



CITY OF HOBART

AGENDA

City Infrastructure Committee Meeting

Open Portion

Wednesday, 23 June 2021

**at 5:15 pm
via Zoom**

THE MISSION

Working together to make Hobart a better place for the community.

THE VALUES

The Council is:

People	We care about people – our community, our customers and colleagues.
Teamwork	We collaborate both within the organisation and with external stakeholders drawing on skills and expertise for the benefit of our community.
Focus and Direction	We have clear goals and plans to achieve sustainable social, environmental and economic outcomes for the Hobart community.
Creativity and Innovation	We embrace new approaches and continuously improve to achieve better outcomes for our community.
Accountability	We are transparent, work to high ethical and professional standards and are accountable for delivering outcomes for our community.

ORDER OF BUSINESS

Business listed on the agenda is to be conducted in the order in which it is set out, unless the committee by simple majority determines otherwise.

APOLOGIES AND LEAVE OF ABSENCE

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**City Infrastructure Committee Meeting (Open Portion) held Wednesday,
23 June 2021 at 5:15 pm via Zoom.**

This meeting of the City Infrastructure Committee is held in accordance with a Notice issued by the Premier on 3 April 2020 under section 18 of the *COVID-19 Disease Emergency (Miscellaneous Provisions) Act 2020*.

The title Chief Executive Officer is a term of reference for the General Manager as appointed by Council pursuant s.61 of the *Local Government Act 1993* (Tas).

COMMITTEE MEMBERS

Harvey (Chairman)
Lord Mayor Reynolds
Deputy Lord Mayor Burnet
Behrakis
Ewin

Apologies:

Leave of Absence: Nil.

NON-MEMBERS

Zucco
Briscoe
Sexton
Thomas
Dutta
Sherlock
Coats

1. CO-OPTION OF A COMMITTEE MEMBER IN THE EVENT OF A VACANCY

2. CONFIRMATION OF MINUTES

The minutes of the Open Portion of the City Infrastructure Committee meeting held on [Wednesday, 26 May 2021](#), are submitted for confirming as an accurate record.

3. CONSIDERATION OF SUPPLEMENTARY ITEMS

Ref: Part 2, Regulation 8(6) of the *Local Government (Meeting Procedures) Regulations 2015*.

Recommendation

That the Committee resolve to deal with any supplementary items not appearing on the agenda, as reported by the Chief Executive Officer.

4. INDICATIONS OF PECUNIARY AND CONFLICTS OF INTEREST

Ref: Part 2, Regulation 8(7) of the *Local Government (Meeting Procedures) Regulations 2015*.

Members of the Committee are requested to indicate where they may have any pecuniary or conflict of interest in respect to any matter appearing on the agenda, or any supplementary item to the agenda, which the Committee has resolved to deal with.

5. TRANSFER OF AGENDA ITEMS

Regulation 15 of the *Local Government (Meeting Procedures) Regulations 2015*.

A Committee may close a part of a meeting to the public where a matter to be discussed falls within 15(2) of the above regulations.

In the event that the Committee transfer an item to the closed portion, the reasons for doing so should be stated.

Are there any items which should be transferred from this agenda to the closed portion of the agenda, or from the closed to the open portion of the agenda?

6. REPORTS

6.1 City Infrastructure Committee - Review of COVID-19 Format File Ref: F21/54364

Memorandum of the Manager Legal and Governance of 8 June 2021.

Delegation: Committee



City of **HOBART**

MEMORANDUM: CITY INFRASTRUCTURE COMMITTEE

City Infrastructure Committee - Review of COVID-19 Format

The Council at its meeting of 24 May 2021 resolved the following position in respect to Council Committees convening their future meetings:

Committees that have not yet resolved to return to physical meetings determine whether they wish to re-consider their meeting format.

For those Council Committees still meeting via Zoom, the Chief Executive Officer noted that an item would be placed on the agenda of these Committees to determine if they wish to return to physical meetings or remain convening their meetings via a virtual platform using Zoom.

If physical meetings are to resume, the Council Committee will convene their meetings in the Council Chamber as a return to the Lady Osborne Room for Committee meetings is not possible at this time. As the open portion of all meetings of Council and Council Committees are currently being live streamed to the public, the Lady Osborne Room at present does not have the technology required to provide this service. The Lady Osborne Room will continue to be used as an overflow gallery with meetings being streamed to the room as required.

RECOMMENDATION

That the matter be considered by the City Infrastructure Committee.

As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.

Paul Jackson
**MANAGER LEGAL AND
GOVERNANCE**

Date: 8 June 2021
File Reference: F21/54364

**6.2 Draft Container Refund Scheme Bill 2021 - Release for Public
Comment
File Ref: F21/54971; 2016-0192**

Report of the Cleansing & Solid Waste Policy Coordinator, the Manager
Cleansing and Solid Waste and the Director City Amenity of 17 June
2021 and attachments.

Delegation: Council

**REPORT TITLE: DRAFT CONTAINER REFUND SCHEME BILL 2021 -
RELEASE FOR PUBLIC COMMENT**

REPORT PROVIDED BY: Cleansing & Solid Waste Policy Coordinator
Manager Cleansing and Solid Waste
Director City Amenity

1. Report Purpose and Community Benefit

- 1.1. The purpose of this report is to advise the State Government has released a Draft Container Refund Scheme Bill 2021, accompanied by an Explanatory Paper, and Regulatory Impact Statement, for consideration and public comment.
- 1.2. The report also seeks to authorise the Chief Executive Officer to contribute to correspondence provided back to the State Government on the matter.

2. Report Summary

- 2.1. The State Government on 5 July 2021 released for public comment a Draft Container Refund Scheme Bill 2021. The Bill is attached to this Report.
- 2.2. The City will review the draft Bill, and provide information to inform a submission from the Local Government Association of Tasmania (LGAT).
- 2.3. In addition to the draft Bill, supporting information was also released, including an Explanatory Paper, and a Regulatory Impact Statement. Both documents are included with this Report.
- 2.4. The Information released confirms key items, including:
 - 2.4.1. Refund rate of 10 cents remains proposed.
 - 2.4.2. Confirmation of a split-responsibility model, with a Scheme Coordinator (administration and finance) and a Network Operator (manages refund points, logistics).
- 2.5. There remains a range of elements of the scheme that are yet to be determined or finalised. A set of regulations will be developed to address such items as the number and type of refund points, the branding required to identify eligible containers, and how the refund will apply at Materials Recycling Facilities.
- 2.6. Once developed and released, the regulations will be reviewed by the City to determine impacts on Council services and the community.

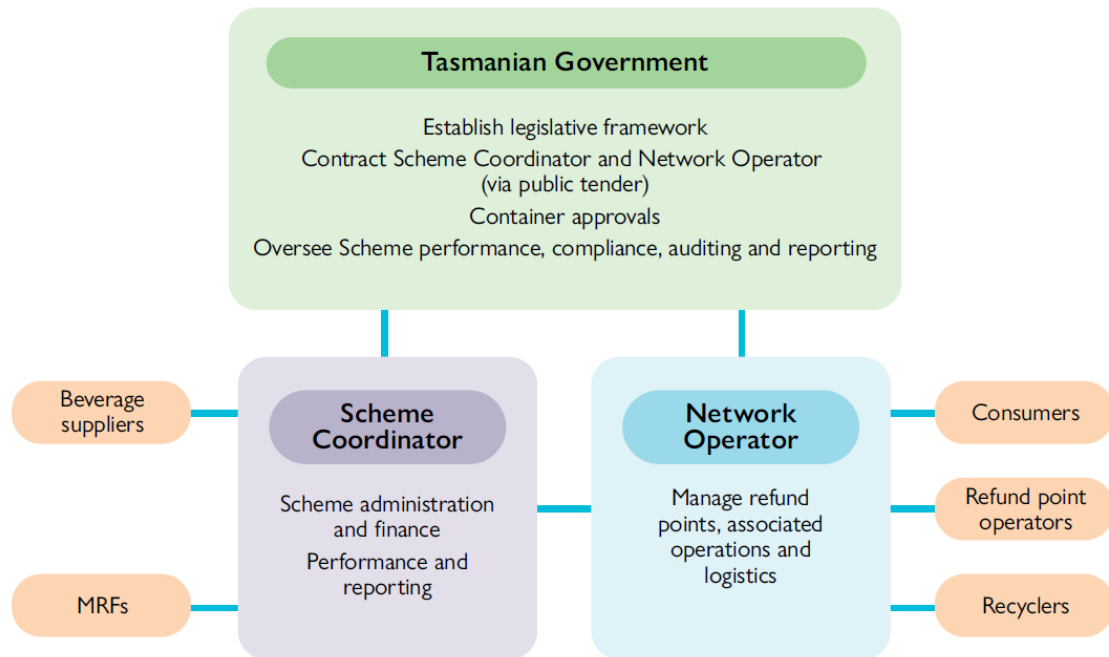
3. **Recommendation**

That:

1. ***The report on the State Government Container Refund Scheme, be received and noted.***
2. ***The Chief Executive Officer be authorised to contribute to the review of the Draft Container Refund Scheme Bill 2021, and provide a supportive submission to the Local Government Association of Tasmania.***
3. ***The Chief Executive Officer be authorised to provide feedback on the Regulation (when developed) to underpin the administration of the Draft Container Refund Scheme Bill 2021.***

4. **Background**

- 4.1. At its meeting of 24 February 2021, the Council's City Infrastructure Committee noted the State Government's announcement of two key initiatives under its Draft Waste Action Plan:
 - 4.1.1. A draft Waste and Resource Recovery Bill, which will allow for the introduction of a waste levy in Tasmania, and;
 - 4.1.2. A preferred model for a Container Refund Scheme.
- 4.2. Further to this announcement, on 5 June 2021 the Minister announced that the draft legislation to establish Tasmania's Container Refund Scheme (the Draft Container Refund Scheme Bill 2021 (refer **Attachment A**)) has been released for public consultation.
- 4.3. The information released confirms that the chosen model is a split responsibility scheme, involving a Scheme Coordinator who will run the administration and finance of the scheme, and a separate Network Operator who will run a network of collection points and ensure the recycling of materials collected, as indicated in the report to the 24 February 2021 meeting of the City Infrastructure Committee.



4.4. The information also confirms the proposal to set the refund rate at 10 cents per container, aligning with other states refund amounts.

4.5. Following this current consultation process, a set of regulations will be developed that detail the operational aspects of the scheme. Items to be finalised within these regulations include:

4.5.1. Refund payment methods.

4.5.2. Refund point types, and numbers of facilities required.

4.5.3. Appropriate labelling (refund mark) to advise consumers when a container is eligible for a refund.

4.6. Specific impacts of the new Scheme on the Local Government sector seems to be minimal.

However, particular impacts on kerbside recycling will form a key part of the City Officers' review of the Draft Bill and Regulatory Impact Statement (refer **Attachment C**).

It is noted that the Explanatory Paper (refer **Attachment B**) accompanying the Bill states:

"Containers placed in kerbside recycling bins will continue to be recycled but consumers will not receive the refund for these containers".

4.7. The Explanatory Paper also details 'Key Participants' Including Local Councils and Materials Recovery Facilities (MRF's), who process the

City's recycling collected. In regard to the MRF's the paper advises that:

4.7.1. *"Receives kerbside recycling from Councils and ensures eligible containers are recycled. Will likely have a profit share arrangement with Council for the refund received".*

- 4.8. As the Council is aware through previous reports, the cost to process recycling has in recent times increased significantly.

A reduction in the amount of material collected will lead to a reduction in the cost to undertake the kerbside recycling service.

A profit share arrangement associated with any container refund scheme revenue could also assist in offsetting increased costs in the recycling sector.

- 4.9. The consultation process closes on 9 July 2021.

5. Proposal and Implementation

- 5.1. As per the Committee Report of 24 February 2021, the City will continue to contribute to the development of the Container Refund Scheme with the State Government and other parties, including LGAT and industry.
- 5.2. The City has received notification from the Local Government Association of Tasmania (LGAT) that they will be lodging a submission, and have requested any comments from member council's to be provided to them to inform the LGAT submission.
- 5.3. It is proposed that City Officers carefully review the draft Container Refund Scheme Bill 2021 and associated documentation, and provide a response to LGAT to inform their submission.

It is proposed that the Chief Executive Officer be authorised to provide this submission to LGAT.

- 5.4. It is proposed that the Chief Executive Officer also be authorised to review the regulations developed to administer the draft Container Refund Scheme Bill 2021 and provide feedback to the State Government (via LGAT), when required.
- 5.5. The new container deposit refund scheme will also be detailed and addressed in all future recycling processing contracts entered into by the City.

This will require significant consultation with the MRF operator, and information regarding how refunds will be applied at MRF's will be

further detailed in the Regulations that are to be developed for the Scheme.

6. Strategic Planning and Policy Considerations

- 6.1. The Container Refund Scheme aligns with the City's *Waste Management Strategy 2015-2030* and its aim of zero waste to landfill by 2030.

The development and implementation of the *Waste Management Strategy 2015-2030* is identified in the City's Strategic Plan (3.2.5).

7. Financial Implications

- 7.1. Funding Source and Impact on Current Year Operating Result

7.1.1. No Impact.

- 7.2. Impact on Future Years' Financial Result

- 7.2.1. To be determined, however the Scheme will likely result in reduced operating expenditure in relation to recycling processing costs.

A very initial estimate suggests a possible saving in the order of \$50,000 per annum could be achieved.

- 7.3. Asset Related Implications

7.3.1. No Impact.

8. Legal, Risk and Legislative Considerations

- 8.1. There will be legal and contractual issues to work through in regard to materials collected through the kerbside recycling system and how the City and its recycling processing contractor manage refunds applicable to eligible containers collected in the kerbside stream.

9. Marketing and Media

- 9.1. There will be significant marketing and media in relation to a Container Refund Scheme being implemented in Tasmania

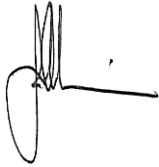
10. Community and Stakeholder Engagement

- 10.1. The State Government will be responsible for all stakeholder engagement in the development of the Tasmanian Container Refund Scheme.

11. Delegation

11.1. The matter is delegated to the Council

As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.



Jeff Holmes
**CLEANSING & SOLID WASTE POLICY
COORDINATOR**






David Beard
**MANAGER CLEANSING AND SOLID
WASTE**



Glenn Doyle
DIRECTOR CITY AMENITY

Date: 17 June 2021
File Reference: F21/54971; 2016-0192

Attachment A: Draft Container Refund Scheme Bill 2021 ↓ 
Attachment B: Container Refund Scheme Explanatory Paper ↓ 
Attachment C: CRS Regulatory Impact Statement 2021 ↓ 

Drafted in the Office of
Parliamentary Counsel

TASMANIA

CONTAINER REFUND SCHEME BILL 2021

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Consultation Draft

Consultation Draft

CONTAINER REFUND SCHEME BILL 2021

*(Brought in by the Minister for Environment, the Honourable
Roger Charles Jaensch)*

A BILL FOR

**An Act to establish a container refund scheme to reduce
litter in Tasmania and increase the recovery and recycling
of containers**

Be it enacted by Her Excellency the Governor of Tasmania, by
and with the advice and consent of the Legislative Council and
House of Assembly, in Parliament assembled, as follows:

PART 1 – PRELIMINARY**1. Short title**

This Act may be cited as the *Container Refund
Scheme Act 2021*.

2. Commencement

This Act commences on a day to be proclaimed.

3. Interpretation

In this Act, unless the contrary intention
appears –

approved container means a container
approved in accordance with
section 12(1);

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Act No. of 2021

s. 3

Part 1 – Preliminary

approved container list means the list of approved containers that is kept and maintained in accordance with section 12(3);

approved form means a form approved by the Director;

associate, of a relevant scheme participant, includes –

- (a) a person who –
 - (i) holds, or will hold, a relevant commercial interest in the business of the scheme participant that is being operated for the purposes of this Act; and
 - (ii) by virtue of that interest, is able to or will be able to exercise a significant influence over or in respect of the management or operation of that business; and
- (b) a person who –
 - (i) holds, or will hold, a relevant commercial interest in a business in which the scheme participant also holds a

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relevant commercial
interest; and

- (ii) by virtue of that interest, is able to or will be able to exercise a significant influence over or in respect of the management or operation of that business; and
- (c) a person who holds, or will hold, a relevant position in the business of the scheme participant that is being used to provide a service under this Act; and
- (d) a spouse, partner within the meaning of the *Relationships Act 2003*, parent, child or sibling of the scheme participant; and
- (e) a spouse, partner within the meaning of the *Relationships Act 2003*, parent, child or sibling of a person who holds a relevant position in the business of the scheme participant;

authorised officer includes –

- (a) the Director; and
- (b) a police officer; and
- (c) a person appointed under section 35;

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beverage means a liquid, other than medication, that is intended for human consumption by drinking;

beverage container means a container, other than an exempt container, that –

- (a) is designed or manufactured to contain a liquid; and
- (b) is, or has been, sealed while it contains a beverage to enable the beverage to be handled and transported in the container;

container refund machine means a machine, or other device, that is designed or manufactured to pay the refund amount when an approved container is inserted in, or otherwise deposited at, the machine or device;

container refund point – see section 4;

Director has the same meaning as in the *Environmental Management and Pollution Control Act 1994*;

eligible container means –

- (a) a beverage container; or
- (b) a container that is prescribed as an eligible container;

equivalent Act means an Act or the provisions of an Act, in force in another State or a

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s. 3

Territory, that substantially correspond to the provisions of this Act;

exempt container means a container that –

- (a) is prescribed as a container to which this Act does not apply; or
- (b) is a container from a class of containers that is prescribed as a class of containers to which this Act does not apply;

expression of interest means an expression of interest advertised by the Minister in accordance with section 5;

material recovery facility – see section 6;

material recovery facility operator means the person responsible for the operation of a material recovery facility;

network operator means a person appointed by the Minister as a network operator under section 15(1) or section 17;

network operator agreement means an agreement to be a network operator that complies with the requirements of this Act in respect of such an agreement;

prescribed marks, in relation to an approved container, means the prescribed information, marks or labels required to be displayed on the exterior of the approved container;

Container Refund Scheme Act 2021
Act No. of 2021

s. 3

Part 1 – Preliminary

refund amount – see section 7;

refund declaration means a declaration, in an approved form, relating to the depositing of a container at a container refund point;

refund point agreement means an agreement to operate a container refund point, that complies with the requirements of this Act in respect of such an agreement, between –

- (a) a network operator; and
- (b) the person, employed or engaged to operate the container refund point for the network operator;

refund point operator, in relation to a container refund point, means –

- (a) the person employed, or engaged, to operate the container refund point under a refund point agreement; or
- (b) if no such person is so employed or engaged, the network operator for the container refund point;

relevant appointment, in relation to a person, means the appointment of the person as a scheme coordinator or a network operator;

relevant commercial interest, in relation to a business or scheme participant, means

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any share of the capital of, or any entitlement to receive income from, the business or scheme participant, other than –

- (a) as specified under this Act or an agreement under this Act; or
- (b) as supplied on the same terms as those ordinarily supplied to another person in the same situation;

relevant position, in relation to a business or scheme participant, means the position of director, manager, secretary, or other executive position, within the management of the business or scheme participant;

scheme means the container refund scheme established under section 10;

scheme coordinator means a person appointed by the Minister as scheme coordinator under section 14(1) or section 17;

scheme coordinator agreement means an agreement to be a scheme coordinator that complies with the requirements of this Act in respect of such an agreement;

scheme participant includes each of the following persons:

- (a) a supplier;

Container Refund Scheme Act 2021
Act No. of 2021

s. 3

Part 1 – Preliminary

- (b) a scheme coordinator;
- (c) a network operator;
- (d) a refund point operator;
- (e) a material recovery facility operator;

sell includes any of the following, whether by wholesale or retail:

- (a) barter or exchange;
- (b) deal in or agree to sell;
- (c) supply for, in expectation of receiving, payment or consideration;
- (d) receive for sale or offer for sale;
- (e) dispose of by way of raffle, lottery or other game of chance;
- (f) offer as a gift, prize or reward;
- (g) give away for any purpose;

supplier – see section 8;

supply agreement, in relation to an approved container, means an agreement relating to the supply of the container within the State, that complies with the requirements of this Act in respect of such an agreement.

Container Refund Scheme Act 2021
Act No. of 2021

Part 1 – Preliminary

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4. Meaning of container refund points

- (1) For the purposes of this Act, the following are container refund points:
 - (a) a facility, or premises, where an empty approved container may be deposited in exchange for the refund amount;
 - (b) a container refund machine;
 - (c) a facility, premises or machine, or a class of facilities, premises or machines, that is or are prescribed as a container refund point.
- (2) Nothing in this Act prevents a container refund point from being operated –
 - (a) on a permanent or temporary basis; or
 - (b) from a permanent, or mobile, structure or vehicle; or
 - (c) on a for-profit basis or a not-for-profit basis.

5. Meaning of expressions of interest

- (1) For the purposes of this Act, the Minister may advertise for expressions of interest to become a scheme coordinator or a network operator.
- (2) An expression of interest advertised under subsection (1) –

Container Refund Scheme Act 2021
Act No. of 2021

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Part 1 – Preliminary

-
- (a) must be advertised in a manner that is available to members of the public; and
 - (b) may be advertised by any means, or in any format, that the Minister considers appropriate.

6. Meaning of material recovery facility

- (1) For the purposes of this Act, a material recovery facility means –
 - (a) a facility, or premises, at which approved containers may be sorted and prepared for recycling; or
 - (b) a facility or premises, or a class of facilities or premises, that is or are prescribed as a material recovery facility.
- (2) Despite subsection (1)(a), a facility or premises, or class of facilities or premises, may be prescribed as not being a material recovery facility.

7. Meaning of refund amount

- (1) For the purposes of this Act, the refund amount payable for each approved container deposited at a container refund point under the scheme is the prescribed refund amount.
- (2) The regulations may also prescribe other means by which the refund amount may be payable under the scheme.

Container Refund Scheme Act 2021
Act No. of 2021

Part 1 – Preliminary

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8. Meaning of supplier

- (1) For the purposes of this Act, a supplier of a container has product stewardship in respect of the container.
- (2) For the purposes of this Act and subject to subsection (3), a person is the supplier in respect of a container if –
 - (a) where the container is sealed outside of the State, the person first commercially imports the sealed container in the State after the commencement of the scheme; or
 - (b) where the container is sealed within the State and is intended for distribution to more than one location within the State or a number of jurisdictions, the person is the wholesaler within the State for the sealed container; or
 - (c) where the container is sealed within the State and is intended for sale within the State from a single location, the person is the person intending to so sell the sealed container within the State; or
 - (d) the person is the person prescribed as the supplier of the container or the supplier for the class of containers to which the container belongs.
- (3) Despite subsection (2), a person is not the supplier of a container solely on the basis that the person –

Container Refund Scheme Act 2021
Act No. of 2021

s. 9

Part 1 – Preliminary

-
- (a) is responsible for transporting the container –
- (i) into the State from a location outside of the State; or
 - (ii) within the State; or
- (b) is engaged under a contract to do one or more of the following for, or on behalf of, another person:
- (i) to make the container;
 - (ii) to fill the container with a beverage;
 - (iii) to seal a beverage in the container; or
- (c) is a member of a class of persons that is prescribed as not being suppliers of the container.
- (4) If there is a dispute as to who is the supplier of a container, the Director may determine who is the supplier in respect of the container.

