



# ***HEALTH, ENVIRONMENT AND INNOVATION COMMITTEE***

**Members present:**

Mr R Molhoek MP—Chair  
Ms SL Bolton MP (via videoconference)  
Ms K-A Dooley MP  
Mr JP Kelly MP  
Mr DJL Lee MP (via videoconference)  
Dr BF O'Shea MP

**Staff present:**

Ms E Lewis—Committee Secretary  
Miss A Bonenfant—Assistant Committee Secretary

## **PUBLIC BRIEFING—INQUIRY INTO THE WASTE REDUCTION AND RECYCLING (STRENGTHENING THE CONTAINER REFUND SCHEME) AMENDMENT BILL 2026**

### **TRANSCRIPT OF PROCEEDINGS**

**Thursday, 9 April 2026**

**Brisbane**

## THURSDAY, 9 APRIL 2026

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### **The committee met at 9.15 am**

**CHAIR:** Good morning. I declare open this public briefing for the committee's inquiry into the Waste Reduction and Recycling (Strengthening the Container Refund Scheme) Amendment Bill 2026. My name is Rob Molhoek MP. I am the member for Southport and chair of the committee. I acknowledge the Aboriginal people and the Torres Strait Islander people of this state and their elders past, present and emerging. I also acknowledge the former members of this parliament who have participated in and nourished the democratic institutions of this state. Finally, I acknowledge the people of this state, whether they have been born here or have chosen to make this state their home, whom we represent to make laws and conduct other business for the peace, welfare and good government of this state.

With me here today are Mr Joe Kelly MP, the member for Greenslopes and Deputy Chair; Ms Sandy Bolton MP, the member for Noosa, who joins us online; Ms Kerri-Ann Dooley MP, the member for Redcliffe; Dr Barbara O'Shea MP, the member for South Brisbane; and also joining us online is Mr David Lee MP, the member for Hervey Bay. This briefing is a proceeding of the Queensland parliament and is subject to the parliament's standing rules and orders. Only the committee and invited witnesses may participate in the proceedings. Witnesses are not required to give evidence under oath or affirmation, but I remind witnesses that intentionally misleading the committee is a serious offence. I also remind members of the public that they may be excluded from the briefing at the discretion of the committee.

I remind committee members that officers are here to provide factual or technical information. Any questions seeking an opinion about policy should be directed to the minister or left to debate on the floor of the House. These proceedings are being recorded and broadcast live on the parliament's website. Media may be present and are subject to the committee's media rules and the chair's direction at all times. You may be filmed or photographed during the proceedings and images may also appear on the parliament's website or social media pages.

**ANDERSEN, Ms Claire, Executive Director, Office of Waste Reduction and Recycling, Environment and Heritage Policy and Programs, Department of the Environment, Tourism, Science and Innovation**

**CAMPBELL, Mr Kris, Manager, Environment and Conservation Policy and Legislation, Environment and Heritage Policy and Programs, Department of the Environment, Tourism, Science and Innovation**

**McPHERSON, Ms Naomi, Director, Environment and Conservation Policy and Legislation, Environment and Heritage Policy and Programs, Department of the Environment, Tourism, Science and Innovation**

**CHAIR:** I welcome representatives from the Department of the Environment, Tourism, Science and Innovation who have been invited to brief the committee. I invite you to provide a brief opening statement after which committee members will have some questions for you.

**Ms Andersen:** Good morning and thank you for the opportunity to appear before the committee this morning. We would like to make a brief opening statement. We are happy to be here today to help brief you on the Waste Reduction and Recycling (Strengthening the Container Refund Scheme) Amendment Bill. The bill gives effect to the government response to the parliamentary inquiry into improving Queensland's Container Refund Scheme. The bill is focused on strengthening governance and oversight, improving transparency and enhancing the overall performance of the scheme. The bill addresses 13 of the 21 recommendations made by the committee through the inquiry. The bill amends the Waste Reduction and Recycling Act 2011 and aims to strengthen the governance arrangements, improve transparency and enhance performance.

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The bill introduces stronger oversight of the Product Responsibility Organisation, or PRO, as the scheme coordinator, similar to that of statutory authorities and government owned corporations. The bill introduces a new power for the minister to issue a statement of expectations, as well as a requirement for an annual evaluation of the board and the ability for the minister to request an audit of the PRO, if required. The bill also establishes a performance management framework for the PRO, requiring development of a performance management plan each year for agreement by the minister. This plan will be published on the PRO's website and the PRO will be required to report against clear performance targets, measures and metrics.

