin Inc.
- KESAB Environmental Solutions.

Government

Submissions were received from the following 12 local government organisations and Members of Parliament and the Legislative Council:

- Carolyn Power MP
- City of Adelaide
- City of Burnside Administration
- City of Holdfast Bay
- City of Mitcham Administration
- City of Port Adelaide Enfield
- City of Prospect
- City of West Torrens
- Leon Bignell MP
- Local Government Association
- Mark Parnell MLC
- The Barossa Council.

3.2.3 Production and sales stakeholders

Submissions were received from the following 17 organisations:

- Australian Food & Grocery Council
- Australian Hotels Association (SA)
- Bickford's Group
- Campbell Arnott's
- Cider Australia
- Coca-Cola Amatil
- Empire Liquor Pty Ltd

- Food SA
- Hurley Hotel Group
- Lion
- LOBO Juice and Cider Pty Ltd
- National Retail Association
- Retail Drinks Australia
- Tru Blu Beverages
- Woolworths Group
- Yakult Australia Pty Ltd
- anonymous submission.

3.2.3.1 Objectives of the CDS

1. What should be the objectives of the CDS?

There were stakeholders who felt that the scheme's objectives had changed or may need to in the near future. Submissions mentioned the following objectives for the CDS:

- reduce litter, including but not limited to, beverage containers
- reduce waste to landfill but not limited to, beverage containers
- high container collection rates
- high recycling rates, increasing wherever possible
- increase resource recovery rates
- promote accessibility and convenience for members of the public to participate in the CDS
- provide motivation and an incentive for consumers and businesses to return waste to recyclers
- reduce the gap between containers collected and containers recycled
- increase the supply of recycled materials for re-manufacturing, to stimulate a circular economy
- increase the recovery of clean products, improving the quality of recycle, via materials separation and national MRF product specifications
- provide a harmonised approach to CDSs across Australia
- to be operated and administered efficiently, reducing repetition and overhead costs and the scheme's cost impost upon the community
- to serving customers, retailers and manufacturers
- ensure that beverage suppliers met their producer responsibility obligations in respect to beverage containers supplied
- provide opportunities for social enterprise organisations and community groups to participate in, and benefit from the CDS
- to create opportunities for employment
- to deliver high scheme integrity and a CDS that is free from fraud
- to achieve alignment with interstate schemes.

"Most recently, and not inappropriately, attention has moved beyond issues of simply litter to those of resource management, waste reduction and recycling." ^{xxxi}

There were others who were of the opinion that objectives of the CDS should remain as they were.

*"We note that the objective of the CDS as reflected in the *Environment Protection Act 1993* is for a 'litter control and waste management system for beverage containers'. This remains the objective of the scheme and does not need to change."* ^{xxxii}

2. How well do you think the CDS is currently achieving these objectives?

Most of the submissions received from this sector of stakeholders agreed that the scheme is working well to reduce litter and increase resource recovery and recycling in SA. The scheme's longevity in SA was cited as additional testament to its success.

“The CDS is part of the culture of the SA community and is a very successful scheme.” xxxiii

“I like the SA scheme, it has been going for a long time, the admin is relatively simple, the effect is obvious if you travel rural roads near the SA boundaries.” xxxiv

“... the CDS beverage return rate has averaged 79% for the last ten years, a result that is among the highest in the developed world.” xxxv

There were some additional points made on this topic. Firstly, that the CDS is not the only mechanism for resource recovery in SA and others (e.g. household kerbside collections) also contribute to SA's waste management successes, and that these should also be considered when SA is developing waste management and recovery policy.

Another point mentioned was that, while the scheme is successful in meeting its original objectives, it has not been successful in reducing the costs and impacts on the organisations and individuals involved with it.

The scheme is not currently the same as other states' schemes and this is an area to be considered as a new objective requiring development.

“... maintaining consistency between the states and territories is paramount to the success of any such scheme. We understand that the SA Government is reviewing the current scheme and possibly adopting processes which align with other states and reduce the duplication that may occur.” xxxvi

3. Are there other aims that the scheme could achieve that should be reflected in the legislation, e.g. resource recovery and recycling?

There was no clear preference for addressing the aforementioned future objectives of the CDS by legislation or via other pathways, e.g. consumer education, investment in infrastructure etc.

There were multiple requests to address the scheme's costs and impacts upon those involved with it, e.g. manufacturers, retailers, collectors, consumers, etc.

“This objective should articulate need to have explicit regard to the potential cost impact on consumers, and the impact on companies in the beverage supply chain, in the design and operation of the CDS.” xxxvii

One manufacturer suggested that the scheme could be expanded to include the waste generated from fast food consumption.

“... fast food packaging seems to be a roadside regular these days. Should this warrant a CDS type scheme?” xxxviii

While there were a number of new aims and approaches suggested and discussed during this consultation, there were others who specifically requested that the scheme and/or the legislation supporting it does not alter in any way.

3.2.3.2 Opportunities to improve the effectiveness of the South Australian CDS

Your views are sought on what opportunities the review should consider to improve the operation of the CDS. In commenting on what you think could be working better you may have a view on the following components of the scheme:

Recognising that the scheme is driven by legislation; it was mentioned that there were other ways to generate positive waste-minimisation and resource-recovery results in all sectors of the state. These suggestions have been summarised below.

To implement increased/improved waste education and awareness directed at consumers, an integrated communications strategy could be implemented, possibly involving the development of a 'scheme brand' to renew public pride and participation in the CDS.

“The CDS has helped to instil positive behavioural change when it comes to litter and this, plus consumer awareness and increased environmental consciousness had led to increased recycling and the waste reduction.” xxxix

“Marketing and community education to promote the environmental benefits of the scheme and to promote participation.” xli

Improved household kerbside collection activities, in particular the types of kerbside bins (e.g. glass bin), along with post-collection sorting and transportation to the next step along the waste journey.

Implementing a new IT system which offers container tracking, improved reporting and a clearer audit trail.

“This might include the introduction of single customer scheme account system to streamline how customers interact with the scheme and the introduction of an integrated IT system to manage and ‘track’ containers as they move through the scheme.” xlii

Adopting a collaborative approach and working with other schemes to share and leverage databases and practices, e.g. common product registration system, manufacturer database, implementation of an MRF protocol, export protocol, first supplier definitions, recovery measurement and refund processing.

Securing the container's journey was another suggestion received from a beverage manufacturer. This recommendation was for increased government investment into onshore recycling infrastructure to support the long-term success of the CDS.

4. Containers included – should more types of containers be included in the CDS and are there containers currently receiving a 10-cent refund that should be removed from the scheme?

Most of this feedback did not support any change to the containers included in the scheme, or an expansion of the scheme, with the most frequently mentioned example of including large (750mL) glass bottles (wine bottles). The rationale behind many of these objections to additional inclusions has been summarised below:

- increase in costs to SA hotels and bottle shops, e.g. administrative, business, 'red tape'
- increase in costs to wine and beverage producers, e.g. administrative, business, direct costs to packaging and marketing, registration fees, cash-flow security, refund management, export costs
- increase cost to industry will increase pressure on sustainability, e.g. unrecoverable costs
- reduced ability to be competitive
- no need to change the current CDS because it is “hugely successful” in reducing the types of litter it covers
- wine bottles are recognised as not highly prevalent in the litter stream, with low impact on waste, therefore are not relevant to the aims of the scheme
- there is no evidence to suggest that wine bottles are not currently recycled
- consumption of wine and spirits largely occurs on-premises or in homes and are less likely to become litter
- wines and spirits can have a long shelf life and the cost of re-labelling and undertaking CDL remissions and other administrative activities will (probably) be undertaken by retailers and distributors, creating unaffordable expenses
- wine/spirits in bottles are not single-serve beverages
- the arguments for excluding these have not changed since they were first considered (and excluded) at the scheme's inception
- there is no environmental case for broadening its scope
- the focus on smaller, on-the-go/out-of-home beverage containers is appropriate and fits the scheme's objectives
- including additional formats, e.g. 2 and 3L containers, will increase costs to consumers
- expanding the Scheme will increase its costs (possibly, to be passed on to others)
- altering SA's CDS, and making it different to those of other jurisdictions, will increase opportunities for cross-border arbitrage

- any changes which will render SA's CDS different from those operating in different jurisdictions will increase costs of administration and compliance
- the scheme is known for its integrity, and alterations may change this
- The scheme currently includes the containers which "materially contribute to the litter stream in SA".^{xlii}

"Further, there would appear to be no demonstrable need to introduce these, or any changes, to the current CDS which the Minister for Environment and Water himself states, 'continues to be a highly successful environment program aimed at litter reduction and resource recovery.'"^{xliii}

"In 2017-18, the return and rate for Glass beverage containers was 86. Approximately 34,487 tonnes of glass beverage containers were sent for recycling."^{xliv}

"By implementing significant changes to the SA CDS independently of any other jurisdiction, both small and large SA businesses will be adversely affected."^{xlv}

However, one stakeholder did advocate for the inclusion of wine and spirit bottles, with the rationale that this would support the Scheme's focus upon resource recovery and the value of recycled glass, rather than (or in addition to) litter reduction.

There were a few recommendations that eligible containers should be extended to include:

- 2L and 3L milk containers
- 3L+ juice containers.

There were requests and recommendations to remove containers of less than 150mL from the scheme, due to:

- their "*low contribution to the litter stream*"^{xlvi}
- alignment with the models of other jurisdictions, which have exempted them
- the high impact of the addition of the deposit on the containers' retail price, i.e. demand reduction, sales decrease
- the disproportionate cost impacts on the CDS on small containers
- the proportion of sales/operating costs expended on the CDL, which is high for companies producing beverages in small containers.

"We propose that all 150ml containers should be exempted from the current SA CDS."^{xlvii}

"We understand that there may be a willingness to add additional containers to the SA scheme, however this discussion needs to be done at a national level, but all states have a mature scheme in place ... the most immediate priority should be establishing consistency across restrictions, instead of creating more differences."^{xlviii}

"We believe that the scope of containers included within the CDS should be consistent with that of the other schemes operating across Australia to avoid customer confusion and to facilitate the introduction of a national common refund marking (e.g. containers less than 150ml should be removed from the CDS)."^{xlix}

"Containers less than 150ml do not appear in the litter stream in large number, if at all."^l

There was also a request to leave 3L containers out of the SA scheme.

5. Banning of containers – should the scheme ban the sale of beverage containers that present challenges for recycling?

There were mixed opinions on this point, with some supporting a change/ban and others arguing against it.

One way of implementing a ban would be to ensure that recyclability is proven at the point of product registration.

“During product registration, beverage suppliers should be required to demonstrate recyclability before the container approval is granted by Government to track containers going to landfill and measuring weather (sic) industry is phasing out problematic materials.”^{li}

An objection to the banning of the sale of beverage containers which currently provide challenges to recycling was made on the basis that it would be unfair to beverage businesses because it will:

- restrict ability to launch new products and containers
- create unnecessary challenges and restrictions on sales and marketing activities
- increase costs product launch
- increase administration and compliance costs.

It was recommended that these “impacts and imposts” are considered when reviewing proposed restrictions on manufacturers.

It was also recommended that if there are to be any future bans, they should occur at a national level and not before having received the benefit of extensive industry consultation.

It was suggested that further examination of the advancements in recycling technology should be undertaken before embarking down the path of banning containers (and other products) on the basis of their challenges to recovery.

“Please define challenges for recycling?”^{lii}

6. Governance arrangements – should the review consider how collection depots and super collectors operate?

A review of the current scheme’s governance was mentioned and supported by some of these stakeholders. One suggested that this could be made with the view to consider the adoption of the QLD model.

“... a review of the existing governance arrangements with a view to identifying opportunities to improve the efficient operation of the scheme and the achievement of the scheme objectives.”^{liii}

One suggested area for review is that of the ‘chain of custody of containers’ and it was suggested that SA could investigate costs and benefits of using technological tracking solutions (e.g. via barcodes) to develop accurate payment systems through the chain of custody. This would be an improvement on the current system of payment-by-weight, which was criticised for being burdensome and subject to potential inaccuracy and fraud.

“EPA SA should consider if there are potential benefits to introducing scheme changes that require tracking of containers through chain of custody reporting.”^{liv}

Another area for review was a request to publish the refund amount and administration fees of the scheme.

One stakeholder suggested that collectors should be selected via tender and that their annual reports should be available for public viewing, by request (if not already).

Concern was expressed over the duality of the roles of owners of super collectors in SA. This was described as being a conflict of interest and/or a risk to competition within the current SA CDS super collector arrangement and that it may lead to charging of different rates to beverage manufacturers.

“... concerned that the rates per container being charged in SA may not be the same for each and every beverage manufacturer in SA.”^{lv}

Management of the rates per container was also highlighted for further review, owing to the information that SA’s rates are higher than those charged in NSW and QLD.

There was a request for the conduct of an external audit of collectors' operations to maintain scheme quality and provide transparent evidence of good governance, data and reporting verification and proof of recycling and other processing activities.

"The problem with the reliability of the data is that it is largely based on estimates... less than 0.11% of bales returned to the super collector are potentially ever checked. It appears that the return rates and processing fees for all HDPE beverage containers sold in SA are based on figures extrapolated from less than 0.11% of the bales returned." ^{lvi}

7. Marking of containers – is there a need to modernise how containers are marked to display the 10-cent refund?

There was support for the implementation of common refund marking across all jurisdictions with the caution that manufacturers' costs increase with additional container marking requirements.

"Further revisions or modernisation of the refund marking should only be considered where they will result in a tangible improvement, as any changes to beverage product labelling represent a significant complexity and costs to beverage suppliers, which may ultimately be passed through to the community." ^{lvii}

If common marking is not achieved, we were told that consumers will, or may, become confused and suffer from reduced choice, because some manufacturers may decide to not stock their product in SA, for cost reasons.

"Changes to the refund mark at this stage (that is before all jurisdictions have adopted the current mark) would create extremely high costs to industry in terms of labelling, production and administration and would ultimately impact costs to consumers." ^{lviii}

"Align with other states." ^{lix}

"Many of our producers will not create special labelling for a small market such as ours and the burden of re-labelling these wines will fall on small businesses such as ours, placing further pressure on an already reducing margin." ^{lx}

In addition, if changes do occur, the expensive task of re-labelling existing stock will need to be undertaken by someone, most probably distributors and/or retailers, which will increase costs.

"Will the administrative burden fall on the retailer to re-label back vintage wines and remit the CDL?" ^{lxi}

The introduction of a way of tracking containers via a barcode, or a similar IT-based tool, would impact container marking along with consequences for the broader consideration of the process.

One producer asked if the inconsistencies in marking could be reduced by improved monitoring and/or education.

"I often see labels with <3mm for the 10 of 10-cents, likewise I still see products that should be captured by the system that do not display a '10c', is this awareness or is this enforcement?" ^{lxii}

8. Payment of deposit – is there another way that you would like refunds to be paid?

We were told that one of the benefits of using a reverse vending machine is the ability to provide electronic payments, in a number of ways, to consumers (or their nominated recipient, e.g. charity).

It was recommended that alternative, non-cash refund payments should be investigated to reduce the cash-handling costs.

"We recommend that the costs associated with cash be minimised, and urge the government to allow the refunds to be given as direct deposit, vouchers or at the discretion of the refund point operator." ^{lxiii}

9. Ease of returning containers – how difficult is it to return your containers for a refund? Are current recycling depots adequate in terms of how many there are and where they are?

There were mixed opinions about the types and locations of expanded collection options in SA. Those who were in favour of a more flexible approach suggested the following ways of improving convenience:

- bag drops
- reverse vending machines (RVMs)
- mobile collection depots
- improvements to household/kerbside collections
- extending the hours and locations of collection depots.

There was a suggestion that an investigation into depot opening hours is undertaken, with the view to extending them to cater for the needs of working families and to increase the success rate of the scheme, without impacting industry.

In NSW containers can be returned via reverse vending machines (RVMs) and their introduction and installation were recommended in areas of high population densities, where it is difficult to establish collection depots.

“RVMs can provide community members with alternate non-cash payment methods, such as retail vouchers and charity donations, which appear to be well received in New South Wales.” ^{lxiv}

It would be problematic if the CDS contained a mandatory requirement for retailers to provide 'refund point facilities', e.g. reverse vending machines. It was preferred that this becomes an option, not the subject of legislation, and the decision left to retailers and property managers on a case-by-case basis.

We received a recommendation that the scheme should enable more collection channels and organisations, investigate the locations and density of refund access points and develop guidelines for 'reasonable access'. This could draw on data and experiences from the newer schemes and their consumers' behaviour.

“... we strongly support delivery models which facilitate participation of a wide variety of collection depot operators - as opposed to models which encourage collection depot operator monopolies that impede competition and result in higher costs to the community.” ^{lxv}

One stakeholder mentioned that contamination issues may have arisen through broken glass occurring between bin and collection truck. This, it was argued, is an issue for review of waste/recycling collection methods and not one which should influence the design of the scheme itself.

In the decades since the CDS has been operating in SA, a number of these stakeholders have developed ways and means of collecting, sorting and depositing their waste in the appropriate ways (not limited to the CDS items). Some of these engage with community groups to assist fundraising, others take pride in different ways, for their commitment to environmental sustainability and resource recovery.

11. Compliance – are there opportunities for improvements in the administration and enforcement of the scheme?

There was frequent mention of the need for a national scheme that 'harmonises' all CDSs in Australia. A summary of the rationales behind this request is as follows:

- high cost of compliance with multiple schemes/regimes in different states
- central operations will provide efficiencies for all parties
- cost savings can be invested into Scheme developments, resulting in improved integrity and performance
- the repetition of registration/reporting tasks is onerous and expensive

- reduce consumer confusion across borders
- reduce governance and administrative ('red tape') costs of schemes across borders
- standardised product labelling
- standardised, national consumer education campaigns and materials, "so there will be no confusion about what rules apply in SA" ^{lxvi}
- other jurisdictions, implementing their schemes after SA's, have made efforts to provide consistency with SA's CDS and those of other jurisdictions, e.g. ACT, QLD
- the "current patchwork of CDS schemes" is already difficult and confusing, without adding to this misalignment
- standardised container tracking, audits and reporting
- different rates per container among different jurisdictions

"... by far the most critical issue for our business with respect to the CDS scheme is the need for a truly harmonized national scheme." ^{lxvii}

"We would support the introduction of an interstate working group tasked to bring the schemes closer together in an operational sense, particularly as CDS schemes are rolled out across more and more states. Issues that could be harmonised across jurisdictions include the refund mark, register of approved containers, eligible containers, included materials, and export protocols." ^{lxviii}

"We believe this would lead to improved environmental outcomes, less scope for unintended consequences, maximum scheme efficiency, effective governance and the lowest possible costs passed through the supply chain and ultimately being borne by consumers." ^{lxix}

Similar suggestions were made on the topic of product registration, as follows:

- develop a national system of product registration, accessible by each state's super collector, and provide national manufacturers with a single source of registrations, addenda and approvals; this would also incur a single charge and save time
- develop a national sales reporting system, where container numbers could be registered and accessed via a single portal
- current high cost of product registration discourages the manufacture of "small batches of interesting ciders" ^{lxx}
- NSW, ACT and QLD currently share a registration database, but SA does not access this. The chance of missing SA is therefore higher
- the registration system is difficult and confusing for 'first timers', requiring simplification
- decrease the manufacturer's fee of 16.6 cents per container for the 10-cent deposit to reduce costs to manufacturers. It is suggested that savings could be made on the scheme's administration to enable this reduction
- compliance would be easier to manage if inconsistencies were to be identified and resolved.