9. Application of Act

- (1) Unless the contrary intention appears, this Act is in addition to, and does not derogate from, the provisions of any other Act.
- (2) Nothing in this Act prevents a scheme participant from paying –

Container Refund Scheme Act 2021
Act No. of 2021

Part 1 – Preliminary

s. 9

-
- (a) a refund amount for a container other than an approved container; or
 - (b) an amount, under another scheme or program, for an approved container.

Consultation Draft

Container Refund Scheme Act 2021
Act No. of 2021

s. 10

Part 2 – Container Refund Scheme

PART 2 – CONTAINER REFUND SCHEME

Division 1 – Container refund scheme generally

10. Container refund scheme established

- (1) A container refund scheme is established to enable the payment of refunds for approved containers that are returned to container refund points operated under the scheme.
- (2) The scheme established under subsection (1) –
 - (a) applies in respect of approved containers; and
 - (b) is managed by a scheme coordinator; and
 - (c) is facilitated by a network operator.

Division 2 – Approved containers

11. Approved container

- (1) A person must not sell an eligible container to another person if he or she is aware, or reasonably ought to be aware, that –
 - (a) the container is not approved under section 12; or
 - (b) the container does not display the prescribed marks.

Penalty: In the case of –

Container Refund Scheme Act 2021
Act No. of 2021

Part 2 – Container Refund Scheme

s. 12

-
- (a) a body corporate, a fine not exceeding 300 penalty units; or
 - (b) an individual, a fine not exceeding 100 penalty units.
 - (2) A supplier of an eligible container must not sell the eligible container to another person unless –
 - (a) the container is approved under section 12; and
 - (b) the supplier has entered into a supply agreement with the scheme coordinator in respect of the container; and
 - (c) the container displays the prescribed marks.

Penalty: In the case of –

- (a) a body corporate, a fine not exceeding 1 000 penalty units; or
- (b) an individual, a fine not exceeding 500 penalty units.

12. Approval of eligible container

- (1) The Director may approve an eligible container for the purposes of the scheme –
 - (a) on the application, in the prescribed manner, by the supplier of the container; or

Container Refund Scheme Act 2021
Act No. of 2021

s. 13

Part 2 – Container Refund Scheme

- (b) on the Director's own initiative.
- (2) The Director may impose any conditions, requirements or restrictions on an approval of an eligible container under subsection (1) that the Director considers appropriate.
- (3) The Director is to ensure that a list of approved containers, and other information in respect of approved containers that the Director considers appropriate, is kept and maintained.

13. Marks only to be displayed on approved container

- (1) A person must not place prescribed marks on a container that is not an approved container.

Penalty: In the case of –

- (a) a body corporate, a fine not exceeding 800 penalty units; or
 - (b) an individual, a fine not exceeding 400 penalty units.
- (2) A person must not place marks on a container for the purpose of implying, or leading others to the belief, that the container –
 - (a) is an approved container; or
 - (b) displays the prescribed marks for such a container.

Penalty: In the case of –

Container Refund Scheme Act 2021
Act No. of 2021

Part 2 – Container Refund Scheme

s. 14

- (a) a body corporate, a fine not exceeding 800 penalty units; or
- (b) an individual, a fine not exceeding 400 penalty units.

Division 3 – Scheme participants

14. Scheme coordinator

- (1) The Minister may appoint a person as a scheme coordinator in respect of the scheme by entering into a scheme coordinator agreement with the person.
- (2) The Minister may only enter into a scheme coordinator agreement with a person if the Minister is satisfied that the person –
 - (a) has responded to an expression of interest to be a scheme coordinator; and
 - (b) has the knowledge, skills and experience required of a scheme coordinator; and
 - (c) has the financial capacity to be a scheme coordinator; and
 - (d) is a fit and proper person within the meaning of section 16; and
 - (e) has not been appointed as a network operator; and
 - (f) does not share a relevant commercial interest, or hold a relevant position, with

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a network operator or an associate of a network operator; and

(g) has met any other requirements –

(i) prescribed in the regulations in respect of a scheme coordinator; or

(ii) specified in the expression of interest, or related documents, to which the person responded; or

(iii) specified as prerequisites in the scheme coordinator agreement.

(3) A person ceases to be appointed as a scheme coordinator when the first of the following occurs:

(a) the person's appointment as scheme coordinator is cancelled under section 18;

(b) the scheme coordinator agreement in force in respect of the person expires.

15. Network operator

(1) The Minister may appoint a person as a network operator in respect of the scheme by entering into a network operator agreement with the person.

(2) The Minister may only enter into a network operator agreement with a person if the Minister is satisfied that the person –

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- (a) has responded to an expression of interest to be a network operator; and
 - (b) has the knowledge, skills and experience required of a network operator; and
 - (c) has the financial capacity to be a network operator; and
 - (d) is a fit and proper person within the meaning of section 16; and
 - (e) has not been appointed as the scheme coordinator; and
 - (f) does not share a relevant commercial interest, or hold a relevant position, with the scheme coordinator or an associate of the scheme coordinator; and
 - (g) has met any other requirements –
 - (i) prescribed in the regulations in respect of a network operator; or
 - (ii) specified in the expression of interest, or related documents, to which the person responded; or
 - (iii) specified as prerequisites in the network operator agreement.
- (3) A person ceases to be appointed as a network operator when the first of the following occurs:
- (a) the person's appointment as network operator is cancelled under section 18;

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- (b) the network operator agreement in force in respect of the person expires.

16. Fit and proper person

- (1) In determining whether a person is a fit and proper person under this Act, the Minister must take into account the following matters:
 - (a) the person's conduct with regard to the scheme or a similar scheme established, or operating, in another jurisdiction;
 - (b) whether the person has been found guilty of one of the following offences, regardless of where the person was convicted:
 - (i) an indictable offence where the maximum penalty for the offence is a term of imprisonment of at least 3 months;
 - (ii) an offence of dishonesty or fraud;
 - (iii) an offence under this Act or an equivalent Act;
 - (c) such other prescribed matters.
- (2) In addition to the matters to be taken into account under subsection (1), the Minister may –
 - (a) take into account a matter not specified in that subsection, if the Minister considers the matter relevant to

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determining whether the person is a fit and proper person; and

- (b) carry out such inquiries, consult such persons and take into account such matters as the Minister considers relevant to determining whether the person is a fit and proper person for the purposes of the scheme; and
- (c) require the person to provide further information, or evidence, in support of the application.

17. Minister may appoint scheme participant in certain circumstances

- (1) Despite sections 14 and 15, the Minister may appoint a person as scheme coordinator, or network operator, without the person responding to an expression of interest to be a scheme coordinator, or network operator, if –
 - (a) the Minister has published an expression of interest in respect of the relevant position and is satisfied that –
 - (i) there have been no responses to that expression of interest; or
 - (ii) each person who has responded to the expression of interest does not meet the requirements under the Act in respect of the relevant position; or

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- (b) a person's appointment under this Act as scheme coordinator, or network operator, has been suspended or cancelled and the Minister is satisfied that a temporary appointment under this section is necessary to ensure the continued operation of the scheme.
- (2) The Minister may only appoint a person as scheme coordinator, or network operator, under this section if the Minister is satisfied, on reasonable grounds, that the person meets the majority of the requirements specified in this Act in respect of the relevant appointment.
- (3) An appointment of a person as scheme coordinator, or network operator, under this section –
 - (a) is to be on such terms and conditions as is specified by the Minister; and
 - (b) may not exceed a cumulative period of 5 years; and
 - (c) does not prevent the person from being appointed as scheme coordinator, or network operator under another section of this Act.

18. Suspension or cancellation of certain appointments

- (1) The Minister may suspend, or cancel, a relevant appointment of a person at any time if the Minister believes on reasonable grounds that –

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- (a) the person is no longer a fit and proper person in respect of the scheme; or
 - (b) the person has contravened, or is contravening, a condition imposed under this Act, or the relevant agreement, in respect of the appointment; or
 - (c) the person has not met a target specified in the relevant agreement, or as part of the relevant agreement; or
 - (d) the person has given false or misleading information in, or in connection with –
 - (i) an application, report or information provided under this Act or an equivalent Act; or
 - (ii) an agreement entered into, or to be entered into, under this Act; or
 - (e) the person has contravened a provision of this Act or an equivalent Act; or
 - (f) the person has committed an offence, whether in this State or another jurisdiction, relating to fraud or dishonesty; or
 - (g) prescribed circumstances have occurred in respect of one or more of the following:
 - (i) the person;
 - (ii) the relevant appointment of the person;

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- (iii) the agreement entered into as part of the relevant appointment of the person; or
 - (h) the relevant appointment has been suspended under this section and the person has not undertaken the steps specified under subsection (2)(c)(ii) in respect of the suspension.
 - (2) If the Minister decides to suspend, or cancel, a relevant appointment of a person under this section, the Minister is to –
 - (a) notify the person, in writing, that the relevant appointment has been suspended, or cancelled, as the case may be; and
 - (b) specify, in the notification under paragraph (a) –
 - (i) the reasons for the suspension or cancellation; and
 - (ii) in general terms, any information that the Minister took into account in making the decision to suspend or cancel the relevant appointment; and
 - (c) if the relevant appointment is suspended under this section, specify –
 - (i) the period of suspension of the relevant appointment; and

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- (ii) the steps that the person must take for the suspension to be lifted, if any.
- (3) The cancellation or suspension of a relevant appointment of a person takes effect when the person is notified in accordance with subsection (2) in respect of the suspension or cancellation.
- (4) A relevant appointment that is suspended under this section is of no effect while it is so suspended.
- Consultation Draft

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**PART 3 – ADMINISTRATION OF CONTAINER
REFUND SCHEME**

Division 1 – Agreements for container refund scheme

Subdivision 1 – General

19. Agreements generally

- (1) In addition to any other requirements specified in this Act, an agreement that is entered into for the purposes of this Act –
- (a) must be in writing; and
 - (b) is to include each applicable term, and condition, specified under this Act in respect of the agreement, or class of agreements; and
 - (c) is, unless otherwise specified in the regulations, taken to include each applicable term, and condition, prescribed in relation to the agreement, or class of agreements, after the commencement of the agreement; and
 - (d) may include one or more of the following:
 - (i) performance targets or other targets or requirements;
 - (ii) penalties and other sanctions for non-compliance;

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- (iii) requirements for monitoring, auditing and reporting under the agreement;
 - (iv) such other terms, and conditions, as are agreed between the parties to the agreement; and
 - (e) may specify, as part of the agreement, that the Director, or another person or authority, is required to approve a specific procedure, arrangement or process.
- (2) If a term or condition of an agreement under this Act is inconsistent with a term or condition specified in this Act in respect of the agreement, the term or condition of the agreement is void to the extent of the inconsistency.

20. Duration of agreement

An agreement that is entered into for the purposes of this Act is to have effect until the first of the following:

- (a) the agreement is terminated;
- (b) the agreement expires under the terms of the agreement;
- (c) the agreement has been in force for the maximum period for the agreement, if any.

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Subdivision 2 – Specific agreements

21. Scheme coordinator agreement

In addition to the requirements of this Act, an agreement to be a scheme coordinator must specify the following terms and conditions in respect of the person appointed as the scheme coordinator under the agreement:

- (a) that the scheme coordinator is to enter into supply agreements with suppliers to ensure that suppliers bear an appropriate proportion of the cost of the management, administration and operation of the scheme;
- (b) that the scheme coordinator is responsible for entering into an agreement with a network operator that specify the process for the scheme coordinator to pay, or reimburse, the network operator for –
 - (i) the refund amounts payable by, or on behalf of, the network operator; and
 - (ii) the costs associated with the administration and operation of container refund points operated by, or on behalf of, the network operator;
- (c) that the scheme coordinator is responsible for entering into agreements

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with material recovery facility operators that specify the process for the scheme coordinator to pay the operators for refund amounts in respect of each approved container that is collected –

- (i) by the material recovery facility operated by the material recovery facility operator; and
- (ii) without the refund amount being paid for that container before it was so collected;
- (d) methodologies to be used in determining the amounts payable by the scheme coordinator under the scheme;
- (e) other prescribed terms or conditions.

22. Network operator agreement

In addition to the requirements of this Act, an agreement to be a network operator must specify the following terms and conditions in respect of the person appointed as a network operator under the agreement:

- (a) details of the network of container refund points to be established and operated by, or on behalf of, the network operator under the scheme;
- (b) that, unless otherwise specified in the agreement, the network operator is responsible for all operational and

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administrative costs in respect of container refund points operated by, or on behalf of, the network operator;

- (c) that the network operator is to ensure that this Act is complied with in respect of each approved container deposited at container refund points operated by, or on behalf of, the network operator;
- (d) methodologies to be used in determining the amounts payable by the scheme coordinator to the network operator under the scheme;
- (e) other prescribed terms or conditions.

23. Supply agreement

- (1) A supplier of an approved container must enter into a supply agreement with a scheme coordinator in respect of the approved container that specifies –
 - (a) methodologies to be used in determining the amounts payable by the supplier to the scheme coordinator under the scheme in respect of the approved container; and
 - (b) other prescribed terms or conditions.
- (2) A supply agreement is to be in an approved form.

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24. Refund point agreement

- (1) A network operator may enter into a refund point agreement with a refund point operator for the refund point operator to operate one or more of the network operator's container refund points.
- (2) A refund point agreement is to be in an approved form.
- (3) A person, other than a network operator, must not operate a container refund point unless the person is the refund point operator in respect of the container refund point.

Penalty: In the case of –

- (a) a body corporate, a fine not exceeding 300 penalty units; or
- (b) an individual, a fine not exceeding 100 penalty units.

Division 2 – Compliance and enforcement for scheme participants

25. Scheme participant must comply with conditions

- (1) A supplier for an approved container must comply with each condition imposed as part of –
 - (a) the approval of the approved container under section 12; and
 - (b) the supply agreement in force in respect of the approved container.

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Penalty: In the case of –

- (a) a body corporate, a fine not exceeding 150 penalty units; or
 - (b) an individual, a fine not exceeding 50 penalty units.
- (2) A scheme coordinator must comply with each condition imposed on the scheme coordinator under –
- (a) this Act; and
 - (b) the scheme coordinator agreement that is in force in respect of the scheme coordinator.

Penalty: In the case of –

- (a) a body corporate, a fine not exceeding 300 penalty units; or
 - (b) an individual, a fine not exceeding 100 penalty units.
- (3) A network operator must comply with each condition imposed on the network operator under –
- (a) this Act; and
 - (b) the network operator agreement that is in force in respect of the network operator.

Penalty: In the case of –

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- (a) a body corporate, a fine not exceeding 300 penalty units; or
- (b) an individual, a fine not exceeding 100 penalty units.

26. Obligation of material recovery facility operator

- (1) If a material recovery facility operator receives a refund amount from the scheme coordinator in respect of an approved container, the operator must ensure that the container –
 - (a) is recycled, or is sorted for recycling, at the material recovery facility operated by that operator; and
 - (b) does not enter into landfill.

Penalty: In the case of –

- (a) a body corporate, a fine not exceeding 900 penalty units; or
 - (b) an individual, a fine not exceeding 300 penalty units.
- (2) Subsection (1) does not apply in respect of an approved container, or part of an approved container, that enters landfill in prescribed circumstances.

27. Annual report by scheme coordinator

- (1) Within 90 days after the end of each financial year, a scheme coordinator must –

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- (a) prepare, in an approved form, an annual report for the Minister that contains details of the activities and performance of the scheme coordinator during the previous financial year; and
 - (b) provide the Minister with a copy of the annual report prepared in respect of the previous financial year.
 - (2) As soon as practicable after the Minister is provided by a scheme coordinator with a copy of the report under subsection (1) –
 - (a) the Minister is to cause a copy of the report to be laid on the table of each House of Parliament; and
 - (b) the scheme coordinator is to publish the annual report –
 - (i) on the website operated by, or on behalf of, the scheme coordinator; and
 - (ii) in a manner that is freely accessible by members of the public.

28. Director may perform or require audit in certain circumstances

- (1) The Director may –
 - (a) perform an audit on the activities, or a specified aspect of the activities, of a scheme participant under this Act; or

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- (b) direct a scheme participant to engage an auditor to perform an audit on the activities, or a specified aspect of the activities, of the scheme participant under this Act.
- (2) If an audit of a scheme participant is to be performed under subsection (1)(b), the Director is to give the scheme participant written notice of each of the following before the audit is performed:
- (a) the activities to be audited;
 - (b) the date by which a written report of the audit is to be provided to the Director;
 - (c) if the audit is required under subsection (1)(b), the specific auditor or type of auditor required to perform the audit, if relevant.
- (3) The Director may, at any time –
- (a) revoke a requirement under subsection (1) for an audit; or
 - (b) amend a written notice given to a scheme participant under subsection (2).
- (4) If an audit is required under subsection (1), the scheme participant whose activities are being audited –
- (a) may be charged, by the Director, a reasonable fee for the performance of an audit under subsection (1)(a); or

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- (b) is responsible for any fee, or cost, payable in connection with an audit required under subsection (1)(b).
- (5) A requirement of the Director under subsection (1) is in addition to, and does not derogate from, an audit or report requirement required under this Act, any other Act or an agreement under this Act.
- (6) A scheme participant whose activities are required to be audited under subsection (1) must comply with the requirement.

Penalty: In the case of –

- (a) a body corporate, a fine not exceeding 300 penalty units; or
- (b) an individual, a fine not exceeding 100 penalty units.

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**PART 4 – CONTAINER REFUND POINTS AND
REFUNDS**

29. Claiming refund under scheme

- (1) A person may claim a refund amount under the scheme by depositing an approved container at a container refund point.
- (2) Subject to subsection (3) and this Act, a refund point operator must ensure that a refund amount is paid, for each approved container deposited at the container refund point operated by the operator, to the person who deposited the container.

Penalty: In the case of –

- (a) a body corporate, a fine not exceeding 120 penalty units; or
 - (b) an individual, a fine not exceeding 60 penalty units.
- (3) A refund point operator may refuse to pay a refund amount, for a container deposited at a container refund point operated by the operator, if –
 - (a) the container is not an approved container; or
 - (b) section 30(3) applies in respect of the person who deposited the container at the container refund point; or

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- (c) section 31 applies in respect of the container.
- (4) Subsection (2) does not apply to a refund point operator in respect of an approved container deposited at a container refund point if –
- (a) the operator has an agreement with the person depositing the container for the refund amount to be paid at a later time; or
 - (b) the prescribed circumstances exist in respect of the container, the refund point operator or the container refund point.
- (5) A refund point operator is not guilty of an offence under subsection (2) in respect of a container refund machine if –
- (a) the machine accepts an approved container but does not pay a refund amount in respect of the container at the time of the acceptance of the container; and
 - (b) the refund point operator pays the refund amount owing in respect of the container as soon as practicable after the refund point operator becomes aware of the non-payment of the refund amount by the machine.
- (6) A person must not claim a refund amount for an approved container if the person knows, or reasonably ought to know, that a refund has been

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paid in respect of the container under this Act or under an equivalent Act.

Penalty: In the case of –

- (a) a body corporate, a fine not exceeding 300 penalty units; or
- (b) an individual, a fine not exceeding 150 penalty units.

30. Request for certain information

- (1) If a person deposits an approved container at a container refund point, the refund point operator for that container refund point –
 - (a) may require, if the prescribed circumstances exist, the person to provide a refund declaration, in respect of the container; and
 - (b) must require the person to provide a refund declaration in respect of the container if –
 - (i) the number of approved containers deposited by the person exceeds the prescribed maximum amount of containers; and
 - (ii) the person does not have a written agreement with the refund point operator that enables the person to deposit containers in a number that exceeds the

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prescribed maximum amount of
containers.

- (2) If a refund point operator requires a person to provide a refund declaration under subsection (1), the refund point operator may also require, if the prescribed circumstances exist, the person to provide proof of the person's identity.
- (3) A refund point operator may refuse to pay a refund amount in respect of an approved container that a person has deposited at a container refund point if –
 - (a) the person refuses to provide a refund declaration as required by the refund point operator under subsection (1); or
 - (b) the person refuses to provide proof of the person's identity as required by the refund point operator under subsection (2); or
 - (c) the refund point operator is satisfied that the number of approved containers deposited by the person, or the person and one or more other persons acting on behalf of the person, exceeds the prescribed maximum amount of containers.
- (4) A refund point operator must keep, for the prescribed period –
 - (a) each refund declaration that is provided to the operator under this section; and

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- (b) details of each piece of evidence that is provided to the operator under this section to prove the identity of a person.

Penalty: In the case of –

- (a) a body corporate, a fine not exceeding 100 penalty units; or
- (b) an individual, a fine not exceeding 50 penalty units.

31. Refund not payable in respect of certain containers

- (1) A refund amount is not payable under this Act in respect of an approved container deposited at a container refund point if the refund point operator for the container refund point is satisfied, on reasonable grounds, of one or more of the following:
 - (a) the approved container is not substantially empty;
 - (b) the container does not display the relevant prescribed marks;
 - (c) the container displays marks that are obscured, or damaged, in such a manner that the marks are unable to be identified as the relevant prescribed marks;
 - (d) a refund amount has already been paid in respect of the container under this Act or an equivalent Act;

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- (e) the container refund point is a container refund machine and the machine has refused to accept the container;
 - (f) the prescribed circumstances apply in respect of the container.
- (2) Subsection (1)(e) does not prevent a container that is refused by a container refund machine from being deposited, and accepted, at another container refund point.

32. Refund point operator must accept approved containers

Unless otherwise authorised under this Act, a refund point operator must not refuse to accept an approved container that is, or has been, deposited at the container refund point operated by the refund point operator.

Penalty: In the case of –

- (a) a body corporate, a fine not exceeding 300 penalty units; or
- (b) an individual, a fine not exceeding 100 penalty units.

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33. Delegations

- (1) The Minister may delegate to any person any of the Minister's powers and functions under this Act, other than this power of delegation.
- (2) The Director may delegate to any person any of the Director's powers and functions under this Act, other than this power of delegation.

34. Recovery of costs

- (1) The Director may charge a person (the *liable person*) a fee for any action taken by, or on behalf of, the Director under this Act if –
 - (a) the liable person was informed before the action was taken that such a fee for the action may be charged; and
 - (b) in the opinion of the Director, it is reasonable to charge the fee to –
 - (i) cover the administrative costs incurred by the Government in respect of the action; or
 - (ii) cover the costs of regulatory activity taken under this Act in respect of the action.
- (2) A fee charged under subsection (1) –

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- (a) is to be no more than is reasonable to cover the costs and expenses incurred in connection with the action taken for which the fee is charged; and
 - (b) is recoverable by the Director as a debt due and owing to the Director by the liable person in respect of the fee.
- (3) For the purposes of subsection (2)(a), costs and expenses incurred in connection with an action include costs and expense incurred by, or on behalf of, the Crown.

35. Authorised officers

- (1) The Director may appoint one or more of the following persons as an authorised officer for the purposes of this Act:
 - (a) a State Service officer or State Service employee;
 - (b) any other person the Director considers appropriate.
- (2) A person appointed as an authorised officer is appointed on such terms and conditions as the Director determines.
- (3) An authorised officer may do any one or more of the following if reasonably required for the purpose of administering, or enforcing, this Act:
 - (a) enter and inspect premises if –

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- (i) the occupier of the premises has given consent to the entry of the officer; or
 - (ii) the entry is in accordance with a warrant; or
 - (iii) the premises are a public place and the entry occurs while the premises are open to the public;
- (b) take photographs, films, video, audio or other recordings;
 - (c) remove a container, or other item, from premises for the purposes of an investigation or for testing;
 - (d) require a person to provide the officer with a document or information, or a copy of a document or information, that is in the possession or control of the person;
 - (e) copy, or take extracts from, a document or information found in the conduct of a search of premises or provided in accordance with paragraph (d);
 - (f) require a person to answer a question in relation to a matter.
- (4) If an authorised officer removes a container, or other item, in accordance with subsection (3)(c) and the authorised officer is able to identify the owner of the container or item, the authorised officer must give the owner a written receipt that

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describes the removed container, or item, and its condition.