The bill introduces a fixed term of appointment for the PRO for up to seven years and establishes a renewal framework allowing for the PRO to apply to the minister for reappointment. Transitional provisions will continue the appointment of the existing PRO for three years from commencement of this bill unless renewed earlier. The composition of the board is also enhanced by the bill. The bill requires that all director appointments be approved by the minister and enables the minister to withdraw that approval if required. The bill also introduces fixed terms for directors of up to three years. Directors may be reappointed, however individuals may not serve more than 10 years in total. These measures support regular renewal and strengthen board independence and capability consistent with the recommendations through the inquiry. Transitional arrangements in the bill allow existing directors to continue their appointment for up to 18 months from the commencement of the bill or sooner if their term ends before this date. The bill also changes the composition of the board with the majority of the directors now required to be independent of the beverage industry. These directors will collectively have experience in the waste and recycling sector, local government, community and social enterprise, represent the interests of the community and have legal or financial qualifications and experience.

The bill establishes legislative safeguards prohibiting unfair conduct by the PRO and requiring the PRO to consider the economic viability of existing operators for container refund points. The bill also clarifies that the PRO is a unit of public administration for the Crime and Corruption Act, which is also one of the recommendations from the inquiry. Similar to the Casino Control Act 1982, the bill enables the minister to appoint a special manager to monitor the affairs of the PRO where there is a ground to take action under the act. This provides an additional oversight mechanism to monitor performance and report to the minister where necessary.

The bill also strengthens transparency and enhances the operation of the scheme. In particular, the bill expands on existing strategic and operational plan requirements and requires the PRO to develop a range of new corporate documents each financial year. These documents must be submitted to the minister before 31 March each year and the bill requires that a number of these will require agreement by the minister. The PRO will be required to receive the minister's agreement for the strategic plan, a statement of corporate intent, the performance management plan, the governance and investment plan, the scheme payments and contribution methodology and the network expansion plan for container refund points. Other corporate documents must be provided to the minister but do not require agreement. The governance and investment plan and the scheme payments and contribution methodology will detail how the PRO intends to invest scheme funds each year. This could include investing in and supporting initiatives to build recycling capabilities in Queensland and it will also include information about the allocation of surplus and retained scheme funds in these plans to improve transparency.

The bill also aims to make recycling easier for Queenslanders by allowing container lids to be collected and recycled through the scheme. The bill provides a mechanism to offer financial relief for small beverage manufacturers from paying a contribution for the first 20,000 containers manufactured. This will be prescribed through the regulation. The bill also enables the cost to government for administering the scheme to be recovered by the chief executive of the department. This will allow costs that are incurred or reasonably expected to be incurred to be recovered annually, aligning with other jurisdictions that take similar approaches.

In relation to consultation on the bill, the department did provide targeted confidential briefings to key stakeholder groups to focus on practical implementation of the bill. Through that process the department engaged Coex and a number of the board representatives, including Coca-Cola Europacific Partners and Lion. The department also engaged with the Local Government Association of Queensland, the Waste and Recycling Industry of Queensland, the Waste Management and Resource Recovery Association of Australia and the Australian Beverages Council.

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To support the bill the department is also progressing amendments to the Waste Reduction and Recycling Regulation 2023 to prescribe finer details and matters for the bill and to give effect to the government response. Stakeholder consultation will be undertaken on the draft regulation amendments and we look forward to providing a working draft in the next week or so to the committee to assist you in scrutinising the bill and how that will be implemented through the regulation.

Overall, the bill is an important step forward in strengthening the governance and oversight of the scheme and has been informed by the first comprehensive inquiry undertaken by the committee last year. We are happy to take any questions that you may have.

**Mr JKELLY:** Thank you very much for your presentation. As we know, several matters relating to this general issue were referred to the CCC. Has the department considered any potential implications or repercussions of proceeding with legislation prior to the CCC providing reports on matters referred to them by the committee?

**Ms Andersen:** Those matters are with the CCC at the moment, as you mentioned, and we are not involved in that process. That is an independent process that is undertaken. Regardless of that, there are a number of recommendations that we are able to proceed with that are generally improving the integrity and performance of the scheme.

**Mr JKELLY:** Has any analysis been done in relation to the issues, without going to whether or not there is an actionable case or any matters to proceed, but the general principles?

**Ms Andersen:** The department has not received any information from the CCC so we would not be able to do that regardless.

**Mr JKELLY:** Can you identify for the committee how many recommendations and subsequent changes are similar to or stem from the initial governance review of the CRS conducted by the former Labor government?

**Ms Andersen:** There was, as you say, the work that was undertaken by Clayton Utz. That is published on the committee's web page. A number of the recommendations have been addressed through this bill. I would have to come back to you on the number and the exact recommendations from that, but they certainly have been crosschecked against the bill to make sure that we are covering off on both the governance review recommendations as well as the inquiry recommendations.

**CHAIR:** Are you happy to take that on notice?

**Mr JKELLY:** I am very happy to take that on notice. Could you also possibly take on notice whether or not any of those recommendations from the original governance review were actually already in train and being implemented?

**Ms Andersen:** Yes. A number of those had been addressed through amendments to conditions of appointment to the PRO, which have already been actioned and completed. We can give you, if you like, a table of all of the recommendations and whether they have been addressed through other mechanisms or through this bill.

