Waste Reduction and Recycling (Strengthening the Container Refund Scheme) Amendment Bill 2026

Submission No: 017
Submission By: Waste Management and Resource Recovery
Publication: Making the submission and your name public

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Lodged via online portal

14 April 2026

Dear Mr Molhoek MP

Re: Waste Reduction and Recycling (Strengthening the Container Refund Scheme) Amendment Bill 2026

Thank you for the opportunity to provide feedback on the Health, Environment and Innovation Committee's inquiry into the *Waste Reduction and Recycling (Strengthening the Container Refund Scheme) Amendment Bill 2026* (the Bill). The Waste Management and Resource Recovery Association of Australia (WMRR) is the national peak body representing Australia's $21 billion waste and resource recovery (WARR) industry. With more than 2,300 members from over 400 entities nationwide, we represent the breadth and depth of the sector, including representation from business organisations, the three (3) tiers of government, universities, and Non-Government Organisations (NGOs), including research bodies. In Queensland, WMRR represents over 380 individual members from than 50 entities. In 2025, WMRR made a submission to the Committee's inquiry into the Container Refund Scheme (CRS) and gave evidence at two (2) hearings.

Container Exchange (Qld) Limited (COEX), the not-for profit company that exclusively administers the Scheme as the appointed Product Responsibility Organisation (PRO), is composed of a majority of beverage manufacturer representatives, and has two (2) Member companies, Coke and Lion. The inquiry highlighted that the COEX scheme in Queensland is characterised by a significant imbalance of power, which is manifesting in operator experience as coercive behaviour and, in some cases, bullying. This is compounded in WMRR's view, by chronic under-investment in supply chain infrastructure compared to other east coast jurisdictions. As a result, access to and experience of the Scheme remains inconsistent and, in many metropolitan and regional areas, fundamentally challenging. The inquiry also highlighted that the Scheme has generated $2.5 billion in revenue since inception but has returned less than 40% of that to Queenslanders through refunds, and less than 2% to charities. WMRR has consistently advocated that these issues stem from Queensland's reliance on an entity under the *Corporations Act* 2001 to perform a statutory function - resulting in governance imbalance, regulatory ambiguity, contractual power asymmetry, absence of transparent dispute resolution and misalignment between statutory objectives and operational incentives. In WMRR's view, the inquiry made clear that structural reform is required.

The Bill highlights that the Queensland Government is reluctant to redesign the Scheme, preferring to overlay obligations on the existing Scheme to apply stricter oversight arrangements with a stronger role for the Minister, and increased reporting and transparency. In WMRR's view, independent dispute resolution, and enforceable operator protections must also be captured within the Bill or a similar instrument, otherwise the reforms risk doing little to address the power imbalance the inquiry so clearly articulated, and whilst there may be some

improvement in transparency of the scheme there will not be the substantive change that was clearly highlighted as necessary.

Addressing the governance gap

Queensland's reliance to date on a corporation to perform a statutory function stands in contrast to Western Australia, where their Container Deposit Scheme is structured around a statutory "Coordinator of the Scheme" role embedded in legislation, with clear Ministerial appointment, oversight, and removal powers. WMRR acknowledges that the Bill has adopted a statutory oversight model closer to WA's approach with the intent of imposing governance requirements through Part 5 of the *Waste Reduction and Recycling Act* 2011 (WRR Act). The requirements for the PRO somewhat displace the *Corporations Act* 2001, embedding the legislative requirements for the appointed PRO and expanding Ministerial powers enabling intervention on a case-by-case basis, including:

- Clarification that the Minister may appoint an 'eligible company' carried on other than for the profit or gain of its members, (102AE) which has a constitution and board of directors that comply with and are not contrary to the provisions of the Act (102AF). This should ensure that PRO does not act in a manner that favours the commercial interests of a liable beverage supplier or related entity over the objectives of the scheme. However, to ensure that the Scheme improves environmental and community outcomes, WMRR recommends embedding a clear public-interest test within the Scheme's purpose to ensure alignment between commercial incentives and statutory objectives, particularly in supporting Queensland's transition to increase recycling and work with the broader waste industry as per the objects of the Act.

- Requirements for the composition of the Board (102AG) under which the Board must have nine (9) directors, including at least five (5) independent of the beverage industry. All directors, including a chair independent of the beverage industry, must be approved by the Minister who must also ensure independent directors collectively bring expertise in waste and recycling, local government, community and social enterprise, represent community interests, and have legal or financial experience. WMRR notes that this amendment does not include a genuinely independent chair of the Board appointed by the Minister, like what occurs in WA. Given the amount of concern raised by the Inquiry into the operations of the Board and the Chair in particular, we would contend that Queensland must go further than what is proposed and also have an Independent Chair appointed directly by the Minister as part of the reforms, not simply approved and 'independent of beverage'.

- Additional functions of the PRO for entering into scheme agreements, supporting the development of infrastructure required to transport and recycle waste and other material in Queensland, and supporting environmental and community programs that are related to the Scheme, its intent and its function (102AK) . The PRO must also use reasonable endeavours to establish and maintain a network of refund points for all Queensland communities and must consider the economic viability of the operators of existing container refund points (102AL). WMRR welcomes these obligations noting the existing concerns about network operations and infrastructure investment in Queensland, with the inquiry highlighting that current arrangements are undermining both metropolitan collection efficiency and regional waste and resource recovery systems, particularly those operated by local government. These provisions appear to align with Section 99H(e) of the WRR Act which requires the Scheme to complement existing collection and recycling activities, and we hope if implemented effectively will

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assist to ensure that the Scheme supports, rather than competes with, existing systems and investments.