"There are inconsistencies across allowable containers regardless of whether they are glass, paper, plastic or other materials and the justification for this is unclear." ^{lxxi}

"Inconsistencies reduce competition in the market and lead to an uneven playing field for smaller producers. The relative costs of administering all of the various schemes are far greater for producers with smaller volumes than for multi-national producers with large volumes and dedicated regulator and administrative staff." ^{lxxii}

The conduct of random spot checks at collector stations was suggested to increase public confidence in SA's CDS.

There was support for increased financial transparency within the scheme, e.g.:

- CDS costs to be readily available to all stakeholders
- a verified method of determining the handling fee
- transparency of recovery percentages.

"Why do we pay a fee on bottles that have not been recycled?" ^{lxxiii}

There was mention of the opportunity to develop and learn from compliance issues, by following-up and determining the cause of non-compliance and working to reduce these.

12. Monitoring and information – is there sufficient and transparent information in the current scheme for example audit needs?

The suggestion for investigation into a technological (e.g. barcoded system) solution into tracking the chain of custody of containers as they move through the process highlights a need for the provision of more accurate information.

Review of the NSW scheme was recommended to provide information on their:

- MRF Protocol
- quarterly reconciliation, and other means of providing transparency
- export protocol
- container tracking
- 'first supplier' definition.

There were stakeholders who suggested that there was a need for improvement in the current system and requested greater transparency of operations and the information provided to industry and the public.

There was also a request to report and publish recycling rates. This was also to be extended to the measurement of materials not recycled, the reasons for this loss to the system and their final destination. The provision of this type of information, it was thought, could be employed to further develop both the scheme and manufacturers' product innovation activities.

"For the public, what percentage of collected containers are truly recycled annually?" ^{lxiv}

3.2.3.3 Refund amount

13. Should the refund amount be revised?

The majority of these stakeholders felt the refund amount of 10 cents was sufficient to achieve the scheme's objectives and did not support a change, citing the high existing return rate.

"Feedback from our members indicates the refund amount is adequate at 10 cents as is evidenced by the 80% success rate." ^{lxv}

Stakeholders who did not support an increase to the refund amount gave the following reasons:

- There would be increased costs to business, including beverage producers and retailers – the wine industry estimates an additional \$4.5m in direct costs to producers, which does not take into account administrative time/tasks (e.g. reporting, financial tasks), repackaging (e.g. label re-design, printing, loss of packaging stock), label compliance/approvals registration (e.g. \$295.50/label or \$2,147.30 for 20+ labels).
- It would disadvantage hotels and bottle shops by increasing the retail cost of goods, i.e. \$2.40 increase in wholesale price of a carton of 24 beers (+GST).
- It would increase the advantage of 'big box' liquor retailers over smaller operators, due to their financial capacity to absorb the increases in wholesale pricing created by increases in container deposit amounts.
- There will be an increase in price differential between states, particularly between SA and Victoria (currently without a CDS).
- If not undertaken nationally, the increased price in SA will encourage over-the-border and online liquor purchasing, causing a loss of sales in SA.
- If higher container deposits (say 20 cents) are not made/paid interstate, then there is an increased risk of loss to the Scheme when these are returned for refund in SA, i.e. consumer pays a 10-cent deposit interstate and returns containers for 20-cent refund in SA.

- It will have a particular effect on retailers located near borders, e.g. Mt Gambier, which may experience a \$4.80/carton beer price differential (+GST) vs a Victorian retailer.
- SA retailers may choose to purchase their wholesale products in Victoria and/or other jurisdictions with no, or lower, CDS deposits thus minimising their retail pricing, and in turn, this may disrupt the scheme and reduce its effectiveness.
- The administrative and practical costs and activities required to cope with an inconsistent scheme across Australia – currently, the states in which a scheme operates (all bar Victoria) are based on a 10-cent refund, and an increase in SA only to 20 cents will further complicate matters and incur higher packaging/labelling costs for manufacturers.
- It will impact consumers, with an unduly high cost of products which will be wholly or partially passed onto them
- It will harm all manner of businesses and create/cause an unsustainable sector
- There is no proof that an increase in refund will result in a significant increase in recycling, environmental outcomes etc.
- There would be increases in cost/time to change labelling, pricing, scheme administration costs and a loss of productivity etc.
- It will create consumer confusion
- An increase in any refund amount will increase retail price and in turn, affect beverage demand (negatively) as exemplified by the volume decline of 3.4% in NSW in 2018 (vs 0.4% in other states).

“The current 10-cent refund is a motivator for some people to return the containers for refund and not for others. The same could be said of an increase to 20 cents and or the inclusion of wine bottles both of which measures would come at significant cost to SA businesses and producers.” ^{lxxvi}

“It is true that when the refund rate was doubled in 2008-09, there was an immediate 5.9% increase in the collection rate. Increasing or even doubling the refund rate again is unlikely to have the same result, as higher rates are likely to see diminishing returns in terms of higher collection rates.” ^{lxxvii}

“With millions of customers shopping across SA every week, any increase in the deposit scheme will have a cost of living impact on customers. This is why it is important that the costs of potential changes to the CDS, including any administrative costs and handling fees, are kept to a minimum to mitigate the impact on household budgets.” ^{lxxviii}

It was suggested that all other options for increasing collections/reducing landfill etc. are explored before resorting to refunds-as-incentives, e.g. consumer awareness and education, convenience for returns.

3.2.3.3 Supporting research

14. What research do you think is required to inform the CDS review?

Many sources were provided, referred to and/or recommended in support of these submissions, i.e.

- EPA SA statistics on beverage container return rates in SA 2005-2018
- KESAB, CDL Containers and Plastic Shopping Bags in the Litter Stream, September 2018
- papers reviewed/referred to in other jurisdictions presenting information relating to CDS
- quotes and papers provided by SA Ministers, relevant sector opinion leaders and government leaders
- magazine/journal articles
- Food SA's 'State of the South Australian Food Industry Report 2016'
- EPA (SA) 'Improving South Australia's recycling makes sense' (2018)
- Envisage Works' National Recycling and Recovery Survey (Plastic Packaging)
- EPA correspondence
- CDS reporting
- company sales, financials and waste management data

- data from other jurisdictions' CDSs.

Further conduct and/or review of the following research was suggested:

- determine cost/benefit analyses of changing refund amounts, and modelling the effect of an increase in refund amount and return rates
- determine cost/benefit analyses of implementing a technological solution to chain of custody tracking, e.g. barcodes
- assess governance protocols of others states and territories' schemes after one to two years, and adopt any best practices
- review the NSW scheme's MRF Protocol
- review the NSW scheme's quarterly reconciliation and other ways in which to increase transparency
- review KESAB Litter Reports
- determine impacts of CDS on litter and recycling rates in other jurisdictions
- compare the cost of operating CDS in each state and territory, review cost-per-item of litter reduction and cost-per-item of increased recycling, measure ROI and adopt best practices
- gather evidence to demonstrate that expanding the scope of the CDS to include additional beverage containers would reduce the litter stream in SA
- examine alternative policies aimed at increasing the recycling rates of glass containers
- the risk and effects of arbitrage practices, across borders as a result of inconsistent CDS's in different jurisdictions
- assess different methods of refund payment and consumers' appetite for these
- determine the locations and density of refund access points
- audit SA's recycling capacities and capabilities, with recommendations
- conduct a survey to understand community awareness and perceptions around the CDS, to inform discussions around scheme branding, marketing and community education
- conduct a study of community willingness to pay to inform any consideration of potential revisions to the refund amount
- determine the percentage of containers going to super collectors or collection depots
- determine how containers are being recycled/used
- carry out further research on the containers that are suitable and not suitable for recycling
- problems with the CDS limitations, e.g. which containers are currently not suitable for collection depots
- determine how much of what is collected is being recycled.

3.2.3.4 Out of scope

15. Are there parts of the scheme that are working really well and you think should not be considered for change as part of the review?

Many of these stakeholders were of the opinion (and provided evidence to this fact) that the scheme is currently working well and changing it would be counterproductive to achieving the scheme's objectives of litter reduction.

"... I have to question why we need to change a system that currently works very well. There is no evidence that it will reduce litter or have any favourable impact on the environment, and no mention has been made of non-beverage containers." ^{lxix}

There was also mention of the community alliances that have become established as a result of the CDS in SA, for instance: the cooperative collection-related relationships between hotels and their local Scout Groups and other fundraisers, and the positive effect these have on local communities.

Another was of the opinion that the scheme's success was due to the fact that it is a producer-led scheme and proposed that this model continues.

It was also suggested that the refund amount is excluded from the scope of the review, because:

- It will put SA out of step with other jurisdictions, risking cross-border arbitrage.

- It will increase scheme costs (to all) and add to consumers' cost of living burden.
- It will have diminishing impacts on SA collection rates.
- There is no evidence of a net benefit.

The 100% charge to manufacturers received approval from one of them because it is easier to calculate and manage, administratively. However, the downside was recognised as being the chance that the manufacturer will pay more than is collected. The question was asked if there will be any opportunity for a refund of this amount in the future.

3.2.3.5 Engagement options

16. How would you like to be part of the CDS review conversation in the future?

All those responding to this invitation indicated their willingness for further participation in the process of stakeholders' consultation. Different stakeholders mentioned different ways in which they would prefer to be involved in future consultations, e.g.:

- talk
- discuss
- involvement in a working group
- engage through industry peak body, e.g. Australian Beverage Council
- email
- online call
- call and set up a personal meeting.

"We support a thorough review of the scheme via broad engagement." ^{lxxx}

"Strong collaboration and consultation with a broad range of industry stakeholders should be a key objective of SA policymakers..." ^{lxxxi}

3.2.4 CDS operators

Submissions were received from 7 CDS operator organisations.

3.2.4.1 Objectives of the CDS

1. What should be the objectives of the CDS?

Currently the objects of the CDS are reflected in the *Beverage Containers Division of the Environment Protection Act 1993*.

It was recognised that today's CDS has a number of objectives, some beyond those which were originally set out for it 40 years ago.

"The CDS has become far more than a litter reduction programme; it is a prime means to increase both the quantity and quality of recycling." ^{lxxxii}

One stakeholder outlined a comprehensive list of their view of the scheme's objectives, as follows:

- reduce the number of beverage containers littered or dispose of to landfill
- increase the recycling and recovery rates of beverage containers
- promote accessibility and convenience for members of the public to participate in the CDS
- promote the efficient operation and administration of the scheme to minimise the cost impost of the CDS on the community
- ensure that beverage suppliers meet their producer responsibility obligations in respect to beverage containers supplied
- provide opportunities for social enterprise organisations and community groups to participate in and benefit from the CDS
- create opportunities for employment

- deliver high scheme integrity and a CDS that is free from fraud, and
- achieve alignment with the schemes operating in other Australian states and territories, where consistent with the above objectives. ^{lxxxiii}

2. How well do you think the CDS is currently achieving these objectives?

There was confidence in the CDS and the CDL, although it was generally thought that it was time for a review of the opportunities for improvement.

“... the system does work and has been in operation for 40 years.” ^{lxxxiv}

“The CDS is achieving its current litter reduction objectives and (expanded) objective of collecting clean material streams suitable for closed loop recycling applications reasonably well.” ^{lxxxv}

“Our view is that the SA CDS is generally working well and requires only minimal changes so as to maintain an effective and cost efficient scheme.” ^{lxxxvi}

Evidence for this conclusion is summarised below:

- positive recovery rates and quality of material particularly when compared to other jurisdictions and internationally
- positive environmental outcomes, including litter reduction and recycling activities
- resource recovery performance
- the sustainability and longevity of the scheme.

3. Are there other aims that the scheme could achieve that should be reflected in the legislation, e.g. resource recovery and recycling?

In adopting the aim of creating a nationally consistent CDS, the current scheme could be altered in ways to provide “improved environmental outcomes, more effective governance, a more efficient scheme, less regulatory burden for industry and the lowest costs possible being borne by consumers”. ^{lxxxvii}

There were suggestions for increasing the scope of the Act and the objectives of the scheme to encompass the development of a circular economy. This would aim to achieve the gradual replacement of virgin commodities and encourage local employment and industry development.

“As such they should include not just the recycling of containers, but how they are recycled - i.e. promoting closed loop recycling that minimises deterioration in material quality.” ^{lxxxviii}

A greater focus on resource recovery was supported as part of a review of the Act's objectives by these members of the recycling industry.

It was also suggested that the existing CDS framework and infrastructure could be used to extend to different products and items which are causing problems in the waste stream, such as batteries.

A list of suggestions to “improve or modernise the scheme” was submitted by one stakeholder and has been summarised below:

- implementation of modern IT systems
- flexibility in collection depot types
- introduction of a scheme brand
- marketing and community education
- leveraging database and practices from other jurisdictions
- implementation of learnings from other jurisdictions
- increasing returns of bottle caps (separated from containers).

One suggestion was for the government to consider investment into onshore recycling infrastructure to support the long-term success of the CDS, to facilitate achievement of its objectives and to stimulate local employment.

“Consider implementing a recycling plant in each region for non-deposit products. The public are eager to recycle but also eager to see product that has been made from recycled products. It would be enticing for basic product to be made and sold, such as garden edging, outdoor furniture.” ^{lxviii}

A super collector described the difficulties they are experiencing in finding purchasers for liquid paper board (LPB), coloured PET and polystyrene plastics which may lead to landfill disposal. This is a separate-but-connected issue relating to the future success of the CDS and its objectives.

3.2.4.2 Opportunities to improve the effectiveness of the South Australian CDS

Your views are sought on what opportunities the review should consider to improve the operation of the CDS. In commenting on what you think could be working better you may have a view on the following components of the scheme:

4. Containers included – should more types of containers be included in the CDS and are there containers currently receiving a 10-cent refund that should be removed from the scheme?

This consultation has revealed a spectrum of opinions on this matter; ranging from those who find the current inclusions completely appropriate through to those advocating for widespread changes to the list of inclusions and exclusions to the CDS.

There was one letter mentioning support to increase the items included in the CDS to encompass “all drink containers, regardless of size or type”. ^{xc}

“... a percentage of these containers end up in landfill as well as contributing to the litter problem. A refund on these non-deposit containers would decrease this problem.” ^{xc}

This consultation has been seen as an opportunity to review the items included in the scheme and considering that much has changed since 2008 when last varied. Recommended areas for review and updating were:

- standard approach to containers’ sizes, formats
- inclusion of glass wine and spirit bottles and other glass containers suitable for recycling
- include juice containers
- include milk containers
- national consistency in CDS inclusions/exclusions and definitions
- exclusion of containers holding less than 150ml
- define inclusions among tins, where inclusion rules change according to size.

“Overall there are clear advantages in diverting glass away from the kerbside stream and into the CDS, where can be collected and recycled in pure streams and sold for maximum value.” ^{xcii}

“... it is time that the legislation addressed the anomalies in some packaging and the introduction of wine bottles to the scheme.” ^{xciii}

“... a small steel tin of apricot nectar may be worth a 10-cent deposit but a larger steel tin of the same product is classed non-deposit. This makes sorting very time consuming and less cost effective for the depot and errors can easily occur.” ^{xciv}

“As an example, at the present time the public is required to understand the Berri 2L container with cordial attracts a 10-cent deposit whereas a Berri 2L container of pure fruit juice does not have a deposit. The container is identical, and to maintain the credibility of the scheme these anomalies must be removed.” ^{xcv}

Once again, the desire to increase the scope of the CDS was accompanied by a request to work on this in SA and also nationally, with a view to developing a consistent approach across Australia.

The scheme was also encouraged to include and approve only recyclable (and/or recycled) containers into any future changes.

“Mandating minimum levels of recycled content helps ensure that

- the containers collected by the CDS are recycled into highest value applications that can be recycled over and again
- recycled materials replace virgin materials in the production of new bottles, saving energy and material resources
- there are functioning markets for the collected materials
- local re-processing opportunities are maximised.”^{xcvi}

“Adopting a leadership position and mandating recycle content levels as part of it CDS offers SA another opportunity to lead the nation in an important recycling reform.”^{xcvii}

Also mentioned elsewhere, the existing CDS framework and infrastructure could be extended to provide solutions to other forms of waste, e.g. batteries, e-waste.

5. Banning of containers – should the scheme ban the sale of beverage containers that present challenges for recycling?

The broad recommendation was that non-recyclable containers should be banned, either directly or via the gradual cessation of these via future approvals not being granted for containers that cannot be recycled.

“During product registration, beverage suppliers should be required to demonstrate recyclability before the container approval is granted by government.”^{xcviii}

Specific items listed for banning were:

- polystyrene plastic
- drink pouches
- fluorescent green PET
- white PET
- some types of liquid paper board (LPB).

6. Governance arrangements – should the review consider how collection depots and super collectors operate?

There was a number of requests for review and reform relating to the governance of SA's scheme. These have been captured below, in no particular order.

A common theme running throughout this consultation has been the desire for national consistency in all aspects of CDS.

“... the current scope of the SA CDS should align with the scope of adjacent state schemes to avoid potential fraud and opportunities for cross-border arbitrage.”^{xcix}

It was observed that the SA collector sector has effectively prevented new entrants through the structure of the scheme, and this has numerous effects, from its operations to its consumer-focus. One such potential new entrant suggested that the CDS should provide the following areas of legislative reform, with reference to the NSW or NT CDSs and the longer-term objective of consolidating all jurisdictions to a national model in future:

- prevent super collectors from holding unreasonable control over collection points
- address the concerns relating to conflicts of interest within the sector
- provide flexible collection, logistics, sorting and processing models.

Only in SA are collection depots required to sort by brand, and it was requested that this activity is reviewed, and a simpler, more efficient system is developed, i.e. replicate the recent NT legislation.

“NSW and ACT have ensured no brand sorting by only appointing one coordinator whereas NT, which has similar legislation to SA, has amended their legislation so that depots cannot be forced to sort by brand and coordinators are required to have agreements in place to pay for their share of product returned through any depot approved by the NT government.” ^c

The ‘payment by weight’ system is the most frequent cause of complaint from members of Recyclers SA, owing to disputes occurring in the audit methods. There was support for changing this to one which counts actual containers collected by depots and/or, an independent weight audit to be carried out by parties independent to either depots or super collectors. Issues with this are summarised as follows:

- questioned accuracy of auditing due to infrequency and sampling reliability
- payments not reconciling with depot records
- difficulties associated with accounting for external variations, such as weather, equipment calibration
- requirement for independence of measurement
- the creeping effects of changing container production specifications, i.e. to lighter weights
- lack of transparency of audit processes.

