



Legislative Assembly of the Northern Territory

Legislative Scrutiny Committee

Inquiry into the Environment Protection (Beverage Containers and Plastic Bags) Legislation Amendment (Expansion of CDS and Other Matters) Bill 2025

October 2025



Inquiry into the Environment Protection (Beverage Containers and Plastic Bags) Legislation Amendment (Expansion of CDS and Other Matters) Bill 2025



Legislative Assembly of the Northern Territory

Parliament House

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Chair's Preface

This report details the Committee's findings regarding its consideration of the Environment Protection (Beverage Containers and Plastic Bags) Legislation Amendment (Expansion of CDS and Other Matters) Bill 2025. Amending the *Environment Protection (Beverage Containers and Plastic Bags) Act 2011* and the Environment Protection (Beverage Containers and Plastic Bags) Regulations 2011, the Bill seeks to reduce complexity and increase recycling across the Northern Territory by strengthening the Container Deposit Scheme (CDS) and making a number of administrative reforms.

The Committee received four submissions to its inquiry. While all of the submissions supported the Government's aim to increase the effectiveness of the CDS, concerns were raised regarding the inclusion of plain milk containers and the associated transition timeframe. Following its examination of the Bill, the Committee is, however, of the view that the Assembly should pass the Bill with no amendments.

As set out in this report, the Committee also considered several matters that were raised in submissions or during the public briefing that were beyond the scope of the current Bill, including whether the refund amount for permitted containers should be increased. Pursuant to section 50(2) of the *Environment Protection (Beverage Containers and Plastic Bags) Act 2011*, the Committee has subsequently recommended that the next review of the operation of the CDS incorporate consideration of the impact of increasing the refund amount.

On behalf of the Committee, I would like to thank all those who made submissions to the inquiry. The Committee also thanks the representatives from the Department of Lands, Planning and Environment for briefing the Committee on the Bill. I also thank my fellow Committee members for their bipartisan commitment to the legislative review process.



Mrs Oly Carlson MLA
Chair

Committee Members

Chair:	Mrs Oly Carlson, MLA Member for Wanguri
Deputy Chair:	Mr Andrew Mackay, MLA Member for Goyder
Members:	Justine Davis, MLA Member for Johnston Mr Clinton Howe, MLA Member for Drysdale Mr Chanston Paech, MLA Member for Gwoja

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Acknowledgments

The Committee acknowledges all those that provided written submission to its inquiry and the representatives from the Department of Lands, Planning and Environment that appeared before the Committee at its public briefing on the Bill.

Acronyms and Abbreviations

ABCL	Australian Beverages Council Ltd
ACOR	Australian Council of Recycling
CDS	Container Deposit Scheme
CGL	Coles Group Ltd
LGANT	Local Government Association Northern Territory

Terms of Reference

Sessional Order 14

Establishment of Legislative Scrutiny Committee

- (1) The Assembly appoints a Legislative Scrutiny Committee
- (2) The membership of the scrutiny committee will comprise three Government Members, one Opposition Member and one crossbench Member.
- (3) The functions of the scrutiny committee shall be to inquire into and report on:
 - (a) any bill referred to it by the Assembly;
 - (b) in relation to any bill referred by the Assembly:
 - (i) whether the Assembly should pass the bill;
 - (ii) whether the Assembly should amend the bill;
 - (iii) whether the bill has sufficient regard to the rights and liberties of individuals, including whether the bill:
 - (A) makes rights and liberties, or obligations, dependent on administrative power only if the power is sufficiently defined and subject to appropriate review; and
 - (B) is consistent with principles of natural justice; and
 - (C) allows the delegation of administrative power only in appropriate cases and to appropriate persons; and
 - (D) does not reverse the onus of proof in criminal proceedings without adequate justification; and
 - (E) confers power to enter premises, and search for or seize documents or other property, only with a warrant issued by a judge or other judicial officer; and
 - (F) provides appropriate protection against self-incrimination; and
 - (G) does not adversely affect rights and liberties, or impose obligations, retrospectively; and
 - (H) does not confer immunity from proceeding or prosecution without adequate justification; and
 - (I) provides for the compulsory acquisition of property only with fair compensation; and
 - (J) has sufficient regard to Aboriginal and Torres Strait Islander tradition; and
 - (K) is unambiguous and drafted in a sufficiently clear and precise way.