- (5) A person must comply with a requirement made of the person by an authorised officer.

Penalty: In the case of –

- (a) a body corporate, a fine not exceeding 100 penalty units; or
 - (b) an individual, a fine not exceeding 50 penalty units.
- (6) A person must not resist, obstruct or hinder an authorised officer in the performance of a function, or the exercise of a power, under this Act.

Penalty: In the case of –

- (a) a body corporate, a fine not exceeding 100 penalty units; or
- (b) an individual, a fine not exceeding 50 penalty units.

36. Advisory committees

- (1) The Minister may establish a committee, on such terms and conditions that the Minister considers appropriate, for the purpose of advising the Minister in respect of –
- (a) the exercise of the Minister's functions under this Act; or

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- (b) the operation of the scheme under this Act.
- (2) In establishing a committee under subsection (1), the Minister is to specify –
- (a) the matters in respect of which the committee is to advise the Minister; and
 - (b) the members of the committee or the interests, and experience, that members of the committee, as a whole, must hold; and
 - (c) certain practices and procedures that apply in respect of the committee so established.
- (3) The regulations may prescribe the practice and procedures of a committee established under subsection (1).
- (4) Unless otherwise prescribed, or specified by the Minister under subsection (2)(c), a committee established under subsection (1) may regulate its own practice and procedures.
- (5) The Minister may dissolve a committee established under subsection (1) on such terms and conditions the Minister considers appropriate.

37. False or misleading information

- (1) A person, in providing an application, information, statement or document under this Act, must not –

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- (a) provide it knowing it to be false or misleading; or
 - (b) omit any matter knowing that without the matter the application, information, statement or document is false or misleading.

Penalty: In the case of –

- (a) a body corporate, a fine not exceeding 500 penalty units; or
 - (b) an individual, a fine not exceeding 250 penalty units.
- (2) Subsection (1) does not apply to a person if the person –
- (a) informed the person, to whom the application, information, statement or document was provided, that it was false, misleading or incomplete; and
 - (b) indicated the manner in which the application, information, statement or document was false, misleading or incomplete; and
 - (c) provided with the application, information, statement or document any further information the person has in respect of the information, statement or document.

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38. Review of decisions relating to containers

A person who is aggrieved by a decision of the Director under this Act in respect of a container may apply to the Magistrates Court (Administrative Appeals Division) for a review of that decision.

39. Competition exemption

- (1) The following are specifically authorised for the purposes of the *Competition and Consumer Act 2010* of the Commonwealth:
- (a) a scheme coordinator agreement, a network operator agreement, a refund point agreement and a supply agreement;
 - (b) the negotiating of, entering into, or making of, a scheme coordinator agreement, a network operator agreement, a refund point agreement and a supply agreement;
 - (c) the grant or refusal to grant approval to a container under section 12;
 - (d) a prescribed matter.
- (2) Anything authorised by this section is authorised only to the extent that it would otherwise contravene Part IV of the *Competition and Consumer Act 2010* of the Commonwealth.

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40. Offences by body corporate

- (1) In this section, a person is concerned in, or takes part in, the management of a body corporate if the person is one of the following persons:
- (a) a director of the body corporate;
 - (b) a secretary of the body corporate;
 - (c) a person involved in managing the affairs of the body corporate, by whatever name called;
 - (d) a receiver and manager of property of the body corporate;
 - (e) an administrator of a deed of arrangement executed by the body corporate;
 - (f) a liquidator of the body corporate appointed in a voluntary winding-up of the body corporate;
 - (g) a trustee or other person administering a compromise or arrangement made between the body corporate and another person or other persons.
- (2) If a body corporate contravenes a provision of this Act, a person who is concerned in, or takes part in, the management of the body corporate is taken to have contravened that provision.
- (3) It is a defence in proceedings taken against a person who is concerned in, or has taken part in, the management of a body corporate in

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accordance with subsection (2) for the person to prove that –

- (a) the body corporate contravened the provision without the person's knowledge; or
 - (b) the person was not in a position to influence the conduct of the body corporate in relation to its contravention of the provision; or
 - (c) the person, if in such a position, attempted to prevent the contravention by the body corporate.
- (4) A person may be convicted of a contravention of a provision of this Act in accordance with subsection (2) whether or not the body corporate has been convicted of, or charged with, its contravention.
- (5) Nothing in this section affects the liability imposed on a body corporate for an offence committed by it against a provision of this Act.

41. Infringement notices

- (1) An authorised officer may issue and serve an infringement notice on a person if satisfied that the person has committed a prescribed offence against this Act or the regulations.
- (2) An infringement notice under subsection (1) is not to –
 - (a) relate to 4 or more offences; and

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- (b) be served on a person who has not attained the age of 16 years.
 - (3) An infringement notice is to be in accordance with section 14 of the *Monetary Penalties Enforcement Act 2005*.
 - (4) Any payments made in respect of an infringement notice are payable –
 - (a) to a council, if the notice was served by a person who is an authorised officer by virtue of the person's employment or engagement by the council; or
 - (b) in any other case, into the Environment Protection Fund established by section 97 of the *Environmental Management and Pollution Control Act 1994*.

42. Regulations

- (1) The Governor may make regulations for the purpose of this Act.
- (2) Without limiting subsection (1), the regulations may –
 - (a) prescribe the processes and procedures for –
 - (i) approving a container; or
 - (ii) varying, or revoking, the approval of a container; and

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- (b) specify circumstances in which the supplier for an approved container is required to notify the Director in respect of the approved container; and
 - (c) specify matters or information to be contained in, or requirements of –
 - (i) an audit to be performed under this Act; or
 - (ii) a report, or other document, required to be prepared or provided under this Act; and
 - (d) specify one or more of the following in respect of certain agreements, between scheme participants, that are required to be entered into under this Act:
 - (i) the form of the agreement;
 - (ii) the information to be included in the agreement;
 - (iii) that the agreement be approved as prescribed; and
 - (e) prescribe terms and conditions that must or may, or may not, be included in an agreement under this Act; and
 - (f) unless otherwise specified in this Act, prescribe the maximum period that an agreement under this Act may be in force; and

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- (g) prescribe the circumstances where information is to be available to the public and the means, or methods, for making that information available; and
 - (h) provide that a contravention of a regulation is an offence and, in respect of such an offence, provide for the imposition of a fine not exceeding 500 penalty units, and, in the case of a continuing offence, a further fine not exceeding 50 penalty units for each day during which the offence continues.
- (3) The regulations may be made so as to apply differently according to matters, limitations or restrictions, whether as to time, circumstance or otherwise, specified in the regulations.
 - (4) The regulations may authorise any matter to be, from time to time, determined or approved by the Director or such other person as is specified in the regulations.

43. Review of operation of Act

- (1) The Minister is to cause an independent review of the operation of the scheme, and this Act, to be completed before the 5th anniversary of the commencement of this Act.
- (2) As soon as practicable after an independent review is completed under subsection (1), the person who undertakes the independent review is to give the Minister a written report on the outcome of the review.

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- (3) The Minister is to cause a copy of the report, given to the Minister under subsection (2), to be tabled in each House of Parliament within 10 sitting-days of that House after the report is received by the Minister.
- (4) This section does not apply if a committee of either House of Parliament, or a joint committee of both Houses of Parliament, has reviewed the operation of this Act, or has started such a review, after this Act commences and before the 5th anniversary of that commencement.

44. Administration of Act

Until provision is made in relation to this Act by order under section 4 of the *Administrative Arrangements Act 1990* –

- (a) the administration of this Act is assigned to the Minister for Environment; and
- (b) the department responsible to that Minister in relation to the administration of this Act is the Department of Primary Industries, Parks, Water and Environment.

Container Refund Scheme Bill 2021

Explanatory Paper



DONATE \$



REFUND \$



Department of
Primary Industries, Parks, Water and Environment



Author:

Department of Primary Industries, Parks, Water and Environment

Publisher:

Department of Primary Industries, Parks, Water and Environment

Date:

May 2021

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Minister's Message

The Tasmanian Government is committed to commencing operation of a Container Refund Scheme in 2022. Container Refund Schemes operate in approximately 40 countries around the world and all Australian states and territories now have Container Refund Schemes in place, or have committed to introduce them.

The introduction of the Container Refund Scheme Bill 2021 is an important part of the Tasmanian Government's commitment to reducing litter and increasing resource recovery and recycling. A Container Refund Scheme will also generate purer streams of recyclable materials that can have a second life as inputs to new products, helping to build a more sustainable 'circular economy'.

Under the Scheme, Tasmanians will be able to receive a 10 cent refund for every empty drink container they return to a designated Refund Point for recycling. There will also be the option of donating your 10 cent refund to eligible charitable organisations, or donating recyclable containers to a community group who can redeem your refund. The Government will ensure that a network of Refund Points will be available across Tasmania so everyone in Tasmania can participate in the Scheme. It is expected that there will be a range of different Refund Point types including over-the-counter refund points, large depots, and automated kiosks.

Under the preferred governance model that I announced on 4 February 2021, Tasmania will have a 'split-responsibility' model, which will bring together all relevant sectors to deliver the best Scheme for Tasmania. The split-responsibility model (which already operates in NSW, ACT, and has been announced as the Victorian Government's preferred model) involves a Scheme Coordinator who will run the administration and finance for the Scheme, while a separate Network Operator/s run the network of Refund Points.

The draft legislation 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 more operational details of the Scheme will be addressed through regulations.

Members of the public are now invited to have their say on the draft legislation and I look forward to working with relevant industries, retailers, the charitable sector, local government and the broader community as we roll out a Container Refund Scheme for Tasmania.



The Hon Roger Jaensch MP
Minister for the Environment



Public Consultation Process

Consultation is open from Saturday 5 June until 5pm Friday 9 July.

The Tasmanian Government is currently seeking feedback on the draft *Container Refund Scheme Bill 2021*. This is your chance to have your say on the proposed legislation. We will be holding an online public webinar, as well as targeted stakeholder information sessions.

You can view the draft Bill, this Explanatory Paper, the Regulatory Impact Statement, and FAQs on the Container Refund Scheme website <https://dpipwe.tas.gov.au/crs>

PUBLIC WEBINAR

There will be a webinar on Thursday 17 June at 12:30pm that members of the public are invited to attend regarding the draft *Container Refund Scheme Bill 2021*.

Information about attending the public webinar can be found on our website <https://dpipwe.tas.gov.au/crs>

HAVE YOUR SAY

You can provide feedback on the draft Bill by filling out the online survey, or by making a written submission. Submissions are due by **5pm on Friday 9 July 2021**. No late submissions will be accepted.

A direct link to the survey can be found on our website <https://dpipwe.tas.gov.au/crs>

Email: crs.enquiries@dpipwe.tas.gov.au

Mail: Policy and Business Branch,
Department of Primary Industries, Parks, Water and Environment,
GPO Box 1550,
HOBART TAS 7001.

Phone: 03 6165 4599

Why does Tasmania need a Container Refund Scheme?

The Tasmanian Government released the draft *Waste Action Plan 2019*. The Waste Action Plan includes a commitment to introduce a Container Refund Scheme (CRS) in 2022, as part of a move towards a circular economy for Tasmania. A circular economy aims to maximise the use and value of resources, and ensure that instead of becoming 'waste', materials become valuable resources that can be reused or recycled into the future.

The CRS will contribute to Tasmania's circular economy by reducing litter and increasing recovery and recycling of beverage containers. Container Refund Schemes operate worldwide, and every Australian state and territory has or plans to implement a CRS. It is now Tasmania's turn to take this important step towards improving outcomes for the Tasmanian environment and community.

The Tasmanian Government has set the target of having the lowest rate of litter in the country by 2023, and the CRS will make a significant contribution towards achieving this goal. Litter harms our environment, community health, and Tasmania's image as a 'natural state'. Drink containers are one of the most commonly littered items in Tasmania – in 2018/19 drink containers made up around 45 per cent of litter by volume in the state.

By providing a 10 cent refund for each beverage container returned, the CRS will provide an incentive for consumers to recycle containers. The CRS will allow Tasmania to meet its litter targets and help to protect our natural environment while creating new circular economy jobs and opportunities in the recycling and resource recovery sector.

How does the Scheme work?

In accordance with the principles of Product Stewardship, whereby whoever makes a product takes responsibility for minimising waste from that product, the beverage industry will fund the Tasmanian Container Refund Scheme. In this way, the beverage industry will be taking responsibility for ensuring that their products do not end up as litter or in landfill.

The aim of the Container Refund Scheme is to collect and recycle as many used drink containers as possible. It works by providing a 10 cent refund for eligible drink containers as an incentive for consumers to return them. Consumers return their eligible containers to a Refund Point and receive the 10 cent refund for each container. Containers will then be sent to an approved recycler. Containers placed in kerbside recycling bins will continue to be recycled but consumers will not receive the refund for these containers.

The CRS will provide economic and fundraising opportunities for Tasmanian businesses, charities, community and sporting groups, and individuals. There will be a number of ways to get involved in the Scheme, from operating a refund point to donating refunds to charity.

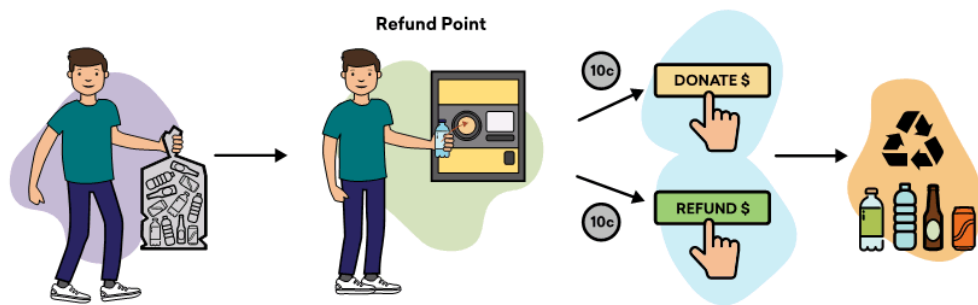


Figure 1 How the Container Refund Scheme works

Objectives of the Bill

There are two clear objectives of the *Container Refund Scheme Bill 2021*:

REDUCE LITTER

The first objective of the Bill is to reduce litter. The Scheme targets beverage containers that are most commonly littered. By providing a 10 cent refund for eligible containers, there will be an incentive for consumers to return containers that may otherwise have become litter. The Scheme has been designed to be as convenient and accessible as possible to ensure that it is easy to return containers to a Refund Point.

INCREASE RECYCLING RATES

The second objective of the Bill is to increase resource recovery and recycling. By creating a system that enables the collection of sorted streams of recyclable materials, these can then be sold for reprocessing and recycling purposes. It will also encourage markets for recyclable material. The Bill provides that eligible containers collected through the Scheme must be recycled, which also helps to ensure that recyclable material stays out of landfill. The CRS has been designed in a way that will achieve a high redemption rate, so that as many containers as possible are collected for recycling.

Scheme Governance

There are several key participants involved in the management of the Scheme. It will be regulated by the Tasmanian Government, which contracts both a Scheme Coordinator and a Network Operator to run the separate components of the Scheme. This creates an alignment of incentives. The Scheme Coordinator who will run the administration and finance for the Scheme, has an incentive to keep costs low, making for an efficient and cost effective Scheme. A separate Network Operator will run the network of Refund Points, and will be paid per container collected, so is incentivised to collect as many containers as possible.

The Scheme Coordinator and Network Operator roles will be appointed through a competitive public tender process. The legislation requires that these roles are performed by separate organisations to maintain clear incentives.

Other key participants include consumers, beverage suppliers, container refund point operators, material recovery facilities (MRFs) and the businesses that recycle beverage containers.

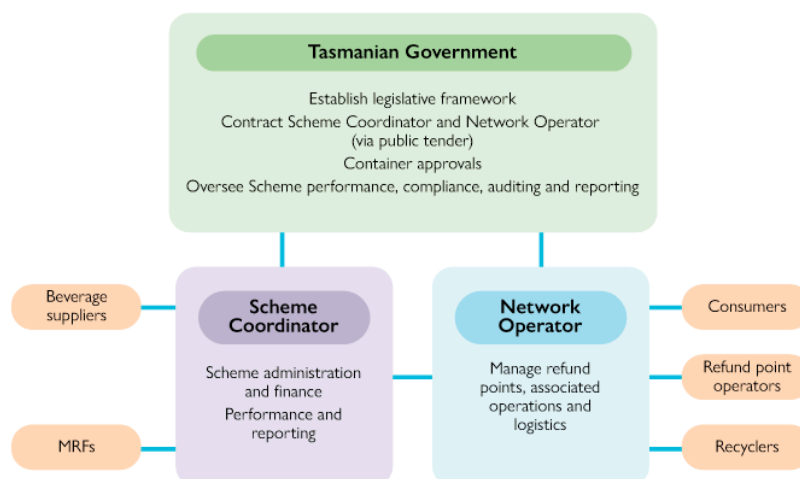


Figure 2 Governance model for the Container Refund Scheme

SCHEME REGULATOR

The Tasmanian Government will provide regulatory oversight and ongoing evaluation of the Scheme. By having direct oversight of the Scheme Coordinator and Network Operator, the Tasmanian Government can ensure that performance requirements are achieved. The role of the Government as the Scheme regulator includes but is not limited to:

- Regulating the Scheme and monitoring compliance with the legislative framework;
- Selecting and contracting the Scheme Coordinator and Network Operator via public tender;
- Approving eligible beverage containers within the Scheme;
- Conducting reviews of Scheme operation and performance; and
- Reporting on Scheme performance.

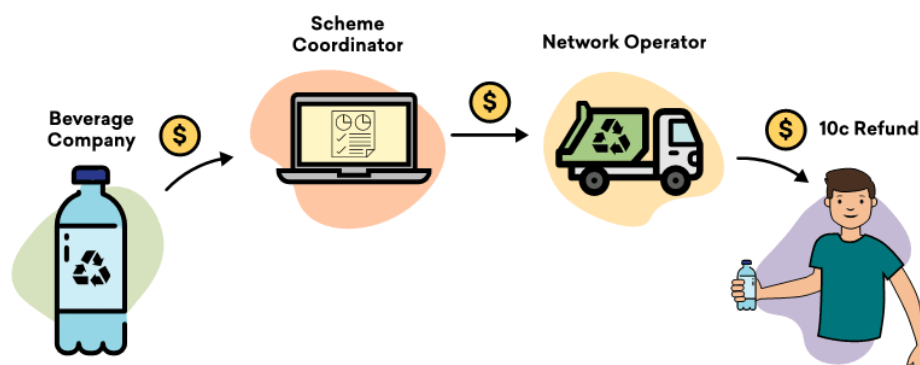


Figure 3 Demonstrating the flow of money through a split responsibility Container Refund Scheme

SCHEME COORDINATOR

A Scheme Coordinator is appointed by the Tasmania Government through a tender process. The Scheme Coordinator manages administration and finance, for which they receive a fee for service. The role of the Scheme Coordinator includes:

- Operating the Scheme in an efficient and cost-effective manner;
- Managing the Scheme's finances, including contracting with beverage suppliers, allocating Scheme costs to beverage suppliers and collecting contributions from beverage suppliers;
- Paying the refund amounts and, where relevant, associated handling costs for returned containers to the Network Operator and Material Recovery Facilities;
- Monitoring and reporting against the Scheme requirements and performance targets set by the Tasmanian Government; and
- Minimising fraud, including managing verification mechanisms to prevent inflated container return claims.

NETWORK OPERATOR

A Network Operator is appointed through a tender process by the Tasmanian Government to manage a network of Refund Points for which the Network Operator receives a fee from the Scheme Coordinator per container collected. The role of the Network Operator includes:

- Establishing and maintaining a network of accessible refund points throughout Tasmania for consumers to return beverage containers for a refund;
- Obtaining all necessary permits and approvals relating to the development, operation and maintenance of refund points;
- Meeting the performance requirements of the Tasmanian Government to enable high participation by Tasmanians and deliver high redemption rates; and
- Providing employment opportunities for Tasmanians and enabling charitable and community organisations to participate in the Scheme.

Key Participants

Key Participants	Role of Participant
Beverage Suppliers	Pay a fee to the Scheme Coordinator to fund the running of the Scheme and ensure eligible containers are approved.
Community Groups and Charities	Can be involved in the Scheme in a number of ways, including: <ul style="list-style-type: none"> • Collecting or receiving eligible beverage containers that can be returned to a refund point for a refund. • Electing to be an eligible charity to receive donations from consumers at refund points. • Being a refund point operator
Consumers	Buy or collect eligible beverage containers and return them to a refund point to receive a refund
Local Councils	Continue with kerbside collection of recyclable materials, which may include eligible beverage containers
Material Recovery Facilities (MRF)	Receives kerbside recycling from Councils and ensures eligible containers are recycled. Will likely have a profit share arrangement with Council for the refund received.
Network Operator	Management of the network of refund points and associated operations and logistics
Recyclers	Receive beverage containers from the Network Operator and Material Recovery Facilities
Refund Point Operators	Provide refunds to consumers when eligible beverage containers are returned. Refund points might be, for example, a retail shop, an automated kiosk, or a larger depot to enable bulk container returns.
Retailers	Sell only approved eligible beverage containers. Some retailers may also be refund point operators.
Scheme Coordinator	Administrative and financial management
Tasmanian Government	Provide regulatory oversight of the Scheme

Regulatory Scheme Design Elements

These matters will be addressed under regulations and/or within the contracts with the Scheme Coordinator and Network Operator.

REFUND AMOUNT

It is proposed that a 10 cent refund will be available for eligible beverage containers returned to refund points. This is consistent with the refund amount in all other states and territories, and the scheme soon to commence in Victoria. National consistency on this will make it easier and more convenient for consumers and the beverage industry, while also demonstrating a shared Government commitment.

Whilst the details of the refund payment method will be finalised in regulations, there are several ways a refund can be provided. Schemes in other states and territories use:

- Cash refunds;
- Refunds directly to credit card, debit card, bank deposit or PayPal account;
- Vouchers for participating retailers; and
- Donations directly to a charity of choice.

REFUND POINT TYPES

There are different types of container refund points used throughout Australian jurisdictions. It is expected that a mix of refund points will provide the most convenient and effective network and maximise the amount of returned beverage containers. Work is underway to determine the number and type of refund points that will be required to adequately service the needs of the Scheme. It is expected that the Scheme will utilise a mix of refund point types including over-the-counter refund points, automated kiosks, and large depots for the convenient return of bulk numbers of containers.

REFUND MARK

The Scheme will require eligible containers to display an approved refund mark to advise consumers that the container can be exchanged for a refund. It is important that this refund marking is legible and obvious to the consumer, retailer and refund point operator. A common refund mark across all participating states and territories will reduce costs for beverage suppliers, increase Scheme recognition for the public, and enable shared marketing campaigns.

ELIGIBILITY OF CONTAINERS

The Tasmanian Container Refund Scheme will focus on the beverage containers that most commonly contribute to litter. Millions of drink containers will be recycled each year instead of ending up in our landfills, parks, rivers and beaches.