**Mr JKELLY:** Thank you. That would be useful.

**Mr LEE:** I have a question in relation to page 31 of the explanatory notes. The new section 102DD displaces the Corporations Act amendments. It is contained in clause 11. Is it intended that these provisions displace the directors' duties contained in the Corporations Act?

**Ms Andersen:** I will to my colleague, Naomi, who has been doing quite a bit of work on the Corporations Act component of this bill.

**Ms McPherson:** There is a Corporations Act displacement provision in the act now and that relates to the powers in relation to appointment of an administrator and also around the powers of the minister to issue directions. They already displace to some extent the Corporations Act provisions. The bill is also adding additional powers. We are broadening the ministerial directions power to also apply to corporate documents. This will be around modifying corporate documents—the minister can issue a direction—and also in relation to the power to appoint a special manager. All four of those components displace the Corporations Act to some extent. However, the other provisions of the Corporations Act continue to apply, including directors' duties. It is only to the extent that the administrator may be undertaking functions or powers or a special manager undertaking their functions or powers or in relation to ministerial directions.

**Mr LEE:** Another provision in the bill deals with section 102BI, on page 19 of the explanatory notes, where you are dealing specifically with unfair conduct. There are already provisions around unfair conduct and unconscionable conduct and exclusive dealing within the Australian Consumer Law. Why have we specifically provided provision for unfair conduct in this amendment bill?

**Ms Andersen:** The provisions that have been included in this bill are aligned to similar provisions in the West Australian legislation for their container refund scheme. This complements those other provisions that you mentioned, but provides specific information around ensuring that the PRO does not act unfairly or unreasonably discriminate against or in favour of any person in relation to scheme agreements or when performing another function or exercising a power. We certainly heard from a number of operators during the inquiry around some of that conduct. This is really designed to ensure that the PRO, when doing things like new container refund points, is considering those existing operators and ensuring that there is opportunity and fairness for those existing operators during that process.

**Mr Lee:** What are the consequences for noncompliance with that provision?

**Ms Andersen:** There is not an offence provision specifically attached to that in the bill but it would be grounds for the minister taking action, whether that be directing the PRO, suspending or cancelling their appointment and the other kinds of powers that the minister already has.

**Ms BOLTON:** I want to go to the complaints process. You mentioned that 13 of 21 recommendations from the committee have been incorporated. One that was not is in line with committee recommendation No. 7, which was for an independent process. What was the rationale for that recommendation not being followed?

**Ms Andersen:** As per the government response, the government has indicated that it will investigate further some of the options around an independent complaints body. Given that the PRO under the existing bill and the provisions put forward is not a state entity, it cannot be picked up by things like the ombudsman and arrangements like that so we need to investigate what the different models might look like that could work and complement some of the existing complaints mechanisms that are in place. There is a piece of work that we need to do and that the government has asked us to do around investigating some of those options a little bit further.

However, in the meantime, there are a range of other mechanisms that continue to be in place—the fact that the PRO will be required to provide a complaints management framework and a dispute resolution framework. We are certainly expecting to see from the PRO much clearer communication and transparency about how they will deal with any disputes. There are also some other changes in the bill that in part go to that complaints framework, which is clarifying that the PRO is a unit of administration for the Crime and Corruption Act, so there will still be those avenues through the CCC if required. The bill also includes the safeguards around prohibiting unfair and discriminatory conduct by the PRO, so that provides further safeguards behind that.

There are also a range of existing complaints opportunities through the Office of Fair Trading for consumer arrangements and for consumer complaints. There are whistleblower protections under the Corporations Act. There are some limited complaints mechanisms through QCAT for external merits reviews of certain decisions. There are the Magistrates Court and Supreme Court for civil disputes and QCAT for minor debt disputes. It is quite a complex space at the moment with all of those different avenues. One of the first things we would like to see from the PRO is a really clear, transparent and public complaints framework to help people find a pathway to where they need to go through that.

**Ms BOLTON:** While we are on QCAT, I note from our papers that the external review process by QCAT is going to be removed; is that correct?

**Ms Andersen:** That is in relation to the information notices for the minister. Yes, I think that is correct. Naomi might add a little more detail around that for you.

**Ms McPherson:** What we are changing is information notices being replaced by decisions. Currently, when the minister makes a decision in relation to perhaps not appointing a PRO or issuing conditions or suspension, an information notice is currently issued. That then enlivens an internal review mechanism whereby the chief executive of the department internally reviews the decision and then that is able to be externally reviewed by QCAT. It is considered, because it is a discretion of the minister and it is not delegated—it is in the minister's own right—that it would not be appropriate for an internal review to be undertaken by the chief executive so an external review by QCAT. We have changed that. There will still be judicial review available and the minister will provide a decision notice that will be judicially reviewed so there will be natural justice afforded through that process.