- (iv) whether the bill has sufficient regard to the institution of Parliament, including whether a bill:
 - (A) allows the delegation of legislative power only in appropriate cases and to appropriate persons; and
 - (B) sufficiently subjects the exercise of a delegated legislative power to the scrutiny of the Legislative Assembly; and
 - (C) authorises the amendment of an Act only by another Act.

(4) The committee will provide an annual report of its activities to the Assembly.

Adopted 15 October 2024

Recommendations

Recommendation 1

The Committee recommends that the Legislative Assembly pass the Environment Protection (Beverage Containers and Plastic Bags) Legislation Amendment (Expansion of CDS and Other Matters) Bill 2025.

Recommendation 2

The Committee recommends that, pursuant to section 50(2) of the *Environment Protection (Beverage Containers and Plastic Bags) Act 2011*, the next review of the operation of the CDS incorporate consideration of the impact of increasing the refund amount for permitted containers.

1 Introduction

Introduction of the Bill

- 1.1 The Environment Protection (Beverage Containers and Plastic Bags) Legislation Amendment (Expansion of CDS and Other Matters) Bill 2025 (the Bill) was introduced into the Legislative Assembly by the Minister for Lands, Planning and Environment, the Hon Joshua Burgoyne, MLA, on 3 September 2025. The Assembly subsequently referred the Bill to the Legislative Scrutiny Committee for inquiry and report by 8 October 2025.¹

Conduct of the Inquiry

- 1.2 On 3 September 2025 the Committee called for submissions by 15 September 2025. The call for submissions was advertised via the Legislative Assembly website, Facebook, and email subscription service. In addition, the Committee directly contacted a number of individuals and organisations.
- 1.3 As set out in Appendix 1, the Committee received four submissions to its inquiry. On Tuesday 9 September 2025, the Committee held a public briefing with representatives from the Department of Lands, Planning and Environment (see Appendix 2).

Outcome of Committee's Consideration

- 1.4 Sessional Order 14 requires that the Committee after examining the Bill determine:
- (i) whether the Assembly should pass the bill;
 - (ii) whether the Assembly should amend the bill;
 - (iii) whether the bill has sufficient regard to the rights and liberties of individuals; and
 - (iv) whether the bill has sufficient regard to the institution of Parliament.
- 1.5 Following examination of the Bill, and consideration of the evidence received, the Committee is of the view that the Legislative Assembly should pass the Bill with no amendments.

Recommendation 1

The Committee recommends that the Legislative Assembly pass the Environment Protection (Beverage Containers and Plastic Bags) Legislation Amendment (Expansion of CDS and Other Matters) Bill 2025.

¹ Parliamentary Record, *Draft Daily Hansard – Day 2 – 3 September 2025*, <https://hdl.handle.net/10070/1009062>, p. 5

Report Structure

- 1.6 Chapter 2 provides an overview of the policy objectives of the Bill and the purpose of the Bill as contained in the Explanatory Statement.
- 1.7 Chapter 3 considers the main issues raised in the evidence received.