While the exact details of the containers eligible in Tasmania's Scheme are still under development, they will likely be in alignment with those already eligible in other Australian jurisdictions. Eligible containers in other jurisdictions are typically between 150ml and 3L in volume. These are generally cans, bottles, cartons, and juice boxes/poppers.

Ineligible containers are likely to be those consumed at home or at food service venues and thus less likely to be littered. These will continue to be processed through household kerbside recycling collection.

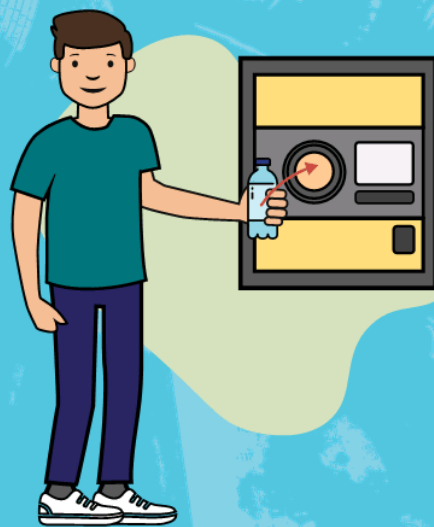
What's Next?

Public consultation will run from **Saturday 5 June 2021 to 5pm Friday 9 July 2021**.

Information on how you can have your say can be found on page 5 in the 'Public Consultation' section of this paper. Submissions will be accepted by email or mail, and Tasmanians are encouraged to also fill out the short online survey and attend the public webinar.

Submissions made during the public consultation period will be published on the Department of Primary Industries, Parks, Water and Environment website unless confidentiality has been requested, as per the Tasmanian Government Public Submissions Policy.

A summary report of the issues raised during the public consultation period will also be made available.



Department of Primary Industries, Parks, Water and Environment

Phone: (03) 6165 4599

Email: CRS.Enquiries@dpipwe.tas.gov.au

Web: <https://dpipwe.tas.gov.au/crs>



Regulatory Impact Statement

Container Refund Scheme Bill 2021



Proposal to approve draft legislation
MAY 2021

Department of
Primary Industries, Parks, Water and Environment



Citation:

Department of Primary Industries, Parks, Water and Environment 2021,
Regulatory Impact Statement for the Container Refund Scheme Bill 2021, DPIPWVE, Hobart.

Date: May 2021

Enquiries:

Container Refund Scheme
Policy and Business Branch
Department of Primary Industries, Parks, Water and Environment
GPO Box 1550
HOBART TAS 7001

Email: crs.enquiries@dpiuwe.tas.gov.au

Phone: 03 6165 4599

Web: <https://dpiuwe.tas.gov.au/environmental-management/container-refund-scheme/>

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Acronyms

BCR	Benefit Cost Ratio
CDS	Container Deposit Scheme, used interchangeably with CRS in Australia
CRS	Container Refund Scheme
DPIPWE	Tasmania's Department of Primary Industries, Parks, Water and Environment
ERG	Expert Reference Group for Tasmania's CRS
LGAT	Local Government Association of Tasmania
MAG	Ministerial Advisory Group on Waste and Resource Recovery, established by the Tasmanian Government
MJA	Marsden Jacob Associates
MRA	<i>Mutual Recognition Act</i>
MRF	Material Recovery Facility
NLI	National Litter Index
NPV	Net present value
PRO	Product Responsibility Organisation
PSO	Product Stewardship Organisation
PTL	Propensity to litter
PWS	Parks and Wildlife Service (Tasmanian)
RVM	Reverse Vending Machine
TTMRA	<i>Trans-Tasman Mutual Recognition Act</i>
WAP	Tasmania's draft Waste Action Plan
WTP	Willingness to Pay

Executive summary

The Tasmanian Government has committed to have the lowest incidence of littering in the country by 2023, and to grow the circular economy. As part of this the Government has committed to introducing a Container Refund Scheme (CRS) in 2022.

The CRS will incentivise the collection of beverage containers, which make up 43 per cent of Tasmania's litter by volume. The CRS will provide a refund amount to customers who return used containers to designated Refund Points. All containers must then be recycled. All Australian states and territories except Victoria have a CRS in place and Victoria has committed to implement one by 2023.

The Tasmanian Government has conducted consultation and analysis on a CRS for some years. Two discussion and analysis papers by independent consultants were undertaken,¹ released in 2014 and 2018.² Advice has been obtained from a dedicated Expert Reference Group and a Ministerial Advisory Group. The Government has consulted with the beverage industry, environment groups, the waste and recycling industry, local government and charities, receiving valuable feedback.

As a result of this process, the Government has concluded that a CRS is an appropriate and cost-effective way to reduce litter while promoting a circular economy. No other policy option has been identified that can achieve the Government's objectives.

The draft Container Refund Scheme Bill 2021 is now being presented for wider consultation. The Government's intention is to pass legislation in 2021 ahead of implementation in 2022. The Bill has been designed to be cost-effective and to harmonise with Schemes interstate.

The analysis presented here has found that the CRS will:

- reduce beverage container litter by almost 50 per cent;
- prevent 6900 tonnes of litter from entering the environment over 20 years;
- cause the recycling of eligible beverage containers to almost double;
- create more benefits than costs for Tasmania, by \$35 million over 20 years;
- create \$1.29 in benefits for every \$1 of cost.

To implement the CRS as proposed, an exemption is required under federal legislation regarding the mutual recognition of goods between states and with New Zealand. This Regulatory Impact Statement contains a proposal to exempt the CRS.

¹ Marsden Jacob Associates 2014, *Cost Benefit Study of a Tasmanian Container Deposit System*, Report prepared for EPA Tasmania, DPIPWE, Hobart.

² Marsden Jacob Associates 2018, *A Model Framework for a Container Refund Scheme in Tasmania*, Report Prepared for EPA Tasmania, DPIPWE, Hobart.

1. Introduction

The Tasmanian Government is seeking public comment on a proposed Scheme to return and recycle used beverage containers.

Litter is a significant problem in Tasmania, and beverage containers make up 43 per cent of Tasmania's litter by volume. Litter poses health risks, causes harm to marine life and the broader environment, imposes costs to clean up, and runs counter to Tasmania's clean, natural brand, which is central to the tourism industry.

The proposed Container Refund Scheme (CRS) provides a refund for empty beverage containers when they are returned to a designated Refund Point. The CRS aims to reduce beverage container litter by approximately 50 per cent. It also aims to increase recycling.

The Tasmanian Government's *Legislation Impact Assessment Guidelines* require a Regulatory Impact Statement (RIS) to be prepared when proposed legislation will restrict competition or have a significant impact on business. The Government has been advised that this proposal has a significant impact on business as the beverage industry will pay for the Scheme, will face an increased administrative load, and may be required to alter its container markings. The Scheme will also impact on consumers of beverages as prices are likely to rise due to cost recovery by industry. This will particularly affect consumers who do not return their containers for recycling.

This RIS forms the basis for consultation with the public. The purpose of a RIS is to:

- explain the objectives of the proposed legislation;
- set out the issues surrounding restrictions on competition (if any) or the impact on business; and
- assess the benefits and costs which flow from the proposal.

Comment is invited from individuals, organisations and industry bodies, including whether they support the assessment of costs and benefits. Please go to Chapter 9 to find out how to have your say.

Submissions must be received by 5 pm on 9 July 2021.

2. Background

2.1 Statement of the problem

Litter is a significant problem in Tasmania. The *National Litter Index* for 2017/18 found litter in Tasmanian parks increased by 18 per cent compared to the year before, while litter on beaches increased by 15 per cent. Litter in residential areas increased by 5 per cent.³ Discarded beverage containers are a significant part of this, making up 43 per cent of Tasmania's litter by volume. In 2017, almost 7.7 million beverage containers were littered in the state – about 800 tonnes of material that could have been recycled.

Community concern about litter, waste and pollution issues is increasing, as demonstrated by the interest in ABC TV's *War on Waste* series (2017), and the 10,000 members of the Facebook group 'Zero Waste Tasmania'. Concern about plastic waste in the oceans is increasing. China's restrictions on the importation of waste, implemented in 2018, and subsequent National Cabinet bans on the export of waste, has drawn attention to waste and recycling issues.

Litter imposes costs:

- **Environmental damage** – harms terrestrial and water environments and wildlife, including the ingestion of plastics by marine life.
- **Economic costs** – clean-up costs are imposed on local government, state government, schools, and businesses (eg the seafood industry). Costs are passed on to ratepayers, taxpayers and consumers.
- **Amenity and visual costs** – litter impacts on landscapes and the enjoyment of open spaces.
- **Health risks** for the community through wounds, the risk of infection from littered containers, and ingesting microplastics.
- **Counters Tasmania's brand** as a clean, natural destination, which is central to the state's \$1.49 billion-a-year tourism industry.

A related problem to litter is the low recycling rate of beverage containers. Only 32 per cent of Tasmania's beverage containers are recycled, less than the national average.⁴ When recyclable material is sent to landfill or littered, its economic value is destroyed and the lifespan of landfill sites is reduced. Resource recovery salvages economic value while creating jobs and business opportunities. Recycling reduces greenhouse gas emissions, slows the depletion of natural resources, and reduces the environmental harm associated with the extraction and processing of resources.

³ Keep Australia Beautiful 2018, *National Report 2017-18: National Litter Index*.

⁴ Marsden Jacob Associates 2018, p. 17.

2.2 Legislative arrangements

Tasmanian context

The Government engaged consultants Marsden Jacob Associates to undertake a study assessing what form a Tasmanian CRS should take and analysing the cost impact (it did not quantify all the benefits). The report, [A Model Framework for a Container Refund Scheme in Tasmania](#), was released publicly in 2018 and contained original modelling on the impact of a CRS on the flow of containers and recyclable material (called 'material flows'). The report is used throughout this RIS. In 2019 the Government committed to implement a CRS, subject to further detailed design work.

Legislating for a CRS is a key action of Tasmania's draft *Waste Action Plan (WAP)*, which sets out a framework (and targets) for waste management and resource recovery. Another key action from the WAP is the introduction of a waste levy, which requires landfill operators to pay a levy per tonne of waste received at landfill. The levy, which brings Tasmania in line with other states, aims to promote the diversion of waste from landfill, acting as a price signal to encourage reducing, reusing, and recycling waste and a revenue stream to support it. The waste levy will be legislated through the Waste and Resource Recovery Bill 2021, likely to go to Parliament in 2021.

The Government has also committed to protect the Tasmanian way of life and to have the lowest incidence of littering in the country by 2023. Reducing beverage container litter is an important component of achieving these objectives. It will be challenging to meet these commitments without further policy intervention to reduce beverage container litter, given that beverage containers are the largest contributor to litter, by volume.

Federal context

Following restrictions on the export of recyclable materials, National Cabinet agreed to regulate the export of plastics and other waste. The export of waste materials is regulated through the *Recycling and Waste Reduction Act 2020*. The export of unprocessed mixed plastics is to be phased out from July 2021.

Other states

Container Refund Schemes commenced in South Australia (1977) and the Northern Territory (2012). In recent years, NSW, ACT, QLD and WA have implemented CRSs. These Schemes are all part of long-term, state-based strategies to address litter and recycling. All jurisdictions in Australia, apart from Tasmania and Victoria, now have CRSs in operation, although most mainland jurisdictions call them Container 'Deposit' Schemes; the terms are used interchangeably in Australia and all Schemes operate in essentially the same way. Further harmonisation efforts are underway.

The NSW and ACT schemes use a 'split responsibility' governance model. Victoria has announced it will implement a scheme by 2023 and has consulted on the Government's preferred 'split-responsibility' governance model. With respect to governance, Tasmania aligns most closely with States that have chosen the 'split responsibility' model. This is discussed in Chapter 5.

Queensland and WA implemented schemes with a single governance model where a single Product Responsibility Organisation administers and finances the scheme and runs the network of Refund Points.

Key harmonisation features with interstate schemes

Interstate CRSs have key features in common: refund amount, eligible containers, funding by the beverage industry, no 'return to retail' obligation. However, the schemes have some different design elements, and differing legislative and regulatory frameworks. To continue harmonisation, jurisdictions are collaborating to discuss container eligibility, the refund amount, and a common portal for container approval.

The Tasmanian legislation aims to create a Scheme that can harmonise with other states and has a framework that is flexible enough to incorporate anticipated national changes; for example an increased refund amount or a wider scope of eligible containers. The harmonisation process should not delay the design of the Tasmanian Scheme as it will run concurrently.

2.3 Mutual recognition exemption

Background

To implement the CRS as proposed, an exemption is required under the *Mutual Recognition Act 1992* (Commonwealth) and the *Trans-Tasman Mutual Recognition Act 1997* (Cth) with respect to the Act and any subordinate legislation.

All CRSs in Australia have been required to seek this exemption since 2012 after a legal challenge to the Northern Territory Scheme by the beverage industry resulted in that Scheme being suspended until the exemption was implemented.⁵

The Tasmanian Government is proposing to seek the exemption of the Scheme under section 14 of the *Mutual Recognition Act* and section 45 of the *Trans-Tasman Mutual Recognition Act*. It will be possible to establish a temporary exemption if the process for exemption takes longer than expected.

Mutual recognition principles

The *Mutual Recognition Act 1992* (Cth) (MRA) and the *Trans-Tasman Mutual Recognition Act 1997* (Cth) (TTMRA) apply as laws of Tasmania by virtue of the *Mutual Recognition (Tasmania) Act 1993* (Tas) and the *Trans-Tasman Mutual Recognition (Tasmania) Act 2003* (Tas), respectively.

In relation to goods, the MRA and TTMRA apply the 'mutual recognition principle'. As explained in section 9 of the MRA, this provides that goods produced in or imported into one state, that may be lawfully sold in that state, may by virtue of the MRA be sold in another state. The Trans-Tasman mutual recognition principle, as explained in section 10 of the TTMRA, is that goods produced in or imported into New Zealand, that may be lawfully sold in NZ, may by virtue of the TTMRA be lawfully sold in an Australian jurisdiction.

⁵ The Scheme in South Australia predates the *Mutual Recognition Act* and does not require an exemption.

Broadly, these Acts provide that sales of goods in Australian and New Zealand jurisdictions do not require compliance with 'further requirements' that might otherwise be required under the laws of importing.

Impact of the proposed CRS on mutual recognition

There are a number of regulatory elements in the draft Container Refund Scheme Bill 2021 (such as label marking, container approval and supply agreement requirements) that may be considered to impose 'further requirements' under the MRA or TTMRA. For this reason, an exemption is required under the MRA and TTMRA.

The MRA and TTMRA make provision for specific goods or laws to be exempted from their scope by their inclusion in schedules to the MRA and TTMRA. The process for adding exemptions requires the relevant ministerial council to seek the unanimous agreement of the National Cabinet to the exemption, the making of regulations by the Commonwealth to amend the relevant schedules to the MRA and TTMRA, and the prior signification of consent to the amendments by all jurisdictions by gazette notice.

The exemption of the Tasmanian CRS under the MRA and TTMRA would follow the precedent set by the NT CRS that was exempted in 2013, the NSW CRS that was exempted in 2017, the ACT CRS that was exempted in 2018, the Queensland CRS that was exempted in 2020, and the WA CRS that was exempted in 2020.

The scope of the proposed mutual recognition exemptions

The wording of the exemptions is yet to be determined, but it is proposed that the exemptions from the mutual recognition schemes will apply to:

- a. *The Container Refund Scheme Act 2021*
- b. Regulations made under that Act.

2.4 Consultation to date

The Tasmanian Government has held discussions with stakeholders over many years to determine the feasibility and scope of a CRS. More recently, formal consultation was undertaken with a stakeholders who were identified as having relevant insights on the development of the policy framework. This included the beverage, waste, recycling, hospitality and retail industries, environmental groups and the charitable sector; and state and local government. DPIPW has monitored media, social media and other activity related to the CRS.

Three main avenues for formal targeted consultation have been used. These are a DPIPW-appointed Expert Reference Group (ERG), a Waste and Resource Recovery Ministerial Advisory Group (MAG), and a Waste Management and Resource Recovery Inter-departmental Committee (IDC).

In April 2020 the **Expert Reference Group** was formed to advise on the design of the Tasmanian CRS. The group met in 2020 and 2021 to provide feedback on detailed design concepts.

Membership includes:

- Australian Beverages Council
- Australian Council of Recycling
- Australian Food and Grocery Council
- Boomerang Alliance
- Carlton United Breweries
- Cleanaway
- Coles
- JJ Richards
- Lion Co.
- Local Government Association of Tasmania
- Master Grocers Association - Independent Retailers Association
- Charitable Recycling Australia
- National Retail Association
- Small Business Council Tasmania
- Tasmanian Hospitality Association
- TOMRA
- Veolia
- Waste Management & Resource Recovery Association of Australia
- Woolworths.

The EPA's Waste and Resource Recovery **Ministerial Advisory Group** was established in August 2020 to advise on the implementation of the Government's Waste Action Plan, of which the CRS is an important initiative. The MAG has nine members from the waste, recycling and resource management sector; and local and state government. The MAG met three times in 2020 to review information about and advise on the CRS governance model. The MAG then endorsed a 'split responsibility' governance model (discussed in Chapter 5). In advice to the Minister the MAG determined this would best achieve the Scheme's policy objectives and best serve Tasmania's dispersed, regional population. The MAG will be asked to review the draft CRS Bill.

The Waste Management and Resource Recovery Inter-departmental Committee (IDC) and associated Working Group met periodically in 2020 to consider policy design matters. The IDC comprises:

- The Department of Premier and Cabinet
- Department of Treasury and Finance
- Department of State Growth
- Department of Justice
- Local Government Association of Tasmania
- Department of Primary Industries, Parks, Water and Environment.

3. Objectives of Government Action

The Government's primary policy objective is to reduce litter and increase recycling in Tasmania.

In addition, the MJA 2018 report recommended that Tasmania's CRS should have these attributes:

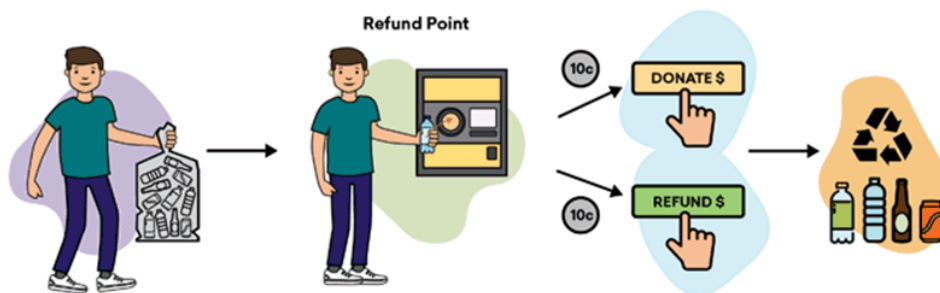
- be cost effective;
- give people an incentive to return their drink containers;
- target drink containers used away from home;
- complement, rather than compete with, existing kerbside services; and
- provide good access to consumers in all parts of Tasmania by providing a suitably structured network of Refund Points.⁶

Beverage containers are a major component of litter in Tasmania. The Government's objective is to reduce beverage-related litter and divert more containers to recycling. This will generate cleaner streams of recyclable materials with reduced levels of contamination, which can become higher value 'second-life' products.

In accordance with the principle of product stewardship (where the company that makes a product takes responsibility for minimising waste), the Government's objective is that the cost of taking action to reduce beverage-related litter is funded by the beverage industry.

A CRS is widely recognised as an effective and efficient way to reduce litter and increase recycling as it creates a financial incentive to prompt behavioural change. All Australian states and territories have implemented a CRS or committed to do so, and existing Schemes have achieved clear reductions in litter. In NSW beverage container litter reduced by 57 per cent in the first 18 months of the CRS.⁷

Figure 1: How a Container Refund Scheme works



⁶ Marsden Jacob Associates 2018, p. xi.

⁷ Exchange for Change 2019, *Return and Earn Annual Statutory Report 2018-19*.

4. Options to Address the Problem

Through the policy development process the Government considered a range of options to address the problem. Two are considered in detail in this RIS.

- Option 1: Do not implement a CRS
- Option 2: Implement a CRS.

The Government has considered other options. For example, the Government participated in national discussions on the possible harmonisation of CRS Schemes into a national Scheme which Tasmania could join. However, no consensus has been reached between states and this option was not considered viable in the short to medium term.

Imposing an obligation on retailers to accept container returns was also considered, as convenience and access are key to a successful Scheme. However, a retail obligation was not considered practicable given other states have not taken this approach, and due to the risk that it would impose a heavy administrative and cost burden on individual retailers, particularly smaller retailers. Voluntary retail participation as evidenced in NSW demonstrated that convenience could be achieved without a legislative burden. The Marsden Jacob 2018 report rejected retailer obligation for Tasmania.

Neither national harmonisation nor retailer obligation is discussed in depth in this RIS.

Option 1: Do not implement a CRS

This represents the base case (business as usual). This option would not achieve the reform objectives. It would not impose additional costs.

Option 2: Implement a CRS

The Government would implement a CRS as described in Chapter 5. This would achieve the reform objectives. It would impose additional costs, but these would be outweighed by the Scheme's benefits.

5. Features of the Draft Legislation

The Government has analysed interstate CRSs with the goal of harmonising wherever possible. A National Waste Working Group CDS Subcommittee was formed under the Heads of EPA to pursue harmonisation issues and Tasmania is an active member. In addition, discussions have been held with staff working on the NSW, Queensland and (proposed) Victorian CRSs.

The Tasmanian Bill will incentivise the collection of recyclable beverage containers by returning a refund amount to consumers. The refund, likely to be 10 cents, only applies to consumers who take their empty containers to designated Container Refund Points. These may take the form of over-the-counter services in businesses, Reverse Vending Machines (RVMs), and larger recycling depots. The number of Refund Points, and the mix and distribution of Refund Point types, is the subject of ongoing policy work and will be discussed during public consultation in 2021. The minimum number of Refund Points will be set out in regulations to ensure convenience of access for all.

The 2018 Marsden Jacobs report recommended the Government set a minimum number of Refund Points, and set access targets for urban, regional and remote-area Tasmanians. The report recommended the mix of Refund Point types be left to the commercial entity running the Scheme, but that a mixture be encouraged.

These approaches remain broadly comparable with the Government's ongoing policy work on the CRS.

Certain types of drink containers will be eligible for a refund, including plastic and glass bottles and aluminium cans. It is likely that containers of between 150 millilitres and 3 litres will be eligible, as in other states. Wine bottles, spirits bottles, cordial bottles and milk containers are currently ineligible in other states' Schemes (flavoured milk bottles and cartons are eligible, but plain milk bottles and cartons are not). Consultation will continue to inform container eligibility, which will be addressed in Tasmania's CRS regulations.

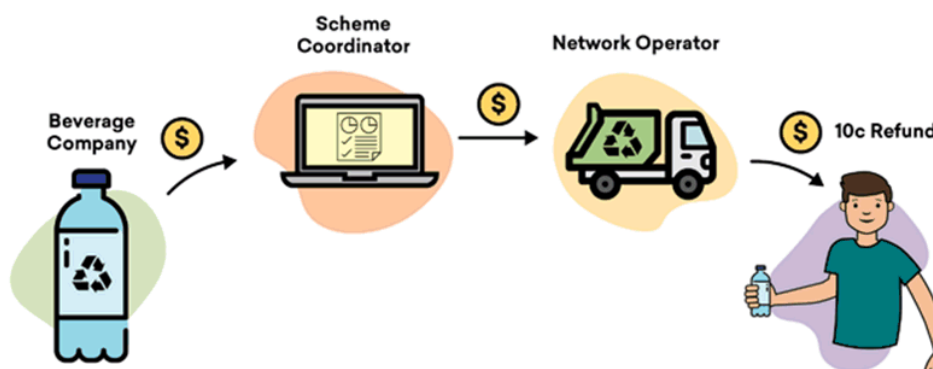
A process will be established for approving eligible containers and the refund markings and barcodes they will be required to carry. The Bill will prescribe that all containers subject to a refund must be recycled and cannot be directed to landfill, with a penalty applied for breaching this.