We are still keeping QCAT applying to decisions of the PRO. Where the PRO makes certain conditions in relation to not entering into container collection agreements or material recovery agreements, not paying claimed amounts for container refund point operators or material recovery

facilities, which are current provisions, we are leaving those untouched. When they do make a decision, the PRO issues an information notice and that is then able to be internally reviewed by the PRO and capable of external review by QCAT. That is remaining unchanged.

**Ms DOOLEY:** You mentioned you had given a confidential briefing to the current providers. Can you give some feedback on how they are receiving this bill and the changes that it will mean for them?

**Ms Andersen:** Through the inquiry process, there was a comprehensive consultation process on a lot of the issues. That has been really helpful in developing the bill and taking into account some of that feedback. Given that consultation, we did not go out for a whole broadscale consultation on the proposed bill, but we did undertake those targeted briefings, as you say, on some of the key concepts within the bill to get that feedback around any practical implementation challenges.

Generally speaking, the feedback was fairly positive. I think a lot of the organisations support the intent of the recommendations from the inquiry and it is really a matter of how you practically implement that and any challenges associated with it. There was obviously a strong focus on making sure that the recommendations were actionable and resulted in change, and we saw a change in behaviour and action from the PRO. Once we go through the implementation of the bill, we will see that that come into effect.

I think there were some varying views across the different stakeholder groups. There was strong support for the small beverage manufacturing relief, including from the large beverage manufacturers, recognising that we want to make sure that we are not putting that burden on some of those small beverage manufacturers. There was some variability in views around the governance framework: whether it should be a state authority or a split scheme, as you considered, or whether it should be a scheme coordinator and a network operator. There are some varying views around the model. As you are aware, the government has indicated it is keen to keep the existing model but strengthen that rather than create a separate statutory authority or statutory body.

There were also some views in relation to the board make-up, particularly from some of the existing board representatives, around the balance of the board and whether it should be maintained to have primarily beverage manufacturers as the balance of the board. Again, the government's response clearly indicates that it supports the majority of the board being non-beverage manufacturers.

**Ms DOOLEY:** A bit more on semantics: the new section 99ZZB inserts the new duty of confidentiality. Can you please explain how this duty will interact with the Public Interest Disclosure Act 2010 in light of the classification of the organisation as a unit of public administration? You can take that on notice if you do not have the detail in front of you.

**Ms McPherson:** I can explain how the duty of confidentiality will operate, but we will have to come back to you on how that will then interact. We will take it as a question on notice, if that is okay.

**Ms DOOLEY:** Certainly.

**Ms McPherson:** Would you like an explanation around the provision itself?

**Ms DOOLEY:** Yes, thank you.

**Ms McPherson:** It is a general requirement that operates in a lot of acts around confidentiality of information. It was a gap identified in the existing provisions of the act. The provision will operate where it will apply to members and directors of the board and also employees of the organisation. It could also be around contractors engaged by the organisation or a person who has entered into the scheme agreement. It relates to personal information that they have obtained and not disclosing that unless otherwise allowed for under the section. That would be where the extent of the disclosure is allowed and lawful, which aligns with a lot of other government statutes around disclosing information, but we can come back to you on that particular question.

**Dr O'SHEA:** Thank you very much for the written briefing and also for coming today because I know it takes a lot of preparation and we do appreciate it. Recommendation 14 from the committee report was that the minister consider expanding the eligibility of containers in the scheme. Did the department prepare any advice or options on that recommendation?

**Ms Andersen:** Queensland generally has one of the broadest schemes in Australia. We were the first to introduce wine and spirits. A lot of other states are moving to do the same over the next year or two. We have also been working on a national level around harmonisation of schemes because, if you are moving in between states, it would be ideal that there be the same types of containers that you can return for 10 cents. There has been some work to try to align the different jurisdictions to make sure that we have that consistency and harmonisation.

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A couple of jurisdictions have expanded to include some other containers, like cordial bottles. The Northern Territory has moved to milk bottles as well. We have not given detailed information on that to the government at this point, given some of the work we are doing around harmonisation. We would also need to do a regulatory impact assessment if we are going to expand the scheme because that would obviously add cost to the different beverage manufacturers, which would be passed on to consumers at the same time. With things like milk bottles, for example, we know that a lot of them are collected through the kerbside yellow-lid bin and we are getting most of our recycling through that.

The whole function of the scheme and the purpose behind the scheme in its original intent was to also reduce littering and to try to make sure we are picking up the containers that are often regularly seen in our litter audits. Some of those containers are probably less so because there is a really easy way for people to recycle them through their yellow-lid bin at the moment. We would have to do some more work, particularly looking at the regulatory impact and what costs would be passed on to both beverage manufacturers for things like cordial, milk et cetera, and what that would mean for everyday Queenslanders because that price gets added to what they pay as well.

**Dr O'SHEA:** As the bill only addresses 13 of the 21 recommendations, will there be further legislation coming to address the rest of those recommendations?

