

Inquiry - Improving Queensland's Container Refund Scheme

Submission No: 82

Submitted by:



Publication: Making the submission public but withholding your name

Attachments: See attachment

Submitter Comments:

[REDACTED]

4 April 2025

Health, Environment and Innovation Committee
Parliament House
George Street
BRISBANE QLD 4000

By email and online submission form: HEIC@parliament.qld.gov.au

To Committee Chair
Mr Robert Molhoek MP

Submission – Inquiry into improving Queensland’s container refund scheme

[REDACTED] welcomes the opportunity to provide feedback to the Queensland Government on its current container exchange scheme and would welcome further discussions on the state’s broader approach to recycling where possible.

Introduction

[REDACTED] supports circular economy principles, and as part of our submission has responded to Terms of reference points 1 and 3. As part of this [REDACTED] has also offered some reflections on the existing Container Exchange (QLD) Limited (COEX) model and its progress towards supporting the recovery rate of 85 per cent as outlined under the Waste Reduction and Recycling Act 2011. In addition to these observations, [REDACTED] will make the argument for the following:

- The scheme as it currently stands is working for glass and aluminium but not for PET and liquid paper board.
- The scheme should focus on the most effective and efficient channels for each material type to ensure the schemes effectiveness.
- Further investment into the recycling of liquid paper board in Queensland could be encourage through the expansion of the scheme.
- Further investment by the Queensland Government into co-mingled sorting facilities to additionally support waste reduction and recycling is needed for the state to improve its recycling capacity further.

[REDACTED]

[REDACTED]

[REDACTED]

We are committed to ensuring that our products reduce the impact on the environment. Currently two thirds of our products globally are made using renewable or recycled materials, with the target of at least **80 per cent by 2030**. In Australia, more than **90 per cent** of our products are made using sustainable products. We have also set a global target to use **100 per cent renewable electricity** at our facilities to ensure carbon neutral production by 2030.

Given our international reach, we have worked with governments across [REDACTED] to assist in delivering science-based waste reduction policies with real impact. Likewise, in Queensland, we are determined to ensure that any existing programs achieve the best results for both industry and the environment.

Submission responses to key terms of reference:

- 1. The current state and operation of Queensland's container refund scheme and its efficiency and effectiveness in meeting the scheme's objects as outlined in section 99H of the Waste Reduction and Recycling Act 2011.**

The COEX Annual Report for 2023-24 highlights both successes and challenges in addressing packaging waste, an issue faced by Queensland, and other states and territories nationally. As a national packaging manufacturer, we have seen container deposit schemes elsewhere (CDS) introduced in the hopes of improving the collection and recycling of packaging materials. It is clear this has been effective in Queensland to some degree, with COEX's figures revealing more success for some products compared to others.

An analysis of the figures shown (below) demonstrate the scheme works well for aluminium cans and glass bottles, the two most common container types in Queensland. However, PET bottles, the third most common by volume, fall short of the 85% recovery target. Liquid paper board falls further short of this target achieving only a 25.7% recovery rate. The report doesn't explain why this happens, despite the same refund being offered across all container types.

Summary of collection data from COEX annual report 23/24

	Quantity collected	Recovery rate	YoY variance	Quantity not collected
Aluminium Cans	1000000000	69.10%	+2.30%	447178003
Glass bottles	537800000	88%	+7.60%	73336364
PET bottles	510000000	57.10%	+3.60%	383169877
HDPE bottles	43200000	78.70%	+14.70%	11691995
Liquid paper board	39600000	25.70%	+2.50%	114485603
Steel cans	1300000	34.10%	+4.40%	856700

We therefore suggest the committee recommend COEX placing further focus on increasing the recovery rate of PET bottles and liquid paper board as opposed to completely overhauling the scheme. [REDACTED] suggests further research is needed to understand why the scheme works better for some materials than others.