Eligible containers returned through kerbside recycling (typically the yellow-lidded bin) will be able to be redeemed, but not by the householder. The refund will be redeemed by MRFs, likely with a profit-share agreement with local government (which collects the material from the kerbside). MRFs will use a method approved by the EPA to estimate the number of containers recovered at their facility.

In accordance with the principle of product stewardship, the beverage industry will fund all aspects of the Scheme. The industry may pass on the cost to consumers as has happened in other states.

In February 2021, after detailed consideration, the Government announced its preferred model for Scheme governance: a 'split-responsibility' model. Under this arrangement a Scheme Coordinator runs the administration and finance, collecting contributions from beverage suppliers. In NSW and ACT, this role is performed by the beverage industry. A separate Network Operator runs the Scheme on the ground: providing and managing a network of Refund Points, transporting containers, and ensuring the sale of materials to accredited recycling facilities. The Network Operator receives a network fee per container. In NSW, which has a split-responsibility CRS, the Network Operator is a joint venture between a recycling company and a waste and resource recovery service provider.

Figure 2: How a split-responsibility CRS works



The Government will call for expressions of interest for the roles of Scheme Coordinator and Network Operator. The legislation will stipulate that the roles are independent of each other; the same entity, or related entities, cannot hold both.

The purpose of a split-responsibility governance model is to align the Scheme's commercial incentives to the policy objectives, which is to maximise container returns to reduce litter and increase recycling. Under CRSs implemented in Australia the beverage industry only pays *per drink container that is returned for recycling*, so when the industry runs all elements of the Scheme, it is not necessarily incentivised to maximise container returns. Under a split-responsibility model the Network Operator is paid per container collected, so is incentivised to maximise returns. Meanwhile, the Scheme Coordinator is incentivised to keep Scheme costs low.

Tasmania's draft legislation includes robust enforcement provisions to avoid adverse outcomes such as illegal or fraudulent behaviour. Regular audits will be conducted of beverage suppliers, Refund Points, MRFs, and the Scheme Coordinator and Network Operator. Penalty provisions will be established.

6. Impact Analysis

6.1 Summary findings

The CRS will significantly reduce litter

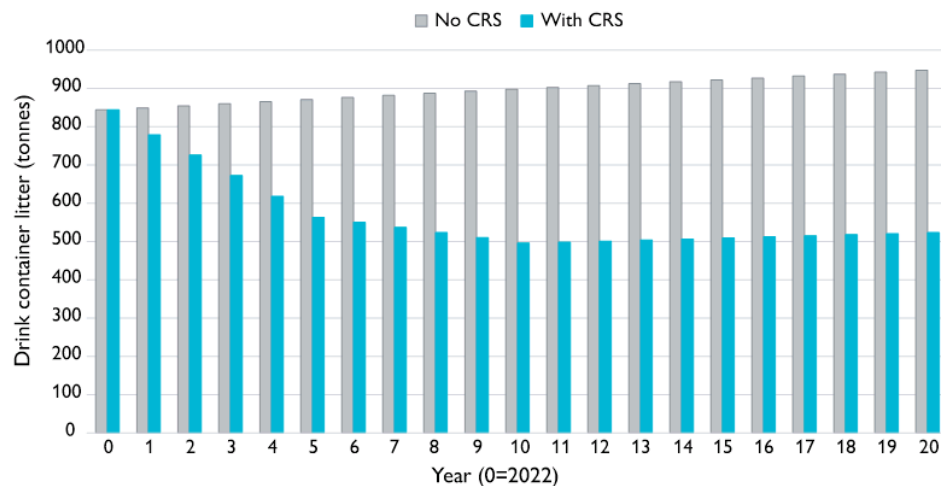
Drink containers account for 43 per cent of litter in Tasmania by volume. Marsden Jacob Associates modelling (2018) predicts beverage container litter will reduce by almost 50 per cent due to the implementation of the CRS.⁸ This would result in a 20 per cent reduction in total litter. Experience interstate indicates this prediction may be conservative: in NSW the CRS reduced beverage container litter by 57 per cent over the first 18 months. The Queensland CRS reduced beverage container litter by 54 per cent over the first 20 months⁹.

There were almost 7.7 million beverage containers littered in Tasmania in 2017. EPA modelling that adopts Marsden Jacob assumptions (2018) predicts that after 20 years of operation, the CRS would:

- prevent 424 tonnes of drink containers from ending up as litter, per year;
- result in drink container litter falling from 844 tonnes in 2022 to 523 tonnes in 2042, instead of rising to 947 tonnes a year without a CRS; and
- prevent a total of 6900 tonnes of litter from entering the environment over the 20-year period.

For this analysis the assumptions underpinning Marsden Jacob 2018 were applied to the period 2022 – 2042 to estimate the volume (tonnes) of beverage container litter with, and without, a CRS (see Figure 3). The estimated difference in beverage container litter between the base case and the CRS case underpins the estimates of costs and benefits presented below. These assumptions are summarised in Appendix 1.

Figure 3. Impact of a CRS on Tasmania's beverage container litter



⁸ Marsden Jacob Associates 2018, p. v.

⁹ Container Exchange 2020, *Annual Report 2019-20*, COEX, Exchange for Change 2019, *Return and Earn Annual Statutory Report 2019-19*.

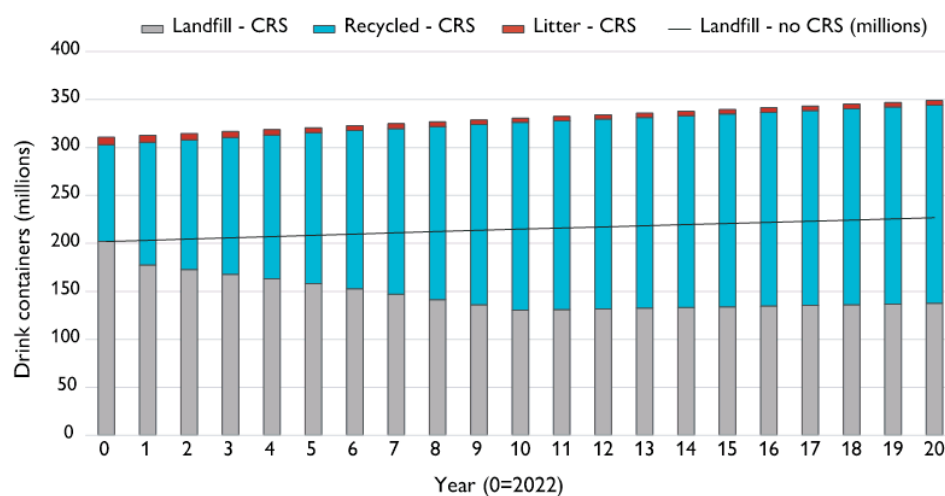
The CRS will significantly increase recycling

The CRS will divert millions of beverage containers from landfill into recycling. The Scheme will generate cleaner streams of recyclable materials with reduced levels of contamination which can become higher value 'second-life' products.

The Marsden Jacob report noted 65 per cent of Tasmania's beverage containers were landfilled in 2017. The MJA modelling predicts that after 10 years of operation of the CRS, recycling of eligible containers will have almost doubled. The fate of eligible drink containers over 20 years is shown in Figure 4.

The flow of all drink containers in 2032 is shown in Figure 5 under the base case (no CRS) and with a CRS implemented 10 years earlier.

Figure 4: Fate of drink containers in Tasmania under a CRS



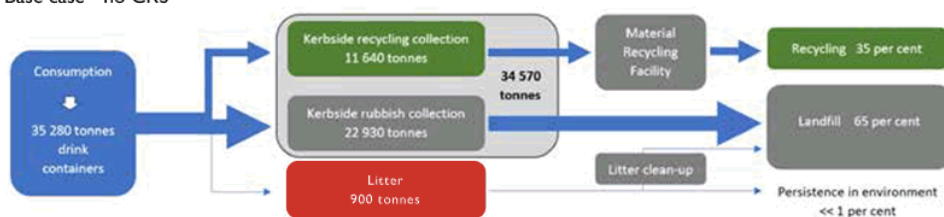
The CRS is projected to deliver a net economic benefit

The CRS is projected to deliver a net benefit to Tasmania, which means the benefits outweigh the costs. This RIS has found the CRS will have:

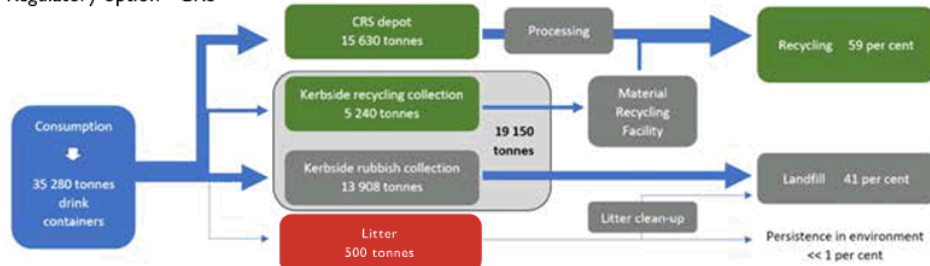
- an estimated net present value of \$35 million over the first 20 years of the Scheme, meaning the benefits outweigh the costs by \$35 million; and
- a Benefit Cost Ratio of approximately 1.29. That means that \$1.29 worth of benefits are estimated to result from every \$1 of cost.

Figure 5. Flows of beverage containers in 2032

Base case - no CRS



Regulatory option - CRS



NOTE: The light-grey shaded boxes indicate material that is collected and transported by local government. This graphic includes containers that are eligible and ineligible for redemption under the CRS. The 'kerbside collection' references include material that is collected from public facilities like parks, roadside stops and shopping centres.

6.2 Cost-benefit analysis

The purpose of this analysis is to estimate the costs and benefits of the draft legislation and consider how they are likely to be distributed among different groups. The cost-benefit analysis (CBA) compares the base case (no reform) with the introduction of a CRS, as described in Chapter 5. No other options are modelled as there is no other option found likely to meet the policy objectives of decreasing beverage container litter and increasing recycling in a cost-effective manner.

This CBA draws upon the estimate of Scheme costs presented in Marsden Jacob (2018). The MJA report was conducted to identify and model a CRS that could achieve the desired policy objectives. As the MJA report did not quantify benefits, additional research has been undertaken to provide this material.

This CBA estimates the present value (in 2020 dollars) of quantifiable costs and benefits flowing from the Scheme over a 20-year time period dating from the commencement of the Scheme in 2022 (ie 2022 – 2042), applying a discount rate of 7 per cent.

CBA results are presented as:

- The net present value (NPV), which is the total cost minus the total benefit of the Scheme over 20 years; and
- The Benefit Cost Ratio (BCR), which is the ratio of benefits to cost.

Table 1: Cost–benefit analysis results: the impact of Tasmania's CRS over 20 years

Variable	Present value (\$ million)
Incremental cost (PV)	\$121 million
Incremental benefit / avoided cost (PV)	\$156 million
NPV	\$35 million
BCR	1.29

Costs

The CRS will impact on businesses and on consumers, particularly those who consume packaged beverages and do not redeem the containers. The costs include:

1. Administering and funding the Scheme, and network costs. This cost accrues to the beverage industry and may be passed on to consumers.¹⁰
2. Regulatory costs, which are the costs of overseeing the Scheme and providing compliance and audit services. This cost, incurred by the State Government, may be recovered from the Scheme Coordinator or funded from Government resources.
3. Costs to business, comprising:
 - a. Compliance costs
 - b. Participation costs.
4. Household participation costs.

The total cost is estimated to be \$121 million. The distribution of the cost components is shown in Figure 6 and Table 2.

The present value of refunds paid is estimated at \$141.4 million. Refunds are not included as a cost or as a benefit in this RIS as refunds are considered to be transfer payments. This adopts the approach taken in the NSW CRS RIS.

¹⁰ This figure is net of the value redeemed for material recycled (recyclates).

Figure 6: Cost of the Tasmanian CRS (\$ million) over 20 years

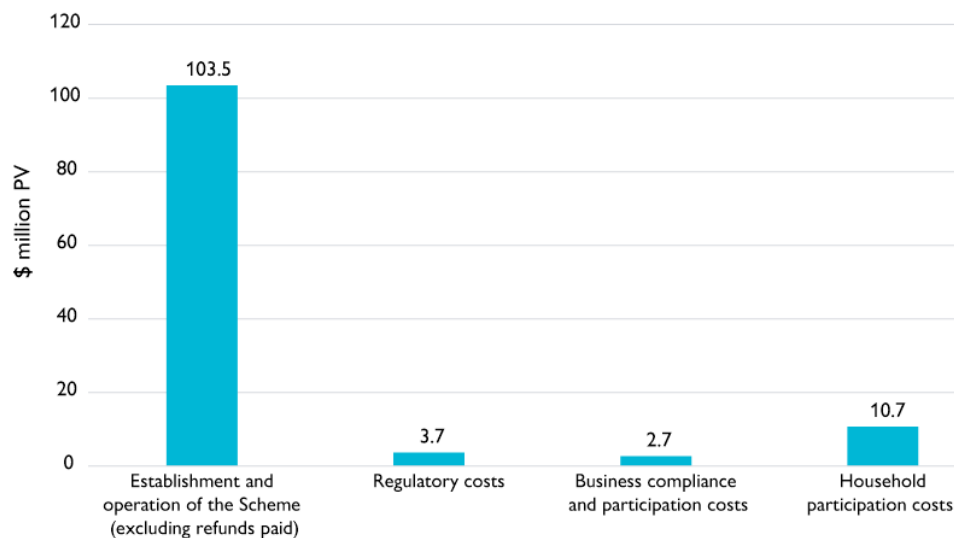


Table 2: Description of CRS cost categories and estimate of cost over 20 years

Cost	Description	Cost incurred by	Basis of estimate	Estimate \$ millions 2020
1. Administering and funding the Scheme	Scheme administration, container processing and transport costs (from Refund points), and handling fees. Less the value of recycled materials.	Beverage industry (less costs passed on to consumers)	MJA 2018	\$103.5
2. Scheme oversight	Cost of overseeing Scheme implementation, monitoring performance, undertaking audit and compliance activities, communications	State Government; may be recovered from Scheme Coordinator	Estimate from EPA based in part on MJA 2018 assumptions	\$3.7
3a. Business costs – compliance costs	Arranging supply agreement with Scheme Coordinator; obtaining container approvals, label design and printing, data collation and reporting, complying with audits	Businesses producing beverages in eligible containers	Interviews with small beverage producers. NSW CRS RIS	\$0.4
3b. Business costs – participation costs	Additional costs of accumulating and transporting eligible containers to Refund Points	All businesses returning containers to Refund Points	NSW CRS RIS	\$2.3
4. Household participation costs	Additional costs associated with transferring containers to Refund Points, and transaction time	Households	NSW CRS RIS	\$10.7
Estimated total cost				\$120.6

NOTE: For an explanation of the methodology and assumptions used to estimate Scheme costs, see Appendix 2.

Excluded cost item: start-up costs

The Scheme Coordinator will be responsible for arranging initial operating capital for the CRS, if required. This capital may be needed to cover the operational costs from the first day of implementation until the beverage industry is invoiced for sales in that month and pays in the following month. (This process simplifies the billing mechanism for the industry, ensuring they are invoiced in arrears for actual sales.)

The Scheme Coordinator could seek this initial operating capital as an upfront loan from the State Government, with a set payback period. This request would likely be made as part of contract negotiations. However, there are other options available to the Scheme Coordinator to provide this capital. The provision of any upfront loan to the Scheme has not been included in the cost quantification here as it is not known if the loan will be sought. If it is, the Government's intention would be that it would be repaid in full within 18 months.

Benefits

Benefits from the CRS include:

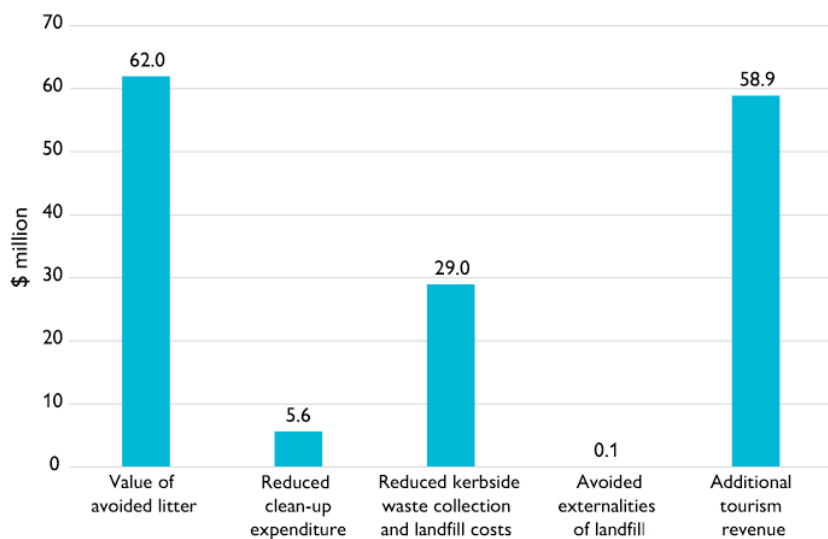
1. Value of avoided litter. Disamenity results from litter in the environment (even if the litter is subsequently cleaned up). The value of avoided litter includes:
 - Improved aesthetics in public places and general reduction in disamenity;
 - Reduced time cost of voluntary litter clean-up by individuals and through organised community clean-up events; and
 - reduced injuries caused by littered beverage containers (eg broken glass in public places).
2. Reduced expenditure on litter clean-up.
3. Reduced costs to local government due to transporting less waste and recycling through the kerbside system.
4. Avoided externalities of landfill.¹¹
5. Value of additional material recovered through recycling.¹²
6. Increased tourism revenue as a result of increased visitation due to less litter in Tasmania's environment.

NOTE: For a discussion of the methodology and assumptions used to estimate Scheme benefits, see Appendix 3.

¹¹ The impact of a CRS on greenhouse gas emissions is calculated in the NSW RIS; Environment Protection Authority 2017, *Consultation Regulation Impact Statement: New South Wales Container Deposit Scheme*, p. 17 and pp. 44-45. The NSW analysis notes the greenhouse gas potential of most beverage containers is low; only liquid paper board would emit GHGs if landfilled. Hence the estimate presented here is small.

¹² This value has not been included in this section to avoid double counting, as the MJA 2018 estimate of Scheme costs is net of the recycle value.

Figure 7. Benefits of the Tasmanian CRS (\$ million) over 20 years

Table 3: Description of benefit categories and estimate of benefits over 20 years¹³

Benefit	Description	Beneficiaries	Basis of estimate	Estimate (\$ million)
1. Value of avoided litter	Value to residents of avoided litter: <ul style="list-style-type: none"> Improved amenity and aesthetics in public places Reduced volunteer time spent on clean-up Avoidance of health hazards 	General community	Willingness to pay for litter reduction, NSW RIS	62.0
2. Reduced expenditure on clean-up	Reduced expenditure on cleaning up litter by local government, State Government (roadsides and National Parks), businesses and schools. Excludes volunteer time spent on clean-up	Local government 70%, State Government 12%, businesses and schools 18%	Data from DPIPWE, DSG, City of Hobart	5.6
3. Reduced cost of kerbside waste collection and landfill	Reduced volume and cost of waste and recycling collection, transport and transfer through the kerbside system. Increased recycling reduces the capital and operating costs of landfill	Local government	MJA 2018	29.0
4. Avoided externalities of landfill	Avoided greenhouse gas emissions, other emissions, smell and other disamenity	General community	NSW CRS RIS	0.1
5. Value of additional material recovered through recycling	The use value of recovered beverage container materials	Scheme operators	MJA 2018	n/a
6. Increase in tourism revenue	Additional tourism revenue due to an increase in total nights spent in the state by people visiting to see wilderness, wildlife and natural scenery	Businesses that generate revenue from tourism	Tasmanian Visitor Survey, Krelling 2017 (Appendix 4)	58.9
Total value of quantified benefits				\$155.6

¹³ Item 5 is not presented in the headline figure or the graph to avoid double-counting.

Unquantified or partially quantified benefits

Environmental benefits

The environmental benefits from the CRS are significant. While some are captured in Table 3 (eg items 1 and 4), others - generally non-market benefits known as public goods - are difficult to quantify. Environmental benefits include:

- Less plastic material in the marine environment, including microplastics. Globally there are over 13,000 pieces of plastic litter floating in every square kilometre of ocean surface and this is predicted to increase. Plastic material accumulates in large convergence zones in the open ocean.¹⁴ Corals ingest marine plastic pollution.
- A less polluted terrestrial environment.
- Less plastic material ingested by animals, including threatened species. More than 200 marine animal species have been found to have ingested plastic, including dolphins and whales. Australia's sea turtles and seabirds are particularly affected. Ingested plastic can inhibit animals from feeding and injure the mouth and digestive tract. More than 70 per cent of loggerhead turtles found deceased in Queensland waters had ingested plastic,¹⁵ and a Tasmanian study found 18 per cent of albatross deaths in some areas were caused by plastic, with drink bottles identified as one of the sources.¹⁶ Most albatross species are endangered.
- A reduced rate of resource depletion (due to higher recycling rates), and fewer associated environmental externalities.

Benefits to human health

These are not fully quantified here (although the willingness to pay estimate likely includes a component of this). A study found 21 per cent of Tasmanian beach users had received an injury from litter at the beach, mostly wounds. These can lead to 'long term consequences such as hepatitis or tetanus'.¹⁷ Broken glass in public places constitutes a health risk, as does the possibility of infection from used, littered containers.

Another impact on health is the ingestion of microplastics, to which littered beverage containers contribute (PET plastic breaks down into tiny particles in the marine environment).¹⁸ These microplastics enter the human body through drinking water, eating seafood or inhaling air, and can pass from the digestive system to the circulatory system, where they can persist.¹⁹ This has been found to cause cell growth disruptions in fish. A Senate report into plastics concluded more research was needed into microplastics and human health.

The social benefits of job creation

The CRS will create jobs, including at Refund Points and in transport, logistics, administration, technical support and cleaning. New business and investment opportunities will be created in resource recovery, recycling and the manufacture of 'second-life' products, due to the generation of purer streams of recyclable material.

¹⁴ Commonwealth of Australia 2016, *Toxic Tide: The Threat of Marine Plastic in Australia*, p. 9.

¹⁵ Commonwealth of Australia 2016, *Toxic Tide: The Threat of Marine Plastic in Australia*, p. 34, p. 36.

¹⁶ Roman, L., Butcher, R.G., Stewart, D., Hunter, S., Jolly, M., Kowalski, P., Hardesty, B.D & Lenting, B 2020.

¹⁷ Campbell, M.L., Slavin, C., Grage, A & Kinslow, A 2016, p. 27.

¹⁸ Chatterjee, S & Sharma, S 2019

¹⁹ Commonwealth of Australia 2016, *Toxic Tide: The Threat of Marine Plastic in Australia*, p. 49.

