



MEDIA RELEASE

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Local Government could benefit from a Container Deposit Scheme

The Local Government Association of Tasmania (LGAT), on behalf of the three regional waste bodies – the Southern Waste Strategy Authority, Northern Tasmania Waste Management and the Cradle Coast Waste Management Group - has released an assessment of the potential financial impacts of a Container Deposit Scheme on Local Government kerbside and public place recycling, and litter management in Tasmania.

While the Commonwealth Government's *Packaging Impacts Consultation Regulation Impact Statement* (PICRIS) suggests significant benefits to Local Government nationally, the Tasmanian study, undertaken by Equilibrium, has found that the benefits for Tasmania would not be as high.

LGAT President, Mayor Barry Easter said in a best case scenario, kerbside costs in Tasmania as a result of a Container Deposit Scheme may be reduced by up to \$26.8 million over 20 years, or an average saving of \$1.3 million per year.

"In Tasmania, collection and processing costs are higher than the national average, contamination rates are generally high, the proportion of glass in kerbside is higher and the value of recyclable materials is lower than the national average," Mayor Easter said.

"Tasmania also has some uncommon issues such as limited local end markets for all materials, limited opportunities for glass processing and higher freight costs."

"A Container Deposit Scheme is expected to cause incremental change to recycling and litter management," he said.

"The impact would vary from council to council as recycling and litter practices and costs vary. The extent to which benefits could be realised is dependent on being able to achieve modelled outcomes."

"Regardless, the results of the assessment were more positive than many would have anticipated."

The report's key finding is that "Overall, while the impacts of a Container Deposit Scheme for Tasmanian Local Government are not as beneficial as generally estimated in the PICRIS, a Container Deposit Scheme will potentially be beneficial to the viability of the Tasmanian kerbside recycling system as it will increase the convertible value of the materials in a kerbside recycling bin".

"We will share the results with the State Government as an input to their recently announced tender process for a cost benefit study of a Tasmanian container deposit system so that a picture of risks and benefits can continue to be built," Mayor Easterher said,

"In future, we may need to look at a range of scenarios and case study individual council impacts," he said.

The full report is available on the LGAT website at www.lgat.tas.gov.au.

Ends.....

**Full Report Attached.*

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