**Ms Andersen:** Potentially, depending on some of the work that has to come in terms of investigating alternative complaints bodies and looking at some of the different container types that may be added down the track, if there is government support for that. There are also a couple of other recommendations around mandating use of the scheme in government entities. At this stage we are not looking at progressing that, but we are proposing to work with our respective agencies across Queensland government to encourage uptake of the scheme and participation in the scheme to increase particularly the out-of-home collection of containers. That is where we know there is a lot of opportunity through things like sports locations, schools, transport and health institutions. There are some really good opportunities in that space. The government response indicates that we will work with those agencies initially. They already have legislative responsibilities to have a waste management plan for each agency and we would be encouraging them, as part of the legislative requirement they already have, to start thinking about how they incorporate container collection through their agencies.

**CHAIR:** I want to go to proposed new section 102AG(2). It goes to the composition of the board. Could you explain what the board may look like under this provision? One of the issues that was raised throughout the inquiry was the need for waste representation on that board. Is that a role that will be mandated in the mix, will it be at the discretion of the minister or will it be defined in the act?

**Ms Andersen:** That is certainly in the bill. In terms of the composition of the board, currently the minister approves two members: the chair and the independent community member. That will change to the minister approving all of the appointments. The bill outlines the composition of the board that needs to be achieved. There will be nine directors and five of those are required to be independent of the beverage industry. It has been broadened so that there has to be expertise in different areas. The five members who are independent of the beverage industry need to have expertise in waste and recycling, local government, community and social enterprise capability, and community and legal experience. We expect that there will probably be a blend of people who may have multiple components, but we certainly expect there will be a representative with experience and expertise within the waste and recycling sector.

**CHAIR:** And the other four?

**Ms Andersen:** They would be beverage manufacturers, so a combination of large and small.

**CHAIR:** Under these new powers, the minister will 'approve, conditionally, a plan for investment and allocation of the scheme coordinator's surplus and retained funds'. You touched on this earlier in respect of perhaps investment in other recycling initiatives or environmental initiatives. Does this new provision deal with the issue that we became aware of through the inquiry in terms of the manipulation of the scheme price so that rather than using those dividends for other initiatives they could be returned to the bottlers through a reduced scheme price in future years? How does that work?

**Ms Andersen:** There are two corporate documents that would work in tandem around that. One is the scheme payments and contribution methodology. That will be how they calculate what they charge to bottlers. We would want to see a methodology for how that calculation occurs and how the costs are attributed through that. That might allow them to think of different pricing methodologies down the track. I know that Coex, our existing PRO, was doing some work last year around that methodology, looking at what is called the eco-modulation of fees. If you have some material that is

more difficult to recycle versus others, you charge different levels of fees for it. Liquid paperboard, which is your poppers and things like that, is much more difficult and more costly to recycle compared to something like aluminium so you may have a variable pricing arrangement through that methodology, which the minister would have to agree to. That would be one component.

The other is then the governance and investment plan that outlines the budget and how any surplus funds would be reinvested. There are also new functions that have been added in the bill to be able to invest in things like recycling infrastructure and community programs to make it clear that that funding should be going back into building the capability and the capacity of the recycling sector in Queensland. Again, that governance and investment plan will need to be agreed by the minister. Coex will need to put forward what their proposal is for spending that money.

**CHAIR:** In respect of retained earnings, there was a significant sum within the entity certainly a year ago when we started the inquiry. Is there any retrospectivity about how those funds should be used? Has there been any consideration about any retained earnings from the past?

**Ms Andersen:** I think the governance and investment plan would have to take into account anything that was on their books at the time, which would include anything that had been rolled over from previous years. Obviously, there will be a couple of years between the point in time at which you looked at some of that material versus when we will see a governance and investment plan—likely next year—and what the available funding will be to be able to invest from there.

**CHAIR:** One of the other things that came out of the inquiry—and we were all a bit surprised—was how little of the refunds was actually flowing to community organisations. We were assured on many occasions that a lot of individuals actually take the refunds but then there is a flow of that to the community organisations. The funds that did return directly to community organisations were quite insignificant. Do you expect these changes will make any real change in that or is it more that the entity itself may choose to fund communities through the retained earnings?

**Ms Andersen:** It will probably be a bit of a combination. I know that Coex has been doing some work with a number of community groups, particularly over the last year with P&Cs, to expand the collection network to provide some of that funding through schools back to their P&Cs. That has been really successful. We have seen a really strong uptake of that. The changes in this bill will encourage it even more.

The other corporate document that will be required from the PRO is the network expansion plan, which is really about where we expect to see new depots, reverse vending machines and pick-ups, and the minister needs to agree to that plan as well. That is where we would expect to see a filling in of some of the critical gaps and also looking at opportunities to partner with organisations like the P&Cs, sports clubs and community groups to expand the smaller scale reverse vending machines onto some of those sites. There is certainly a lot of benefit to flow back to those community groups in doing that. We really want to make sure that we are filling in that network with as much community benefit as possible.