2 Overview of the Bill

Background to the Bill

- 2.1 Pursuant to section 50 of the *Environment Protection (Beverage Containers and Plastic Bags) Act 2011* (the Act), the responsible Minister must review the operation of the Container Deposit Scheme (CDS) at five-year intervals following commencement. As noted by the Minister when introducing the Bill, to this end a discussion paper was released in 2023 for public comment on the ‘Have your say’ website.
- 2.2 Building on the 2018 independent review of the scheme,² the discussion paper considered three proposed changes to the scheme:
- Expanding and simplifying the scheme to include any recyclable container that holds 3 litres or less of ready to drink beverages and extending the scheme to add container lids to the scheme.
 - Improved scheme data and reporting by tracking the whole container lifecycle and moving to an online system.
 - Incentivising container returns by setting targets under section 49 of the Act.³
- 2.3 Following the ‘Have your say’ consultation, draft legislation was released for feedback in mid-2024. Noting that the changes proposed in the Bill are strongly supported by Territorians, the Minister expressed the view that the Bill:
- helps in rebuilding our economy by supporting the waste and recycling industry and removing rubbish from our natural environment.⁴

Purpose of the Bill

- 2.4 Amending the *Environment Protection (Beverage Containers and Plastic Bags) Act 2011* and the *Environment Protection (Beverage Containers and Plastic Bags) Regulations 2011*, the Bill seeks to increase recycling across the Northern Territory. As set out in the Explanatory Statement, the Bill will achieve this by:
- (a) broadening the scope of containers in the Scheme to beverage containers of three litres or less in volume, with the result that wine and spirit bottles, plain milk containers and larger size juice and flavoured milk containers of one litre or more will be included;
 - (b) providing a transitional period for new scheme entrants to include the 10-cent refund marking on container labels;

² Department of Environment and Natural Resources, *Evaluation of the Operation of the Northern Territory Container Deposit Scheme*, Northern Territory Government, Darwin, 20 August 2018

³ Department of Environment, Parks and Water Security, *Improving the Container Deposit Scheme Discussion Paper*, Northern Territory Government, Darwin, 2023, pp. 15-17; Department of Environment, Parks and Water Security, *Improving the Container Deposit Scheme Consultation Summary Report*, Northern Territory Government, Darwin, 2023, pp. 3-5

⁴ Hon Joshua Burgoyne (Minister for Lands, Planning and Environment), Parliamentary Record, *Draft Daily Hansard - Day 2 - 3 September 2025*, <https://hdl.handle.net/10070/1009062>, p. 5

- (c) enabling members of the public to return containers to approved collection depots with container lids, caps or other closures attached;
- (d) transitioning Northern Territory Environment Protection Authority (NT EPA) powers and functions under the Act to the Minister for Lands, Planning and Environment, Chief Executive Officer of the Department of Lands, Planning and Environment and delegates within the Department, consistent with existing delegations;
- (e) conferring jurisdiction on the Northern Territory Civil and Administrative Tribunal (NTCAT) to review statutory decisions under the Act that are presently within the jurisdiction of the Local Court;
- (f) providing for various minor amendments to clarify matters and bring the Act into line with modern drafting principles.⁵

⁵ Explanatory Statement, *Environment Protection (Beverage Containers and Plastic Bags) Legislation Amendment (Expansion of CDS and Other Matters) Bill 2025 (Serial 37)*, <https://parliament.nt.gov.au/committees/list/legislative-scrutiny-committee/37-2025>, p. 1

3 Examination of the Bill

Introduction

- 3.1 The Committee received four submissions to its inquiry. While all of the submissions supported the Government's aim to increase the effectiveness of the current container deposit scheme (CDS), as discussed below, concerns were raised regarding the inclusion of plain milk containers and the associated transition timeframe.
- 3.2 The following discussion also considers matters that were raised in submissions or during the public briefing that were beyond the scope of the current Bill, including:
- increasing the availability of CDS collection points;
 - increasing the container return value; and
 - incentivising the collection of litter more generally.