“The ‘lightweighting’ of containers by the beverage industry and the complexity of different shape and size containers being introduced to the market on an ongoing basis means that a small sample audit of containers based on sales in the market cannot be accurate in predicting the returned containers.” ^{ci}

Providing for technological solutions to item tracking, reporting and administrative efficiencies across the sector was deemed to be of importance to these collectors and recyclers. This recommended for support and adoption of new systems by the CDS, but with the proviso that it would be preferable if it were not mandatory and that legislative solutions were technology agnostic. Rationale for this was:

- SA lags behind other jurisdictions
- smaller depots may not be able to afford new systems
- compulsory use of technology is not supported
- technological solutions will/should provide greater accuracy, transparency, efficiency and reduced administration
- the industry will/may seek subsidy to transform to a tech platform
- transformation planning must take worker displacement into account, i.e. fear of job loss.

“There needs to be recognition that technology can improve the SA CDL system and the SA legislation should recognise technological innovation.” ^{cii}

“The EPA SA should consider if there are potential benefits to introducing scheme changes that require tracking of containers throughout the chain of custody to ensure transparency for all participants in the scheme.” ^{ciii}

It was noted that any review of current legislation or development of future Acts, must also take worker health and safety into account, and comply with other legislation in operation. The example given was the manner in which depot staff handle bales of containers, which should be reviewed to provide a clear understanding of manual handling and other WH&S considerations. Areas of consideration include:

- responsibilities for WH&S
- use of cages, bales and balers
- contracts mandating the way in which containers are delivered to super collectors.

There was a request to the EPA to provide oversight of the waste management arrangements between the depot operator and the super collector.

“The SA EPA should ensure that the terms and conditions set out in waste management arrangements is consistent with the legislation - ongoing, effective and appropriate.” ^{civ}

Support was also given to developing the scheme into one which facilitates the participation of a wide variety of collection depot operators vs a monopoly-driven approach.

One submission suggested that glass be managed by the super collectors, with this including the transport, sorting and recycling of the material.

The amount of handling fee paid should (but often does not) reflect the time and effort in sorting and processing. It may be inconsistently applied to different depots. In addition, it does not reflect the additional costs incurred by regional depots. A review of this would be welcomed.

There was a request for the development of formal agreements with regional centres for the regular collection of products, accurate payments, bale quality and a quick, simple dispute resolution process.

To safeguard the long-term viability of depots, it was requested that they receive some form of guarantee of regional security and protection from unsustainable practices.

“For the security of depot owners a guarantee that no depots or agencies can be opened within a suggested 50km radius in rural areas and towns with a population greater than 30,000 be capped with a limit of depots be allowed. This ensures the long term financial viability and business security for current depot owners.” ^{cv}

There were other topics, mostly queries, related to scheme governance or the everyday practicalities of implementation that were submitted as part of this consultation. These have been summarised below:

- Why is there a need to remove PET bottle tops when this is not the case for glass bottles?
- The state needs to be more proactive and improve standards and efficiencies in the system.
- New containers requiring label approval must be recyclable.
- Changes to scheme governance should consider smaller depots' viability, particularly those who provide a convenient drop-off service for the community.
- Why can't glass cullet be co-mingled and sorted by colour at the beneficiation plant rather than by the depot?
- Will there be an increase in handling fee accompanying an increase in deposit/refund?

“Any review of existing governance arrangements should carefully consider the costs of any proposed changes in the context of the long-term success of the CDS.” ^{cvi}

7. Marking of containers – is there a need to modernise how containers are marked to display the 10-cent refund?

Clarity of labelling/container marking was requested to enable quick, efficient sorting.

“Currently it is often time consuming to locate the 10-cent SA mark on the container, it may be very small and hard to locate.” ^{cvi}

The recommendation was for container marking to be standardised nationally. If it does change, it should occur in concert with all other jurisdictions and schemes.

“... any changes to beverage product labelling represent significant complexity and cost to beverage suppliers and retailers, which may ultimately be passed through to the community.” ^{cvi}

In implementing this, SA could take the opportunity to add a barcode on labels to facilitate item identification, sorting, data acquisition, verification and control.

8. Payment of deposit – is there another way that you would like refunds to be paid?

Suggestions for providing for other methods of paying refunds were submitted, as follows:

- cash
- direct credit into nominated bank accounts
- vouchers with cash equivalent value at participating retailers
- donation to registered charities.

“In an ever-changing commercial environment where credit cards and debit cards are used in preference to cash, the option to provide deposits direct into a customer’s bank account should be available in the scheme.” ^{cix}

“Provided that monetary options (cash or cashless) are available, additional options such as loyalty points, could also be offered to consumers.” ^{cx}

9. Ease of returning containers – how difficult is it to return your containers for a refund? Are current recycling depots adequate in terms of how many there are and where they are?

There were different viewpoints surrounding this question. The list of suggested ways to return and manage containers was:

- collection depots
- bag drops
- reverse vending machines (RVM)
- mobile collection depots (remote/regional areas)
- automated counting/sorting at point of collection.

Driven by the belief that there was already adequate cover for the convenient return of containers, a concern was expressed for the continued viability of existing depots if this were to change. There was also concern for future employment in the sector as a result of increasing automation of the process.

An opposing viewpoint supported the implementation of a range of different methods of returning CDS containers using contemporary technology in response to consumer behaviour, e.g. RVMs at supermarkets and shopping centres. This, it was argued, would help expand participation and recycling rates.

“We note, however, this issue is intrinsically bound up with current governance arrangements and the control of beverage industry super collectors, which prevented the establishment of more modern redemption options.” ^{cx}

10. Dispute resolution – should the review consider options to improve the process of dispute resolution between industry parties in the scheme?

While it was acknowledged that dispute resolution was generally encapsulated within contracts, there was often an inequity between the resourcing of the different sides, with smaller operators unable to afford mediation and/or arbitration etc. In addition, these contracts may differ in terms between parties. This led to a recommendation for the development of a new system of dispute resolution with suggestions for an ombudsman, greater involvement from the EPA, and avoidance/minimisation of legal fees.

“There needs to be a simple dispute resolution process where an independent entity can determine disputes that cannot be resolved between the parties in the SA CDS system.” ^{cxii}

“We suggest the introduction of a common dispute process across all scheme participants to streamline the handling of disputes.” ^{cxiii}

Another approach would be to reduce the cause of many of the disputes and the need for their resolution by removing the inconsistencies and inaccuracies currently inherent in the scheme, via barcoding containers, removing the weight-based counting system, employing till records and tax documents for counting purposes and otherwise increasing accuracy of data and payment sums.

11. Compliance – are there opportunities for improvements in the administration and enforcement of the scheme?

As mentioned earlier, a suggestion here was to tighten container approvals and only allow those that are recyclable.

One super collector mentioned their desire to work with the government and other super collectors to develop “an enforceable ‘CDS Audit Protocol’ for the audit of scheme participants in relation to their participation to the scheme.” ^{cxiv}

There is opportunity for greater oversight of the CDS to enhance its operations, reduce potentials for fraud and increase consumer confidence.

“... while the scheme is generally well run, additional monitoring and enforcement of compliance would further increase public confidence in the scheme.” ^{cxv}

This enforcement was requested by a few of these stakeholders, particularly when their activities reflect poorly on other sector members or make it harder for them to carry out their jobs.

“Companies that produce containers that are not CDS-approved in SA but have a 10-cent SA mark should be penalised.” ^{cxvi}

12. Monitoring and information – is there sufficient and transparent information in the current scheme for example audit needs?

Once again, views on this topic differed between stakeholders, with some mentioning that they were in possession of sufficient data and others having the opposite experience.

“The level of data and transparency in the SA CDS is relatively poor.” ^{cxvii}

“The super collectors currently have access to sufficient information to meet their audit need.” ^{cxviii}

The issues of item tracking via technology was mentioned, with the view to providing improved reporting accuracy and efficiencies and fewer disputes.

3.2.4.3 Refund amount

13. Should the refund amount be revised?

Opinions also diverged on this question, beginning with objections to changing from 10 cents, owing to the cross-border issues it could cause.

“The 10-cent refund remains appropriate and should not be increased... increasing the refund rate would lead SA to being out of step with the other four Australian jurisdictions where a CDS is currently operating.” ^{cxix}

Among others, there was support for increasing the refund amount from 10 cents to 15 cents or 20 cents. There was also support for introducing a sliding scale, based on the different container sizes, with refunds ranging from 5 cents to 20 cents. This was delivered with the following rationales and requests:

- 10 cents is not representative of inflation and has failed to maintain its financial motivation. i.e. the 1977 5 cents is worth approximately 30 cents in today's money
- change the amount when the CDS scope changes to minimise frequency of disruption
- increase in refund will increase return rates (which are falling)
- make the change in two steps; from 10 cents to 15 cents and then 15 cents to 20 cents (to replicate the 5-cent to 10-cent experience).

“The slow decline in SA is due to a combination ... a gradual decline in the value of the deposit from inflation and a lack of convenience that erodes culture and habits over time particularly as living conditions change and we become accustomed to modern, busy lifestyles.” ^{cxx}

“As for the refund amount, we believe an increase to 15 or 20 cents each container would reduce the decline in returns.” cxxi

“The legislation in SA should enshrine a process to maintain the true value of the deposit in line with inflation.” cxxii

“... we are hearing a few grumbles that it is hardly worth doing it for 10 cents.” cxxiii

However, there were also reservations surrounding an increase and it was mentioned that higher refund amounts would be accompanied by an elevated risk to depots because the value of their stock awaiting transportation would increase accordingly. In addition, higher amounts of cash-on-hand would be required at the point of refunds.

“Very concerned about the risk to security, theft and maintaining cash flow with the increased deposit.” cxxiv

It was also recommended that the refund amount should be consistent across all jurisdictions and that SA should work with these to increase the rate to 20 cents nationally.

There were concerns related to the effects of an increased amount if refunds were to be calculated by weight.

One mentioned that there were other ways of increasing returns, beyond that of increasing the refund, and that these should be explored and exhausted before SA took a unilateral decision to vary rates.

3.2.4.4 Supporting research

14. What research do you think is required to inform the CDS review?

Stakeholders provided a number of different suggestions for the collection of supporting research, not limited to only SA, to capture international data and experiences to assist with the state's process:

- examinations of independent ways of counting/measuring container collections
- the means to broaden public engagement and participation
- operational parameters (logistics, sorting or other requirements) that limit the solutions on offer in SA and how these can be reduced
- the effectiveness of the current deposit refund value as a financial incentive and benchmarking the refund value in comparison with typical beverage prices and the cost of living, across international deposit schemes
- a survey to understand community awareness and perceptions around the CDS, to inform discussions around scheme branding, marketing and community education
- a survey to understand community expectations around accessibility, operating hours and methods of payment
- demographic analysis to consider current accessibility and collection depot coverage, with a view to encouraging the delivery of appropriate collection depot types with gaps in accessibility have been identified
- analysis of the beverage container volumes collected in kerbside recycling bins
- cost/benefit of the implementation of technology to increase chain of custody tracking and associated reporting.

3.2.4.5 Out of scope

15. Are there parts of the scheme that are working really well and you think should not be considered for change as part of the review?

One stakeholder made the point of encouraging the government to not limit the scope of the review, to examine all aspects of the scheme and have a forward-looking approach to updating and future-proofing it.

Another mentioned that the success of the scheme is the result of strong support received through the beverage industry, namely: Amatil, Coopers and Lion and, for this reason, advocated for it to continue as a producer-led scheme.

3.2.4.6 Engagement options

16. How would you like to be part of the CDS review conversation in the future?

These stakeholders would welcome further opportunities to engage on this matter. Suggestions for this included:

- talk directly with the writers
- participation in working or advisory groups
- meetings (public/private)
- partnerships
- participate in/host trials
- consult international partners/offices to gain global viewpoints.

3.2.5 Wine industry stakeholders

Submissions were received from 29 members of the wine industry.

3.2.5.1 Objectives of the CDS

1. What should be the objectives of the CDS?

Currently the objects of the CDS are reflected in the Beverage Containers Division of the Environment Protection Act 1993.

The following were submitted as being the objectives of the CDS:

- Reducing the number of beverage containers in the public litter stream
- Reducing beverage container litter from public spaces and collecting containers for recycling.

This question prompted a number of recommendations to uphold the *status quo* of the CDS, retaining its current objectives.

One stakeholder presented a case for the costs of the CDS being captured when assessing its objectives.

2. How well do you think the CDS is currently achieving these objectives?

Personal observations and formal research indicated, to all these stakeholders, that the scheme is achieving its objectives.

“The CDS has been demonstrably successful in reducing letter by beverage containers.” ^{CXXV}

“In 1977 SA's CDS was designed as a litter control measure which has been largely successful.” ^{CXXVI}

“Since becoming aware of possible changes to the CDS I have taken particular notice of roadside rubbish in my very beautiful local environment ‘The Barossa’. I'm pleased to say that the level of roadside rubbish is negligible, and the main beverage container culprits seem to be the iced coffee and flavoured milk cartons and plastic water bottles. As a centre of the wine industry you would assume that (if) there were to (be) an issue with wine bottle litter it would be prevalent in the area that produces the object of the discussion. I have not seen one bottle discarded in the manner of litter.” ^{CXXVII}

We were reminded that many other waste-reduction and resource recovery initiatives have also been implemented (successfully) since the introduction of the CDS in SA. All of these elements have worked together to achieve the objectives set out for the scheme.

“This is a tribute to the success of the kerbside and on-premises recycling systems as well as the CDS.” ^{cxxviii}

“The CDs is only one part of the existing recycling infrastructure in the state. The scoping paper does not consider alternative or complementary approaches to recycling, including the existing kerbside collection programs. We join with others in the wine industry and calling for a holistic examination of options to increase recycling outcomes, rather than simply looking at the CDS in isolation.” ^{cxxix}

3. Are there other aims that the scheme could achieve that should be reflected in the legislation, e.g. resource recovery and recycling?

Citing a lack of evidence for the case for change to the scheme, these stakeholders argued against any changes to the CDS unless more work is undertaken to identify problems and/or support a recommendation for it.

“... not aware of any objective evidence that expanding the CDS will contribute to improvements in recycling and resource recovery. If resource recovery is the intent of the review then other mechanisms should be investigated alongside the CDS.” ^{cxxx}

“The review’s scoping paper does not clearly articulate specific problems that might justify change. There is a need for the review to identify the problems, determine the causes of these problems, and then look at all available options to address them in terms of both benefits and costs.” ^{cxxxi}

“... the scoping paper does not clearly articulate specific problems that might justify change. Even if specific problems can be identified, it is questionable whether changing the CDS, either in scope or deposit amount, would be the best or most effective mechanism without objective full life-cycle evaluations of all options.” ^{cxxxii}

If legislation were to be altered, stakeholders mentioned that additional considerations should be made to:

- avoid or minimise disruptions/negative impacts to state-based industry, including those within longer supply chains
- direct resourcing into the areas where efforts will provide the greatest benefit
- not assume that improvements to resource recovery and/or littering will only be created by alterations to the CDS because there may be more effective and less expensive ways of achieving this

“Such alternatives could include investment in glass sorting technology, improved public education, or glass-only kerbside collection, which Australia’s largest glass manufacturer, Owens-Illinois, advised Senate Committee in 2018 would make ‘the greatest single improvement to glass recycling.’” ^{cxxxiii}

- clearly state and provide quantification of goals, objectives and parameters of future legislation and the activities stemming from it
- evaluate the sources of waste and litter and determine the most effective use of public resourcing

“Walk along any country roadside and look at the rubbish thrown out of car windows. It is fast food packaging, soft drink and beer bottles. Not wine bottles.” ^{cxxxiv}

- understanding and consideration of the commercial and market aspects of the circular economy
- identify the case for change to current legislation

- identify local, national and international effects stemming from proposed changes
- the steps to be taken to develop, test and implement legislative change, including clear policy outcome definitions, rigorous assessment, a regulation impact assessment, piloting and consultation etc.

“If the SA Government is to expand the objective of the CDS from litter reduction to improving recycling outcomes, it should conduct a holistic study of all possible approaches and include a cost benefit analysis for the government, industry and consumers.” ^{cxv}

“One would assume by inference that the motivation to include wine bottles is for the purpose of improving recycling, although there is limited evidence that a CDS would achieve this.” ^{cxvi}

3.2.5.2 Opportunities to improve the effectiveness of the South Australian CDS

Your views are sought on what opportunities the review should consider to improve the operation of the CDS. In commenting on what you think could be working better you may have a view on the following components of the scheme:

4. Containers included – should more types of containers be included in the CDS and are there containers currently receiving a 10-cent refund that should be removed from the scheme?

All of these stakeholders were against expanding the types of containers included in the CDS, citing lack of evidence to suggest that this would provide benefit.

“Simply changing the scope may not solve any problems, if they exist, or lead to significant improvements in environmental outcomes.” ^{cxvii}

“Wine containers were left out of the scheme because they made up a small proportion of the litter scheme. Today, wine containers remain a tiny percentage of the litter stream in SA... there remains little justification for the inclusion of wine bottles in the CDS from a litter reduction point of view.” ^{cxviii}

If there is evidence of specific problems in the recycling stream, we were told, then these should be identified and resolved with direct action including a case proposed for consideration by the CDS, e.g. plastic, steel, aluminium, glass, other containers, new sources of litter, etc.

“... this must be in proportion to their relative significance of impact. In this regard, the primary concern must be on the material the container and not its contents, and therefore consideration needs to be given to whether it remains appropriate to limit the scope to ‘beverage’ containers only.” ^{cxix}

In response the possible consideration of wine bottles in the CDS review and recommendations, the following arguments against their inclusion were mentioned by these wine industry stakeholders:

- There is no evidence to suggest that including wine bottles would contribute to the achievement of the scheme’s objectives.

“It would appear to purely be a money grab for the facilitators of the scheme with no real environmental benefit.” ^{cxl}

- This would misalign SA’s CDS with those in other jurisdictions.
- Inclusion of wine and spirit bottles would not have a measurable environmental benefit.
- The cost of including wine bottles would render small wineries unsustainable.
- The cash-flow requirements of a CDS would place an unsustainable resource pressures on smaller, family-owned/run businesses.
- Wine sector/agricultural and regional employment and economic activity would suffer as a direct result of the costs of including wine bottles in the CDS.
- Wine tourism would suffer as a direct result of the costs of including wine bottles in the CDS.
- Other aspects of the wine supply chain would suffer as a direct result of the costs of including wine bottles in the CDS.

- The operations of the wine industry positively impact other areas of the environment, including organic practices, wastewater treatment, local area protection and reclamation, minimising use of natural resources and energy use, recycling, which will be lost if producers go under.
- The wine industry is already heavily regulated, some describing it as being “overburdened”.
- The direct cost/impact of including wine bottles in the CDS to the state’s wine industry is estimated at \$4.5-\$5m p.a. (i.e. deposits, handling fees).
- Indirect costs of change are high for producers and not yet calculated, e.g. label changes, label registration costs, administration, reporting SA sales quarterly, bookkeeping, inventory management, recalls, logistics, packaging, down-time on bottling lines. Label approval costs were submitted as being \$307.50/1 label, \$758.50/6-10 labels and \$2,234.50/20+ labels. One producer cited their 270 stock-keeping units (SKUs) as an example of the impact of increased registration costs, another with more than 500 labels.

