

**DRAFT SECOND READING SPEECH**  
**HON ROGER JAENSCH MP**  
*Container Refund Scheme Bill 2021*

*\*check Hansard for delivery\**

Mr Speaker, I move the Bill now be read a second time.

I am proud to be introducing the Container Refund Scheme Bill 2021 into this House.

The purpose of this Bill is to establish a Container Refund Scheme, a crucial policy initiative helping us to deliver on our commitment to build Tasmania's circular economy, reduce litter and increase recycling.

Mr Speaker, beverage containers make up 43% of Tasmania's litter by volume. A study conducted in 2017 found that more than 7 million beverage containers were littered around the state in that year alone.

As has been clearly demonstrated in other jurisdictions, a Container Refund Scheme will reduce beverage container litter and result in purer, cleaner streams of recyclable containers, maximising recycling rates for these materials.

Modelling undertaken by my Department indicates that beverage container litter will be cut by almost 50% with a Container Refund Scheme in operation – keeping millions of bottles and cans away from our roadsides, parks and beaches and landfill.

Like all schemes currently in operation across Australia, our scheme is based on product stewardship principles, where the cost of recovering containers is built into the sale price of those containers - and it is important that these costs are minimised, whilst the number of containers returned is maximised.

The scheme will promote better environmental outcomes, create employment and provide opportunities for local businesses, while also enabling charities and community organisations to raise money to fund their valuable work.

In February 2021, I announced the governance model for the scheme, a split responsibility model, bringing the beverage, waste management and community sectors together to deliver the best Scheme for Tasmania.

The split responsibility model – operating in NSW, ACT, and announced as the Victorian Government's preferred model - involves a Scheme Coordinator who will run the administration and finances for the Scheme, while a Network Operator runs the network of Refund Points, and is paid per container returned.

In this model, each sector plays to its strengths. The Scheme Coordinator is incentivised to keep costs low, and the network operator is incentivised to ensure that as many containers as possible are returned through the Scheme.

The announcement of the split responsibility model for Tasmania's Container Refund Scheme was publicly supported by the Local Government Association of Tasmania, the Waste Management and Resource Recovery Association of Tasmania, the Australian Council of Recycling, the Boomerang Alliance, Clean up Australia Day and Charitable Recycling Australia which represents many charities.

This Government hopes that by the end of next year, Tasmanians will be able to receive a 10-cent refund for every eligible empty drink container they return to a designated Refund Point for recycling.

This timeframe of 2022 was based on research from other jurisdictions, which clearly showed that there needs to be adequate time to put in place the policy research, consultation, infrastructure, and roll-out of a large-scale behaviour change activity.

There will be a network of refund points reaching to all parts of Tasmania, including on King Island and Flinders Island.

The design of the scheme strikes a balance between a refund point network that is accessible and makes returns convenient for the community, and keeps the collection and administration cost of the scheme as low as possible.

We want to make sure that all Tasmanians can get a refund for their empty containers, wherever they live.

So whether you're in Scottsdale, Queenstown, Ulverstone or New Norfolk, there will be a Refund Point nearby. There will be Refund Points on King Island and Flinders Island, too. There will be more refund points across Tasmania than there are Service Tasmania offices and, like Service Tasmania, they will service the whole of Tasmania, not just the big centres.

Minimum standards will be in place for the network of refund points to ensure this is achieved, while still allowing flexibility for the network operator.

At those Refund Points, you'll get an immediate refund for your empty containers – whether it's from a Reverse Vending Machine, over the counter in your local shop, or at a depot.

Importantly, eligibility of containers will be consistent with what other states are doing, ensuring harmonisation between schemes. This provides clarity for both consumers and the industry.

The involvement of the Tasmanian community will be critical to the success of Tasmania's Container Refund Scheme. In particular, the Government is committed to maximising the opportunities for charities and community groups around Tasmania to benefit from the Scheme.

All charities and community groups will be able to run Donation Points, where they can receive donations of containers from the community and collect 10c per container for their organisation.

This is a great way to get local communities engaged in the Scheme and works well for trusted local organisations run by volunteers.

Further to this, all charities and community groups will be able to register for a Refund Account so members of the public can donate their container refunds directly to a charity or community group of their choice.