Interstate, in the first 12-18 months of operation, CRSs have generated 700 jobs in NSW, 700 jobs in Queensland, and 600 jobs in WA. These jobs are distributed around regional areas; in Queensland, 57 per cent of jobs created have been outside of Brisbane. Some jobs have been created for members of disadvantaged communities and people with a disability. St Vincent de Paul Society has a prominent role in the NSW Scheme; for example, they have partnered with a not-for-profit Indigenous-owned organisation to run their depot in Dubbo.

6.3 Sensitivity tests

The cost-benefit analysis relies on some assumptions that are subject to uncertainty. Sensitivity testing was undertaken on the following assumptions, the results of which are shown in Table 4.

Discount rate

A discount rate of 7 per cent was selected as is standard practice adopted by most jurisdictions and recommended by the Office of Best Practice Regulation. The NPV was recalculated using discount rates of 3 per cent (representing the risk-free rate of return) and 10 per cent (a suitable rate for a high-risk investment). The 10 per cent discount rate delivered a slightly negative NPV of \$0.6 million over 20 years.

Propensity to litter

The estimates of propensity to litter (PTL) are those adopted in the Marsden Jacob report (2018) which were based on National Litter Index (NLI) survey data. Sensitivity testing showed that the NPV was highly sensitive to changes in the PTL assumptions, with a 20 per cent decrease in the PTL resulted in a NPV of -\$27.6 million while a 20 per cent increase in the PTL resulted in a NPV of +\$89.3 million.

Household participation costs

Household participation costs were calculated by adjusting the estimated cost per household in the NSW CRS RIS, in 2020 dollars. The NSW estimate includes the cost of travel (time and fuel) as well as transaction time. Doubling the NSW estimate reduced Tasmania's CRS NPV to \$14.1 million. Alternatively, assuming that at 80 per cent redemption rates each household spends two hours a year on redemption transactions (and there are no additional travel costs), the NPV is still positive but reduced to \$5.4 million.

Avoided costs of litter clean-up

Estimates of litter clean-up expenditure were obtained from local and State Government. Data on the costs to businesses and schools was difficult to obtain so this was estimated as 20 per cent of the costs reported by government. Although it is considered that this estimate is conservative, this assumption was tested for a 20 per cent increase and decrease in the litter clean-up expenditure estimate. The NPV was not particularly sensitive to this assumption and in both cases resulted in a positive NPV.

Value of avoided litter

This assumption is key in that it captures some of the non-market benefits of litter reduction which are difficult to quantify. The NPV relies on the estimate of the amount a community is

willing to pay to avoid 1 tonne of litter, as used in the NSW RIS (\$18,960 in 2020 dollars).²⁰ The NPV remained positive when calculated using WTP values 50 per cent lower and higher than the assumed value. The value was also calculated using the WTP estimate reported by PWC (2010) which is critiqued in the NSW RIS. All recalculations returned a positive NPV.

Impact on tourism revenue

The impact on tourism revenue was calculated assuming that a 20 per cent decrease in overall litter compared to the base case would result in a 0.5 per cent increase in the number of days spent in the state each year by visitors coming to see wilderness, wildlife and natural scenery (average stay increases from 8.10 nights to 8.14 nights). Tasmanian Tourism Survey data was used to calculate the impact on tourism revenue under this assumption. Appendix 4 provides further discussion of this assumption and presents evidence that suggests that it is improbable that significant litter reduction will *not* increase tourism expenditure. An assumption of no impact on tourism results in an NPV of negative \$23.4million. A net present value of zero is achieved if wilderness visitors respond to a 20 per cent reduction in litter by increasing their average stay from 8.10 nights to 8.12 nights.

If the impact on visitor days is doubled to a 1 per cent increase in the number of visitation days per 20 per cent reduction in litter (equivalent to an increase in the average stay from 8.10 nights to 8.18 nights), the overall NPV increases to \$94.3 million.

Table 4. Results of sensitivity testing of selected assumptions over 20 years

	Value \$ million		
	Costs	Benefits	NPV
Cost benefit analysis estimate	120.6	155.6	35.0
Sensitivity testing			
Discount Rate			
Discount rate 3 per cent	121.9	233.6	111.7
Discount rate 10 per cent	119.9	119.3	-0.6
Propensity to litter			
Propensity to litter is 20 per cent lower	120.6	93.0	-27.6
Propensity to litter is 20 per cent higher	120.6	209.8	89.3
Household participation costs			
200 per cent higher per household than NSW RIS estimate	142.0	156.0	14.1
Estimated at 2 hours transaction time per household per year at 80 per cent redemption rate	150.6	156.0	5.4
Avoided costs of litter clean-up			
Current litter clean-up expenditure is 20 per cent lower than estimated	120.6	148.8	28.2
Current litter clean-up expenditure is 20 per cent higher than estimated	120.6	163.2	42.7
Value of avoided litter			
WTP for reduction in litter is 50 per cent lower than estimate	120.6	125.0	4.5
WTP for reduction in litter is 50 per cent higher than estimate	120.6	187.0	66.4
WTP is based on PWC estimate (2010)	120.6	273.1	152.6
Increase in tourist revenue			
Litter reduction has no impact on tourist revenue	120.6	97.1	-23.4
Wilderness visitors increase average stay from 8.10 nights to 8.12 nights	120.6	120.6	0.0
Impact of litter reduction on number of visitor days is doubled (average stay increases from 8.10 nights to 8.18 nights)	120.6	214.9	94.3

²⁰ Environment Protection Authority 2017, *Consultation Regulation Impact Statement: New South Wales Container Deposit Scheme*, p. 50.

7. Competition Analysis

It is not expected that the proposed CRS will restrict competition, identified as an important issue in the Tasmanian Government's *Legislation Impact Assessment Guidelines*. The CRS will apply equally to all packaged beverages sold in disposable containers whether those beverages are manufactured overseas, interstate, or locally, by multinational corporations or small local operators. All beverage manufacturers must comply with the regulations in terms of recyclability, barcodes and messaging on packaging.

As all other states and territories have a CRS in place except Victoria, which plans to introduce one by 2023, *not* implementing a CRS in Tasmania could be seen as unfairly advantaging Tasmanian beverage operators. Tasmanian businesses would be effectively exempt from a cost of doing business paid by businesses interstate.

Implementing a CRS will present a small barrier to entry for new entrants to the market as they will be required to sign an agreement for the supply of beverages with the Scheme Coordinator and obtain container approvals. However, as the time commitment for this is estimated at only three hours (see Chapter 6) and the process will be low-cost, the barrier to entry is considered small.

8. Evaluation and Conclusion

The proposed Container Refund Scheme legislation will achieve the policy objectives to reduce litter and increase recycling in Tasmania. The objective will be achieved from 2022.

The CRS is the Government's preferred option and the only policy option considered likely to achieve a significant reduction in beverage container litter in a cost-effective manner. Significant analysis and consultation has taken place in developing the proposed Scheme, and the public and stakeholders now have the opportunity to give feedback during the consultation period.

The Scheme will generate a net economic benefit to Tasmania of \$35 million over 20 years, and return a Benefit Cost Ratio of 1.29. The main beneficiaries are the environment, the tourism industry, and the community (a cleaner, safer and more amenable environment in which to live).

The CRS will impose a cost on business, namely beverage companies. However, given that beverage companies in NSW, ACT, QLD, WA, SA and the NT already bear the costs of Container Refund Schemes, and given that that cost can be passed on to consumers, the impact on Tasmanian business is not considered excessive.

9. Consultation Program

Copies of this RIS are available on the [Department's website](#).²¹

This RIS is being released for public comment in June 2021, alongside the draft Bill. The public consultation period will run for five weeks, from 5 June to 9 July 2021. This will allow members of the public and stakeholders to provide input on the draft legislation and on this RIS.

The release of the RIS and the draft legislation will be advertised in the state's daily newspapers. These documents will also be sent directly to key stakeholders.

Submissions can be made via the online survey portal, email, or post to:

Container Refund Scheme
Policy and Business Branch
Department of Primary Industries, Parks, Water and Environment
GPO Box 1550
HOBART TAS 7001

Email: crs.enquiries@dpiwwe.tas.gov.au

Web: <https://dpiwwe.tas.gov.au/environmental-management/container-refund-scheme/>

People who wish their submission to be treated confidentially should mark their submission 'private and confidential'.

Submissions must be received by 5 pm on 9 July 2021.

Confidentiality

Respondents are advised that the contents of submissions will not be treated as confidential unless they are marked 'confidential' and are capable of being classified as such in accordance with the *Right to Information Act 2009*.

Respondents are also advised that personal information in submissions will be treated as public information unless the submissions are marked 'confidential', in which case the information will be handled in accordance with the principles of the *Personal Information Protection Act 2004*.

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²¹ The URL is <https://dpiwwe.tas.gov.au/crs>.

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Appendix 1. Material flows assumptions and estimates

Appendix 1. Material flows assumptions and estimates

Assumptions in modelling material flows

The assumptions of the Marsden Jacob 2018 analysis were adopted and applied to the period 2022 through to 2042 to estimate material flows for this period.²² The key assumptions are reproduced in Tables A1 to A3 below.

Table A1. Beverage container consumption growth

Time period	Annual growth rate
2022 - 2031	0.63%
2032 onwards	0.54%

Table A2. Location of beverage container consumption

Location	Proportion of consumption
At home	67.5%
Away from home (public place)	22.5%
Away from home (non-public place)	10.0%

Table A3. Propensity to litter beverage containers in public places and other places, with and without a CRS

Year	Propensity to litter			
	0	5	10	15
No CRS – public place	10.86%	10.86%	10.86%	10.86%
No CRS – other place	0.13%	0.13%	0.13%	0.13%
CRS – public place	10.86%	7.04%	5.97%	5.97%
CRS – other place	0.13%	0.08%	0.08%	0.08%

²² Marsden Jacob Associates 2018, p. 79.

Appendix 2. Methodology and assumptions used to estimate Scheme costs

Marsden Jacob (2018) estimated the Scheme would impose funding requirements of around \$239 million (NPV) over 20 years. That included around \$138 million in refunded deposits, and around \$101 million for the real costs of running the Scheme.²³ The latter category includes the cost of administering the Scheme (staff and other operational expenditure). The Marsden Jacob estimate did not include business compliance costs, nor regulatory costs to the State government (although an MJA estimate of this was provided separately). These cost items have been included here.

As noted in Chapter 5, MJA assumptions on the refund amount, eligible containers, number of Refund Points, regional distribution of these, and types of Refund Points remain broadly in line with the Government's policy work on a Tasmanian CRS. This RIS therefore accepts MJA's assumptions and modelling, as the most recent publicly available work to draw on.

Some of this RIS' costs and benefits have been estimated from data collected directly from industry, NGOs and government. Other calculations have been based on assumptions outlined in Appendix 1. Some work is drawn from the publicly available [NSW CRS RIS](#) (2017), adjusted for Tasmanian demography and converted to 2020 values. Tasmania's CRS, as planned, is broadly comparable with the NSW CRS: a split responsibility CRS with a mix of Refund Point types, including a significant number of Refund Points that are *not* RVMs. Indeed, the NSW RIS draws in part on the MJA 2018 modelling. There are differences between the two states: Tasmania's CRS, as planned, has a higher number of Refund Points per head of population than NSW due to Tasmania's decentralised population. This increases the operating costs. In NSW, which is larger than Tasmania, people drive further on average to access Refund Points.

Cost of the Scheme

The estimated cost of the Scheme and refunds paid were drawn from a Marsden Jacob analysis commissioned by the EPA and published in 2018. The reported values have been converted to 2020 dollars. As a result, the assumptions adopted by Marsden Jacob apply to these estimates. The estimate of Scheme costs is net of the value of recovered recyclates. As a result the revenue from recyclates has not been included in the estimation of benefits to avoid double counting. The value of recyclates is likely to increase as recycling infrastructure scales up.

Regulatory costs

Although estimated by Marsden Jacob in their 2018 analysis, the cost of regulatory oversight to the State Government has been updated using information sourced from the EPA. This category covers Government costs associated with overseeing Scheme implementation, stakeholder engagement, communications, and maintaining regulatory oversight post-implementation.

²³ Marsden Jacob Associates 2018, p. 70. The MJA figure is in \$2018 while the figure presented in Table 2 is in \$2020, which accounts for the small difference.

A comparison of the estimates is provided in Table A4.

Table A4. Regulatory Cost Estimate \$,000²⁴

Year	EPA estimate (2021)	MJA estimate (2018)
2022	582	750 in set-up costs (covers 2022-3 to 2023-4)
2023	540	0
2024	540	150
2025	331	150
2026	331	150
2027	331	250
2028	331	150
2029	331	150
2030	331	150
2031	331	150
2032	209	250
2033	209	150
2034	209	150
2035	209	150
2036	209	150
2037	209	250
2038	209	150
2039	209	150
2040	209	150
2041	209	150
2042	209	250

Business compliance and participation costs

Business compliance costs were estimated based on consultation with the Tasmanian beverage industry. The estimates also draw on the NSW RIS. As all states except Victoria and Tasmania have CRSs in place, many Tasmanian beverage producers have already incurred these costs.

There are approximately 70 businesses based in Tasmania producing beverages in eligible containers – soft drink, bottled water, fruit juice, flavoured milk, beer, and cider. It is estimated that two thirds of these businesses sell product interstate and therefore comply with interstate CRS requirements already.

Table A5. Business compliance costs assumptions

Transitional costs	
Administrative work signing up for the scheme	3 hours per business @ \$30/hour
Label design and implementation	\$2500 for each business not already selling product interstate
Write-off of old labels and cans	No cost due to 12-month phase-in
Ongoing costs	
Data collation, reporting, audit and maintaining commercial relations with scheme coordinator	1 hour per business per month @\$30 per hour
Container approvals	No additional cost due to adoption of NSW registry

For companies that make beverages overseas and interstate and sell them in Tasmania, it is assumed that their product is sold in other states and hence their Tasmanian CRS costs will be marginal as their containers will already be approved, carry the refund message, and they will have administrative processes in place to comply with CRS requirements.

²⁴ Year 2022, 2023 refer to the financial years 2022-23, 2023-24.

Business participation costs

This cost has been estimated by applying the estimate in the NSW RIS and adjusting the value for population and converting it to 2020 dollars. Given that Tasmania has fewer businesses per capita than NSW, it is unlikely that this is an underestimate.²⁵ Business participation costs are a relatively small contributor to total costs.

Household participation costs

Household participation costs have been estimated from the NSW estimate per household, converted to 2020 dollar values and adjusted for the number of households in Tasmania. This figure includes the additional costs incurred by households:

- separating and storing used containers (assumed to be nil as households already handle and dispose of them);
- the travel cost of transporting containers to Refund Points (time, fuel); and
- transaction time at Refund Points.

This comparison has been made because the main element of this factor is transaction time at Refund Points, which will be similar in NSW and Tasmania. Transporting eligible containers will be a marginal cost for most Tasmanians as Refund Points will be located at sites they visit regularly: supermarkets, shopping centres, corner stores, rural post offices and bottle shops. Empty containers will often occupy spare space in vehicles with shopping loaded up on the return journey.

While households will incur participation costs from the CRS, they will also benefit: less time spent picking up litter (including outside the home, place of work, holiday campsite, park, walking track), less time assisting at community litter collection events, fewer injuries caused by littered beverage containers (eg broken glass in public places), and less time spent managing kerbside recycling bins, which will fill up less frequently. Waste collection vehicles will take fewer trips once the CRS has commenced, entailing less noise, inconvenience and transport delays to households.

²⁵ Australian Bureau of Statistics 2021, *Counts of Australian Businesses, including Entries and Exits*, July 2016-June 2020.

Appendix 3. Methodology and assumptions used to estimate Scheme benefits

Value of avoided litter

The value of avoided litter to Tasmanian residents has been estimated as the willingness to pay (WTP) to avoid litter, in dollars per tonne of avoided litter.

The WTP figure is based on the NSW CRS RIS, which defined a general WTP per tonne of avoided litter. This draws on a PricewaterhouseCoopers (PwC) study, *Estimating consumers' willingness to pay for improvements to packaging and beverage container waste management (2010)*. The PwC report is a non-market valuation study that analyses consumers' values on waste packaging. The methodology involved an Australian online survey of 3,432 households (i.e. stated preference) in which Tasmanian respondents were over-represented based on population size, indicating its relevance to this RIS.²⁶ The NSW RIS made some adjustments to the PwC calculations, which this RIS has adopted.

The WTP value presented here may be conservative given the community's increasing concern about litter, waste and recycling issues (see Chapter 2.1). The impact of a higher WTP on this RIS' CBA is modelled in the sensitivity analysis in Chapter 6.3.

Reduction in expenditure on litter clean-up services

This figure has been calculated assuming the CRS causes a 20% reduction in overall litter (see Chapter 6). Expenditure on cleaning up litter accrues primarily to local government, but also to businesses and schools. The State Government incurs litter service cost through cleaning up roadsides (Department of State Growth), litter clean-up by the Parks and Wildlife Service (Department of Primary Industries, Parks Water and Environment) and litter prevention programs (eg Report Rubbish).

Estimates of expenditure were obtained from Hobart City Council, DSG and DPIPW. The \$1 million annual clean-up expenditure reported by Hobart City Council was extrapolated to calculate a statewide value. This estimate is very conservative as costs per capita are anticipated to be lower in Hobart and the COH estimate excluded capital and depreciation costs.

The expenditure on litter clean-up to businesses and schools is calculated from the statewide local government expenditure, based on an estimate that businesses and schools incur about 20% of total litter clean-up costs.²⁷

Although there are some estimates of voluntary hours spent on organised litter clean-up campaigns, they have not been included here as it is assumed that this value is included in the estimate of willingness to pay to avoid litter.

²⁶ PricewaterhouseCoopers 2010, p. 24, p. 27.

²⁷ Keep Queensland Beautiful undated, *What is Litter*.

Table A6: Cost of litter services per year

Cost accrues to	Annual cost in 2021, \$m
Local government	2.27
State government / DSG (roads)	0.30
State government / litter prevention campaigns	0.10
Business and schools	0.57
Total	3.24

Cost per annum of litter services per annum over a 20-year timeframe were calculated with and without a CRS, based on projected litter volumes, in order to calculate the present value of reductions in expenditure. The estimates were comparable to rigorous estimates reported by Auckland Council in New Zealand.²⁸

As an example of this benefit accruing to business, there are benefits to the seafood industry from the CRS. Tasmania's seafood industry has an annual revenue of \$1.5 billion, with salmon aquaculture the largest component at \$796 million.²⁹ Marine litter is a cost to the seafood industry due to:

- Clean-up costs - the industry sees this task as part of maintaining a suitable environment for aquaculture;
- damage to or loss of equipment; and
- loss of fish revenue.

Tasmania's salmon industry has funded at least 10,000 personnel hours cleaning up shoreline litter since 2016. Salmon company Huon Aquaculture has staff regularly patrol and clean shorelines, removing all waste, 50 - 75% of which has not been generated by the company.³⁰ The company reports that 2665 personnel hours have been spent on litter clean-up operations since 2016. Litter transportation and disposal costs are also incurred. Another salmon company, Tassal, reports that 8561 personnel hours have been spent on shoreline clean-ups since 2016. The two companies have spent an estimated \$575,000 since 2016 on staffing costs to clean up shoreline litter not generated by their own companies. Beverage containers account for almost half of Tasmania's litter so the CRS will reduce the incidence of marine litter and associated costs to the seafood industry.

Avoided waste collection and transport costs

The estimate was reported by Marsden Jacob (2018) and has been updated to 2020 dollars and applied to the material flows for 2022 to 2042.

Avoided externalities of landfill

These were based on the estimated saving per tonne of avoided landfill in the NSW RIS, converted to 2020 dollars and applied to the projected reductions in containers going to landfill in Tasmania.

²⁸ Davies, P 2017, *Cost-benefit analysis of a Container Deposit Scheme*.

²⁹ Agri-Growth Tasmania 2020, p. 32.

³⁰ Huon Aquaculture 2020.

Impact on tourism revenue

This RIS presents the case that a significant decrease in litter in Tasmania's environment would lead to a modest increase in tourism visitation and expenditure, and that this is a benefit of the CRS. The CRS is estimated to reduce overall litter by about 20%, preventing almost 7,000 tonnes of used beverage containers from entering Tasmania's environment over 20 years. With evidence of beverage containers currently being littered in areas like Freycinet National Park and Cradle Mountain, it is reasonable to assume that a reduction in littering will enhance Tasmania's appeal to tourists. Indeed, it would be difficult to argue that a significant reduction in litter would have *no* impact on tourism.

Tourism in Tasmania directly and indirectly contributes around \$3.2 billion, or 10.3 per cent, to annual Gross State Product (GSP). Tourism directly contributes \$1.49 billion or about 4.9 per cent to GSP.

'To see wilderness/wildlife and natural scenery' is the main factor that influences visitors' decisions to travel to Tasmania, with 41% of visitors citing this reason, according to the latest Tasmanian Visitor Survey. This equates to an estimated 536,000 visitors of the 1.308 million total visitors for the 12-month period to March 2020 (a period mostly unaffected by Covid-19). Spending by tourists coming 'to see wilderness/wildlife and natural scenery' is estimated at \$1.44 billion per annum.³¹

Tourism Tasmania notes that 'the perception of a pristine environment is strongly aligned with Tourism Tasmania's brand'. This RIS suggests that litter has a greater proportional impact on tourism expenditure in Tasmania than in some other Australian states due to the central importance of Tasmania's pristine natural environment to visitation.

Research indicates that litter deters tourists, particularly in nature-based tourism. A study in the US found that a doubling of beach litter would decrease the number of recreation days spent at selected beaches by between 16% and 35%.

There is limited data on the impact of litter on visitor days spent in Tasmania. This RIS has gathered primary evidence that tourists to Tasmania value and comment on the absence of litter, and respond negatively to the presence of litter (presented in Appendix 4). It is argued that the presence of litter leads to more negative online reviews and negative social media posts, and to a decrease in repeat visits by tourists. The overall outcome is that more litter in the Tasmanian environment leads to fewer total visitor nights spent here.

For the purpose of this CBA, it is conservatively estimated that a 20% decrease in litter will increase tourism revenue by increasing the number of visitor days spent in Tasmania for the purpose of seeing wilderness, wildlife and natural scenery by 0.5%. Only wilderness visitors were assumed to be sensitive to litter.³²

As the CRS is predicted to reduce overall litter by about 20%, this would increase total visitor nights from 4.34 million to 4.36 million nights a year. This equates to an increase in the length of average stay by wilderness visitors from 8.10 nights to 8.14 nights. Applying this assumption (pro rata) results in an estimated increase in tourism revenue of \$58.9 million over 20 years. Further evidence on the impact of litter on tourism is provided in Appendix 4. Sensitivity testing indicates that even if the CRS has half the estimated impact on the number of visitor days, the increase in tourism revenue would total \$29.4 million and an overall positive NPV would still result.

³¹ Tourism expenditure is different to contribution to GSP; the latter factors in costs as well as revenue.

³² It was assumed that expenditure is directly proportional to visitor days and that the increase in visitor days is proportional to the percentage reduction in litter compared to the base case. Estimates of expenditure and the number of days spent in the state by people visiting to see wilderness, wildlife and natural scenery were based on data from the *Tasmanian Tourism Survey* for the year ending March 2020.