**Mr J KELLY:** In drafting this bill, did the department prepare any advice or options for the minister in relation to the committee's recommendation No. 11?

**Ms Andersen:** I do not know them all off by heart so you will have to give me a moment.

**Mr J KELLY:** That is okay. It is not a very long one.

**Ms Andersen:** This is in relation to referring the 'issue of an increase in the container refund amount to the Queensland Productivity Commission for reporting'. As you would be aware, the minister made a statement in parliament during the inquiry that ruled out an increase to the refund amount on the basis that it would likely pass on costs to consumers. As a result, the government response reflects that. I know that a number of stakeholders have raised the refund amount with the minister, but the department did not do any kind of detailed analysis or options in terms of different prices, given the government had already ruled it out.

**Mr J KELLY:** So that is a hard 'no' to the recommendation from the committee?

**Ms Andersen:** The government response makes it clear that the government supports all but that recommendation.

**Mr J KELLY:** Have you done any modelling or analysis about how increasing the scheme in government buildings or multi-user developments could increase the uptake and return of the scheme?

**Ms Andersen:** We have not done any specific modelling, but I know that we have been working with the PRO in relation to what those opportunities to partner might be. There has been work done, for example, with Stadiums Queensland, Queensland Health and a range of others including Education Queensland on what those opportunities might be to partner with and look at the placement of collection points on their premises. It is certainly an area that is ripe for opportunity. As I said, each of those agencies is required to have a waste management plan under the Waste Reduction and Recycling Act, regardless of the container refund scheme. All agencies need to have a plan in place to reduce their overall waste. Having container refund points is a great way to take a waste stream out of that. We have not done the specific modelling. That would be a matter for Coex as well. They have been doing a little bit of that work in the background in terms of partnering with some of those agencies.

**Mr JKELLY:** I know that a lot of the provisions in this bill tend to go to governance, but these were issues and suggestions put forward by multiple submitters that seemed to provide practical advice about how to increase the recycling rates in Queensland. I want to understand why the department has not looked at the recommendation in relation to this matter and provided some advice to government that this should be included in the legislative approach rather than leaving it to the vibe of an organisation that, quite frankly, when we went through the inquiry, showed themselves to have multiple failings and a long history of multiple failings in relation to just getting the vibe right. My question is: why hasn't this been included in the legislation?

**Ms Andersen:** In relation to legislative requirements to participate in the scheme, there is already those legislative requirements to have a waste management strategy for each of those agencies. That gives us, as the lead agency for the waste legislation, the ability to encourage those agencies to adopt the refund scheme through that existing legislation. Our director-general is committed to working with those agencies and seeing how we can support them through that as well to make sure they are doing their part. It will not just be a matter for the PRO to do on their own.

**Mr JKELLY:** 'Encouragement' seems like a pretty weak legislative term. How do you encourage—

**Ms Andersen:** There are also incentives for agencies. They get the actual financial benefit. They can return it into certain programs they may want to do. They can put it back into P&Cs. There are a range of incentives there for agencies to participate already.

**Mr JKELLY:** Other than that, how do you encourage these organisations to participate?

**Ms Andersen:** The flip side of that is the challenges that might be experienced by some agencies around mandatory participation in a scheme where they may not have facilities able to take it. Places like corrections facilities or health institutions have very specific logistical challenges and mandating something like the container refund scheme is going to take time to logistically achieve.

**Mr JKELLY:** You said it is going to take time so has any work actually started towards that?

**Ms Andersen:** Some of the agencies are kind of at the leading edge around that. We have seen container collections roll out in a number of stadiums across Queensland. In Education we have seen a real uptick. There is probably more work to do with Transport and Main Roads. We have had engagement with Health and Corrections but they have expressed that there are some challenges around it at the same time.

**Mr JKELLY:** What about multi-user developments? If I spend time near the member for Southport's wonderful electorate and stay in a large building, I will go down to the basement to get in my car and will see a general waste bin full of cans and bottles. Surely the department could have done something in terms of legislative requirements on large buildings to participate in this program.

**Ms Andersen:** That is probably a separate legislative question to mandating agency involvement in a scheme. That is more about planning rules and making sure that mandating certain commercial collection—

**Mr JKELLY:** Has any work been done on that legislative question?

**Ms Andersen:** It has come up a little bit through some of the broader work that we have been doing around the new waste strategy for Queensland. With population growth in Queensland and the amount of commercial and industrial waste, particularly through things like multi-use dwellings, there is not really strong legislation at the moment to set those standards around source separation and the different collection types that are expected. We are kind of considering that as part of the broader waste strategy work that we are doing.

**Mr J KELLY:** Is there any timeframe on that consideration, given it was a recommendation in this inquiry?

**Ms Andersen:** The recommendation was more about mandating participation by agencies. That would be a separate piece of work around looking at what planning regulations are in place for commercial and multi-use dwellings and building standards effectively, which would need to be done through implementation of our new waste strategy.