Further refinement of recovery channels

As we currently understand it the COEX scheme supports five recovery channels to give consumers options and reduce sorting efforts. However, this approach requires significant funding and could confuse consumers about the best way to return containers. The COEX report also lacks details on the volume of materials collected through each channel. To improve recovery rates, funding should focus on the most effective channels for each material type.

5 channels identified for container collection is potentially too many

	Channel description	Costs to be covered
1	Container refund point (assumed that a refund is provided through a staffed process)	Payments to the collection point would be required to cover operational costs + participant refund costs
2	Reverse vending machines which provide participants a refund through an automated process	Payments to the providers and operators of the reverse vending machines would be required to cover costs + participant refund costs
3	Bag drop with label to provide refund	Payments to the cover the cost of collection, sorting and processing of bags + participant refund costs
4	Home container collection (participants separate containers into a and organize a collection)	Payments to the cover the cost of collection, sorting and processing of bags + participant refund costs
5	Kerbside home recycling collection (where containers are sorted at the local MRF)	Payments to cover the costs of collection and sorting by the MRF's

Broadening of material collection types

Drawing on its experience in other markets, it is our view that the material types with reduced recovery may see uplift with a broadening of the category. For example, liquid paperboard packaging while used for juice beverage containers (poppers) is also typically used for ice cream and milk cartons and coffee cups – however only juice beverage containers are eligible under the scheme.

Liquid paperboard material is technically recyclable, and [REDACTED] has proven that the material can meet APCO standards. Liquid paperboard is also accepted by paper recycling mills in the United States of America in mixed paper bales due to the high-quality virgin fibre used in this material.

While we note, that it has been publicly raised there is currently limited ability or desire by Material Recycling Facilities in Queensland to recycle the liquid paperboard, it is Huhtamaki's view that this can be addressed. Given the potential recyclability of this material, an

expansion of the collection program to other items will encourage and sustain investment of the correct facilities by recyclers.

3. Whether the scope and objectives of the scheme remain fit for purpose and meet the needs of all Queenslanders, noting the Queensland government's ongoing support for the scheme.

To ensure the scope and objectives of the scheme remain fit for purpose and effectively meet the needs of all Queenslanders, further investment by the Queensland Government is needed in co-mingled sorting facilities to enhance waste reduction and recycling efforts. Discussions on improving material recovery rates, [REDACTED] [REDACTED] [REDACTED] have revealed significant resistance from the recovery sector regarding the viability of co-mingled recycling for material recovery. However, the findings of this report suggest that to achieve higher material recovery rates beyond the COEX scheme, co-mingled recycling must be considered as a necessary solution in some cases.

Rather than funding multiple separate collection channels for packaging, it is recommended that additional investment be directed towards sorting packaging through Material Recovery Facilities (MRFs) as part of the co-mingled recycling collection process. Co-mingled recycling is well understood by consumers and is widely available in public spaces. Moreover, a portion of the deposit fees from the container deposit scheme should be allocated to MRFs to help subsidize the collection and sorting of these containers. [REDACTED] recommends that the inquiry assess whether the fees paid to MRFs through this program are adequate and effectively encourage expanding its recycling capabilities.

Conclusion

In conclusion, [REDACTED] feels that while the current scheme is working well for glass and aluminium, it is not as effective for PET and liquid paperboard. To improve the scheme's overall efficiency, it is essential to focus on the most suitable collection methods for each material type. Expanding the scheme to better support investment in the recycling of liquid paperboard would also be beneficial. Furthermore, increased investment from the Queensland Government into co-mingled sorting facilities is crucial for enhancing waste reduction efforts and boosting the state's recycling capacity. By taking these actions, Queensland can develop a more efficient and inclusive recycling system.

We are committed to genuine, whole-of-life solutions. Because innovation and environmental outcomes are at the core of our philosophy, we want to help guide and inform policy makers like the Queensland Government to ensure the best environmental outcomes when it comes to recycling collection policies both in relation to COEX and in the broader context of the state.

We would be pleased to further discuss our feedback on this consultation - please do not hesitate to contact me at [REDACTED]

Yours sincerely

[REDACTED]
[REDACTED]

-ENDS-