“Wine is aged and cellared in bottles, so older bottles, having to be relabelled would be a massive imposition.” ^{cxli}

“Little guys get slammed again.” ^{cxlii}

- The process of changing over the existing wine bottle labels will create significant, additional waste, e.g. paper, ink, foil, consumption of power, discarded printing plates.
- Small-run wines will disappear, owing to the increased cost of readying for market.
- The costs of entering into a waste management agreement with a super collector for each producer will require administration and the requirement to pay them 10-cent refund and handling fee (approximately 5 cents) per container, on a quarterly basis.
- The effects of passing on costs to consumers (particularly in SA), would raise retail prices by 4-12 cents per container (or higher).
- Loss of business to SA retailers located near borders, particularly Victorian, where cheaper products are available close by.
- The impacts to SA’s identity if the state’s wine industry were lost or otherwise negatively affected.
- The management of the secondary wine market, i.e. wine stored for long periods and/or sold by collectors, auction houses.
- To cope with increased profitability pressures, SA’s wine producers may shift production elsewhere, creating loss of local jobs and negative economic impacts in SA.
- Wine bottles do not contribute significantly to the litter stream, i.e. wine and spirit bottles 0.6-0.7% of litter.
- Wine consumption occurs at home or in restaurants, pubs and clubs, with access to proven recycling systems.
- There is no evidence that wine bottles are contaminating household, or other, waste streams.
- The effect on small volume, large format wines is unknown but likely to be expensive and will have a negative effect on production propensity and region reputation.
- There are a number of alternative and/or complementary approaches to achieving litter reduction that have yet to be considered, before settling upon changes to the CDS.
- The wine industry cannot pass on the CDS costs to consumers, owing to existing pricing pressures and margin squeezes in the marketplace. It was mentioned that two-thirds of current producers have indicated that their current profitability requires improvement, without taking impacts of CDS costs into account.

“The impacts of WET rebate reduction, climate change with declining rainfall and increasing temperatures that increase production costs is more than enough to cope with in conducting business today.” ^{cxliii}

“With tough vintage conditions this year and an obviously slowing global economy we do not need this additional red tape burden placed on our industry that employs thousands of people.” ^{cxliv}

- Flagging a price increase at retail invites the (high) risk of being de-listed and losing major distribution and sales opportunities

“Additionally, when considering questions of cost, is also unrealistic to suggest that the industry would be able to pass such costs onto consumers. To do so would ignore the realities of the retail wine market, which is highly competitive.” ^{cxlv}

“The beer industry, which is only slightly less competitive than the wine industry, was only able to pass on one-third of the costs of the CDS to consumers during the first 12 months of the NSW CDS’ operation.” ^{cxlvi}

- Most Australian wine producers face competition from national industry giants and international brands with higher cash-flow resourcing and ability to sustain cost increases.
- Wine frequently moves across borders and inclusion into the CDS of one jurisdiction (SA) would introduce a number of problems for the sector, e.g. tracking bottles, reclaiming them, refund management, misaligned beverage and recycling markets etc.
- The increase in, and effect of, consumer confusion if different schemes operate across Australia.
- There may not be capacity for the CDS and its component parts (collection depots etc.) to cope with an increase in deposits.

“SA’s wine sector is a critical pillar of the SA economy, driving economic growth jobs and prosperity across rural and regional SA.” ^{cxlvii}

“... believes the original rationale for omitting wine bottles from the CDS is still valid, wine bottles are not part of the litter stream and are already being captured in council kerbside recycling bins, or on-premises bottle recycling systems, reflecting the locations at which wine is generally consumed. As such, expanding the CDS to include wine bottles would simply transfer wine bottles from one waste recycling system to another, rather than increase the overall volume of bottles being recycled. It is unclear what environmental benefit would result from this waste stream transfer.” ^{cxlviii}

The wine sector is one of SA’s highest performing industries and is worth about \$2.15 billion to the state’s economy. Wine is the highest single export sector and the industry directly employs some 8,440 people. With SA representing 42 per cent of Australia’s total crush, SA wine producers would be disproportionately affected by any move to include wine bottles within SA’s CDS.” ^{cxlix}

Concerns relating to the emergence of different CDS’s across different jurisdictions, led the recommendation that SA leads the nation in the development of a national scheme, before embarking upon alteration of its own.

“We suggest a more productive and positive leadership approach would be for SA to advocate for a nationally consistent scheme with harmonised regulations, and to achieve this goal before considering changes to its current CDS.” ^{cl}

It was mentioned that one stakeholder had heard there is public support for the inclusion of wine bottles in the CDS and they suggested that this support has been delivered without *“the scoping paper providing any facts around recycling rates through other schemes, nor the cost to industry and government.”* ^{cli}

A producer suggested that the scheme should focus on expansion to other items (not containers) that are creating environmental damage.

“Time and money might be better spent focusing on encouraging consumers to return difficult to recycle products, or not recyclable via curbside recycling products ... printer cartridges, batteries, single use capsules, Styrofoam packaging, soft plastics?” ^{clii}

5. Banning of containers – should the scheme ban the sale of beverage containers that present challenges for recycling?

There was no specific support for banning containers from the CDS in isolation of consideration of all aspects of the waste stream and supply chains.

“Any ban on containers or packaging should be considered as part of a broader, waste stream analysis of all waste items and their capacity to be recycled.” ^{cliii}

6. Governance arrangements – should the review consider how collection depots and super collectors operate?

Many did not provide a comment on this topic but those who did suggested that a review of governance would be sensible. Specific areas mentioned for review were:

- potential lack of financial transparency within the CDS
- CDS coordination arrangements, i.e. non-profit or for-profit coordinator(s)
- CDS efficiency review
- super collector arrangements
- administrative and financial arrangements between the beverage manufacturers, super collectors, recycling depots and recycled materials buyers.

One stakeholder suggested that the super collectors (apart from Coopers) did not have an economic footprint in SA and were owned by soft drink manufacturers and breweries. If wine bottles were included in the CDS, it would lead to “perverse” profit-making opportunities for these organisations.

“As the super collectors profit from the sale of the raw materials to beverage container manufacturers, extending the CDS to include wine bottles would result in the perverse outcome of brewing and soft drink companies profiting from a decision of government to impose additional costs on SA's wine industry.” ^{cliv}

7. Marking of containers – is there a need to modernise how containers are marked to display the 10-cent refund?

Many did not provide a comment on this topic but most of those who did recommended retaining the current labelling and/or no other changes. This was for reasons related to:

- the expense to producers, incurred as a result of label changes
- the lack of a requirement to change
- the disruption to consumers, who understand the current labelling.

“The SA CDS is well understood by consumers, having been in operation for more than forty years. Changing the way containers are marked to denote their eligibility for refunds would be a solution to a problem that does not exist” ^{clv}

The one exception to this was the recommendation of the development of a nationally recognisable symbol to be used across all jurisdictions, thus reducing costs for manufacturers after an initial change.

“In the interest of streamlining cross-border trading, a nationally recognised logo symbol would reduce the administrative burden and red tape which beverage manufacturers navigate as a result of the increasing number of state-based CDSs.” ^{clvi}

8. Payment of deposit – is there another way that you would like refunds to be paid?

The single piece of feedback received suggested that it would be preferable to develop a national approach to paying deposits and refunds to optimise efficiencies and operational clarity in all jurisdictions.

9. Ease of returning containers – how difficult is it to return your containers for a refund? Are current recycling depots adequate in terms of how many there are and where they are?

There was no specific feedback on this point. One stakeholder suggested that more information was required on this topic and future options, before this question could be answered with confidence.

11. Compliance – are there opportunities for improvements in the administration and enforcement of the scheme?

There was no feedback on this point. However, elsewhere in this summary there are multiple mentions of the costs of compliance.

12. Monitoring and information – is there sufficient and transparent information in the current scheme for example audit needs?

Feedback relating to this has been included in the summary for Q6: Governance.

3.2.5.3 Refund amount

13. Should the refund amount be revised?

Before any decisions could be made on a refund amount, it was suggested that more research be conducted into the reasons for declining container returns and the effects of refund amounts on this. In the absence of this evidence, the stakeholders providing an opinion on this point recommend maintaining the status quo on refund amounts.

“On the basis of historical evidence, it appears likely that increasing the refund amount may simply result in a short-lived ‘sugar hit’, without driving long-term substantial behavioural change.” ^{clvii}

“There is no research presented that would indicate that an increase in the refund amount will change behaviours to increase the volume of bottles returned via the CDS.” ^{clviii}

A number of wine industry stakeholders modelled the effects of including wine bottles in to the CDS at 10 cents per container, and at 15 cents and 20 cents to reinforce the point that the scheme would impose high costs on the state's wine industry.

“The annual direct cost to the wine industry of extending the CDS to include wine bottles would be approximately \$4.5 million. This figure assumes that the refund rate remains at 10 cents per container. If the refund rate was to increase to 15 cents, the overall cost to industry would rise to \$6 million; a 20-cent refund rate would see costs to the wine industry rise to \$7.5 million.” ^{clix}

Any proposed changes to CDS refund rates should also consider the need for national consistency, along with the risks posed by inconsistent rates across jurisdictions. Aspects of this include:

- opportunities for the transportation of containers across borders, i.e. from lower-paying jurisdiction to SA for higher refund amounts
- the effect of this fraud on cash flows
- the effect of this fraud on container availabilities, with a glut in one state and shortages in others
- the cost of different labelling for different states' markets.

3.2.5.4 Supporting research

14. What research do you think is required to inform the CDS review?

A number of these stakeholders referred to published and/or proprietary research in their submission. A summary of these follows:

- Litter Strategy Monitoring Wave 75 – May 2018 Report, KESAB Environmental Solutions
- Wine Industry Report: www.wfa.org.au/assets/noticeboard/Expert-Review-Report.pdf
- NSW Independent Pricing and Regulatory Tribunal review of the NSW CDS first year of operation, 18 Jan 2019
- Manufacturer's sales volumes/performance
- 'How CDL Works' – Recyclers SA
- 'Last Cokes bottled in SA', SBS News, 4 Dec 2018

- '28 jobs to go in March with Schweppes Payneham closure', *The Advertiser*, 9 Dec 2015
- Bentleys and SAWIA, SA Wine Industry, Aug 2018 snapshot
- COAG Packaging Impacts Decision Regulation Impact Statement, March 2014

Conducting or sharing the following research was suggested by these stakeholders:

- analytical assessment of the CDS
- analysis of the reasons for the decline in SA's beverage container return rates
- additional objective data and evidence of CDS monitoring and information
- analysis of the flow of materials through the waste recovery process to enable a comprehensive and rigorous review. e.g. identify problems, rank severity, assign resources, measure return on investment and impact assessment
- examination of alternative and/or complementary approaches to the CDS, e.g. the role of public education, its effects, possible campaigns to change behaviour and their costs/benefits/impacts
- effects of refund amounts on container returns
- verified, reliable scheme costing modelling and analysis
- robust, broad-ranging cost-benefit analysis of the inclusion of wine bottles to the CDS
- study of the effects of the inconsistencies between different CDSs across Australia, including modelling to predict the effect of future changes to SA's scheme
- the opportunities offered by the implementation of a national CDS (not including wine bottles)
- evidence of the net benefits of recycling and resource recovery to the beverage manufacturing/container industry, consumers and the environment
- assessment of the capacity of depots/collectors to cope with the impact of including wine bottles in the CDS
- quantification of any environmental benefits of proposed changes to the CDS
- review of the efficiency and effectiveness of the coordination of the Scheme and its various roles and stakeholders
- the relative proportions of people using collection depots or yellow bins for recycling containers
- the proportions of CDS-eligible and non-CDS-eligible containers present in either yellow bins or in returns to collection depots
- the proportions of beverage and other non-CDS-eligible containers in either yellow bins or returned to collection depots
- modelling the effects of including wine bottles in the CDS on household/kerbside recycling volumes
- the relative proportions of beverage and other containers recovered from MRFs
- the impact on SA's economy if the wine industry suffered significant losses due to the CDS
- investigation into the existence of a problem created by glass fines in co-mingled waste collection programs (and ways of resolving this, if occurring)
- an examination of the benefits of new technology to assist in the recovery of glass fragments and reduction of contamination in recovery facilities
- opportunities to return highly segregated and higher value glass back to manufacturers, including reductions in energy costs and carbon emissions
- impacts and glass manufacturers' ability to receive higher amounts of glass cullet
- the evidence-based case for removing glass from household recycling
- quantification of the respective importance of removing plastics from the waste stream, compared to that of glass, and the relative return on public investment in achieving these
- international research into best practice approaches to improve recycling rates
- examination of SA's broader recycling and waste management infrastructure
- response to the following question: Why is the entire glass sector not being included for CDS consideration?
- response to the following question: Why is the wine industry being singled out?
- response to the following question: What will be the impacts on small volume, large format wines if the CDS includes wine bottles?
- consumers' desire to include wine bottles in the CDS and their propensity to drop to collection points for refunds.

“Good public policy is built upon a strong evidence base, thorough consultation and a proper weighing-up of costs and benefits.” ^{clx}

“Every option considered should be subject to a rigorous cost/benefit analysis to consider its potential impact on government, industry and consumers.” ^{clxi}

3.2.5.5 Out of scope

15. Are there parts of the scheme that are working really well and you think should not be considered for change as part of the review?

Many stakeholders were of the opinion that the CDS's objectives were focused upon litter reduction and if there is appetite to increase this to encompass broader outcomes, then a far different approach should be taken to the conduct of this review and future development of policy.

“We support maintaining the status quo of SA's CDS on the basis that no compelling objective evidence has been presented to support change, at the cost to SA wine businesses would outweigh any environmental benefits that may accrue from such a change (although these potential benefits have not been articulated either).” ^{clxii}

“... if the EPA now wants to consider changing the objective of the CDS from litter reduction to improving recycling rates, TWE would recommend a broader review which explores options to improve recycling across all packaging materials, not just beverage containers.” ^{clxiii}

3.2.5.6 Engagement options

16. How would you like to be part of the CDS review conversation in the future?

There was strong support for, and desire to be involved in, continuing engagement with the wine industry. Ways in which this consultation could continue were:

- EPA's Stakeholder Reference Group
- direct contact (phone, email)
- opportunities to comment upon the 2019 discussion paper
- membership of, and support to, wine and spirit industry groups and other associations (who will speak on behalf of members).

The EPA was asked to take note of the availability of the members of the wine industry when conducting further consultation and other communications, notably, vintage runs from January to April.

“The timing of this consultation process comes at the busiest time of the year for Australian winemakers. Vintage runs from January through April, and wine business staff work extremely long hours during this period, seven days a week. Unfortunately, this means many wine business people may not have time to lodge a submission under these circumstances. We hope the SA Government takes this into account during its review and undertakes necessary supplementary consultation as appropriate.” ^{clxiv}

3.2.6 Environment and community groups

Submissions were received from three environment and community groups.

3.2.6.1 Objectives of the CDS

1. What should be the objectives of the CDS?

The case for developing the CDS beyond its current two objectives in the Act to expanding it to meet new challenges and to place higher emphasis on product stewardship and pursue a zero-waste strategy was put forward by all of these stakeholders, as follows:

“Future objectives of the SA CDS should include:

- improvements (and) increased recovery and recycling of empty beverage containers through an expansion of the range of acceptable containers
- improve product stewardship outcomes from beverage manufacturers, supporting the establishment of a robust domestic recycling industry, through the creation of market pull factors to stimulate demand for recycled content in beverage packaging
- further reductions in the volume of empty beverage containers that are littered or sent to landfill, through
 - o increased community engagement
 - o improved access through better utilisation of available technologies
 - o modernisation of governance framework national aspects of the scheme.”
clxv

“Original purpose of CDL four decades ago was to address litter pollution through new ‘one trip - throwaway’ packaging, ultimately embedding beverage containers as a valued resource demonstrated by high return rates achieved. However current performance and reviewed purpose could improve and expand the system.” clxvi

“The objectives of the ISARMC scoping paper should be to:

- build on the success of the current CDL to maximise resource recovery and economic value through diverting beverage containers (and others) from the litter and waste stream to be re-manufactured into new products
- identify options and opportunities to expand CDS to embrace all containers (beverage, industrial, commercial, household) recognising environmental and economic benefits of a circular economy through CDS
- maximise community engagement influencing behavioural change and participation through education and information demonstrating the benefits of increased resource recovery through CDS
- undertake research to identify quantum of ‘new’ or alternative CDS items that may be considered through a modernised and expanded CDS
- review current EPA-CDL information and reporting systems and design and implement updated monitoring and reporting data technology to include capturing payment of container redemption deposit, handling fees and auditing of containers by unit embracing all stakeholders; EPA, MRF’s, recycling depots, super collectors
- encourage respective resource recovery sectors to improve practices and technology demonstrating best practice and service delivery outcomes to community
- seek to harmonise CDS with all Australian jurisdictions, maximising resource recovery, improving efficiencies and inconsistencies through CDS, building a scale of economy through business partnerships, innovation and technology, and procurement opportunities.” clxvii

2. How well do you think the CDS is currently achieving these objectives?

There was agreement and evidence that the CDS had met its current objectives, hence the support for expansion.

“SA’s CDL system has consistently show the highest beverage container recovery rates and lowest litter stream content by count in Australia.” clxviii

It was also noted that there have been other programs, campaigns and initiatives that have also contributed to the reduction of litter pollution in SA. There was the opinion that this could have been higher with the benefit of greater funding, and the use of the balance of funds that have accumulated through un-redeemed beverage container deposits and the waste levy.

“Outcomes of overall scoping discussion paper and review of SA’s CDS should embrace and address the above anomalies. This includes the performance of EPA, super collectors and depot operators in terms of data collection, litter education and enforcement and reporting processes.” clxix

3. Are there other aims that the scheme could achieve that should be reflected in the legislation, e.g. resource recovery and recycling?

One stakeholder told us that they would like to see the CDS extended but did not provide other aims or objectives of the CDS.

“We do not wish to see the scheme watered down in any way, rather we wish to see it extended.” ^{clxx}

Another provided a list of other aims, summarised as follows:

- expanding the items to be included in the CDS, e.g. wine bottles, laundry and kitchen products
- banning products that are not recyclable
- influencing widespread shifts in recycling behaviours, via legislation, community participation, education and labelling
- improved auditing and monitoring of CDS redemptions.

“An improved and broadened CDS legislation could influence a new direction embracing community response and engagement to climate change, circular economy, resource recovery, pollution and litter reduction and waste reform.” ^{clxxi}

3.2.6.2 Opportunities to improve the effectiveness of the South Australian CDS

Your views are sought on what opportunities the review should consider to improve the operation of the CDS. In commenting on what you think could be working better you may have a view on the following components of the scheme:

4. Containers included – should more types of containers be included in the CDS and are there containers currently receiving a 10-cent refund that should be removed from the scheme?

In recognition of the growing plastics problem and the desire to increase recycling and resource recovery, there was support for a number of additional inclusions of containers being:

- glass wine and spirit bottles
- clear PET containers
- plastic milk, fruit and vegetable juice containers up to 3L.