Expansion of CDS

- 3.3 Regulation 2F currently provides that, for section 9 of the Act, the CDS does not apply to containers of the following classes:
- (a) glass containers used for containing wine or spiritous liquor;
 - (b) containers used for containing milk (other than flavoured milk)
 - (c) containers used for containing 1 L or more of flavoured milk;
 - (d) containers used for containing 1 L or more of pure juice (comprising at least 90% fruit or vegetable juice or a mixture of fruit and vegetable juices);
 - (e) containers used for containing more than 3 L of beverage;
 - (f) containers made of cardboard, plastic, cardboard and foil or cardboard, plastic and foil (commonly knowns as sachets) used for containing 250 ml or more of wine.
- 3.4 As set out in the Explanatory Statement, proposed clause 33 replaces Regulation 2F to provide that the only containers that will be exempted from the CDS will be those used for containing more than 3 L of beverage; thereby expanding the scheme to include a number of additional container types and sizes.⁶
- 3.5 Although expansion of the scheme to include wine and spirit bottles reflects the current model in Queensland and aligns with recent announcements made by the

⁶ Explanatory Statement, *Environment Protection (Beverage Containers and Plastic Bags) Legislation Amendment (Expansion of CDS and Other Matters) Bill 2025 (Serial 37)*, <https://parliament.nt.gov.au/committees/list/legislative-scrutiny-committee/37-2025>, p. 8

New South Wales, South Australian and Western Australian Governments to also accept wine and spirit containers⁷, Coles Group Ltd (CGL) raised concerns that:

the proposed additional inclusion of milk containers in the Northern Territory scheme is an outlier that will put this scheme at odds with every other jurisdiction, noting that the South Australian, New South Wales and Western Australian announcements specifically ruled out the inclusion of plain milk containers in their future expansion.⁸

- 3.6 Apart from the costs for manufacturers associated with required changes to product labels, CGL noted that the proposed expansion of the scheme to include plain milk containers will also have implications for the retail price of a key grocery and nutritional item in the Northern Territory:

Plain milk (including milk substitutes such as soy milk, oat milk and almond milk) is a staple item of household consumption and not a discretionary purchase. Coles works hard to maintain a national price on items such as plain milk, and we understand that cost of living pressures remain a concern for many people. The implementation of the CDS levy upon this category will have a direct impact on the affordability of a product that is key to nutrition for Territorian households.⁹

- 3.7 CGL further noted that the proposed expansion of the CDS in the Northern Territory is counter to the position endorsed by Environment Ministers in April 2021 regarding harmonisation of container deposit schemes across jurisdictions to ensure consistent recycling collection strategies.¹⁰ Acknowledging the agreement of Environment Ministers around principles of harmonising container deposit schemes, the Department advised that:

The Territory is committed to scheme alignment with other jurisdictions to reduce the regulatory burden on industry. However, the unique NT context must also be considered. Alignment will occur where it keeps more materials in the economy for longer.¹¹

- 3.8 For example, while there is an extensive network of collection depots operated by businesses and collection points offered by charities, community groups, schools and sporting organisations across the Northern Territory, unlike other jurisdictions, kerbside recycling is limited to Darwin and Palmerston.¹² As such, the Committee heard that currently:

Beyond Darwin and Palmerston, highly recyclable materials, like HDPE plastic milk bottles, are usually landfilled or littered. In some remote communities, empty plastic containers may be landfilled and then managed by being

⁷ On 3 September 2025, NSW and SA announced they would be expanding their CDS commencing in 2027, <https://www.nsw.gov.au/ministerial-releases/states-join-forces-to-expand-container-deposit-schemes-to-accept-wine-and-spirits>; On 10 September WA announced it would be expanding its CDS commencing 1 July 2026, <https://www.containersforchange.com.au/wa/scheme-expansion>

⁸ Coles Group Ltd, Submission No. 2, p. 1

⁹ Coles Group Ltd, Submission No. 2, p. 2

¹⁰ Coles Group Ltd, Submission No. 2, pp. 1-2

¹¹ Department of Environment, Parks and Water Security, Improving the Container Deposit Scheme Consultation Summary Report, Northern Territory Government, Darwin, 2023, pp. 4 & 6; see also, Committee Transcript, *Public Briefing – 9 September 2025*, p. 4