**Ms DOOLEY:** This may be captured somewhere, but I have not actually read it. During the inquiry we had a lot of feedback from existing organisations that had variances to their contracts around exclusive geographical boundaries, which caused a lot of consternation and obviously some significant financial ramifications. Is that captured anywhere in the legislation around contracts that Coex would have to have moving forward to protect our existing operators?

**Ms Andersen:** Yes, there are a number of provisions that go to that point. One is a requirement to have standard contracts available and published on their webpage as well so that everyone can see these are the standard agreements that are in place. The other is the requirement to not to act unfairly or discriminatory. Within the regulation as well there will be certain information around standard conditions and not being able to prevent operators from participating in the collection of other waste streams such as batteries, soft plastics or whatever it may be down the track. Those standard agreements cannot prevent people from participating in things. It is giving them the ability to diversify their business and take on board other opportunities at the same time. There are probably three or four aspects across the bill and the regulation that will go to those issues.

**CHAIR:** Is that covered, just broadly, by intent or are there specific clauses in the new legislation that deal with that?

**Ms Andersen:** Yes. As I mentioned in the opening statement, we are finalising a working draft of the regulation and there will be some elements within that as well.

**CHAIR:** So it will be covered by regulation—

**Ms Andersen:** Just that last part of it, which was making sure that standard conditions and contracts cannot prevent people from operating in other waste streams. That will link to the provisions in the bill that are around publishing standard contracts and agreements and not acting unfairly and discriminatory.

**Ms BOLTON:** This scheme is a litter reduction scheme. Bottle caps are always an issue. We pick them up everywhere. Can you outline why lids are only being contemplated when attached to containers and are not being considered as a recyclable item in their own right?

**Ms Andersen:** The bill does include a provision that clarifies that any closures, lids or caps are included as part of a container and can be recycled through the scheme. I know a lot of people across Queensland do take their containers with the lids on and historically what had to happen is that the operators removed the caps and there was a big pile of caps somewhere in a lot of the depots. This will clarify that lids can be returned with the container. We know that a lot of processors can already do that. There may be a handful of regional processors that may need some slight infrastructure upgrades, but we are engaging with Coex and the waste industry around what those needs might be to make sure that that can happen.

In relation to your question around tethered caps, that would be a separate requirement and would be similar to some of our single-use plastics bans that have happened in the past. We would look at whether there is a legislative requirement to have the cap attached. I know the New South Wales government has been consulting on that in the last six months or so and have it on a bit of a road map for some of their single-use plastics bans. Again, that is part of the broader national harmonisation engagement that we are doing. You do not want to have one requirement for beverage manufacturers in New South Wales and another here. It is all the same bottle so one should not be tethered and one untethered. Ideally, we would like to see a harmonised approach across the states for that. We are continuing to engage with those other jurisdictions around it.

**Ms BOLTON:** While we are on harmonisation, how is it going to work if, for example, in Queensland we say, because of the cost, the refund increase is not going to occur but other jurisdictions across Australia have higher refund amounts?

**Ms Andersen:** Nobody else has a higher refund amount at the moment. Everybody has a 10-cent refund.

**Ms BOLTON:** My apologies; I thought there was one.

**Ms Andersen:** That would potentially be an issue. If New South Wales, for example, had a 20-cent refund then we would probably see some leakage from Queensland into New South Wales. That is certainly one of the reasons we want to make sure we continue to have a harmonised approach wherever we can to try to avoid that leakage.

**Mr LEE:** What was the PRO renewal arrangement prior to the introduction of this bill?

**Ms Andersen:** There was no fixed term for the PRO. It was unlimited.

**Mr LEE:** Was this mischief identified in the previous government's review in 2022?

**Ms Andersen:** From memory, no, it was not a specific recommendation. Obviously this came out of the inquiry which made the recommendation for a fixed term of appointment to really encourage that greater performance, scrutiny and accountability. The bill does set a fixed term of seven years. There are also transitional arrangements set out. From commencement of the bill it will be three years, at which point the existing PRO that we have currently will need to reapply for continuing as the PRO.

**Mr LEE:** I am happy to confirm whether or not that mischief was identified in the 2022 government review. In relation to the appointment of a special manager as a method of governance, curiously there is mention of the Queensland casino control legislation. Are you able to elaborate on the operation of this role?

**Ms Andersen:** It did come up during drafting of the bill that there were similar provisions in other statutes, such as the casinos legislation. The intent of it is to provide a bit of an in-between mechanism. Instead of going straight to suspension or cancellation of a PRO, you can step in a little earlier where you have concerns about performance and monitor the affairs of the PRO a bit more closely and check on performance. It allows a special manager to sit on the board, collect information and monitor the affairs of the PRO and report to the minister on those arrangements. It would need to be in a case where the minister was considering taking action to either suspend or cancel that appointment or had serious concerns in relation to the operation of a PRO. It is not as extreme where you want to immediately suspend or cancel, but it gives an opportunity to step in early and see if any of that can be resolved before taking a more extreme step of suspending or cancelling the PRO.