“... the more containers included in the scope of the legislation, the more efficient the scheme will be at separating and providing clean, uncontaminated materials sought by recyclers and end markets. This will directly result in improved recycling outcomes and the more efficient achievement of SA's zero-waste objectives.” ^{clxxii}

It was recommended that a review of the CDS could provide the data required to decide on this point, particularly, which containers could/should be added/removed to promote the growth of a circular economy and reduce litter. In conducting this, other aspects affecting the outcomes for CDS should be examined, i.e.:

- product design
- labelling
- container weights (and changes to these)
- processing
- payment
- labour intensity
- return rates
- contribution to the letter stream.

This review, in addition, should include the various elements of domestic and overseas packaging/containers and the most appropriate ways to collect and process them, e.g. lid, label, bottle.

5. Banning of containers – should the scheme ban the sale of beverage containers that present challenges for recycling?

There was support for the phasing out by design and/or banning of containers which cannot be recycled and/or have potential to cause environmental impact; preferably via the act of banning these so to deliver a strong message and leadership.

“Robust measures such as this would send clear signals to beverage manufacturers that to do business in SA, they must fulfil their product stewardship obligations by ensuring that their packaging choices deliver optimal outcomes for recovery and recycling, support waste minimisation and fit within a circular economy framework.”
clxxiii

6. Governance arrangements – should the review consider how collection depots and super collectors operate?

One stakeholder was of the opinion that the governance and delivery model operated under the CDS is “currently dominated by vested interests from within the beverage industry”^{clxxiv} and changes to the legislation, scope and operations of the CDS would present new opportunities to achieve greater competition, leading to improvements in transparency, efficiency, technologies and cost savings.

“The inclusion of a broader range of containers, sizes materials, including wine and spirits, would also serve to dilute to the power of the current network operators, opening the governance structures up to a broader group of stakeholders. Improvements in transparency would serve to drive efficiency gains and improve the outcomes of the scheme overall.”^{clxxv}

Another agreed, stating that “improving governance arrangements should be EPA priority and modernised.”^{clxxvi}

“Commercial and working relationships between SA recycling depot operators and super collectors are currently poor, due to auditing and container payment redemption issues.”^{clxxvii}

7. Marking of containers – is there a need to modernise how containers are marked to display the 10-cent refund?

There are pros and cons to the question of whether changes are to be made to labelling.

“The issue of labelling is (a) contentious subject.”^{clxxviii}

Discussion surrounding labelling on a jurisdictional basis, highlighted the many complications arising from the lack of a national scheme, i.e. cross-border arbitrage and fraud, additional administration costs, additional compliance measures, compensation to victims of fraud etc.

It was acknowledged that state/territory-based labelling is costly to implement and administer and there was no appetite to increase these costs.

“We call on the SA Government to undertake strong advocacy in support of a national, best practice CDS. In addition to addressing the jurisdictional differences between state-operated schemes, a national scheme would ensure a level playing field for all participating stakeholders across the country, reducing the cost of doing business and the administrative burden of participating in a variety of slightly nuanced state-based programs.”^{clxxix}

8. Payment of deposit – is there another way that you would like refunds to be paid?

Digital payment methods, reflecting contemporary consumers’ behaviour, would be preferable and maximise opportunities to engage with them and increase their container returns.

This would also offer a number of benefits to operators, such as: reduced administration, simpler accounting, less OHS&W and cash-handling issues. Ways of doing this are: bank account deposits, voucher payments (affinity cards), links to special offers, discounts and incentives and PayPal deposits.

“A modernisation of the SA scheme must take these options into consideration...”
clxxx

Consideration of the methods of paying consumers should also take the methods of paying collectors into account. It was mentioned that it would be preferred if they were paid on a per unit basis than the current manner, by aggregated weight.

9. Ease of returning containers – how difficult is it to return your containers for a refund? Are current recycling depots adequate in terms of how many there are and where they are?

The many methods of container collection in operation in SA are adding value to the economy, local communities, waste and resource management and these operators provide value far beyond the CDS outcomes. There was a recommendation that there is an increase in collection facilities in remote SA and an overall increase in the customer experience for those visiting these depots, e.g. upgrades to external appearance.

There were also recommendations for either a review of, or implementation of, the deployment of automated collections points throughout SA to “enable wider coverage and improve the ease with which consumers can return containers.” clxxxi

10. Dispute resolution – should the review consider options to improve the process of dispute resolution between industry parties in the scheme?

The recommendation was to review and update the governance of the CDS to reduce opportunities for disputes, often “due to lightweighting and poor auditing and monitoring practices.” clxxxii

11. Compliance – are there opportunities for improvements in the administration and enforcement of the scheme?

It was mentioned that the CDS required greater enforcement to ensure compliance in a number of areas of its operation, and a general review of all compliance-related areas was due.

Specific issues with compliance, particularly referring to the cross-border issues created by the different (or no) CDSs in effect across Australia, were acknowledged as having many negative effects on the desired outcomes of any CDS, e.g.:

- cross-border abuse of the system, fraud
- barriers to entry into the sector, creating a reduction of consumers' accessibility to the schemes, particularly in rural and regional locations, and those in border areas
- confusion across different jurisdictions
- cost burdens for those operating in multiple jurisdictions
- audit practices
- payment by weight
- monitoring of objectives of the CDS
- enforcement of illegal littering laws.

Following a review of the current practices, the recommended action leading to the resolution of these was to develop a national CDS, with inbuilt consistency and transparency.

12. Monitoring and information – is there sufficient and transparent information in the current scheme, for example audit needs?

Issues with current monitoring, reporting and the transparency of information could be resolved by implementing a national Scheme, improved technologies, more rigour, additional CDS inclusions and operators. If remaining to focus on the SA CDS, the following were submitted for consideration:

- “improved data management to more accurately report return rates of beverage containers (EPA data)

- implementing a more rigorous monitoring process reflecting counts v weight payment currently negatively impacted through the current un-audited pay by weight system
- review legislative and regulatory framework to enable technology and automation for counting and processing of beverages i.e. reduce number of splits
- research is required capture information of containers (volumes, types, materials) currently sitting outside CDS, with potential to be included in a revised future model.” ^{clxxxiii}

3.2.6.3 Refund amount

13. Should the refund amount be revised?

Two of these stakeholders did not think that an increase from 10 cents was warranted at present. There was a suggestion that, during the development of a national CDS, a “”.

“A decline in the perceived value of the container deposit may result in decreased engagement and a reversal of the currently high rates of recovery... it is recommended that a nationally consistent sliding scale of refund increases be agreed through the MEM (Meeting of Environment Ministers).” ^{clxxxiv}

One did not rule out the possibility of an increase, as long as the decision was informed by:

- outcomes of a review of inclusions to a revised CDS
- the impacts of increases to 15 cents and 20 cents
- harmonisation with other jurisdictions’ deposit values, technologies, governance, collection centres, payment options, scheme coordinator
- a review of handling fees and their ability to fund safe workplaces and expanded collection services.

3.2.6.4 Supporting research

14. What research do you think is required to inform the CDS review?

One stakeholder referred to the following in making their submission:

- UNESCO Marine Pollution research
- Schuyler, Q., Marine Policy (2018) Economic incentives reduce plastic inputs to the ocean
- UNEP (2016), UNEP Frontiers 2016 Report: Emerging Issues of Environmental Concern

The following research to inform the CDS review was suggested by one of these stakeholders:

- “the role of CDS in developing the circular economy for plastics; this should include consideration for the provision of source separated
- CDS output as feedstock to support government-mandated recycled content requirements in packaging and the development of a stronger domestic recycling industry for plastics
- the economic impact of natural capital cost of failing to include containers such as wine bottles. This should be considered as part of a broader valuation of a re-framed scheme and its expanded role in waste reduction and recycling
- new technologies that may facilitate cost-effective improvement to scheme accessibility under the geographic challenges of population distribution across regional areas
- the efficacy of the current network operator framework to ensure that the scheme is operated at the highest efficiency, while ensuring the best outcomes for recovery and reuse
- the policy review must be reinforced by independent, wide ambit benefit-cost analysis, so that any proposed new regulation is not stymied by narrow evaluation.” ^{clxxxv}

Another forwarded this list:

- “research should be undertaken to identify potential quantities of ‘new product’ that may enter a revised CDS
- investigation into current practices and impacts of payment of 10-cent deposit redemption v payment by weight. (Impacts of light weighting, imported products, non-recyclable 10-cent containers).
- impact study re volumes of 10-cent deposit product collected v breakage and lost through transport chain (broken glass) or non-recyclable, product marked recyclable but not recycled e.g.; potential for disposable coffee cups.” clxxxvi

3.2.6.5 Out of scope

15. Are there parts of the scheme that are working really well and you think should not be considered for change as part of the review?

Under this question, one stakeholder reiterated the opinion that a full review of the scheme was required, with the view to resolving current issues and future-proofing it.

3.2.6.6 Engagement options

16. How would you like to be part of the CDS review conversation in the future?

Ongoing engagement was welcomed by two of the three submissions (the remaining one did not mention it).

It was also recommended that community engagement occurs.

3.2.7 Government stakeholders

Submissions were received from nine local government organisations and three Members of Parliament and the Legislative Council.

3.2.7.1 Objectives of the CDS

1. What should be the objectives of the CDS?

Submissions commenting upon the CDS’s current and future objectives have been summarised below:

- reduce litter
- support/attain resource recovery
- support recycling
- prevent litter entering marine environments
- a waste management system for problematic single-use packaging products
- part of the system that aims to transition SA to compostable and reusable containers/bags
- expansion of original aims to factor in circular economy objectives/principles/targets
- improving best practice ‘green’ procurement activities
- increasing the rate of waste diversion.

“Currently, the CDS’s objectives are to provide a financial incentive to reduce litter and increase resource recovery through diverting eligible containers from landfill in line with the ‘polluter-pays principle’” clxxxvii

“While the CDS was designed and implemented as a litter reduction mechanism, it is now more widely viewed as a resource-recovery mechanism.” clxxxviii

Suggested ways of achieving these broader objectives of the CDS were:

- simplifying and incentivising customer experiences

- regulating single-use takeaway products
- transitions to compostable and reusable products by 2025
- maximising local employment in service delivery and material reprocessing
- supporting local business and product innovation using sustainable, locally produced compostable materials
- mandating a simplified labelling system that supports correct use of SA's existing 3 bin waste and recycling system, and retrofits these to all public bins
- incentivising informal recovery of litter
- supporting cost effective service delivery of waste collection
- review purpose/amount and/or provide security of funding via the Solid Waste Levy and Waste to Resources Fund
- build SA's reputation as a leader in diversion of materials to landfill
- encouraging 'green' procurement practices by setting minimum acceptable levels of recycled content
- educating at all points along the waste stream
- encourage manufacturing of reusable containers, and businesses that supply products in reusable containers.

"Twenty-five companies in total have signed up to sell products in glass, steel and other containers designed to be returned, washed and reused ... If the CDS has the ability to encourage more beverage manufacturers to move this way, we would be supportive." ^{chxxxix}

"... it was originally only about litter control, whereas today, more people see it as a resource-recovery initiative as well." ^{cxc}

2. How well do you think the CDS is currently achieving these objectives?

The contribution to reducing litter and supporting recycling was generally acknowledged, with further comments that it could be improved via changes to the CDS.

"CDS is considered to be working effectively in ensuring non-refillable beverage containers are kept out of the litter stream, with the KESAB Litter Stream Report data from 2018 indicating only 2.8% of litter in SA consists of beverage containers compared with more than double that percentage in other states, however the recovery rate of LPB containers has been declining since 2016." ^{cxc}

One stakeholder specifically mentioned that its success was in the areas of providing "a financial incentive to reduce drink container littering and increase diversion of materials for recycling," then proceeded to recommend a range of ways in which this could be extended to achieve results in other areas of waste management. ^{cxcii}

One stakeholder suggested that the CDS has also contributed to job creation, while another suggested that it was time to implement community re-education initiatives to prevent reusable resources going to landfill.

The perceived lack of clarity in the current/future objectives of the CDS led one stakeholder to opine that it is unclear whether the CDS supports product stewardship, and whether it is successful in this area, leading to a recommendation for publicly available information on the CDS's economics.

"However, there is always room for improvement and for the scheme to achieve more." ^{cxciii}

3. Are there other aims that the scheme could achieve that should be reflected in the legislation, e.g. resource recovery and recycling?

Even without the need to alter the CDS's objectives (or with it), there was support for increasing the scope of the current legislation to include new containers and extend its coverage and achievements:

- include new items, expand to other types of materials (see Q4)
- a catalyst for a systems-based approach to adoption of compostable and reusable takeaway products (by 2015, or earlier)

- focus more on resource recovery, particularly where there is an established market
- provide community education and communications, participation and drive outcomes
- a stable business environment to enhance products and service innovation
- incentivise formal/informal reuse and resource recovery strategies
- build SA's reputation
- reverse or equalise the cost advantages of incumbent non-compostable/non-recyclable/environmentally harmful products
- establish a central data repository for material flows, resource recovery rates, circular economy targets, data collection protocols & reporting
- facilitate research and development, innovation to improve resource recovery and waste valorisation, efficiencies and collection processes

“While this scheme has successfully facilitated litter reduction and resource recovery; Council notes that it has not evolved considerably since its inception...”

CXCIV

3.2.7.2 Opportunities to improve the effectiveness of the South Australian CDS

Your views are sought on what opportunities the review should consider to improve the operation of the CDS. In commenting on what you think could be working better you may have a view on the following components of the scheme:

4. Containers included – should more types of containers be included in the CDS and are there containers currently receiving a 10-cent refund that should be removed from the scheme?

There were a range of opinions on whether the items covered in the CDS needed to be changed.

Among those who supported expansion, there were different suggestions for items to be included, with many providing their rationale. A summary of these is below:

- glass containers (including wine and spirit bottles, condiment and sauce jars, bottles, bottles holding more than 3L, medicine bottles, etc.); reasons include glass being worth more when not comingled, recycled glass being cheaper than new, issues associated with glass fines (MRF contamination, OHS&W, loss of value, loss of other materials, and high processing cost to councils), and the perceived ease with which consumers will accept the change
- casks
- event beer and wine cups
- carry bags
- disposable coffee cups
- water containers, 1L or more
- oil containers
- pure fruit/vegetable juices, 1L or more and up to 3L
- flavoured milk, 1L or more
- plain, unflavoured milk, all containers
- cordial (undiluted), all containers
- plastic food containers and non-food containers
- drink cartons
- e-waste.

“It would mean the majority of alcohol-based beverage containers are subject to the 10-cent refund and it would streamline the list of what is/isn't included.” CXCv

“Consideration should be given to extend the CDS to include further problematic litter products, such as wine and spirit containers (including casks), carry bags and takeaway food containers, as part of a holistic and world-leading compostable carry bag and takeaway food container system by 2025 or earlier.” CXCvi

“This may assist to reduce the presence of glass wine bottles in the kerbside recycling stream which is a major cause of glass fines contamination.” CXCvii

“The CDS provides a method of ensuring that as much glass as possible is returned for recycling and as much glass as possible is returned directly outside of the kerbside-collected_yellow bin system.” ^{cxcviii}

“The liquor licensing laws in SA have changed since the implantation (sic) of the CDS; if a patron brings their own wine or purchase wine at a venue and does not consume it all while there, the patron is able to take the unfinished wine away with them as long as the cap is screwed back on. Hence, wine bottles should be considered as ... takeaway beverage containers and included in the 10-cent refund.” ^{cxcix}

One stakeholder suggested that the costs of expanding the list of included items could be funded by unredeemed CDS deposits.

The following items were suggested as **not** being included in the CDS:

- wine bottles
- takeaway cutlery/utensils (e.g. knives, forks, spoons, straws etc.) – that should be separately regulated to effect transitioning to compostables
- items being managed by other means/organisations, e.g. APCO packaging guidelines, under national jurisdiction
- items suggested for banning by the CDS (or other means).

“The wine industry is a significant contributor to the SA economy, and is the highest single export sector. A change to the CDS to include wine bottles present(s) a significant economic risk to the SA wine industry, including investment and direct employment.” ^{cc}

Among those who directly addressed the question, there was no support for the removal of products currently included in the CDS.

“We do not believe that any containers should be removed from (the) current CDS. We do believe that other items should be included.” ^{cci}

5. Banning of containers – should the scheme ban the sale of beverage containers that present challenges for recycling?

Many were supportive of outright bans or for consideration to be given to banning certain problematic containers and packaging so as to reduce waste going to landfill. It was also mentioned that there were other ways of removing these from production, such as the review of the *Product Stewardship Act 2011*, innovation and via APCO.

“Yes, the CDS review could consider protecting the integrity of existing significant systems-based infrastructure and educational program investments by the waste management and government sectors on containers that present challenges for recycling.” ^{ccii}

Concern was expressed about the use of the CDS to ban items.

“... it may be detrimental to the CDS if it is used as an instrument to ban items (e.g. by complicating messages about the scheme).” ^{cciii}

“While we are supportive of the scheme banning containers that present challenges for recycling, we do not want it to complicate or distract from the core focus of the legislation. There are other national level mechanisms where this can be addressed and could be more effective.” ^{cciv}

Other suggested ways of removing problematic items from the waste stream were:

- incentivising informal litter recovery
- incentivising formal and informal reuse and resource recovery

- reversing the cost advantage of containers/products manufactured from problematic materials
- developing innovation and substitution
- driving demand for substitutes or environmentally friendly products, containers and behaviour
- mandating recyclability etc.as part of the national APCO registration process
- inviting recycling programs to local areas, e.g. Simply Cups
- encouraging social procurement and design, e.g. benches, kerbing, car stops
- funding the installation of more drinking fountains in the community, to reduce the need for beverage containers.

Items for consideration for removal, by any of the above means and/or a ban were:

- beverage containers such as juice or yoghurt squeeze packs, particularly those wrapped in a soft plastic layer of 'sleeves'/with excessive packaging, flexible plastic or aluminium foil packaging, i.e. spout pouch bag
- items comprising of several different plastics/materials
- over-packaged items
- items made from liquid packaging board, i.e. UHT, Tetra Pak containers

6. Governance arrangements – should the review consider how collection depots and super collectors operate?

In reviewing governance of the CDS, it was recommended that consideration should be given to:

- shifts in consumer demographics, e.g. housing trends, vehicle ownership, high-density living
- safeguards to geographic coverage of collection points and refund services
- consumer opinion, e.g. preferences for locations, manner of returns and supporting services
- maintenance of existing collection depots/arrangements
- preference for electronic payments
- facilitating new ways of sorting at source, i.e. in households
- the manner in which collection depots and super collectors operate, to ensure they function ethically, effectively and meet the needs of the community
- improved facility and scheme design to replicate Germany's 98.5% recycling rate, e.g. legislation, government incentives, AI, automation and integration
- developing a uniform system of practice/operation for all to use
- the existence of a viable market for recycled/recovered resources within Australia
- the guidelines for CDS approvals in SA
- conducting a review of newer, interstate CDSs and comparing them to SA's and recommending new/different/better ways to provide good governance.