¹² Hon Joshua Burgoyne (Minister for Lands, Planning and Environment), Parliamentary Record, Draft Daily Hansard – Day 2 – 3 September 2025, <https://hdl.handle.net/10070/1009062>, p. 3

burned. Landfill fires are clearly undesirable. The scheme provides a pathway for residents across the Territory to recycle these valuable materials.¹³

Committee's Comments

- 3.9 As indicated by the Department, expansion of the scheme will divert valuable materials from regional and remote landfills and increase the volume of glass and higher value plastics for recycling. While the Committee acknowledges that inclusion of plain milk containers may mean that consumers face slightly higher costs, depending on the degree to which industry costs are passed through the supply chain, it is noted that this cost will be mitigated by redemption of the 10 cent deposit by consumers.

Transition Periods

- 3.10 Clause 35 inserts new Division 2 into Part 4 of the Regulations which includes new Regulation 14: *Transition periods for displaying approved refund marking on containers new to CDS*. For Class 1 Containers, as currently set out in regulation 2F(a), proposed regulation 14(1) provides a transitional relief period of 2 years to not bear the approved refund marking. For Class 2 Containers, as currently set out in regulation 2F(b), (c), (d), (f) or (g), proposed regulation 14(2) provides a transitional relief period of 1 year.¹⁴

- 3.11 As the Minister noted when introducing the Bill, the “one-year transitional period recognises that the shelf life and turnover of milk and juice containers is shorter than wine and spirits.”¹⁵ However, the Australian Beverages Council Ltd (ABCL) expressed the view that implementation timelines should be applied equally to all new beverage containers, noting that:

This bifurcation of the scheme does not recognise that the challenges in meeting the implementation timeline are shared between manufacturers and suppliers of the classes. While sections of our industry already have containers included in the scope, this expansion adds new container types and sizes which necessitates changes that require appropriate time for adoption. ... Despite a shorter product shelf-life, label transitions can take an extended period of time, particularly for small and micro manufacturers that often rely on annual or semi-annual bulk order of stock.¹⁶

- 3.12 The Department advised the Committee that the transitional provisions were informed by stakeholder feedback and seek to minimise the impact of the scheme expansion on the beverage industry. Pursuant to Clause 2 (Commencement), the Committee heard that the expanded scheme will come into effect on the day fixed by the Administrator by *Gazette* notice. This will allow a preparation period of at

¹³ Hon Joshua Burgoyne (Minister for Lands, Planning and Environment), Parliamentary Record, Draft Daily Hansard – Day 2 – 3 September 2025, <https://hdl.handle.net/10070/1009062>, p. 3

¹⁴ Explanatory Statement, Environment Protection (Beverage Containers and Plastic Bags) Legislation Amendment (Expansion of CDS and Other Matters) Bill 2025 (Serial 37), <https://parliament.nt.gov.au/committees/list/legislative-scrutiny-committee/37-2025>, p. 1

¹⁵ Parliamentary Record, *Draft Daily Hansard – Day 2 – 3 September 2025*, <https://hdl.handle.net/10070/1009062>, p. 4

¹⁶ Australian Beverages Council Ltd, Submission No. 1, pp. 2-3

least six months after passage of the Bill to assist with ensuring industry readiness and a good consumer experience from commencement of the expansion.¹⁷

- 3.13 Noting that the expanded Western Australian scheme will commence as of 1 July 2026,¹⁸ the Committee was further advised that the Northern Territory will consider synchronising with this date.¹⁹ As such, impacted beverage manufacturers and suppliers will have approximately 18 - 20 months, rather than 12 months, to update container labels.

Committee's Comments

- 3.14 As highlighted by the Department, the Committee notes that the transitional timeframes set out in the Bill take into consideration industry feedback provided during consultations on beverage container shelf life, retail turnover, frequency of product label print runs, anticipated timeframes for labelling changes and comparatively longer shelf life and retail turnover of wines and spirits.
- 3.15 In relation to ABCL's concerns regarding the annual or semi-annual bulk order of labels by small and micro manufacturers, the Committee further notes that a 1 July 2026 commencement date will actually provide impacted businesses a 20 month lead time to update labels.