And of course, any person or group can apply to the Network Operator to run a Refund Point and receive a handling fee. The Network Operator will provide administrative, transport and other services to Refund Point operators.

Throughout the design of the scheme, my Department engaged an expert reference group made up of representatives from the beverage, retail and hospitality industries; the waste and recycling sector; environment groups; local government; and charities.

This group provided valuable input into the design of the scheme and I would like to thank them for their contribution.

The Waste and Resource Recovery Ministerial Advisory Group, made up of Tasmanian Government, local government, resource recovery sector, and industry stakeholders, also provided valuable technical advice and input into the development of the scheme and I thank them too for their considered advice to me.

A five-week public consultation period for the draft Bill was undertaken from June to July this year. Over 3,500 people contributed to the public consultation, through either a formal submission, or by filling out a short online survey.

The feedback was overwhelmingly positive, with 98% of survey respondents supportive of a Container Refund Scheme.

My Department also held a number of webinars both for the general public, and targeted stakeholder groups.

Feedback from the public and from stakeholders has been used to improve the Scheme's operational design.

For example, one consistent message from the consultation feedback was the potential impact on Tasmania's many small and boutique beverage producers.

My Department has been working with small beverage manufacturers and suppliers to ensure that their concerns and issues are heard and understood. I too have heard directly from a number of small producers.

The Department contracted three advisers from the local small beverage sector to provide their knowledge and insight into the challenges facing this sector.

This has resulted in a package of initiatives that will assist our small beverage producers to be part of the scheme in a way that no other state or territory container refund scheme has done before.

In Tasmania, there will be no fee for container approvals and a grants program will be provided for Tasmanian small beverage producers to reduce the administrative and transitional costs of entering the scheme, such as adopting barcodes for their products for the first time.

In addition, all beverage companies will be exempt from paying into the Scheme for their first 20,000 containers sold each year.

That means many of Tasmania's smallest and newest beverage companies will not pay into the Scheme at all, while their customers can still claim a refund on their containers.

This approach is equitable and fair to all producers, but will be of most benefit to those Tasmanian businesses for whom the additional costs of the scheme would have greatest impact, recognising the vital role they play in tourism, hospitality and regional employment in Tasmania.

The Container Refund Scheme Bill 2021 covers establishment of the Scheme, requirements for container approvals, and identifies Scheme participants. It also explains the administration of the Scheme, including the roles of Scheme Coordinator, Network Operator, and other key participants.

The Government will ensure that various details of the scheme are expressed in regulations, such as container approvals and labelling, the refund amount, and minimum standards for the refund point network.

This will enable the Tasmanian Container Refund Scheme to be sufficiently flexible so that future changes, including national harmonisation efforts and the changing nature of the beverage market, can be adequately addressed.

The Government acknowledges that kerbside recycling services already offer an effective and relatively low-cost system for collecting and recycling containers used in the home, and this will continue. Eligible containers collected through kerbside services will be identified at resource recovery centres and refunds returned to councils, effectively reducing the overall cost of those services.

The advantage of the Refund Scheme is that it separates beverage containers at the source, creating cleaner streams of recyclable material that are of high value for downstream processing.

The Government's aim has always been for the Container Refund Scheme to complement the existing kerbside recycling system and infrastructure. The Refund Scheme adds a new incentive to avoid littering.

The Government is aware of the unique requirements of our Island councils, King Island Council and Flinders Council. We want all Tasmanians to have access to this scheme and all Tasmanian communities to benefit. We will require the network operator to work with these communities to devise arrangements that meet their unique needs and ensure the Scheme works for them.

The Government will continue to move forward on the implementation of the scheme. Our timeframe is ambitious but achievable.

Next steps will involve making regulations to support the Bill and concurrently commencing the tender and selection process for the Scheme Coordinator and Network Operator.

The Government is pleased to be taking action to reduce litter and increase recycling by introducing a Container Refund Scheme for Tasmania.

I want to thank everyone who has participated and provided feedback, we have listened to your views, and we are taking action, this Bill is what the people of Tasmania want and we are here to deliver.

Mr Speaker, I commend this Bill to the House.