"It could give opportunity to identify best practice models of both depot operations and super collectors that could then become the standard. This could help reduce costs and ensure a sustainable model." ^{ccv}

"No containers should be approved for sale in SA through the CDS unless there is an existing market for the recovered materials ... The community needs to know what these markets are and where they are, whether they are in Australia or only overseas, where the costs and benefits of this system lie and whether they are sustainable or not." ^{ccvi}

There was mention of increasing the methods of collection to include point of sale locations, where retailers become collectors, or host collection channels. This may require changes to current governance.

7. Marking of containers – is there a need to modernise how containers are marked to display the 10-cent refund?

Stakeholders held a range of opinions on alterations to the labelling of CDS items, with some stating it was unnecessary, but others seeking change. It was suggested that any alterations should be based on evidence-based decision making.

The supporters of change asked for the following:

- a new and fresh font
- clearer, larger type for the 10-cent marking
- simplification of the wording, i.e. 10-cent refund container
- development of a symbol indicating the containers carrying a refund
- make eligible containers more identifiable
- inclusion of label owners to ensure the change is acceptable, affordable and necessary.

This question prompted the mention of a reported lack of understanding of the CDS system among visitors to SA, and newly-arrived residents. Recommendations for resolving this were:

- develop/increase education programs from Green Industries SA, EPA and super collectors
- independent waste education service providers to deliver education
- make information available in a range of multilingual, accessible formats
- target information to tourists, new arrivals and international students
- campaigns would be funded by super collectors, from the unreturned container deposits.

In addition, a national body/organisation could be tasked with the development of a standard symbol for use in marking/labelling across jurisdictions.

“With other states taking this on board there is potentially scope for an organisation such as Planet Ark to develop a standard symbol.” ccvii

8. Payment of deposit – is there another way that you would like refunds to be paid?

Among those who did not have an opinion on this point was the recommendation that any changes should be evidence-based, particularly if consideration of removing the cash payment occurs.

“Removal of a cash payment option may impact the success rate of the current scheme.” ccviii

There were suggestions for other ways of payment to be considered:

- electronic payments to the recipient
- electronic payment to a retailer
- electronic payment to a precinct loyalty scheme
- electronic payment to a not for profit scheme
- reverse vending machines, e.g. European system in and around shopping centres
- EFTPOS terminals at depots.

“The depot staff could enter the required amount into the terminal and the person receiving the refund could swipe their card and enter their pin to accept.” ccix

9. Ease of returning containers – how difficult is it to return your containers for a refund? Are current recycling depots adequate in terms of how many there are and where they are?

One stakeholder suggested consideration of dual systems of returning containers to depots, being a combination of manual sorting and automated systems.

Others suggested increasing the ways and means of returning containers to cater for people who found the current system inconvenient or difficult to access e.g.:

- reverse vending machines, self-serve ‘return and earn’ machines at shops, in schools, community centres
- retailer-based mechanisms
- longer/different depot opening hours, e.g. beyond business hours, open on weekends
- additional channels for return in rural areas
- automated container returns/counting systems at depots.

“Yes, increase the number of vending machines in high profile locations (such as shopping centres and open spaces) that provide a refund.” ^{ccx}

It was also mentioned that any changes should be evidence-based, taking consumer preference and residential locations into account.

Another point was made around householders' knowledge of what can be deposited at depots, namely, glass that is not part of the CDS. It was thought that there might be more sorting of resources in the household if people had more information.

“Most people don't know that you can return glass jars and wine bottles to the same depot that you take your deposit containers. Having visited the NAWMA co-mingled recycling facility, I can see how much easier it would be if there was greater separation at source.” ^{ccxi}

11. Compliance – are there opportunities for improvements in the administration and enforcement of the scheme?

It was mentioned that any changes to compliance should be evidence based.

In focusing on ways to increase resource recovery, it was suggested that diversion targets could be set for collectors to “intensify their recycling efforts”. ^{ccxii} In addition, there was seen to be opportunity to provide further education to collectors.

12. Monitoring and information – is there sufficient and transparent information in the current scheme for example audit needs?

There was support for quality monitoring of the CDS and the provision of information to guide evidence-based development and decision making. Additional areas of data collection and report were:

- greenhouse gas reduction
- quantifying the CDS's contribution to resource efficiency
- landfill space avoided
- metrics to educate the community on the critical role of recycling in good environmental outcomes.

The provision of publicly available reporting on the CDS's finances and economic performance was requested. Along with a cost/benefit analysis of its operation.

3.2.7.3 Refund amount

13. Should the refund amount be revised?

Those who did not have an opinion on this point gave the recommendation that any changes should be evidence-based, with decisions made with the benefit of engagement with industry stakeholders, the business sector and consumers. Among others, there was support for no change to the refund amount and calls for increases of refunds to 15 cents or 20 cents.

Support for increase(s) to the deposit amount, was accompanied by the following rationale and recommendations:

- intervention is needed to arrest declining recovery rates
- the refund has not kept in pace with SA's CPI; future reviews should employ 2008-09 as the benchmark year
- increases should occur in 5-cent steps
- bi-annual deposit reviews should be conducted to determine future rate changes
- rate differentials should be rounded up/down rather than delaying implementation
- recycling needs to be lucrative for the community
- required to return recycling rates to 80%+.

“Australia ranks 22nd out of 35 Organisation for Economic Cooperation and Development (OECD) countries for its material recovery efforts due to its low refund amount.” ^{ccxiii}

Support for no change to the refund amount (at 10 cents) was accompanied by the rationale that the CDS was working, the amount was an adequate incentive and that resourcing should be put into the expansion of included items rather than the amount of the refund.

The downside of increasing the refund fee would be the increase in costs to consumers.

“Ultimately they pay for the increase in the products they are consuming.” ^{ccxiv}

There was also mention of the need for investigating non-cash motivations to increase the CDS's positive outcomes, e.g. partnerships with retailers to provide electronic store vouchers (for 10+ cents per item) and providing motivation to return CDS containers and visit their stores.

3.2.7.4 Supporting research

14. What research do you think is required to inform the CDS review?

References were made to papers and other items in these submissions:

- National Waste Policy 2018
- 'polluter pays' principle
- KESAB Waste Audits.

Research was requested to gain the following information:

- To what extent are flavoured milk and juice containers (and all other items suggested for inclusion) present in litter streams? Should be included in the CDS?
- What are the impacts of the China National Sword Policy on the CDS, and how could the CDS should be modified as a result?
- What is the relationship between refund amount and participation
- What is the minimum increase in refund amount that will achieve the greatest increase in participation?
- Are there other incentives that could trigger greater participation?
- Are there ways of supporting enhanced community and industry understanding of waste stream composition, to inform waste management system service designs, system performance benchmarking, community engagement and education?
- Carry out public place and event bin compositional and generation rate audits to inform waste management system service designs, system performance benchmarking, community engagement and education.
- Investigate the costs and benefits of increasing the refund amount to 20 cents per item.
- What is the CDS's contribution to the economy, for the purpose of strengthening community buy-in and motivate inclusion of additional items?
- Undertake social marketing-based research to inform what refund increase would motivate more of the community to recycle their CDS containers.
- Investigate the inclusion of wine bottles to ensure environmental and economic sustainability for industry
- Investigate the success of the Northern Territory's CDS and learn from its experience.
- Will increased collection points/methods be more/less beneficial to achieving resource recovery goals?
- What are the differences in value between the 'cleaner' materials collected via the CDS and the 'dirtier' materials collected via the yellow bin system?
- What happens to resources post-recovery?
- Where do the economic and environmental costs and benefits of the CDS lie?
- Which policy problem is a CDS review trying to solve? Recovering more resources? All resources or just a particular type? Why? Do we have end markets for these? Where are they located? Are they socially/environmentally responsible? What should we be doing with our recyclables? What could be done to develop local markets for these?

3.2.7.5 Out of scope

15. Are there parts of the scheme that are working really well and you think should not be considered for change as part of the review?

The only recommendation for an increase in scope submitted under the response to this question was to increase focus to expand the items collected for further resource recovery. Recommendations for parts of the CDS to be considered out of scope were:

- any investigation into the removal of collection depots for the bulk handling of containers
- any products currently included in the CDS

“Collection depots should continue as a bulk handling service for all consumers as reverse vending machines are poorly suited to processing large container volumes or damaged containers.” CCXV

“The scheme is currently working well and the review should focus on improving the performance of the scheme to meet the stated objectives.” CCXVI

3.2.7.6 Engagement options

16. How would you like to be part of the CDS review conversation in the future?

Where mentioned, opportunities for collaboration and consultation were welcomed. Suggested methods of conducting this were:

- partnerships with council(s) and industry
- participation in further discussion
- further discussion of the submission
- workshops
- stakeholder engagement meetings
- report reviews
- survey participation.

3.2.8 Industry stakeholders

Submissions were received from 15 industry organisations.

3.2.8.1 Objectives of the CDS

1. What should be the objectives of the CDS?

These stakeholders presented a range of current and future objectives for the SA CDS, summarised as follows:

- litter control/prevention
- increase the recovery and recycling of beverage containers
- increase away-from-home recycling
- reduce pollution
- reduce container waste tin litter and/or landfill
- reduce waste at MRFs
- ensure the manufacturers of beverage products meet their product stewardship responsibility in relation to their beverage products
- extend/increase producer responsibility via container registration guidelines
- increase user responsibility for containers
- provide opportunities for social enterprise, and create benefits for community organisations, by making funds available through refund payments and employment
- create product stewardship for beverage containers by instilling a sense of value for recycling and recycled materials

- contribute to the circular economy by creating high-value pathways to resource collection and recovery
- implement a requirement for manufacturers to produce containers that can be readily recycled
- reduce contamination in SA's organic waste/recycling streams
- focus on resource recovery to improve participation rates and reduced contamination in the kerbside recycling bins
- complement existing collection and recycling activities for recyclable waste.

"We would like to take this opportunity to highlight the important role the SA CDS plays in reducing contamination in the organic recycling streams." ^{ccxvii}

"Whilst litter control remains important, we feel that the scheme's objectives should be expanded to encompass the circular economy. Litter control is a subset of improved outcomes for the circular economy." ^{ccxviii}

2. How well do you think the CDS is currently achieving these objectives?

It was noted that the CDS has been successful in removing beverage containers from the litter stream, as has been demonstrated by the EPA scoping paper and KESAB Audits etc. It was also mentioned that the state has a history of the supply of high-quality recycled materials, due wholly or in part, to the CDS.

"SA's CDS glass and other materials have always attracted a price premium and SA is well endowed with glass manufacturing kilns supplied by domestically produced cullett." ^{ccxix}

"Overall, the CDS is achieving good collection rates (except for LPB and HDPE)." ^{ccxx}

"The reality is (which government clearly recognises) that much has changed in the last 40+ years, and as such, it is now timely and appropriate, with modern CDSs being introduced in other jurisdictions, to consider necessary modifications and improvements in SA to:

- positively improve the scheme's outcomes;
- refresh the scheme, better aligning it with contemporary societal needs and values; and
- update it, bringing it into line with 2019 technologies and solutions." ^{ccxxi}

Some of these stakeholders requested more data on the CDS's operations in order to be able to provide an informed opinion of how well the CDS was working and how to recommend its future objectives and activities – including the need for a review – leading to change.

"There is a concerning lack of data and scoping paper, and what little data there is suggests the CDS is working effectively as it is. There is also no information from the EPA on what problems exist in the current CDS, if any, that would be an impetus for change." ^{ccxxii}

However, it was suggested in one submission that SA's litter was increasing while Victoria's has decreased. And others mentioned that there were certain beverage containers that were underrepresented in the CDS figures, i.e. HPDE and LPB items.

In examining approaches to improve success in litter control, it was suggested that SA examine a number of pathways, not just the CDS as the CDS has been proven to be an expensive solution:

"CDSs are a very expensive and inefficient policy approach to increasing recycling rates. The Packaging Impacts Decision Regulation Impact Statement, March 2014, prepared for the then COAG Standing Council on Environment and Water found CDSs were nine to 10 times more expensive per tonne of material recovered than alternative policy approaches." ^{ccxxiii}

Other suggestions for improvements to the scheme received in response to this question were:

- a review of containers included in the CDS, recommended as being either made from Australian recycled content or able to be recycled in Australia
- expansion of the variety of containers, with a focus on material type or use, e.g. all glass beverage containers, all juice containers.

“In its current format, the CDS has performed well as a litter reduction and resource recovery strategy. However, there is the opportunity to build on the legacy of the CDS and broaden its objectives to reflect the current challenges and opportunities for managing waste and recycling.” ^{ccxxiv}

3. Are there other aims that the scheme could achieve that should be reflected in the legislation, e.g. resource recovery and recycling?

It was recommended by most of these stakeholders that the review of the CDS’s aims should be well-defined and conducted from a holistic viewpoint of supporting the principles of product stewardship and the circular economy and developing it beyond one that is aimed at littering associated with beverages consumed away from home. ^{ccxxv}

“Supports the current objectives of the Act, but also considers there is a need to broaden the objects to include collection (i.e. recycling) and material recovery (i.e. resource recovery) objectives and targets that are reported annually. It is important more onus is placed on the beverage companies in ensuring the scheme continues (to) deliver on all objectives.” ^{ccxxvi}

“Establish a clear goal and list the benefits of the review.” ^{ccxxvii}

“... include containers that are not generally littered but that would enhance the viability of materials reprocessing (such as wine and spirit bottles).” ^{ccxxviii}

There was suggestion that if resource recovery were being considered for inclusion in the CDS’s objectives, then it should apply to resources and activities for which there is a proven cost/benefit analysis, as it affects manufacturers/producers, and consumers.

“A material-led set of criteria would not just help improve litter and recycling outcomes, but it would also ultimately strengthen the local circular economy.” ^{ccxxix}

“The events of the past 12 months and community sentiment place expansion of the objectives in a positive unique position. That is, the expansion will in no way dilute the original objectives. Rather, it will have the secondary benefit of aiding with recycling awareness, education and most importantly, behaviour change.” ^{ccxxx}

One stakeholder was of the opinion that the objectives of the CDS should not be expanded to include resource recovery, with the rationale that there are many other cost-effective solutions to this issue. For instance, they recommended the government places a higher priority on waste reduction.

“Both a higher recycling rate and the advent of refillable containers would be fantastic outcomes from this review – and surely two of the primary motivations of it.” ^{ccxxxi}

3.2.8.2 Opportunities to improve the effectiveness of the South Australian CDS

Your views are sought on what opportunities the review should consider to improve the operation of the CDS. In commenting on what you think could be working better you may have a view on the following components of the scheme:

4. Containers included – should more types of containers be included in the CDS and are there containers currently receiving a 10-cent refund that should be removed from the scheme?

Submissions provided a range of differing responses to this question, with some arguing for a much broader range of inclusions and others preferring no change, while others also focused on achieving consistency across jurisdictions.

Those in favour of increasing the items included in the CDS suggested the following:

- wine bottles
- wine cans
- glass from bottles
- fruit juice bottles; all or those made from the same materials as other containers within the scheme
- milk bottles; all or those made from the same materials as other containers within the scheme, including 2L and 3L sizes
- all glass containers, e.g. condiment and pasta jars
- batteries
- all HDPE containers
- refillable containers
- milk cartons
- juice cartons, including 3L+ sizes.

The rationales behind the inclusion of additional items to the CDS (including those which do not account for high percentages of the litter stream) were to:

- reduce consumer confusion about why some beverage containers are in, and some out
- greater aggregation of each relevant material type, support circular economy outcomes
- fairer distribution of collection and processing costs across a broader range of packaging materials
- potential to increase the quality and value of the comingled kerbside recycling system, e.g. glass shards no longer contaminating paper, board etc.
- remove the risks accompanying glass in comingled recycling streams, e.g. organics, OHSW
- increase/protect the resale value of glass and uncontaminated recyclables
- reduce problems associated with contaminated stockpiles
- decrease the costs to MRFs in processing contaminated recyclables
- increase the value of recycled product
- keeping wine bottles out of the recycling bin waste stream will enable higher compaction rates in collection vehicles, allowing more recyclable material to be collected per truck
- reducing costs of processing milk/juice cartons
- improving the viability of regional processing facilities
- source separation of various glass colours is more efficient via a CDS (either bottle yard or an automated system), adding further value and resale opportunities
- increase the competitiveness of recycled glass against virgin materials
- use additional income earned by depots, due to an expanded CDS, to offset costs of collecting non-CDS items, e.g. paint, chemicals, e-waste, oils
- decrease the costs of removing contamination in waste/recycling streams
- decrease the cost of disposing of contaminating items/materials removed from waste/recycling streams
- it is the 'common-sense approach' designed to reduce consumer confusion, e.g. why beer bottles are included but not wine/spirit bottles
- SA could lead the country in including/encouraging refillable containers
- the tertiary effects/benefits of the refund system to charities, sports clubs and others using the scheme to supplement their cost of living.

“Specifically glass from bottles is the organics industry’s primary challenge and its inclusion in many of the end products significantly devalues the material, plus provides considerable risk.” ^{ccxxxii}

“As a commercial organics processor, such contaminants such as glass and plastics continue to present within the organic recycling stream in significantly higher proportion than those presently encompassed in the current scheme.” ^{ccxxxiii}

“The recovery of glass from mixed kerbside recycling presents several challenges, including the contamination of other products with broken glass. Removing as much glass as possible from the recyclables bin via CDS should give cleaner outcomes for both the mixed recyclables and CDS glass.” ^{ccxxxiv}

“The exclusion of wine bottles from the NSW, QLD and WA schemes is simply based on those states’ desire to harmonise with SA’s existing scheme.” ^{ccxxxv}

“A CDS allows refillable containers to return to the marketplace and SA could again lead Australia encouraging this segment of the market. This not only reforms the SA CDS but advances the state’s SUP agenda also.” ^{ccxxxvi}

The argument against the inclusion of wine and spirits bottles to the CDS was based on the following main points:

- the increased cost/time of re-labelling bottles, at a time when margins are tight due to high costs, e.g. energy, water
- many hotels & restaurants have established bottle recycling arrangements, e.g. Scouts SA
- it will be complex to incorporate/manage wine bottles in a CDS, owing to their high export volumes (60%), making it impossible to recover these
- including spirits bottles will hurt SA’s growing craft spirits industry
- glass is not in the top 20 of litter types, accounting for 3% of all litter volume
- the wine industry is significant to SA’s economy and its disruption will be costly
- these items were excluded from the original CDS because they did not make any material contribution to the litter stream and this situation has not changed
- while some of the cost of CDS inclusion is passed on to consumers, it accounts for only one third with the rest absorbed by the manufacturer
- the recycling and resource recovery opportunities offered by glass bottles is low, compared to the problems/opportunities presented by other elements in the litter stream, e.g. LPB, PET and HDPE.

“In the latest KESAB litter survey total wine and spirit bottles recorded were five out of a total of 7504 littered items. Those five items make up less than 5% of glass containers littered.” ^{ccxxxvii}

“SA’s emerging distilling industry cannot afford additional costs including the labelling changes.” ^{ccxxxviii}

Additional advice was for the review of the CDS to consider the management of container lids, and any changes to the CDS should be accompanied by education and messaging.