Other Matters

- 3.16 While not within the scope of the Bill, the following related matters were raised in submissions or during the public briefing and are briefly discussed below:
- increasing the availability of CDS collection points;
 - increasing the container return value; and
 - incentivising the collection of litter more generally.

Increasing Availability of CDS Collection Points

- 3.17 Darwin City suggested that expansion of the CDS could be enhanced by increasing the availability of collection points:

Currently there are only nine collection depots within the Greater Darwin area. There is no collection point within the Darwin City Centre, with the nearest being Coconut Grove or Winnellie. This acts as a significant barrier to participation in the CDS for residents of the densely populated area, including a higher proportion of people living without access to a private vehicle.

City of Darwin recommends the expansion of the CDS be paired with the addition of new collection points including at least one in the Darwin City Centre. Further, City of Darwin recommends a pilot of CDS collection points

¹⁷ Committee Transcript, Public Briefing – 9 September 2025, p. 3

¹⁸ Containers for Change, *Scheme Expansion Announced for Mid-2026*, <https://www.containersforchange.com.au/wa/scheme-expansion>

¹⁹ Department of Environment, Parks and Water Security, *Improving the Container Deposit Scheme Consultation Summary Report*, Northern Territory Government, Darwin, 2023, p. 4

near concentrations of public housing, providing avenues for the less advantaged members of our community to participate in the scheme.²⁰

3.18 In a similar vein, the Local Government Association Northern Territory (LGANT) encouraged the Government to:

establish dedicated grants programs to assist councils, particularly those in remote and regional areas, who are motivated to participate but face significant barriers due to limited infrastructure and startup funding. Without targeted grants these communities' risk being left behind, undermining the equity of the CDS expansion. Ensuring that all councils, regardless of size or location, can access the resources needed to implement the scheme will be critical to its success and to delivering environmental and economic benefits across the entire Territory.²¹

Committee's Comments

3.19 With regards to collection points in Darwin City, the Committee notes that in July Envirobank Recycling launched its Clean Recycling Pickup Service. This service provides residents in Darwin and surrounding suburbs with vehicle or time constraints an option to participate in the CDS.²²

3.20 In relation to LGANT's comments, the Committee notes that the Circular Economy Northern Territory grants program supports projects that improve recycling outcomes and address gaps around waste management and resource recovery in the NT, with grants of at least \$50,000 available for approved projects.²³ The Sustainable Business Solutions Grant Program also provides grants from \$1,000 to \$20,000 to businesses to buy equipment or technology that facilitate waste recycling.²⁴

Increasing Container Return Value

3.21 As the Committee heard, pursuant to Regulation 2C the refund amount of 10c for permitted containers was established when the scheme first commenced in 2012 and is a nationally consistent amount.²⁵ Taking into consideration inflation²⁶ and the high price of aluminium, Mr Clinton Howe MLA asked the Department what the impact would be of potentially increasing the refund rate to 20c.²⁷

3.22 Noting that a number of stakeholders had proposed increasing the container return value during the consultation on the Bill, the Department advised that:

We acknowledge that with inflation and over time the amount of 10c has reduced in value in real terms. Certainly, people have suggested 20c, but we

²⁰ City of Darwin, Submission No. 4, p. 2

²¹ LGANT, Submission No. 3, p. 1

²² Information regarding the Envirobank Clean Recycling Pickup Service can be found at: <https://envirobank.com.au/bottle-and-can-recycling-pickup-service/>

²³ Information regarding the Circular Economy NT Program can be found at:

<https://nt.gov.au/industry/business-grants-funding/circular-economy-nt-program>

²⁴ Information regarding the Sustainable Business Solutions Grant Program can be found at:

<https://nt.gov.au/industry/business-grants-funding/sustainable-business-solutions-grant>

²⁵ Committee Transcript, Public Briefing – 9 September 2025, p. 4

²⁶ As per RBA inflation calculator, based on an average annual inflation rate of 2.7 per cent, the refund amount of 10c set in 2012 is equivalent to 14c as at 2024, <https://www.rba.gov.au/calculator/annualDecimal.html>

²⁷ Committee Transcript, Public Briefing – 9 September 2025, p. 4

have not done the work to examine the impacts. It has been discussed in a preliminary sense with our interjurisdictional colleagues, but the work was not done; it was not part of the consultation Bill, the amount of the deposit.²⁸

Given the agreement of Environment Ministers regarding harmonising container deposit schemes across jurisdictions, the Committee understands that “any changes in the return rate value will be aligned with other states and territories.”²⁹

Committee’s Comments

3.23 In April 2024 the Committee notes that the Australian Council of Recycling (ACOR) released its ‘Priorities for nationally harmonised Container Deposit Schemes’. As the available evidence indicates that higher return rates correlate with higher refund amounts, ACOR is of the view that the CDS deposit rate should be increased to 20 cents:

A useful metric in considering appropriate refund amounts is the number of empty containers required to purchase a new beverage. Comparison of Australia’s current refund amount (\$0.10) with other successful schemes, such as in Germany (€0.25 or approximately \$0.40), show that our refund amount is very low in absolute terms and at the lowest end of international schemes as a proportion of beverage prices.

Recognising that the deposit rate devalues over time with inflation, and also acknowledging the importance of balancing cost of living priorities, a process should be put in place to adjust the CDS deposit rate to 20 cents. Notably, those most affected by cost of living pressures are also those most incentivised to collect and return more containers for additional income.³⁰

3.24 While the 2018 *Evaluation of the Operation of the Northern Territory Container Deposit Scheme* acknowledged that refund amounts may need to increase over time to ensure that consistently high redemption rates are achieved, the Committee notes that it pointed out that:

Best practice schemes also need to consider the potential for fraud when setting refund amounts, and have risk prevention measures in place. Higher incentives (higher refunds) naturally increase the risk of fraud and therefore the complexity of prevention measures. For example, when considering the design of the proposed Tasmanian scheme, a 20c refund amount was proposed, but it was noted that this would increase the risk of fraud (compared to a 10c refund amount) and that ‘enforcement efforts will need to be adequately designed and funded.’ ...

Examples of fraud include containers where no deposits have been paid (for example those from outside the scheme jurisdiction) being presented for refunds, and containers being claimed more than once. In Michigan (USA), containers were being shipped from other jurisdictions to claim refund amounts. Reports of up to 20,000 containers from outside the state being processed through RVMs [reverse vending machines] led to the engagement of law enforcement to prevent the trade. ...

²⁸ Committee Transcript, Public Briefing – 9 September 2025, p. 4

²⁹ Department of Environment, Parks and Water Security, *Improving the Container Deposit Scheme Consultation Summary Report*, Northern Territory Government, Darwin, July 2023, p. 6

³⁰ Australian Council of Recycling, *Priorities for nationally harmonised Container Deposit Schemes*, April 2024, <https://acor.org.au/wp-content/uploads/2024/04/240415-ACOR-Position-paper-on-CDS-national-harmonisation.pdf>, p. 2

Fraud risks potentially apply to the NT scheme, and adequate processes, and assurance over those processes, are required to ensure that the scheme does not suffer the same issues that have impacted other schemes.³¹

- 3.25 The extent to which increasing the refund amount to 20c would still represent a potential fraud risk or impact on the retail price of beverages in the scheme is unclear. Given the above, and noting that section 50(2) of the *Environment Protection (Beverage Containers and Plastic Bags) Act 2011* requires that the operation of the CDS is reviewed every 5 years, the Committee considers that it would be prudent for the next review to incorporate consideration of the impact of increasing the refund amount for permitted containers.

