



The Hon Lily D'Ambrosio MP

Minister for Energy, Environment and Climate Change
Minister for Suburban Development

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East Melbourne, Victoria 3002
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Cr Sophie Ramsey
Mayor
City of Melton
PO Box 21
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Ref: MIN033077

Dear Mayor

CONTAINER DEPOSIT LEGISLATION

Thank you for your letter of 10 July 2017 about a container deposit scheme (CDS). I appreciate you sharing the City of Melton's concerns, and I apologise for the delay in responding.

Victoria is the only jurisdiction in Australia to have a comprehensive waste and resource recovery policy and planning framework. The framework sets out how we will safely manage our waste and recover resources over the next 30 years to achieve the best outcomes for our communities, economy and environment. The cornerstone of the framework is the *Statewide Waste and Resource Recovery Infrastructure Plan*, which is supported by seven regional plans. The metropolitan regional plan was finalised in October 2016 and will help ensure we have the right waste infrastructure in the right place at the right time. Copies of the statewide and regional plans can be found here: <http://www.sustainability.vic.gov.au/our-priorities/statewide-waste-planning/2015-2020-priorities/statewide-waste-and-resource-recovery-infrastructure-plan>

Like your council, the Andrews Labor Government is committed to reducing landfill waste and increasing resource recovery. This is reflected in the 2017-18 budget, which includes a \$30.4 million investment in waste and resource recovery over four years for Victoria. This is the largest single allocation of waste and resource recovery funding ever by a Victorian Government and includes:

- **\$15 million** to support implementation of the government's election commitment to ban e-waste from landfill, assisting councils with collection infrastructure and processes
- **\$7.6 million** for the resource recovery infrastructure fund, boosting its grants program, bettering our ability to deal with waste
- **\$4.5 million** for education and litter programs
- **\$2.5 million** to develop markets for materials and energy recovered from waste
- **\$500,000** for waste to energy policy development
- **\$280,000** to improve the quality of waste data.

In relation to a CDS, the evidence we have suggests that such a scheme would increase costs to Victorians well beyond the benefit to the environment. An extensive analysis of the costs and benefits of introducing a national CDS, released in 2014, found that a CDS is the least cost-effective option for reducing packaging waste. This report is available at www.environment.gov.au/node/38157.

Some local councils have reported that a CDS would make the business of kerbside collection less viable, as containers already recycled through waste collection would be diverted. A CDS does work in South Australia, but it was established long before the implementation of kerbside recycling collection.

We will continue to monitor New South Wales, Queensland and Western Australia's progress as they develop their approach to container recycling to understand the benefits and costs of their models, including whether they should be considered for Victoria.



If you would like more information about this matter, please contact Ian Campbell-Fraser, Director, Economics, Governance and Waste, in the Department of Environment, Land, Water and Planning, at ian.Campbell-Fraser@delwp.vic.gov.au or (03) 9637 8412.

Thank you again for writing to me and I trust this information will be of assistance.

Yours sincerely



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7/9/17