“... for example, how reducing contamination (broken glass) is required to maximise the value of the content of the recycling bin.” ^{ccxxxix}

One stakeholder recommended that PVC containers should not be eligible for/allowed into the CDS because the material is largely unable to be differentiated in MRFs and sorting centres and is a contamination source.

One stakeholder suggested the removal of the following items from the CDS:

- containers of registered probiotic drinks, such as Yakult: they are more of an impost than benefit to the CDS
- returnable/refillable bottles, the “so-called ‘growlers’ and ‘squealers’ commonly used to sell draught beer” ^{ccxl}: exclusion is a matter of good public policy to encourage reusing and refilling containers
- beverage containers made from dual materials, such as PET cans with aluminium top enclosures: they contaminate recycling streams.

An ancillary point regarding the need for consistency across jurisdictions was also made under this question, with the reasoning that schemes need to be harmonised and operate under the same protocols to reduce bureaucracy and the associated costs to industry and consumers and to eliminate confusion and misunderstandings.

“In prefacing a response to this question, we strongly highlight the need for no one state to act in isolation in changing what might now be regarded as accepted standards for principals for CDSs across the nation. Specifically, the ABCL believes that certain specific matters should be agreed upon nationally and be common across all CDS jurisdictions.” ^{ccxli}

5. Banning of containers – should the scheme ban the sale of beverage containers that present challenges for recycling?

There was support for banning items that present challenges for recycling, as follows:

- non-recyclable, non-compostable and/or reusable items
- PVC wrapping/labelling
- squeeze pouches
- LPB containers, with foil or plastic liners
- containers with aluminium lining
- multi-material types of packaging and labelling and/or made from multiple laminated materials
- mixed glass/ceramic containers
- mixed metals/plastics containers.

“Banning these containers is a rational choice in a system designed to achieve the circular economy,” ^{ccxlii}

“Millions of single use beverage containers are used and disposed of each year in SA. Containers should be easily and 100 per cent recyclable so that they contribute to the circular economy. This means the whole container is recycled locally into a higher or equal value product (e.g. back into new containers) and not down-cycled into lower value products (e.g. alternative fuels),” ^{ccxliii}

There was also support for finding different ways of removing these items from use, such as:

- prevent non-recyclable items from registering under the CDS
- require items to prove recyclability in Australia
- develop clear, sustainable packaging guidelines
- increasing demand for sustainable, food grade packaging
- lead a national development/adoption of sustainable packaging actions
- Imposing a cost penalty (levy) on containers that do not have an established resource recovery process
- mandating a minimum percentage of recycled/recovered content in containers
- review of the Product Stewardship Act 2011
- review of the Australian Packaging Covenant Organisation (APCO).

6. Governance arrangements – should the review consider how collection depots and super collectors operate?

The CDS review was viewed as an opportunity to update the governance of the CDS, and those who responded to this question provided many suggestions for ways to develop it. These have been summarised below:

- implement modern governance and systems, requiring an end-to-end review of the CDS
- plan for the future and aim to futureproof the CDS/legislation
- rewrite and amend the enabling legislation so it aligns with other jurisdictions at every opportunity, in particular, the QLD and WA approaches
- increase accountability
- increase transparency
- improve reporting of activities and payments
- include formal provisions for container exporting, from SA to another jurisdiction (to replace informal conventions)
- learning from the operations of newer schemes, taking account of successful examples of their governance
- the role, risks and opportunities presented by technology

- the number of super collectors and their role, with a number of mentions of transitioning to a single super collector/scheme coordinator/scheme administrator or opening it up to a competitive arena
- reviewing the 'for profit' status of scheme administrator(s) to ensure motivation is to run the lowest cost, most efficient and effective CDS, and enable them to register as a charity/non-taxable entity to save CDS costs
- re-evaluate CDS participants and pricing, using the QLD CDS model in operating container refund points (CRPs), transport and logistics operations, material processing, etc.
- consider implementing a national scheme, which would allow all MRFs to claim deposits regardless of where the material is processed
- provide commentary on the roles/responsibilities of all stakeholder, i.e. manufacturers, collectors, recyclers, consumers
- examine the whole product life cycle, i.e. materials flow, markets, end use
- open up new ways to collect and refund containers via technology and other avenues, e.g. RVM, bag drops, mobile collections, high-speed counters, cashless payments, apps
- mandating the ongoing use of recycled materials, e.g. in new containers
- set up the possibility of establishing a national CDS, with many benefits at all stages of the product/resource journey, e.g. one piece of legislation via COAG, or Meeting of Environment Ministers; examples of successful experiences in this include interstate heavy vehicle rules, WHS laws, trades licensing.

"A single super collector could reduce handling, sorting and transportation costs in the system, and go some way in harmonising the scheme with all other Australian states." ^{ccxliv}

"Encourages the government to align the operations of the scheme in line with other schemes in other states. Harmonisation of operations wherever possible across states will reduce costs and (simplify) administration." ^{ccxlv}

"The beverage industry (unlike the environment and community) is not motivated to see the SA CDS increase return rates as this requires further repayment of refunds and handling fees. The only way SA CDS will become more effective and gather more materials is through a regulatory intervention." ^{ccxlvii}

7. Marking of containers – is there a need to modernise how containers are marked to display the 10-cent refund?

While there was no specific support for container marking alterations, the opportunity to develop a consistent labelling approach across Australia as new CDSs are rolled out was mentioned. This may include the development of a shared logo/icon/symbol to replace text and/or a national hotline for enquiries.

"Supportive of improving the operation by: Ensuring the label/logo is consistent with other states that have implemented a similar system." ^{ccxlviii}

".. any proposed change to the refund mark should only be undertaken with complete consensus of all other CDS jurisdictions, so there is one common refund mark in operation across all CDS jurisdictions." ^{ccxlviii}

In explaining this further, a guide to the costs of implementing labelling and packaging changes in one or more jurisdictions was provided to the EPA, and this was described as being significant and likely to be passed on consumers (hence not to be undertaken without rigorous investigation of benefits vs costs).

While not in favour of any changes to labels due to government regulation, the beverage industry highlighted the need for no less than a three-year grace period (from gazettal) to undertake any changes. This is to account for depletion of existing label stock, expiration of shelf stock and development and implementation of new labels.

8. Payment of deposit – is there another way that you would like refunds to be paid?

There was acknowledgement of the number of different, non-cash ways and means now available to pay refunds to consumers, e.g.:

- points schemes
- discounts
- charity donations
- reverse EFTPOS
- direct deposit
- retail vouchers
- app development.

The rationales behind this were that:

- it would reflect today's largely cashless society, meeting consumer demand
- it would open avenues for more convenient returns
- it would reduce security and risk concerns related to cash
- it would create an audit trail of transactions to reduce and identify risk of fraud
- it would permit more elaborate reporting.
- the payment solution technology exists and is in use in other jurisdictions.

It was recommended that these be investigated and reviewed in terms of consumer preference and operational efficiencies and alignment with schemes in other jurisdictions.

In defence of the current cash-only method of payments, the argument was forwarded about the teaching benefit of a direct link between the action of returning a container and receiving a cash refund. Any movement away from this form of reinforcement needs to be assessed in case they work against this important educational aspect of the scheme.

“One of the key strengths of the current system is that educates the public in a very positive way about the value attached to recyclables and the value of the 10-cent deposit being directly redeemable (as) the item is returned, is a core part of that. Options that move away from this, such as points, donations and discounts, work against the principles of this important educational aspect of the system and should be avoided. The current way that refunds are paid should be maintained, however options such as reverse EFTPOS/direct deposit can be added to enhance the system.” ^{ccxlix}

Particular mention was made of the need to analyse the impact on participants on low incomes if cash refunds were removed from the scheme.

9. Ease of returning containers – how difficult is it to return your containers for a refund? Are current recycling depots adequate in terms of how many there are and where they are?

This question prompted the submission of suggestions for increased accessibility, consumer communications and convenience, upgrades and extensions to current collection points and the examination of new and/or different ways to return CDS items. Any alterations to the current network of collection depots should be undertaken with the desire to increase public access and ensure the viability of existing sites.

These options have been summarised below:

- upgrade existing depots to increase traffic flows/management and safety
- upgrade existing depots to increase types of material handled
- exploration of over-the-counter models, e.g. charities, petrol stations, cafés
- exploration of RVMs
- implement more automated methods of return
- expand collection/drop-off locations and methods, e.g. express bag drops, RVMs, train stations, places that intersect with daily routines
- develop and implement simple instructions for the use of the CDS, directed at end users, with particular focus on consumers with an NESB

- provide options to cater for the trend towards medium to high density living, i.e. lacking storage spaces for containers, no vehicle for transporting containers to collection points.

“This may include collection point automation and initiatives like ‘bag drops’, allowing consumers to redeem smaller volumes (week-to-week consumption rather than the current month-to-month, which is understood to dominate the depot-based network) than they may currently. Including the possibility of retail centred collection infrastructure.” ^{ccl}

In addition, there was the suggestion of conducting a review of the system to provide metrics relating to its adequacy of overall numbers, locations, consumer convenience, type, functionality and technology.

10. Dispute resolution – should the review consider options to improve the process of dispute resolution between industry parties in the scheme?

The recommendation was for a review of current dispute resolution arrangements and practices and the development of an improved system to:

- articulate roles and responsibilities of those involved in the CDS
- mandate the number of super collectors, i.e. multiple or one CDS coordinator
- the dispute resolution process in the event of disagreement
- harmonise with CDSs in other states/territories
- review all matters of good governance
- provide recommendations to improve complaint handling and dispute resolution.

11. Compliance – are there opportunities for improvements in the administration and enforcement of the scheme?

It has been reported to one of these stakeholders that costs of compliance with the CDS are high and rising, particularly to those who deal with CDS inconsistencies across borders. Others concurred with the recommendation to align with, and replicate, the systems of other states/territories.

“As other states consider introducing a CDS of their own, it may be prudent to introduce consistent practices in terms of licensing, administration, labelling and reporting.” ^{ccli}

Other aspects of CDS compliance that were suggested for review were:

- the number and role of super collectors, i.e. implementing one CDS coordinator to simplify compliance

“Yes, implementing one independent scheme coordinator, potentially via similar legislation that has been introduced in NSW, the ACT, QLD, and contemplated in WA, would assist with improved scheme coordinator reporting, registration of beverage containers, standardising supply agreements, understanding the costs of the scheme and redemption rates.” ^{cclii}

- areas for legislative reform
- reviewing governance (refer Q6)
- employing technology to create audit trails, variance detection and automated reporting, which will identify non-compliance.

12. Monitoring and information – is there sufficient and transparent information in the current scheme for example audit needs?

The topic of monitoring and reporting led to the frequent mention of the need to aim for consistency across states/territories so as to minimise costs and required resources to compliant operators.

There was also a request for increased transparency around the reporting of:

- costs of the scheme
- investment in the scheme

- material flows
- material recycling
- stakeholder accountability
- improved accountability and transparency of operations
- information that would assist in improved recycling behaviours.

Much of this improvement would be achieved through implementation of online portals and an IT infrastructure to manage data input and reporting.

3.2.8.3 Refund amount

13. Should the refund amount be revised?

Once again, differing viewpoints were received in response to this question.

Those in favour of an increase in the refund/deposit amount (i.e. to 20 cents +/- GST) provided the following rationales:

- The refund amount is historical and has failed to remain abreast with the increased costs of beverages, making it less attractive to return the containers.
- Increasing the amount heralds scheme reform and the changes to its objectives, drawing attention to the expectation of new behaviours and responsibilities, e.g. increased recycling, driving a refillable sector.
- Australia's 10-cent refund is among the lowest globally.
- The deposit amount should be linked to the costs of processing/reprocessing/manufacturing, e.g. the number of empties required to produce a new container.
- The CDS is effectively cost-neutral and any initial push-back should ultimately be offset by benefits.
- If enacted nationally, the increase would benefit all states/territories.
- An increase in the refund amount may stimulate consumers to return more containers.

"An increase in the value of the deposit is also worthy of review to encourage maximum participation by all sections of the community. The quite significant increase in percentage of containers returned in the years following the refund increase from 5 cents to 10 cents is noted, and should serve as evidence of the influence of the refund amount." ^{ccliii}

"Supportive of increasing the amount of the deposit if this aids motivation for individuals, community groups, charity organisations and sporting clubs to recover more containers, however it may not be necessary." ^{ccliv}

"Over time, the deposit as a proportion of the total drink value has diminished, making it less attractive to return the container." ^{cclv}

Those not in favour of an increase, or any change, outlined the following issues:

- Changing the refund amount will be costly to SA beverage businesses, due to the need to relabel/alter labels to reflect the new amount(s).

"... to make new label plates and artwork to reflect such a change would cost approximately \$3,000 per product." ^{cclvi}

- An increase in refund amounts would cost the consumer more at retail and this will increase the cost of living.
- Changes to the refund rate will disrupt the establishment of the new CDSs around the country.
- An increase in the refund amount, if enacted only in the SA CDS, will create an inconsistency between jurisdictions and increase management costs.

"The Chief Executive of the EPA, in a letter to the WA Department of Water and Environment Regulation from October 2017, noted that the SA Government supports aligning any new CDS with the existing schemes in SA and the Northern

Territory (NSW, ACT and QLDQLD had not commenced their respective CDSs at that time). The Chief Executive further noted the key elements to ensure scheme alignment are an agreed refund amount; an agreed refund statement (labelling) for beverages sold in jurisdictions where a CDS operates and consistency in the types and sizes of containers covered by the schemes.” cclvii

Before any increase were to be introduced, a study of the economic impact should be conducted and considered, particularly considering its effect on those on low incomes.

One stakeholder mentioned that an increase should not be enacted at the cost of an increase to the scope of the CDS.

Again if there were to be an increase, it was requested that it occur simultaneously nationally so as to reduce costs and simplify administrative change/operations.

Calculating the recommended amount of increase, should this be pursued, requires a range of investigations and agreement on a formula, along with the question of whether or not it should include GST. A number of stakeholders recommended further investigation into this amount.

“... the refund should be conceived as ‘the number of empty containers I need to return to buy a full container from a retailer’. We believe that this number is less than ten containers to drive meaningful action and we note in other countries it is much lower (for example, a bottle of bottom of water can be purchased in Germany for 1-2 Euro, and with a 25 Euro cent refund only four to eight ‘empties’ are required to buy a new full one). The current deposit amount in SA requires significantly more than ten containers for a new drink. A bottle of water costs at least \$2.50 and would require at least 25 empties to be returned.” cclviii

It was noted that, if refund amounts were to change, it would require a phase-in period to allow for pipeline clearance of stocks and labels in retailers, in warehouses, in transit, in image libraries, etc.

This question also prompted a point about the handling fee and the opinion that if this were also to be increased, it could stimulate investment in the handling/processing sector.

“Yes, we believe the refund amount needs to be increased, and the handling fee revised (upwards) to encourage further investment in the bottle yards and collection points.” cclix

3.2.8.4 Supporting research

14. What research do you think is required to inform the CDS review?

A number of these stakeholders referred to published and/or proprietary research in their submission. A summary of these follows:

- KESAB, Litter Strategy Monitoring Wave 75 report (May 2018)
- news articles
- SAWIA, SA Wine Industry – August 2018 Snapshot
- EPA Submission to the WA Government on the Western Australia CDS Discussion Paper
- NSW Independent Pricing and Regulatory Tribunal Review of the NSW CDS first year of operation (Nov 2017 to October 2018)
- GISA 2018, South Australia’s Recycling Activity Survey 2016-17 Financial Year Report
- Keep Australia Beautiful National Index Reports.

Research required to inform the review was mentioned as follows:

- evidence of improved environmental outcomes assessed against the cost to the glass/wine/spirits industry and consumers
- the numbers of empty containers required to produce/procure new products as a measure by which to set refund pricing, and the extent to which refund value is benchmarked against the price of a new beverage
- community engagement on the impacts of changing refund amounts

- what other Australian jurisdiction schemes are doing and how they operate (include costs, returns, investment and innovation)
- information from EU in relation to sustainable packaging and recycled content specifications (including for example, the Plastic PACT being developed by WRAP UK)
- annual reconciliation and variance reviews (variances not currently available, latest in 2012)
- market research about branding and refund amounts
- impact (of any expansion or increase in refund amount) on the quality and value of the kerbside recycling system
- independent evaluation of the current CDS performance, including assessment of the barriers and challenges to the CDS achieving objectives and identification of opportunities and solutions to the barriers and challenges experienced
- structured stakeholder consultation to gain an understanding of the challenges and perceived success of the CDS, as well as understand stakeholder views as to whether the CDS was meeting its primary objective
- measure the cost/impact/role the CDS plays in reducing contamination of the organic waste stream
- quantify the costs/impacts of reduction of contamination of waste/recycling streams
- commentary on the costs and benefits of the CDS from an economic and environmental perspective
- investigate better ways and means of improving annual reconciliation and variance reporting
- review the adequacy of the SA CRP network in terms of overall numbers, geographic locations, consumer convenience, type, functionality and technology.

3.2.8.4 Out of scope

15. Are there parts of the scheme that are working really well and you think should not be considered for change as part of the review?

This question was not specifically addressed in the submissions received from the responding industry stakeholders.

3.2.8.5 Engagement options

16. How would you like to be part of the CDS review conversation in the future?

There was a general appreciation for the opportunity for engagement with the process of reviewing the CDS. Most provided an open invitation to be contacted personally or gave the name of another.