Appendix 4. The impact of litter on tourism

Tasmania's tourist industry

Tourism in Tasmania directly and indirectly contributes around \$3.2 billion, or 10.3 per cent, to annual Gross State Product (GSP). Tourism directly contributes \$1.49 billion or about 4.9 per cent to GSP.

'To see wilderness/wildlife and natural scenery' is the leading factor that influences visitors' decision to travel to Tasmania, with 41% of interstate and international visitors citing this reason, the latest Tasmanian Visitor Survey has found. This equates to an estimated 536,000 visitors to Tasmania, of the 1.308 million total visitors for the 12-month period to March 2020 (a period mostly unaffected by Covid-19). Spending by visitors coming 'to see wilderness/wildlife and natural scenery' is estimated at \$1.44 billion per annum.

Tourism Tasmania reports that 'the perception of a pristine environment is strongly aligned with Tourism Tasmania's brand'.

Does litter impact tourism?

A study of the impact of litter in UK parks found that on a three-point scale of pleasant to unpleasant, the presence of litter shifted respondents one point towards unpleasant. The researchers found the presence of litter reduced people's positive associations of a place by 24%. 'The findings have demonstrated that litter affects people's perceptions of place in a negative manner and, in this sense, rubbish can be seen as a form of anti-place marketing,' the study concluded.

A number of academic papers present evidence that litter deters tourists.³³ Most commercial visitor satisfaction surveys (eg Tripadvisor) assess perceptions of cleanliness, indicating that litter has a significant commercial impact on visitation. A small number of studies have quantified the economic impact of litter on tourism, usually in relation to marine litter on beaches.

A study of the impact of a marine pollution event following a period of heavy rainfall in July 2011, when large amount of debris was washed up on the beaches of Geoje Island in South Korea, found a 63% reduction in the number of visitors in the year affected by the event. The tourism revenue loss of the island due to this single event was estimated to be US\$29 – 37 million.³⁴

A US study found that a reduction in marine debris to almost none (i.e. ~99% reduction) was likely to increase the number of recreation days spent at the beach by between 2.2% and 9.5% for three ocean coastal locations in California, Alabama and Delaware/Maryland, and by 35.4% in Ohio (Lake Erie). A doubling of debris was estimated to result in a decrease in recreation days spent of between 16.3% and 26.5% for the three ocean coasts, and a decrease of 35.6% in Ohio.³⁵

³³ Krelling, A.P., Williams, A.T & Turra, A 2017. Williams, A.T., Rangel-Buitrago, N.G., Anfuso, G., Cervantes, O & Botero, C.M 2016.

³⁴ ISim, K & Lee, J 2013.

³⁵ Krelling, A.P., Williams, A.T & Turra, A 2017.

Evidence that litter is an issue for Tasmanian tourism

The EPA has found primary evidence that:

- Litter is an issue for tourists and visitors in Tasmania, and detracts from visitors' experiences; and
- When sites and locations are litter-free, tourists and visitors appreciate and value this.

Popular tourist sites have staff who are paid to collect litter, including:

- Cradle Mountain, managed by the Parks and Wildlife Service (PWS) Cradle Mountain
- Freycinet National Park, managed by PWS
- Port Arthur Historic Site, managed by the Management Authority
- East Coast sites, managed by PWS Triabunna
- King Island sites, managed by PWS Northwest Coast
- Narawntapu National Park, managed by PWS Narawntapu.

Litter is a significant problem at these tourist sites:

Cradle Mountain: along roadsides, walking tracks, and campsites. Volumes of litter are higher over peak visitor season, and food packaging and containers is a particular problem along roadsides. This information is from PWS Cradle Mountain, who report that: 'Litter does detract from the visitor experience, particularly in the Tasmanian Wilderness World Heritage Area. It is a highly visible reminder of our human impact.' PWS reports receiving visitor comment cards that remark on litter and the negative impact it has on wildlife and photography.

Freycinet area: particularly Wineglass Bay (often food and drink waste), visitor car parks, Friendly Beaches, and the Coles Bay roadsides (most of this is bottles). This information is from PWS. PWS staff collect at least one bag of rubbish when walking to Wineglass Bay each week. PWS engages five volunteers who collect litter for 3 hours / month. A clean-up at Moulting Lagoon at Coles Bay collected approximately 2000 beer bottles. PWS has installed six rubbish bins to deal with litter.

'The litter in the park certainly impacts on visitors' experience, if we are there picking up litter other people stop and ask the normal questions, but then it gets to 'what are you doing with rubbish on the track', 'can I help' ... Litter certainly negatively impacts the hard work undertaken by the tourism sector who promote The Great Eastern Drive' – Steven Heggie, Ranger in Charge, Parks and Wildlife Service, Freycinet National Park.

East Coast: parks, day use sites and campgrounds, particularly along the Great Eastern Drive (information from PWS Triabunna and the Tasmanian Government's Report Rubbish service).

Wellington Park / Mt Wellington / kunanyi: particularly at the Pinnacle (information from Wellington Park Management Trust, including from public survey responses).

King Island's beaches, visitor service sites and roadsides. The main litter is soft drink bottles, beer bottles, and bait packets (information from PWS Northwest Coast).

Bruny Island: according to this ABC News report and a subsequent news story.

Derwent Bridge (gateway to Lake St Clair): information from Tasmanian Government's Report Rubbish service.

West Coast: the Lyell Highway (route to Lake St Clair and Strahan) and Strahan area, information from Tasmanian Government's Report Rubbish service. There have been more than 40 reports of littered food and drink containers on the West Coast in the past year.

Port Arthur and Eaglehawk Neck, information from the Government's Report Rubbish service.

Bay of Fires (East Coast), information from the Government's Report Rubbish service.

Comments from visitors to Tasmanian tourist sites

An analysis of Tripadvisor reviews found litter was an issue for visitors to Tasmania. There were more than 100 reviews that raised litter and recycling issues; 38 discussed litter. 21 of these were commenting on the presence of litter and how it affected them, while 17 were commenting positively on the absence of litter.

A survey of visitors to Mt Wellington found 30 people raised litter issues (information from Wellington Park Management Trust).

Negative comments on the presence of litter (all comments from Tripadvisor unless otherwise noted)

'Beautiful place ... also, don't litter! Had to pick up much litter during my walks, not hard' – visitor to Cradle Mountain (2019).

'Beautiful, everything was beautiful apart from all the rubbish I had to pick up, take it with you people' - visitor to Russell Falls, Mt Field (2018).

'Absolutely stunning place. Beautifully maintained and discretely placed and built tracks, it's a shame PEOPLE STILL THINK HIDING RUBBISH IN TREES AND UNDER ROCKS IS ACCEPTABLE' - visitor to Freycinet National Park (2020), comment left on PWS Comment Card.

'Put bins at Wineglass Lookout, a lot of rubbish left in bushes' - visitor to Freycinet National Park (2020), comment left on PWS Comment Card.

'From personal observation I believe visitors/campers find litter very annoying' - ranger at Narawntapu National Park (2021).

'We free camped here but I was disgusted by the amount of litter' – visitor to Bay of Fires (2016).

'The views were certainly great on a perfect day ... the track could do with some maintenance and unfortunately some rubbish collection' – visitor to Fluted Cape, Bruny Island (2016).

'The river wasn't that nice, there was rubbish along the banks. But the area surrounding was nice' – visitor to Tamar River (2017).

'Food and cigarette litter around benches ...' – visitor to City Park, Launceston (2019).

'The summit, don't mind the people but the litter they leave behind' – visitor to Mt Wellington (survey response).

'The lake looked stunning ... but take your rubbish with you! I was ASTOUNDED that prior visitors had left such a negative footprint behind them leaving their rubbish' – visitor to Cameron Regional Reserve, North-East Tasmania (2018).

'The beach was picturesque and quiet. Sadly, some people had used the car park as a rubbish tip which detracted from our enjoyment' – visitor to Seven Mile Beach (2015).

Positive comments on the absence of litter

'For me the most rewarding and amazing aspect of the hike along the Bay of Fires beaches was the encounter with a pristine environment that is becoming rarer and rarer in our increasingly crowded and polluted world. There was not a smidgen of trash anywhere, no plastic bottles, no discarded fishing gear. I could not imagine a more beautiful scenery and a more inspiring walk' – visitor to Bay of Fires (2020).

'Very natural, well maintained and no rubbish to be seen anywhere. Really happy we did it' – visitor to Cradle Mountain (2017).

'The scenery is spectacular and diverse, the environment is pristine (no rubbish)' – visitor to Overland Track, Cradle Mountain (2014).

'I didn't see another person, a human footprint, or one piece of litter (amazing!) during my six-hour walk' – visitor to Bay of Fires (2014).

'No litter and just the sound of the bush and river' – visitor to Douglas-Apsley National Park (2017).

'There was such a strong ownership of the public places that it was never spoilt with litter or anything untidy' – visitor to Flinders Island (2016).



**6.3 Council Delegations - Local Government (Highways) Act 1982 -
Officer Delegations
File Ref: F21/56056**

Report of the Manager Bushland / Manager Parks & Recreation and the
Director City Amenity of 18 June 2021 and attachment.

Delegation: Council

REPORT TITLE: COUNCIL DELEGATIONS - LOCAL GOVERNMENT (HIGHWAYS) ACT 1982 - OFFICER DELEGATIONS**REPORT PROVIDED BY:** Manager Bushland / Manager Parks & Recreation
Director City Amenity**1. Report Purpose and Community Benefit**

- 1.1. Approval is sought to delegate powers to City Officers pursuant to Section 124 of the *Local Government (Highways) Act 1982*, to the Manager Parks and Recreation and the Program Leader Arboriculture and Nursery.

2. Report Summary

- 2.1. The *Local Government (Highways) Act 1982* (the Act) is principle legislation in the City's management and provision of its public road network.
- 2.2. Section 124 of the Act authorises the Council to delegate powers of the Act to City Officers.
- 2.3. A review of the delegations has identified the positions of Manager Parks and Recreation and the Program Leader Arboriculture and Nursery would benefit in holding delegated powers relating to Section 39 of the Act, pertaining to 'Obligation of occupiers to cut back vegetation'.
- 2.4. These delegations are currently held by the CEO and the Director City Amenity and extending these to the Unit Manager and Program Leader formalises their powers in activities for which their program is responsible for.
- 2.5. As prescribed in the Act, a two-thirds simple majority vote of the Council is required to grant the delegated powers.

3. Recommendation

That the Council delegate powers under the Local Government (Highways) Act 1982 to the roles of Manager Parks and Recreation and Program Leader Arboriculture and Nursery, as marked in Attachment A to the report.

- (i) As prescribed in the Act, a two-thirds simple majority vote of the Council is required to grant the delegated powers.***

4. Background

- 4.1. The *Local Government (Highways) Act 1982* is principle legislation in the City's management and provision of its public road network.
- 4.2. Section 124 of the Act authorises the Council to delegate powers of the Act to City Officers.

124. Delegation of powers, &c., by corporations

- (1) The corporation may, by special resolution, delegate to one or more officers of the corporation or to a committee consisting of members of the council the exercise or performance of such of its powers or functions under this Act (except this power of delegation) as are specified in the resolution and may, by resolution, revoke wholly or in part any such delegation.*
- (2) A resolution for the purposes of subsection (1) , other than a resolution revoking a delegation, shall be passed by a majority of at least two-thirds of the members of the council present at the meeting at which it is moved.*
- (3) A power or function, the exercise or performance of which has been delegated under this section, may, while the delegation remains unrevoked, be exercised or performed from time to time in accordance with the terms of the delegation.*
- (4) A delegation under this section may be made subject to such conditions or limitations as to the exercise or performance of any of the powers or functions delegated, or as to time or circumstance, as are specified in the resolution.*
- (5) Notwithstanding any delegation under this section, the corporation may continue to exercise or perform all or any of the powers or functions delegated.*
- (6) Any act or thing done by or to a delegate while acting in the exercise of a delegation under this section shall have the same force and effect as if the act or thing had been done by or to the corporation and shall be deemed to have been done by or to the corporation.*
- (7) An instrument purporting to be signed by a delegate of the corporation in his capacity as such a delegate shall in all courts and before all persons acting judicially be received in evidence as if it were an instrument executed by the corporation under seal and, until the contrary is proved, shall be deemed to be an instrument signed by a delegate of the corporation under this section.*

- 4.3. A review of the delegations has identified the positions of Manager Parks and Recreation and the Program Leader Arboriculture and Nursery would benefit in holding delegated powers relating to Section 39 of the Act:

39. *Obligation of occupiers to cut back vegetation, &c.*

- (1) *In this section, vegetation includes any tree, hedge, and shrub.*
- (2) *Where the corporation is of the opinion that it is necessary to do so to remove or reduce the danger to persons using a local highway arising from the obstruction of their view by any vegetation or structure on any land, it may require the occupier of the land to cut, trim, or reduce the height of the vegetation or structure to the extent or in the manner specified in the notice.*
- (3) *The corporation may require the occupier of land on which a hedge or live fence is growing to remove seedlings, suckers, or offsets from the hedge or fence that have grown on a local highway.*
- (4) *Where the roots of a tree interfere with the pavement of, or anything in, a highway in a city or town, the corporation may require the occupier of the land on which the tree is growing to kill or remove the tree or cut off its roots within the boundaries of the land.*
- (5) *The corporation may require the occupier of any land abutting upon a highway or any other way to remove from the land ferns, weeds, rubbish, scrub, undergrowth, or dry grass.*
- (6) *The corporation may require the occupier of land on which any vegetation is growing to remove a branch or other part of the vegetation that overhangs a local highway and that is less than –*
 - (a) *2.5 metres above a part of the highway that is intended mainly for the use of pedestrians;*
 - (b) *4.5 metres above any other part of the highway that is not intended for use as a carriage-way; or*
 - (c) *6 metres above a part of the highway that is intended for use as a carriage-way.*

- (7) *Without prejudice to the exercise of any of its powers under the foregoing provisions of this section, the corporation may require the occupier of the land on which a tree is growing or standing to remove the tree or any specified part of it if the corporation is of the opinion that it is desirable to do so to remove a danger, obstruction, interference, or inconvenience to the use of the highway.*
- (8) *A requirement under this section shall be made by written notice served on the occupier stating the time within which the requirement is to be complied with, not being less than 14 days from the service of the notice.*
- (9) *If a requirement made under this section is not complied with, the corporation may carry out the requirement and recover the expenses reasonably incurred from the occupier of the land to which it relates.*
- (10) *A person who is aggrieved by a requirement made under subsection (7) may apply to the Magistrates Court (Administrative Appeals Division) for a review of the requirement.*

- 4.4. These delegations are currently held by the CEO and the Director City Amenity, and extending these to the Unit Manager and Program Leader formalises their powers, in activities for which their program is responsible for.

5. Proposal and Implementation

- 5.1. It is proposed the Council delegate powers under the *Local Government (Highways) Act 1982* to the roles of Manager Parks and Recreation and Program Leader Arboriculture and Nursery, as marked in **Attachment A** to the report.
- 5.2. A two-thirds simple majority vote of the Council is required to grant these powers, in accordance with Section 124(2) of the Act.
- 5.3. If approved, the Council's delegations register will be updated accordingly.

6. Strategic Planning and Policy Considerations

- 6.1. The City's Strategic Plan 2019-2029

Strategic Outcome 8.1

Hobart is a city of best practice, ethical governance and transparent decision-making

7. Financial Implications

- 7.1. Funding Source and Impact on Current Year Operating Result
 - 7.1.1. These are no financial implications in relation to the proposal.
- 7.2. Impact on Future Years' Financial Result
 - 7.2.1. These are no financial implications in relation to the proposal.

8. Legal, Risk and Legislative Considerations

- 8.1. The *Local Government (Highways) Act 1982* is principle legislation in the City's management and provision of its public road network.
- 8.2. Section 124 of the Act authorises the Council to delegate powers of the Act to City Officers.

9. Delegation

- 9.1. The matter is delegated to the Council.

As signatory to this report, I certify that, pursuant to Section 55(1) of the Local Government Act 1993, I hold no interest, as referred to in Section 49 of the Local Government Act 1993, in matters contained in this report.



John Fisher
**MANAGER BUSHLAND / MANAGER
PARKS & RECREATION**



Glenn Doyle
DIRECTOR CITY AMENITY

Date: 18 June 2021
File Reference: F21/56056

Attachment A: Instruments of Delegation ↴ 



City of Hobart

INSTRUMENT OF DELEGATION

Council Delegation

Manager Parks and Recreation

Local Government (Highways) Act 1982

That pursuant to Section 124 of the Local Government (Highways) Act 1982, the following powers and functions under that Act be delegated to the **Manager Parks and Recreation**, or such persons who may be acting in that capacity:

1. To exercise the powers of Council pursuant to Section 39 of the Act to require an occupier of land to cut back, trim or remove any vegetation that is in his opinion a danger, obstruction, interference or inconvenience to the use of the highway and to issue any notice that they may deem necessary to ensure compliance and authorise any works that may be necessary to ensure compliance with the notice issued.

As determined by the Council at its meeting held on



City of Hobart

INSTRUMENT OF DELEGATION

Council Delegation

Program Leader Arboriculture and Nursery

Local Government (Highways) Act 1982

That pursuant to Section 124 of the Local Government (Highways) Act 1982, the following powers and functions under that Act be delegated to the **Program Leader Arboriculture and Nursery**, or such persons who may be acting in that capacity:

1. To exercise the powers of Council pursuant to Section 39 of the Act to require an occupier of land to cut back, trim or remove any vegetation that is in his opinion a danger, obstruction, interference or inconvenience to the use of the highway and to issue any notice that they may deem necessary to ensure compliance and authorise any works that may be necessary to ensure compliance with the notice issued.

As determined by the Council at its meeting held on

7. COMMITTEE ACTION STATUS REPORT

7.1 Committee Actions - Status Report

A report indicating the status of current decisions is attached for the information of Elected Members.

RECOMMENDATION

That the information be received and noted.

Delegation: Committee

Attachment A: Committee Action Status Report

<p style="text-align: center;">CITY INFRASTRUCTURE COMMITTEE – STATUS REPORT OPEN PORTION OF THE MEETING November 2014 to June 2021</p>				
Ref	Title	Report / Action	Action Officer	Comments
1	<p>221A LENAH VALLEY ROAD, 2-16 CREEK ROAD, LENAH VALLEY – SUBDIVISION (86 RESIDENTIAL LOTS, 8 ROAD LOTS, 7 PUBLIC OPEN SPACE LOTS) – PLN-14-00584-01</p> <p>Council 22/9/2014, item 9.2 CIC 28/4/2021, item 6.1</p>	That the Council undertake an urgent review of the Lenah Valley Traffic Management Plan with particular reference to the management of traffic in Augusta, Creek, Alwyn and Chaucer Roads and Monash Ave.	Director City Planning	<p>The Committee at its meeting held on 28 April 2021 noted the City's intention to undertake select stakeholder consultation on the Draft Hobart Transport Strategy Implementation Framework before formal consideration of its adoption.</p> <p>HTSIF Key relevant project:</p> <ul style="list-style-type: none"> Local Area Mobility Plan (Lenah Valley/ New Town) proposed to commence in 2021.
2	<p>IMPROVEMENTS TO PEDESTRIAN CROSSINGS</p> <p>Council 13/4/2015, item 10</p>	A report be prepared looking at other opportunities for improvements to pedestrian crossings on key pedestrian routes in the City, including consideration of zebra crossings.	Director City Planning	<p>Hobart Active Travel Committee Hobart Primary Walking Plan (Draft) has been developed (April 2021).</p> <p>HTSIF Key relevant projects:</p> <ul style="list-style-type: none"> Hobart Primary Walking Plan Implementation Central Hobart Precincts Plan Local Area Mobility Plan (Lenah Valley/ New Town) proposed to commence in 2021.

Ref	Title	Report / Action	Action Officer	Comments
3	PEDESTRIAN ACCESS AND SAFETY ON HOBART STREETS Council 12/10/2015, item 14	<ol style="list-style-type: none"> Following the development and implementation of a suitable engagement strategy, the current Highways By-law (3 of 2008) be enforced with particular emphasis on the Elizabeth Mall, Wellington Court and Salamanca Square (including Woobys Lane and Kennedy Lane). The General Manager be authorised to modify the management of commercial furniture and infrastructure on public footpaths towards a best practice model approach, where such furniture and signage is only permitted if it does not interfere with the safe and equitable movement of pedestrians along that public footpath. A further report be prepared that identifies how the Council may achieve a clear building line with minimum footpath widths in the future, in order to best satisfy the provision of an accessible path as required by the Disability Discrimination Act 1992. During the review and renewal of the current Highways By-law, appropriate amendments be made to ensure that signboards are prohibited from being placed immediately adjacent to buildings. As part of the review of signage, alternative options to sandwich 	Director City Planning	<p>Work to implement the Council's resolution with regard to the reconstructed sections of Liverpool Street, Morrison Street, Salamanca Place and Sandy Bay shopping centre is complete.</p> <p>Planning is underway for implementing the other elements.</p> <p>A further report addressing clause 3 will be presented to an upcoming Committee meeting.</p> <p>Hobart Active Travel Committee <i>Primary Walking Plan (Draft)</i> has been developed (April 2021).</p> <p>HTSIF Key relevant projects:</p> <ul style="list-style-type: none"> Hobart Primary Walking Plan Implementation Central Hobart Precincts Plan Local Area Mobility Plan (Lenah Valley/ New Town) proposed to commence in 2021. <p>Initial discussions with City of Hobart Accessibility Advisory Committee Coordinator for new consultancy/ audit: <i>DDA Access Review: Hobart Centres and surrounds</i></p>

Ref	Title	Report / Action	Action Officer	Comments
		boards, such as sign posts be investigated. 6. Officer hold discussions with relevant stakeholders in relation to the hazards potentially created through application of the Disability Discrimination Act 1992 with regard to the setbacks required from building frontages.		
4	ESTABLISHMENT OF AN ADVISORY COMMITTEE FOR THE IMPLEMENTATION OF A SULLIVANS COVE WATERFRONT PRECINCT PLAN Council 6/6/2016, item 13	1. A Waterfront Precinct Plan be developed as part of the Hobart Transport Strategy and an Advisory Committee be established to assist in the development of the plan. 2. The Sullivans Cove Tripartite Steering Committee and the Waterfront Business Community to consider increasing their membership in order to increase communication.	Director City Planning	Preliminary discussions with TasPorts, Senior Commercial Manager. Scoping pending.
5	CITY OF HOBART TRANSPORT STRATEGY – ENGAGEMENT REPORT Council 8/8/2016, item 14 Council 8/10/2018, item 14 CIC 28/4/2021, item 6.1	1. The report of the Manager Traffic Engineering and the Director City Infrastructure titled <i>Draft Transport Strategy - Engagement Report</i> marked as item 6.1 of the Open City Infrastructure Committee agenda of 19 September 2018 be received and noted. 2. The Council adopt the 9 themes and position statements in the draft strategy.	Director City Planning	The Council in October 2018 adopted the 9 themes and position statements in the draft strategy. The Committee at its meeting held on 28 April 2021 noted the City's intention to undertake select stakeholder consultation on the Draft Hobart Transport Strategy Implementation Framework before formal consideration of its adoption.

