Container Deposit Scheme

Container Deposit Scheme
Quarterly Report

1 April to 30 June 2013
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1 Introduction

The Northern Territory Container Deposit Scheme (CDS) commenced on 3 January 2012. The aim of the program is to reduce beverage container litter and increase resource recovery across the Northern Territory.

There are five CDS Coordinators approved to operate in the Northern Territory. They are: NT Coordinators, Envirobank NT, Statewide Recycling, NT Recycling Services and Marine Stores. Their role is to work with the collection depots and beverage manufactures to recycle, reuse or appropriately dispose of approved containers. Territorians can collect their 10 cents in return for each approved container at a collection depot.

During the April to June 2013 quarter depots were open in Berrimah, Pinelands, Katherine, Alice Springs, Tennant Creek, Elliot and Finke. Reverse Vending Machines were operating in Parap, Nightcliff, Milingimbi and at Charles Darwin University.

2 Key Definitions

Containers returned: the number of containers that have been aggregated and returned to Coordinators from Collection Depots.

Return rates: the total percentage of container numbers that have been returned to Coordinators in relation to the total number of containers sold in the Territory.

Containers redeemed: the number of approved containers that have been accepted by Collection Depots to give a 10 cent refund to the community.

Redemption rate: the percentage of containers redeemed at Collection Depots compared to beverage container sales in the Northern Territory.

PET (polyethylene terephthalate): the product plastic beverage containers are made from (for example, water bottles).

HDPE (high-density polyethylene): materials that some juice containers are made from.

LPB (liquid paper board): material utilised in the packaging of beverages such as popper juices. LPB also includes ASEPTIC which is the packaging of beverages in a sterile container, used for example in long life UHT beverages.

Other containers: steel, foil sachets and other plastics including biodegradable, photosensitive and plant-based plastics. Also includes resin types established since 1988 and those marked with the number 7.
3 Operation of the CDS

In March 2013, the Federal Court of Australia ruled certain components of the Container Deposit Scheme as being inconsistent with the *Mutual Recognition Act 1992* (Cth). As a result a number of CDS participants withdrew from the CDS which rendered the scheme ineffective. To address this, the Northern Territory Government has been underwriting the CDS since 27 March 2013. Therefore, this report does not contain data from CDS Coordinators. As a result of this sales data has been based upon the same period in 2012.

4 Containers Redeemed at Collection Depots

A total of 17,649,419 containers were redeemed at collection depots over quarter two 2013 (see Table 1). The redemption of these containers equates to over $1.7 million in deposits that have been paid out to families, schools, community organisations and commercial operators in the Northern Territory over the April to June 2013 period.

Table 1: Number of Containers Redeemed by Material Type at Collection Depots

<table>
<thead>
<tr>
<th>Container Material</th>
<th>Containers Redeemed at Collection Depots</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aluminium</td>
<td>9,934,384</td>
</tr>
<tr>
<td>PET</td>
<td>2,749,313</td>
</tr>
<tr>
<td>HDPE</td>
<td>153,451</td>
</tr>
<tr>
<td>Glass</td>
<td>4,262,551</td>
</tr>
<tr>
<td>LPB</td>
<td>549,717</td>
</tr>
<tr>
<td>Other</td>
<td>3</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>17,649,419</strong></td>
</tr>
</tbody>
</table>
As Figure 1 demonstrates, overall the number of containers redeemed at Collection Depots has continued to rise since the commencement of the scheme in January 2012. The number of containers redeemed in the April to June 2013 quarter has increased by over 5 million on the same period in 2012.

Figure 1 indicates a spike in the January to March '13 quarter with an unusually high amount of containers redeemed. This was due to communities redeeming all of their stored containers as there was a perception of uncertainty surrounding the future of the scheme at the time of the Federal Court ruling on the Mutual Recognition Act.

Figure 2: Collection Depot Redemptions by Material Type

Of the containers redeemed in the April to June 2013 quarter, 56.29% of all containers redeemed were aluminium, 24.15% were glass and 15.58% were PET (see Figure 2).
4.1 Redemptions by Region

Collection depots operating in the Greater Darwin Region include the depots located in Berrimah, Pinelands, Parap, Nightcliff and Charles Darwin University. Areas outside of Darwin (Other) include depots in Katherine, Alice Springs, Tennant Creek, Elliot, Milingimbi and Finke:

- 13.3 million containers were redeemed in the Greater Darwin region; and
- 4.3 million containers were redeemed in areas outside of Darwin (see Figure 3).

Figure 3: Collection Depot Redemptions by Region

5 Return rates

Based on the sales figures from April to June 2012, it is approximated that 38 847 866 containers were sold into the Northern Territory in the April to June 2013 quarter. This has resulted in a 45.4% return rate. This rate is 15.14% higher than it was for the same period in 2012.

As Figure 4 demonstrates, excluding the unusual quarter experienced in January to March 2013, the CDS has continued to show growth, averaging a 41% return rate since the commencement of the scheme in January 2012.
Figure 4: Container Return Rate by Quarter

2012-13 Container Return Rates

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Return Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan-Mar '12</td>
<td>20</td>
</tr>
<tr>
<td>Apr-Jun '12</td>
<td>30</td>
</tr>
<tr>
<td>Jul-Sept '12</td>
<td>40</td>
</tr>
<tr>
<td>Oct-Dec '12</td>
<td>40</td>
</tr>
<tr>
<td>Jan-Mar '13</td>
<td>70</td>
</tr>
<tr>
<td>Apr-Jun '13</td>
<td>30</td>
</tr>
</tbody>
</table>