The following summarises the suggested, specific ways for future involvement:

- continued membership of EPA's CDS Review Reference Committee, with consultation via regular group meetings
- inclusion of the MRFs in future consultation
- structured stakeholder consultation with all CDS participants, including coordinators, depots, collection point operators and manufacturers/suppliers, members of the public, community organisations, industry associations and local government
- participation in discussions
- contact with submission/letter writers directly or with a nominated other
- through industry groups and associations
- participation in the review, via formal invitation
- consultation with the stakeholders' CDS subject matter experts

"The establishment of a CDS advisory or steering committee, comprising:

- government (the EPA)
- beverage industry (ABCL)
- waste and recycling industry
- community groups and social enterprise
- environmental groups
- CDS subject matter experts; and
- representatives of other state governments or CDS entities." cclx

Appendix A

Amalgamated, summarised list of recommendations for supporting research

Many suggestions were received for increasing the research and consultation surrounding the CDS. These have been summarised below:

- Compare resource recovery/recycling amount and return rates.
- Create cost/benefit analyses of implementing a technological solution to chain of custody tracking, e.g. barcodes.
- Assess governance protocols of other states and territories' schemes after one to two years, and adopt any best practices.
- Review the NSW scheme's MRF Protocol.
- Review the NSW scheme's quarterly reconciliation and other ways in which to increase transparency.
- Review KESAB Litter Reports.
- Assess the impacts of CDS on litter and recycling rates in other jurisdictions.
- Examine cost of operating CDS in each state and territory, including reviewing cost-per-item of litter reduction and cost-per-item of increased recycling, measuring ROI and adopting best practices
- Gather evidence to demonstrate that expanding the scope of the CDS to include additional beverage containers would reduce the litter stream in SA
- Examine alternative policies aimed at increasing the recycling rates of glass containers
- Determine risk and effects of cross-border arbitrage practices as a result of inconsistent CDSs in different jurisdictions
- Investigate different methods of refund payment and consumers' appetite for these
- determine the locations and density of refund access points
- audit SA's recycling capacities and capabilities, with recommendations
- Carry out a survey to understand community awareness and perceptions around the CDS, to inform discussions around scheme branding, marketing and community education
- Carry out a study of community willingness to pay to inform any consideration of potential revisions to the refund amount.
- Accurately determine the percentage of containers going to super collectors or collection depots.
- Determine how the containers are being recycled/used.
- Conduct further research on which containers are suitable and not suitable for recycling.
- Identify the limitations of the CDS, e.g. which containers are currently not suitable for collection depots.
- Determine how much of what is being collected is being effectively recycled.
- Examine independent ways of counting/measuring containers.
- Explore ways of broadening public engagement and participation.
- Identify operational parameters (logistics, sorting or other requirements) that limit the solutions on offer in SA and how these can be reduced.
- Investigate the effectiveness of the current deposit refund value as a financial incentive, and benchmark the refund value in comparison with typical beverage prices and the cost of living across international deposit schemes.
- Carry out a survey to understand community awareness and perceptions of the CDS to inform discussions around scheme branding, marketing and community education.
- Carry out a survey to understand community expectations of accessibility, operating hours and methods of payment.
- Carry out a demographic analysis to consider current accessibility and collection depot coverage, with a view to encouraging the delivery of appropriate collection depot types and identify gaps in accessibility.
- Analyse the volume of beverage container collected in kerbside recycling bins.
- Carry out a cost/benefit analysis of the implementation of technology to increase chain of custody tracking and associated reporting.
- Carry out an analytical assessment of the CDS.

- Analyse the reasons for the decline in SA's beverage container return rates.
- Collect additional objective data and evidence of CDS monitoring and information.
- Analyse the flow of materials through the waste recovery process to enable a comprehensive and rigorous review, e.g. identify problems, rank severity, assign resources, measure ROI/impact assessment.
- Examine alternative and/or complementary approaches to the CDS, e.g. the role of public education, its effects, possible campaigns to change behaviour and their costs/benefits/impacts.
- Examine the effects of refund amounts on container returns.
- Carry out verified, reliable costing, modelling and analysis of the CDS.
- Carry out a robust, broad-ranging cost-benefit analysis of the inclusion of wine bottles in the CDS.
- Examine the effects of the inconsistencies between different CDSs across Australia, including modelling to predict the effect of future changes to SA's CDS.
- Look at the opportunities offered by the implementation of a national CDS (not including wine bottles).
- Gather evidence of the net benefits of recycling and resource recovery to the beverage manufacturing/container industry, consumers and the environment.
- Assess the capacity of depots/collectors to cope with the impact of including wine bottles in the CDS.
- Quantify any environmental benefits of proposed changes to the CDS.
- Review the efficiency and effectiveness of the coordination of the CDS and its various roles and stakeholders.
- Determine the relative proportions of people using collection depots and yellow bins for recycling containers.
- Quantify the proportions of CDS-eligible v non-CDS-eligible containers, and beverage containers v other non-CDS-eligible containers present in either yellow bins or in returns to collection depots.
- Model the effects of including wine bottles in the CDS on household/kerbside recycling volumes.
- Determine the relative proportions of beverage and other containers recovered from materials recovery facilities.
- Examine the impact on SA's economy if the wine industry suffered significant losses due to the inclusion of wine bottles in the CDS.
- Investigate whether there is a problem created by glass fines in co-mingled waste collection programs, and if so, look for ways of resolving this.
- Examine the benefits of new technology to assist in the recovery of glass fragments and reduce contamination in recovery facilities.
- Look for opportunities to return highly segregated and higher-value glass back to manufacturers, including reductions in energy costs and carbon emissions.
- Investigate glass manufacturers' ability to receive higher amounts of glass cullet and the impacts this might have.
- Create an evidence-based case for removing all glass from household recycling.
- Quantify the respective importance of removing plastics from the waste stream compared to that of glass, and the relative ROI of public investment in achieving this.
- Commission international research into best practice approaches to improve recycling rates.
- Examine SA's broader recycling and waste management infrastructure.
- Answer the following question: Why is the entire glass sector not being included for CDS consideration?
- Answer the following question: Why is the wine industry being singled out?
- Answer the following question: What will be the impacts on small volume, large format wines if the CDS includes wine bottles?
- Investigate consumer desire to include wine bottles in the CDS and their propensity to drop them to collection points for refunds.
- Determine the extent to which flavoured milk and juice containers are present in litter streams, and whether they should be included in the CDS. This applies to all other items suggested for inclusion into the CDS.

- Research the impacts of the China Sword Policy on the CDS, and how the CDS should be modified as a result.
- Answer the following question: What is the relationship between refund amount and participation?
- Answer the following question: What is the minimum increase in refund amount that will achieve the greatest increase in participation?
- Answer the following question: Are there other incentives that could trigger greater participation?
- Look for ways of supporting enhanced community and industry understanding of waste stream composition, to inform waste management system service designs, system performance benchmarking, community engagement and education.
- Analyse public place and event bin compositional and generation rate audits to inform waste management system service designs, system performance benchmarking, community engagement and education.
- Investigate the costs and benefits of increasing the container deposit refund amount to 20 cents per item.
- Determine the CDS's contribution to the economy for the purpose of strengthening community buy-in and motivate the inclusion of additional items.
- Carry out social marketing-based research to inform what refund increase would motivate more of the community to recycle their CDS containers.
- Investigate wine bottles for inclusion to ensure environmental and economic sustainability for industry.
- Investigate the Northern Territory's CDS success and learn from its experience.
- Answer the following questions: What is the policy problem a CDS review is trying to solve? Do we want to recover more resources? All resources or a particular type? Why? Do we have end markets for these? Where are they located? Are they socially/environmentally responsible? What should we be doing with our recyclables? What could be done to develop local markets for these?
- Determine whether increased collection points/methods would be more or less beneficial to achieving resource recovery goals.
- Gather information on the differences in value between the 'cleaner' materials collected via the CDS and the 'dirtier' materials collected via the yellow bin system.
- Carry out an investigation/review into what happens to resources post-recovery.
- Determine where the economic and environmental costs and benefits of the CDS lie.

A submitter forwarded this list:

- "Investigate the role of CDS in developing the circular economy for plastics. This should include consideration for the provision of source-separated CDS output as feedstock to support government-mandated recycled content requirements in packaging and the development of a stronger domestic recycling industry for plastics.
- Investigate the economic impact of natural capital cost of failing to include containers such as wine bottles. This should be considered as part of a broader valuation of a re-framed scheme and its expanded role in waste reduction and recycling.
- Investigate new technologies that may facilitate cost-effective improvement to scheme accessibility under the geographic challenges of population distribution across regional areas.
- Determine the efficacy of the current network operator framework to ensure that the scheme is operated at the highest efficiency, while ensuring the best outcomes for recovery and reuse.
- Reinforce a policy review with independent, wide ambit benefit-cost analysis, so that any proposed new regulation is not stymied by narrow evaluation." ^{cclxi}

Another forwarded this list:

- “Research should be undertaken to identify potential quantities of ‘new product’ that may enter a revised CDS.
- Investigation into current practices and impacts of payment of 10-cent deposit redemption v payment by weight. (Impacts of light weighting, imported products, non-recyclable 10-cent containers).
- Impact study re volumes of 10-cent deposit product collected v breakage and loss through transport chain (broken glass) or non-recyclable, product marked recyclable but not recycled e.g. potential for disposable coffee cups.” ^{cclxii}

Appendix B

Questionnaire (general public) via YourSAy site

Improving South Australia's Container Deposit Scheme

How can we improve South Australia's container deposit scheme? Your feedback will help government to determine the scope of the review and the research required to inform the review. It will also tell us what you think works well and should be retained.

* 1. Should more types of containers be included in the CDS?

☐ No

☐ Yes

If Yes, please tell us which ones

* 2. Are there containers (currently receiving a 10-cent refund) that should be removed from the scheme??

☐ No

☐ Yes

If Yes, please tell us which ones

3. Is there another way that you would like refunds to be paid? (ie electronically, rather than cash)

4. How easy / difficult is it to return containers for refund?

Very easy Easy Neither easy or difficult Difficult Very difficult

☐ ☐ ☐ ☐ ☐

If you selected difficult or very difficult, what are the barriers?"

1

* 5. Are current recycling depots adequate in terms of how many there are and where they are?

Extremely adequate Very adequate Somewhat adequate Not so adequate Not at all adequate

☐☐☐☐☐

Tell us why - we would value any additional feedback.

* 6. The refund on beverage containers is 10-cents. Do you think the refund amount should be increased or decreased?

☐ Increased

☐ Decreased

☐ Neither, 10 cents is fine

7. What do you consider the top 3 most important issues to be considered as part of the review?

* 8. Thank you for taking part in this survey.

Please tell us which category best describes you

☐ CDS user - member of the public

☐ Local government

☐ Environmental organisation

☐ Super collector

☐ Community organisation

☐ Manufacturer

☐ Collection depot operator

☐ Industry association

☐ Retailer

Other (please specify)

* 9. Tell us how you would like to be involved in the CDS review conversation in the future?

☐ Consultation activities, including workshops

☐ Surveys

☐ Provide feedback on discussion paper

☐ Other (please specify)

2

* 10. Please provide your contact details so we can get in touch with you.

Name

Email Address

Phone Number

Appendix C

YourSAy engagement report



Overview

Your consultation was promoted by YourSAY from 13 January 2019 to 22 February 2019. It included an online engagement on YourSAY.sa.gov.au with three discussion questions and a survey, as well as email and social media activity.

Overall, this campaign achieved a cumulative reach of 54,268 and generated 4,307 visits to the website to learn more.



YOUR SAY ENGAGEMENTS

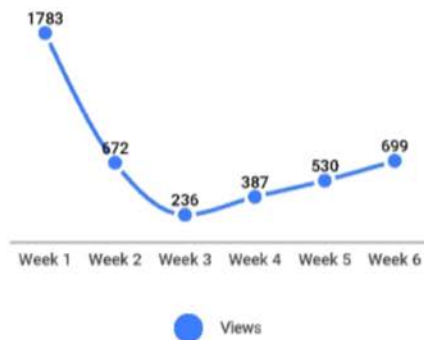
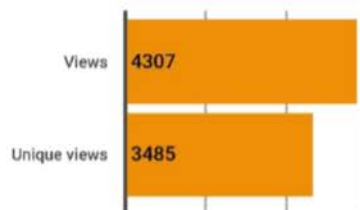
Improving South Australia's Container Deposit Scheme

Ended: 22 Feb 2019

We want your feedback on the South Australian Container Deposit Scheme.

Website analytics

This consultation featured on YourSAY.sa.gov.au for 6 weeks. These charts provide an overview of the activity on the website over this time.



13

Summary and discussion paper link clicks



3

Legislation link clicks

YourSAY Channels

We promoted your engagement on social media across 6 posts, achieving a cumulative reach of 13,799 people on Facebook and Twitter during the open consultation period.

Discussion hub



42

Comments



42

Contributors

On Twitter



13,799

Impressions



2

Tweets

On Facebook



23,306

Reach



925

Reactions



60

Comments



64

Post shares



4

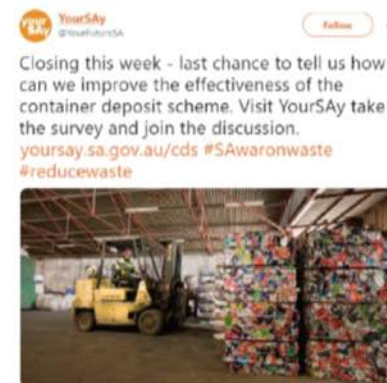
Posts

#SAwaronwaste #reducewaste

YourSAY Channels

These are some of the posts we shared through YourSAY social media channels.

You will see the message evolved over time to include references to time to encourage the public to participate before the engagement closed.



YourSAY Channels

Your engagement was sent to 28,973 registered YourSAY users by email.

The email was opened a total of 12,856 times giving a large number of people the opportunity to see your engagement at least once.

By email



28,973

Recipients



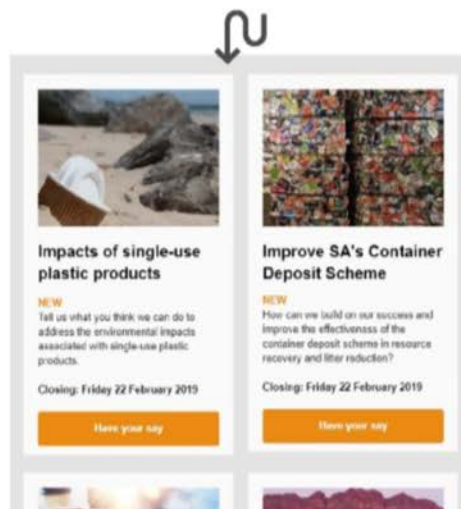
12,856

Opens



265

Link clicks



Appendix D

List of all written submissions

General public

- David Cook
- Megan Dixon
- Alec Gargett
- John Greenshields
- Cr. Ian Grosser
- Mark Hancock
- Dr John Hunwick
- Ian Kent
- Janine King
- Simon Kretschmer
- Chas Martin
- Robert SC McNeile McCormick
- Mike Scutter
- Stephanie Stewart
- Tea Tree Gardens Residents' Association Inc.

CDS operators

- Marine Stores Pty Ltd
- Pirie Bottle & Scrap Metal
- Penola Recyclables
- Recyclers SA
- Statewide Recycling
- TOMRA Collection Pty Ltd.
- Anonymous submission.

Wine industry

- Accolade Wines
- Adelaide Hills Wine Region Association
- Angove Family Winemakers
- Australian Grape & Wine
- Balnaves of Coonawarra
- Brothers at War
- D'Arenberg Winery
- Hahndorf Hill Winery
- Heathvale Wines
- Elderton Wines
- LiebichWein
- Majella Wines
- McLaren Vale Grape Wine & Tourism Association
- Mitchell Wines
- Pernod Ricard Winemakers
- Pikes Wines and Pikes Beer Company
- Pindarie
- Poonawatta
- Rusden Wines
- Schild Estate
- Shaw and Smith
- SA Wine Industry Association Incorporated
- Stone Bridge Wines
- Taylors Wines
- The Grapes of Ross Pty Ltd
- Treasury Wine Estate
- Wicks Estate
- Yalumba
- Zonte's Footstep Pty Ltd.

Environment and community groups

- Boomerang Alliance
- Friends of Willunga Basin Inc.
- KESAB Environmental Solutions.

Local government

- City of Adelaide
- City of Burnside Administration
- City of Holdfast Bay
- City of Mitcham Administration
- City of Port Adelaide Enfield
- City of Prospect
- City of West Torrens
- The Barossa Council.
- Local Government Association

Members of Parliament

- Carolyn Power MP
- Leon Bignell MP
- Mark Parnell MLC

Business and Industry

- Adelaide Hills Region Waste Management Authority (AHRWMA)
- Australian Beverages Council
- Australian Council of Recycling (ACOR) and ReLoop Pacific
- Business SA
- Eastern Waste Management Authority (East Waste)
- Ernst & Young
- Jeffries Group
- National Waste and Recycling Industry Council (NWRIC)
- Northern Adelaide Waste Management Authority (NAWMA)
- Peats Group Ltd.
- Rawtec
- Re.Group
- Spirits & Cocktails Australia
- Waste Management and Resource Recovery Association Australia (WMRR)
- Waste and Recycling Industry Association of SA (WRISA).

ENDNOTES

i	Friends of Willunga Basin Inc Letter, p1
ii	City of PAE Submission Attachment, p1
iii	Mark Parnell MLC Submission, p1
iv	AFGC Submission, p6
v	Yakult Australia Submission, p2
vi	CCA Submission, p3
vii	CCA Submission, p4
viii	KESAB Submission, p5
ix	City of West Torrens Submission, p2
x	Marine Stores Letter, p2
xi	NRA Email, p2
xii	LOBO Juice and Cider Email, p1
xiii	SAWIA Submission, p6
xiv	Empire Liquor Email, p1
xv	John Hunwick Submission, p1
xvi	Chas Martin Letter, p1
xvii	Janine King Submission, p1
xviii	John Hunwick Submission, p1
xix	Chas Martin Letter, p1
xx	TTG Residents Assoc. Inc. Letter, p1
xxi	John Hunwick Submission, p1
xxii	Alec Gargett Email, p1
xxiii	Ian Grosser Email, p1
xxiv	Simon Kretschmer Email, p1
xxv	John Hunwick Submission, p2
xxvi	Megan Dixon Email, p1
xxvii	Simon Kretschmer Email, p1
xxviii	Simon Kretschmer Email, p1
xxix	Janine King Submission, p1
xxx	John Hunwick Submission, p1
xxxi	AHA:SA Submission, p3
xxxii	Confidential Submission 40B, p1
xxxiii	CCA Submission, p3
xxxiv	LOBO Juice and Cider Email, p1
xxxv	AFGC Submission, p4
xxxvi	NRA Email, p2
xxxvii	Lion Submission, p3
xxxviii	LOBO Juice and Cider Email, p1
xxxix	AHA:SA Submission, p6
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xli	CCA Submission, p3
xliv	Confidential Submission 40B, p1
xlvi	AHA:SA Submission, p1
xlvii	AHA:SA Submission, p3
xlviii	Retail Drinks Australia Letter, p2
xlix	AFGC Submission, p6
l	Yakult Submission, p1
li	NRA Email, p3
lii	CCA Submission, p3
liii	Campbell Arnott's Submission, p1
liv	CCA Submission, p3
lv	Lion Submission, p3
lvi	Tru Blu Beverages Email, p2
lvii	Yakult Australia Submission, P3

lvii	CCA Submission, p4
lviii	NRA Email, p3
lix	Campbell Arnott's Submission, p1
lx	Empire Liquor Email, p1
lxi	Hurley Hotel Group Email, p1
lxii	LOBO Juice and Cider Email, p1
lxiii	NRA Email, p3
lxiv	AFGC Submission, p7
lxv	CCA Submission, p4
lxvi	NRA Email, p2
lxvii	Bickford's Group Letter, p2
lxviii	Lion Submission, p3
lxix	Lion Submission, p2
lxx	LOBO Juice and Cider Email, p1
lxxi	Food SA Letter, p1
lxxii	Cider Australia Letter, p1
lxxiii	Yakult Australia Submission, p3
lxxiv	Yakult Australia Submission, p4
lxxv	Food SA Letter, p2
lxxvi	AHA:SA Submission, p3
lxxvii	Lion Submission, p5
lxxviii	NRA Email, p2
lxxix	Empire Liquor Email, p1
lxxx	Bickford's Group, Letter, p1
lxxxi	Retail Drinks Australia Letter, p3
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