**Mr LEE:** Did you consider any alternate methods of governance and look at other forms of legislation?

**Ms Andersen:** The bill is very much modelled on a lot of the same requirements under the Government Owned Corporations Act. You probably see a lot of that in the statement of corporate intent and the strategic plan and annual performance reporting. A lot of the bill is modelled off those Government Owned Corporations Act arrangements. The government did consider those various options in recommendation 1 from the committee around whether to go to a full statutory authority, a statutory body or a government owned corporation, to keep the existing model or to look at alternatives. The government's view was that they wanted to enhance the existing governance framework rather than start all over again.

I think that was also in recognition of the fact that this is a scheme and arrangement that supports a lot of small businesses in Queensland and a lot of operators and it would be quite disruptive in terms of making really significant changes such as blowing up the PRO and starting over in a statutory authority or moving to some other governance model. It was felt that you could achieve the same outcome without having to go to that extreme, but you could still strengthen the governance and oversight and integrity of the scheme with similar provisions to the Government Owned Corporations Act.

**Dr O'SHEA:** To clarify, will container lids be able to be recycled on their own or only if they are attached to a container?

**Ms Andersen:** Either. It just means that when you are returning it that a container is taken to include the lid. That definition is modelled off the Victorian legislation.

**Dr O'SHEA:** If people have a few bottle tops, would they be able to put those in as well?

**Ms Andersen:** No, it would have to be part of the container, not separate, but you can still recycle them through your yellow-lid bin.

**Dr O'SHEA:** Recommendation 19 was specifically about mandating publishing of data on the proportion of recycled material that was recovered locally. Does anything in the bill address recommendation 19?

**Ms Andersen:** That is one of the recommendations that is covered by the bill. The bill does require the PRO to publish all of the corporate documents that we have mentioned today, but it also requires that the regulation itself, which we will provide to you hopefully next week, provides for some

of the reporting requirements in detail. That will include the volume of different containers, their disposal destination and where they are recycled. There will be greater transparency around what types of materials—aluminium, PET et cetera—and where they are being recycled. That will be stepped out in the regulation so it is really clear.

**Dr O'SHEA:** The bill also enables the minister to withdraw approval for director appointments. What are the reasons that the minister would have to have to withdraw that approval? Is there a right of review or appeal by the director in that position?

**Ms Andersen:** The reason that that has been added in is that, in terms of the Acts Interpretation Act, if you give approval for something you also have the ability to withdraw that approval. This clarifies that the minister has the ability to both approve and withdraw that approval. There is obviously the natural justice process that is provided for in the bill through that as well.

**CHAIR:** In regard to the reporting processes, there seem to be a lot more requirements in terms of what is reported on. Does most of that naturally flow from the minister into the parliament? Would we expect to see annual reports tabled in the parliament detailing some of these things, like the rates of recycling within the state, what is being used, strategic plans and all those matters?

**Ms Andersen:** Because the PRO is not considered a statutory authority, those annual reports are not required to be tabled in parliament. However, they are required to be published on the PRO's webpage they will be publicly available.

**Ms BOLTON:** The bill talks about cost recovery. Is there an example of where this occurs with other entities that the government oversees?

**Ms Andersen:** The cost-recovery elements are really around the department. The additional regulation and oversight of the PRO requires the department to do a fair bit more work in terms of scrutinising that: providing briefs to the minister in terms of appointments, renewals, conditions, compliance. Most of the other schemes around Australia have the same cost-recovery arrangements for their EPAs, or their environment departments, which allows for those costs for oversight of the scheme to be covered by the scheme itself. It is usually included in the scheme pricing. When they calculate the scheme price, it takes into account the cost for departments to do the regulation and oversight as well. In terms of the 13.3 cents that is charged currently for each beverage container, a very tiny amount of that relates to oversight of the schemes by departments.

**CHAIR:** Deputy Chair, a final question?

**Mr JKELLY:** I have a number of questions. Can I put some on notice if we run out of time?

**CHAIR:** Yes.

**Mr JKELLY:** Recommendation 9 was based on reviewing the salary levels, ensuring they were consistent with other statutory authorities. Can you explain why the bill has not provided any meaningful direction or change in relation to this recommendation?

**Ms Andersen:** There is a requirement for a wages and employment policy to be provided as well and there are conditions of appointment currently for the PRO that require that benchmarking of salaries, particularly for board members. It is, to an extent, covered by the existing conditions of appointment and the changes within the bill. Is there anything more that you wanted on that?

**Mr JKELLY:** No, that is fine.

**CHAIR:** We will leave it there. Two questions were taken on notice. You may receive some further questions, subject to the committee's approval. Responses will be required by 10 clock on Wednesday, 15 April. I declare this briefing closed.

**The committee adjourned at 10.16 am.**