Recommendation 2

The Committee recommends that, pursuant to section 50(2) of the *Environment Protection (Beverage Containers and Plastic Bags) Act 2011*, the next review of the operation of the CDS incorporate consideration of the impact of increasing the refund amount for permitted containers.

Incentivising Collection of Litter

- 3.26 Given the effectiveness of container deposit schemes and noting that littering is an issue in his electorate of Drysdale, Mr Clinton Howe MLA queried whether any consideration had been given to incentivising the collection of litter more generally.³²
- 3.27 The Department advised that while it has not considered how the incentive approach could be applied to encourage litter collection, any measures or proposals to improve resource recovery and get litter off the ground, whether incentivised or not, were worth looking at:

It is not something on our priority list right now. Our priorities relate to this scheme and its expansion and implementation and making sure that it is a success. We can certainly keep it on our radar. If we get some capacity, we can look at it.³³

Committee's Comments

- 3.28 The Committee notes that there are a wide range of innovative schemes in place elsewhere that seek to incentivise the collection of general waste litter; many of which are run by municipal councils in partnership with local businesses and other levels of government.
- 3.29 For example, in the UK a number of municipalities participate in the LitterLotto 'Bin it to win it' initiative which aims to motivate people to clean up their local environment and collect rubbish that is littered in public spaces. In the borough of Cheltenham, residents can participate by uploading photos of themselves

³¹ EY, *Evaluation of the Operation of the Northern Territory Container Deposit Scheme*, Department of Environment and Natural Resources, Darwin, 20 August 2018, https://ntepa.nt.gov.au/_media/container-deposit/pdf/reports/cds_review_report_ernst_young.pdf, pp. 11-12

³² Committee Transcript, Public Briefing – 9 September 2025, p. 4

³³ Committee Transcript, Public Briefing – 9 September 2025, p. 5

collecting and binning litter to the LitterLotto App and go into a draw for the chance to win a £1000 monthly prize.³⁴

- 3.30 In the Canadian municipality of Barrington, the 'Community Litter Clean-Up Program' offers an incentive to individuals and not-for-profit groups to collect litter from roadsides. The program runs from April to June each year with incentives of \$150 per kilometre for regular clean-ups and \$200 per kilometre for heavily littered or difficult to reach areas.³⁵ The Committee understands that similar schemes are run in a number of other municipalities across Canada.
- 3.31 Given the increase in litter during the peak tourist season, in 2024 'Wonderful Copenhagen', the official tourism organisation of the capital region of Denmark, launched its CopenPay program in conjunction with local businesses to encourage tourists to act more sustainably. In exchange for participating in one of their litter clean up initiatives, tourists are rewarded with discounts on a choice of food and drink options, cultural experiences, or urban exploration activities.³⁶

³⁴ Cheltenham Borough Council, *Incentivising residents to recycle, reduce litter and win big!*, <https://www.cheltenham.gov.uk/news/article/2983/incentivising-residents-to-recycle-reduce-litter-and-win-big>

³⁵ Municipality of Barrington, *Community Litter Clean-Up Program*, <https://barringtonmunicipality.com/Municipal-Services/community-litter-clean-up-program>

³⁶ Visit Copenhagen, *CopenPay rewards 2025*, <https://www.visitcopenhagen.com/copenpay-attractions>

Appendix 1: Submissions Received

Submissions Received

1. Australian Beverages Council Ltd
2. Coles Group Ltd
3. Local Government Association Northern Territory
4. City of Darwin

Note: Copies of submissions are available [here](#).

Appendix 2: Public Briefing

Darwin 9 September 2025

Department of Lands, Planning and Environment

- Paul Purdon: Executive Director, Environment and Heritage
- Kevin Phang: Director, Circular Economy

Note: Copy of public briefing transcript is available [here](#).

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