Ref	Title	Report / Action	Action Officer	Comments
		3. The actions contained in the draft strategy be reviewed in light of the feedback received and a further report be provided.		
6	AP14 SALAMANCA PEDESTRIAN WORKS – UPDATED CONCEPT DESIGN Council 10/10/2016, item 11 Council 9/4/2018, item 11 Council 9/7/2018, item 15	1. Subject to detailed design and planning approval, the next stage of the Salamanca Pedestrian Works, generally as shown on the figure 'Concept Plan – Final (7/6/2018)' in Attachment C and the figure 'Concept Plan – Materials (7/6/2018)' be constructed at an estimated cost of \$3.5M, with \$1M to be allocated in the 2018 / 2019 Capital Works Program and the remaining \$2.5M funded over the 2019 / 2020 and 2020 / 2021 financial years. 2. The General Manager ensure that Aldermen are updated on any significant changes to the concept design that may occur through the detailed design and construction process.	Director City Planning	Stage 2A of the works are complete. Stage 2B of the works are complete. Detailed planning is being finalised for commencement of the next stage of works, between Montpelier Retreat and Kennedy Lane.
7	ICAP AP14 - SALAMANCA PLACE BETWEEN KENNEDY LANE AND WOOBYS LANE - FOOTPATH REVIEW Council 3/4/2017, item 26	1. Consideration of the future management of the section of the Salamanca Place southern footpath between Kennedy Lane and Woobys Lane, occur once the 'Stage 1' footpath widening works have been	Director City Planning	1. The consultation necessary to report to the Committee has been held back so as not to complicate the consultation occurring for the wider Salamanca Pedestrian works t.

Ref	Title	Report / Action	Action Officer	Comments
		<p>completed and in operation for a minimum of six months.</p> <p>2. The General Manager develop and implement a suitable guide for the style and placement of outdoor dining barriers and umbrellas to be utilised on Salamanca Place and Hunter Street.</p> <p>3. A concept design addressing the pedestrian issue occurring on the northern side of Salamanca Place during periods when the footpaths on Castray Esplanade are inaccessible due to special events be developed and included for consideration in future budget preparations.</p>		<p>A Style Guide for outdoor dining barriers and umbrellas will be developed.</p> <p>2. The provision of a footpath using temporary materials has been undertaken successfully during the Taste and Dark Mofo events.</p> <p>A detailed design will now be prepared.</p>
8	<p>PARKLET POLICY</p> <p>Council 24/10/2016, item 10</p> <p>Council 5/6/2017, item 13</p> <p>Committee 21/6/2017, item 6.4</p>	<p>That the matter be deferred to a subsequent City Infrastructure Committee meeting to enable further public consultation.</p>	<p>Director City Planning</p>	<p>A report addressing this matter is being finalised and will be presented to an upcoming Committee meeting.</p> <p>This will be informed by the current work of the City of Hobart to support business operators as they move along the Roadmap for a COVID-safe Tasmania, including complying with the physical distancing requirements and occupation limits.</p> <p>This has included allowing operators can apply to amend their existing permits or apply for a new permit to occupy a public space within the Hobart municipal area,</p>

Ref	Title	Report / Action	Action Officer	Comments
				<p>where possible, to give them more space to trade.</p> <p>The City of Hobart is delivering the Midtown Expanded Outdoor Dining Trial, supported by the Tasmanian Government through the Ready for Business Program.</p> <p>The program provides temporary expanded outdoor dining and street seating space, greening and bicycle racks in Elizabeth Street between Melville Street and Brisbane Street, for a 12-month trial period.</p>
9	<p>SANDY BAY ROAD WALKING AND CYCLING PROJECT - REQUEST TO MODIFY DESIGN TO REMOVE PEDESTRIAN CROSSING</p> <p>Council 3/4/2017, item 29 Committee 21/11/2018, item 6.4</p>	<p>That the matter be deferred to a subsequent City Infrastructure Committee meeting for the purpose of attaining costings for the survey to be undertaken of the local community in relation to the installation of a pedestrian facility.</p>	<p>Director City Planning</p>	<p>Officers are progressing the matter.</p>
10	<p>COLLINS COURT REDEVELOPMENT - STAGE TWO</p> <p>Council 3/7/2017, item 17 Council 7/12/2020, item 14</p>	<p>That:</p> <ol style="list-style-type: none"> 1. The Council endorse the design shown in Attachment A to item 6.3 of the Open City Infrastructure Committee meeting of 25 November 2020 for the purpose of stakeholder and wider public engagement, noting that the Council is not in a position to 	<p>Director City Planning</p>	<p>The Council decision is being actioned.</p>

Ref	Title	Report / Action	Action Officer	Comments
		<p>make a capital investment in the project at this time.</p> <p>2. The outcomes of the stakeholder and wider public engagement process, be the subject of a further report to the Council in 2021.</p>		
11	CITY TO COVE CONNECTIONS Council 3/7/2017, item 18	<p>1. That widening the footpaths in Elizabeth Street, from Collins Street, to Franklin Wharf be considered as an integral component of the Elizabeth Street Bus Mall Improvement project.</p> <p>2. That community engagement be conducted on the proposed Brooke Street to Franklin Square link.</p> <p>3. The outcomes of the community consultation in 2 above be the subject of a further report to the Council.</p>	Director City Planning	<p>Hobart Active Travel Committee <i>Primary Walking Plan (Draft)</i> has been developed (April 2021).</p> <p>HTSIF Key relevant projects:</p> <ul style="list-style-type: none"> • <i>Hobart Primary Walking Plan Implementation</i> • <i>Central Hobart Precincts Plan</i> • <i>Local Area Mobility Plan</i> (Lenah Valley/ New Town) proposed to commence in 2021. <p>Initial discussions with City of Hobart Accessibility Advisory Committee Coordinator for new consultancy/ audit: <i>DDA Access Review: Hobart Centres and surrounds</i></p>
12	PETITION - UPGRADE OF THE SCHOOL CROSSING IN FORSTER STREET, NEW TOWN Council 21/8/2017, item 6 Council 18/12/2017, item 6.2	<p>1. The following recommendations to further improve the safety of the children's crossing in Forster Street at New Town Primary School be endorsed:</p> <p>(a) The Department of State Growth be requested to ensure that the</p>	Director City Planning	<p>1(a) Complete</p> <p>1(b)(c) Officers are progressing the other matters in liaison with the Department of State Growth.</p> <p>2. Offer extended to New Town Primary School by Bicycle</p>

Ref	Title	Report / Action	Action Officer	Comments
		<p>renewal of the line marking in Forster Street, New Town be prioritised to be completed prior to the commencement of the 2018 school year;</p> <p>(b) Work with the Department of State Growth to review and revise the operating times of the variable 40 km/h school zone signage to ensure that it is consistent with the start and finish times of the school; and</p> <p>(c) Continue to work with the Department of State Growth's Road Safety Branch to improve the conspicuousness of the children's crossing through either improved signage or the trialling the use of flashing lights as an alternative to the flags.</p> <p>2. An offer be made to New Town Primary School giving them the option of participating in an Active Routes to School workshop.</p> <p>3. The organiser of the petition be advised of the Council's decision.</p>		<p>Network to participate in an Active Routes to School workshop.</p> <p>3. Complete.</p>
13	<p>99 STEPS, WEST HOBART</p> <p>Council 8/10/2018, item 12</p> <p>Council 6/5/2019, item 14</p>	<p>1. Works be undertaken to improve the amenity and safety of the small set of steps at the top of 99 Steps, West Hobart including the installation of a seat and fence, along with a ramp and</p>	<p>Director City Amenity</p>	<p>Works are scheduled to commence shortly</p>

Ref	Title	Report / Action	Action Officer	Comments
		<p>new steps on the opposite side of Liverpool Street at an estimated cost of \$25,000 in 2019-2020 to be funded from the City Laneways Access and Lighting Upgrades budget allocation.</p> <p>2. Stormwater works including extension of a stormwater main along Liverpool Street and installation of drainage pits be constructed in 2020-2021 as part of a road and stormwater upgrade project to address flooding issues, subject to funding approval in the 2020-2021 budget.</p> <p>3. Works to fully upgrade the 99 Steps walkway to full compliance with engineering standards and installation of bicycle channel be considered in the development of a City Laneways Strategy and Action Plan.</p>		
14	<p>71 LETITIA STREET, NORTH HOBART - PARTIAL DEMOLITION, SUBDIVISION (ONE ADDITIONAL LOT) AND ALTERATIONS TO CAR PARKING</p> <p>Open Council 17/6/2019, item</p>	The City Infrastructure Committee be requested to address on-street parking in the area of the development.	Director City Planning	The Council decision is being actioned.
15	<p>ELIZABETH STREET MIDTOWN RETAIL PRECINCT UPGRADE</p>	<p>That:</p> <p>1. The draft concept design for Elizabeth Street Midtown Retail Precinct project</p>	Director City Planning	The Council decision is being actioned.

Ref	Title	Report / Action	Action Officer	Comments
	<p>Open Council 8/7/2019, item 12</p> <p>Open Council 12/10/2020 item 15</p> <p>Open Council 7/12/2020, item 13</p>	<p>(marked as Attachment A to item 6.2 of the Open City Infrastructure Committee agenda of 25 November 2020), be generally endorsed as a framework for future streetscape development in the project area, noting that the Council is not in a position to fund the implementation at this time.</p> <p>2. That any decision on the final uphill bike lane treatment be determined following the trial of uphill bike lane as part of the 12 month 'Ready for Business' pilot project.</p> <p>3. A further report be provided to the Council in the first quarter of 2021, outlining an implementation plan including cost estimates, financial impacts, funding source/s and proposed timing.</p> <p>4. A detailed report addressing the potential loss of car parking within the Elizabeth Street Precinct be referred to the Finance and Governance Committee at the appropriate time.</p>		
16	CAMPBELL STREET (BETWEEN LIVERPOOL STREET AND COLLINS STREET) - TRIAL TRAFFIC MANAGEMENT	That a trial of the traffic and parking arrangements for Campbell Street between Liverpool Street and Collins Street be approved for an initial period of at least 12 months from the opening of the Royal Hobart Hospital K Block.	Director City Planning	The installation of traffic and parking arrangements for Campbell Street between Liverpool Street and Collins Street has been completed.

Ref	Title	Report / Action	Action Officer	Comments
	ARRANGEMENTS FOR ROYAL HOBART HOSPITAL K-BLOCK Council 9/9/19, item 15	<p>A report on the operation of the traffic management and parking arrangement be provided following the 12 month trial to enable Council to consider a more permanent arrangement in Campbell Street.</p> <p>The Council authorise the General Manager to negotiate with the Royal Hobart Hospital administration for a contribution towards upgrading the reinstated footpath (in Campbell Street adjacent to the Royal Hobart Hospital) from asphalt to unit paver materials.</p>		Trial assessment scheduled to commence May 2021.
17	INSTALLATION OF TRAFFIC SIGNALS - INTERSECTION OF COLLINS STREET AND MOLLE STREET Council 9/9/2019, item 17	<p>That the installation of traffic signals at the intersection of Molle Street and Collins Street to improve the safety and amenity of pedestrians and cyclists be supported.</p> <p>(i) Subject to the proposed bulbing in Molle Street being reduced in length to accommodate a further two car parking spaces.</p> <p>The General Manager be authorised to negotiate with the landowner of 40-50 Molle Street for the incorporation of the existing driveway and associated 'right of way' utilised by pedestrians and cyclists into the proposed traffic signals, including the transfer of any land necessary to facilitate that installation.</p> <p>A further report be provided on the possible use of different surface</p>	Director City Planning	<p>The matter of land transfer was considered at the Closed Council meeting held on 7 June 2021.</p> <p>Funding has been secured through Australian Government programs for the majority of the project costs.</p> <p>A development application for the works has been submitted.</p>

Ref	Title	Report / Action	Action Officer	Comments
		treatments to highlight the pedestrian crossings.		
18	HUON ROAD - UPHILL BICYCLE PASSING OPPORTUNITY PROJECT Open Council 16/12/2019, Item 12	<ol style="list-style-type: none"> 1. The General Manager be authorised to sign and attach the common seal of the City of Hobart to the grant deed when received for the provision of passing opportunities for vehicle drivers to safely pass uphill bicycle riders on Huon Road. 2. On completion of part 1 of the recommendation, the City of Hobart proceed to procurement of the proposed works for the provision of passing opportunities for vehicle drivers to safely pass uphill bicycle riders on Huon Road between Stephenson Place and 432 Huon Road, as detailed in the concept design drawings provided as Attachment A to item 6.3 of the Open City Infrastructure Committee agenda of 11 December 2019. 	Director City Planning	Construction underway, scope extended.
19	CAMPBELL STREET AND ARGYLE STREET BICYCLE CONNECTIONS Open Council 16/12/2019, Item 13 Open Council 10/5/2021, item 11	<ol style="list-style-type: none"> 1. Subject to a successful grant funding proposal, the Argyle Street, Campbell Street, Liverpool Street and Bathurst Street trial bicycle facilities, as generally described in Attachment E to item 6.2 of the Open City 	Director City Planning	<p>The Council decision of 10 May 2021 is being actioned.</p> <p>A further report on the feasibility of introducing priority car pool and bus lanes will be provided following further Central</p>

Ref	Title	Report / Action	Action Officer	Comments
		<p>Infrastructure Committee agenda of 28 April 2021, be installed.</p> <ol style="list-style-type: none"> 2. Should a planning approval be required due to the archaeology overlay (or another trigger) the General Manager be authorised to lodge such an application. 3. Appropriate public information resources to explain the function and reasoning for the new facilities be created and form part of the trial. 4. The City of Hobart develops the arrangements to support and undertake clearway towing and vehicle removal operations, recoup costs and levy appropriate fines; 5. A review of parking charges, operating hours and un-metered spaces in the area surrounding the project be undertaken, and appropriate changes be implemented to offset any revenue impacts. <p>Council 16 December 2019</p> <p>A report be provided on the feasibility of introducing priority car pool and bus lanes on Campbell and Argyle Streets.</p>		Hobart Precinct Plan work and engagement.

Ref	Title	Report / Action	Action Officer	Comments
20	BROOKE / DESPARD STREETS - CONGESTION REDUCING INITIATIVE - THREE-MONTH TRIAL Open Council 10/3/2020, item 16	<ol style="list-style-type: none"> 1. Approval be given to implement a three-month trial congestion reducing initiative that would: <ol style="list-style-type: none"> (i) Close Brooke Street at Morrison Street to taxi and rideshare vehicles on Friday and Saturday evenings from 11.00 pm to 5.00 am; (ii) Create a taxi holding area in the CSIRO car park in Castray Esplanade on Friday and Saturday evenings between 11.00 pm and 5.00 am; (iii) Create a nominated waiting location for ride share vehicles in Salamanca Place between Davey Street and Gladstone Street; and (iv) Create four pick-up locations for ride share passengers across the waterfront precinct. 2. The Lord Mayor write to the State Treasurer seeking co-funding of the trial congestion reducing initiative and potential ongoing funding should the trial be successful. 3. Funding of \$17,483 to implement the three-month trial will be allocated to the Special Events Traffic Management budget allocation in the 	Director City Planning Deputy General Manager	Further options have been discussed with the Salamanca Late Night Stakeholder Group for potential options. Council to commence consultation with business owners (April/May 2021).

Ref	Title	Report / Action	Action Officer	Comments
		Traffic Strategy and Projects function area of the 2019-20 annual plan.		
21	NETWORK OPERATING PLAN (NOP) – BRIEFING Open CIC 24/6/2020, item 6.1	A further report on the progress of the inner Hobart Network Operation Plan (NOP) be provided at the appropriate time.	Director City Planning	NOP Phase 1 report is being finalised by the Department of State Growth.
22	REQUEST FOR SPEED LIMIT REDUCTION IN HOBART CENTRAL BUSINESS DISTRICT AND RETAIL PRECINCTS Open Council 6/7/2020, item 10	<p>That:</p> <ol style="list-style-type: none"> The Council endorse the engagement with key stakeholders and the preparation of supporting documentation to allow a submission to the Transport Commissioner requesting the following speed limit changes in Hobart's Central Business District indicatively proposed as: <ol style="list-style-type: none"> Elizabeth Street between Melville and Morrison Streets (excluding the Elizabeth Street Mall and Macquarie and Davey Street crossing points) from 50 km/hour to 40km/hour. <p>(Note: Elizabeth Street between Collins and Davey Streets is currently 30km/hr).</p> <ol style="list-style-type: none"> Collins and Liverpool Streets between Murray and Argyle from 50 km/hour to 40km/hour 	Director City Planning	<p>Clause 1 complete.</p> <p>Clause 2(b)</p> <p>Application to reduce speed has been approved by Commissioner for Transport with funding secured to implement the changes.</p>

Ref	Title	Report / Action	Action Officer	Comments
		<p>(Note: Criterion Lane and Liverpool St between Elizabeth Street and Murray Street is currently 30km/hr).</p> <p>c) Melville and Bathurst Streets between Harrington and Campbell Streets from 50 km/hour to 40km/hour.</p> <p>d) Harrington, Murray, Argyle and Campbell Streets between Melville and Davey Streets (excluding the Davey and Macquarie Street crossings), from 50 km/hour to 40km/hour.</p> <p>e) Liverpool and Collins Streets between Harrington and Murray Streets, and between Argyle and Campbell Streets from 50 km/hour to 40km/hour.</p> <p>(Note: Collins Street from Argyle to Elizabeth Street is currently 30 km/hour)</p> <p>f) Market Place, Kemp Street, Trafalgar Place, Purdys Mart, Wellington Court, Harrington Lane, Watchorn Street, Victoria Street, Bidendopes Lane from 50 km/hour to 40km/hour.</p> <p>2. The Council endorse engagement with key stakeholders and the preparation of supporting documentation to allow a submission to the Transport</p>		

Ref	Title	Report / Action	Action Officer	Comments
		<p>Commissioner for the following speed limit changes in the Suburban Retail Precincts between the hours of 7:00am until 7:00pm Monday to Thursday and 7:00am until 10:00pm Friday to Sunday indicatively proposed as:</p> <p>a) North Hobart between Burnett Street and Tasma Street from 50km/hour to 40km/ hour</p> <p>(Note: Extending the existing 40km/hour zone between Federal Street and Burnett Street).</p> <p>b) Lenah Valley between Giblin Street and Greenway Avenue from 50km/hour to 40km/ hour.</p> <p>c) South Hobart from Excell Lane and the Southern Outlet Junction from 50km/hour to 40km/ hour.</p> <p>d) Sandy Bay along Sandy Bay Road from Osborne Street and Russell Crescent, and including King Street between Grosvenor Street and Princes Street, Gregory Street between Grosvenor and Sandy Bay Road, Princes Street between King Street and Sandy Bay Road, and Russell Crescent between Sandy Bay Road and King Street from 50km/hour to 40km/ hour.</p>		

Ref	Title	Report / Action	Action Officer	Comments
		e) New Town: New Town Road from Marsh Street to the Pirie Street intersection, and Risdon Road between New Town Road and Swanston Street from 50km/hour to 40km/ hour.		
23	The North Hobart Retail and Entertainment Precinct Place Vision and Access and Parking Plan Project Open Council 23/11/2020, Item 17 Open Council 7/12/2020, item 18	That: 1. The Council approve the 10 questions for community engagement marked as Attachment A to item 3.1 of the Special Meeting of All Council Committees agenda of 7 December 2020 with the following amendments: (i) Questions 2,3 and 4 be answered in order of priority (from 1 to 5) (ii) Question 4 action 4 be amended to read: "The current operation of Condell Place as a car park be maintained and include long term car parking options and / or multi-storey purpose uses." 2. Taking account of the busy period leading up to the end of the current calendar year, particularly for businesses and the post New Year holiday period, the public engagement process be undertaken for an eight (8) week period, commencing on Monday	Director City Planning Director City Innovation	The Council decision is being actioned

Ref	Title	Report / Action	Action Officer	Comments
		<p>1 February 2021, in line with the methodology detailed in this report.</p> <p>3. A further report detailing the outcomes of the engagement process and proposed project action plan, including the associated capital and operating cost implications, be submitted to a Council meeting in the second quarter of 2021.</p>		
24	<p>48-50 New Town Road and 52 New Town Road and 46 New Town Road and 7A Clare Street, New Town and Adjacent Road Reserve - Demolition, New Building for Hospital Services, Business and Professional Services, and General Retail and Hire, Signage, and Associated Works</p> <p>Open Council 9/3/2021, item 9.1</p>	<p>That:</p> <p>(i) The City Infrastructure Committee be requested to consider commuter parking and traffic issues in the surrounding residential areas of New Town Road, Jennings Street, Seymour Street, Clare Street and Augusta Road.</p> <p>(ii) An active travel plan for the site be developed with a focus on the overall traffic movements, ingress and egress from the site at 48-50 New Town Road.</p>	Director City Planning	<p>Hobart Active Travel Committee <i>Primary Walking Plan (Draft)</i> has been developed (April 2021).</p> <p>HTSIF Key relevant projects:</p> <ul style="list-style-type: none"> • <i>Hobart Parking Policy</i> • <i>Hobart Primary Walking Plan Implementation</i> • <i>Central Hobart Precincts Plan</i> • <i>Local Area Mobility Plan</i> (Lenah Valley/ New Town) proposed to commence in 2021. <p>Initial discussions with City of Hobart Accessibility Advisory Committee Coordinator for new consultancy/ audit: <i>DDA Access Review: Hobart Centres and surrounds</i></p>

8. QUESTIONS WITHOUT NOTICE

Section 29 of the *Local Government (Meeting Procedures) Regulations 2015*.
File Ref: 13-1-10

An Elected Member may ask a question without notice of the Chairman, another Elected Member, the Chief Executive Officer or the Chief Executive Officer's representative, in line with the following procedures:

1. The Chairman will refuse to accept a question without notice if it does not relate to the Terms of Reference of the Council committee at which it is asked.
2. In putting a question without notice, an Elected Member must not:
 - (i) offer an argument or opinion; or
 - (ii) draw any inferences or make any imputations – except so far as may be necessary to explain the question.
3. The Chairman must not permit any debate of a question without notice or its answer.
4. The Chairman, Elected Members, Chief Executive Officer or Chief Executive Officer's representative who is asked a question may decline to answer the question, if in the opinion of the respondent it is considered inappropriate due to its being unclear, insulting or improper.
5. The Chairman may require a question to be put in writing.
6. Where a question without notice is asked and answered at a meeting, both the question and the response will be recorded in the minutes of that meeting.
7. Where a response is not able to be provided at the meeting, the question will be taken on notice and
 - (i) the minutes of the meeting at which the question is asked will record the question and the fact that it has been taken on notice.
 - (ii) a written response will be provided to all Elected Members, at the appropriate time.
 - (iii) upon the answer to the question being circulated to Elected Members, both the question and the answer will be listed on the agenda for the next available ordinary meeting of the committee at which it was asked, where it will be listed for noting purposes only.

9. CLOSED PORTION OF THE MEETING

RECOMMENDATION

That the Committee resolve by majority that the meeting be closed to the public pursuant to regulation 15(1) of the *Local Government (Meeting Procedures) Regulations 2015* because the items included on the closed agenda contain the following matters:

- Information relating to contracts and tenders for the supply of goods and services and their terms and conditions.

The following items are listed for discussion:-

Item No. 1	Minutes of the last meeting of the Closed Portion of the Committee Meeting
Item No. 2	Consideration of supplementary items to the agenda
Item No. 3	Indications of pecuniary and conflicts of interest
Item No. 4	Report
Item No. 4.1	Processing of Recyclable Materials - Tender and Establishment of a Joint Authority LG(MP)R 15(2)(d)
Item No. 5	Committee Action Status Report
Item No. 5.1	Committee Actions - Status Report LG(MP)R 15(2)(c)(i), (d), (f) and (g)
Item No. 6	Questions Without Notice