- The provision for the annual audit of the Board (102CB) to provide regular independent oversight of the PRO and inform the Minister of whether they need to exercise their powers under the WRR Act.

- Requirements for the publication of information, quarterly reports and annual reports on the PRO's website (102CE).

- Placing an obligation on the PRO to act fairly in its dealings with Scheme participants (102BI).

- Establishing grounds for the Minister acting for failing to comply with the Act (102CG) such as by varying or removing a conditions, appointing a special manager, cancelling or suspending the PRO's appointment.

WMRR acknowledges that such provisions (with the addition of an Independent Chair) place positive legislative obligations on the PRO and could act to improve public transparency of the Scheme, and address governance imbalances to improve scheme integrity. Whilst these are definite improvements, Ministerial powers are reactive and exceptional with the other provisions of the *Corporations Act* 2011 continuing to apply, including directors' duties to the company, not the Scheme, and hence the appointment of an Independent Chair will assist in ensuring the statutory oversight to ensure that COEX as the company administering the scheme is clear on its obligations to the scheme not just the company.

Equally important to the Scheme governance are standardised operator contracts with clear and fair, minimum protection (such as payment terms, lawful termination provisions, and safeguards against coercion clauses), and access to independent, binding dispute resolution. Reforms should guarantee fair access and appeal rights for operators and be tied to measurable outcomes such as higher recovery rates, improved regional access, reduced disputes, and stronger operator confidence. With this in mind, WMRR notes the following gaps in Scheme governance which have not been adequately addressed by the Bill.

i. The absence of a transparent dispute resolution mechanisms and enforceable protections

Given that the PRO is not a state entity, dispute resolution is extremely problematic as independent government processes such as the Ombudsman will not apply. The requirements under the Bill – such as the requirement to provide a complaints management framework, clarification that the PRO is a unit of administration for the *Crime and Corruption Act*, and the introduction of fairness obligations – do not clearly establish a binding, independent dispute resolution body in legislation and lacks detail on enforcement, accessibility, and protections for complainants. For example:

- The Bill introduces a "must not act unfairly" obligation and requires the PRO to consider the economic viability of return points yet retains full control over network design and expansion decisions. This does not go far enough, in WMRR's view to address the potential for conflicted decision-making, as the PRO will continue to both plan the network and contract participants.

- The Bill requires that standard conditions and contracts cannot prevent participants from operating in other waste streams, with standard contracts and agreements being published on the websites and the

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requirement for the PRO to not act unfairly or discriminatorily. However, it does not guarantee access rights or appeal pathways.

- The PRO's complaints management framework – although required to be submitted to the Minister – is considered an 'excluded document' and does not require Minister's agreement (102BQ), which suggests that there is no evaluation of whether the complaints framework is workable or adequate. This does little to codify fair treatment obligations for operators.

In WMRR's view, greater obligations are needed to ensure high level 'fairness' principles, to regulate these matters to address the risk of continued commercial pressure, contract instability, and operator exit. As such, WMRR recommends that an independent dispute resolution mechanism be included in the Bill, with words to the effect of:

A person who operates or seeks to operate a refund point may apply to the regulator for resolution of a dispute with the PRO. The regulator may make binding determinations in relation to:

(a) contractual disputes;
(b) payment disputes.
(c) access to the scheme network.

WMRR understands that the Queensland Government will investigate options for a complaints body in relation to the Scheme (this goes beyond contract disputes discussed above), noting there are a range of existing mechanisms in place that deal with elements of the Scheme already, such as the Crime and Corruption Commission (CCC). The proposal to establish an independent review panel to provide a safeguard against unfair and unconscionable conduct was a direct recommendation of the Committee (recommendation 7) whereby the Minister would appoint a panel of legally qualified and experienced experts who are independent of the PRO and of government to hear and decide disputes relating to COEX's decision making, including in relation to scheme agreements, variations and terminations, payments to operators and refund point establishment and maintenance. The panel's costs are proposed to be met by the Scheme. Without enforceability, dispute resolution will fail to restore operator confidence or address systemic power imbalances.

WMRR supports the establishment of an independent review panel but considers it must be legislated, transparent, and empowered to make binding determinations, with:

(a) Independence and capability: chair with administrative law/regulatory experience; members with WARR operations, regional service delivery, finance/audit, and social enterprise/community expertise.
(b) Jurisdiction and enforceability: not purely advisory. Preferred model is binding determinations for disputes, or recommendations with mandatory regulator response within set timeframes.
(c) Protection for complainants: confidential whistleblower process, anti-reprisal protections, ability to accept anonymous reports (with verification).
(d) Publishing de-identified outcomes: publish themes and determinations (de-identified) to clarify expectations and shift behaviour over time.

WMRR also suggests that there is an opportunity to implement transparent, documented governance of roles and responsibilities through these reforms by placing requirements for PRO documents under the Bill (102BO) to clearly delineate responsibilities between:

(a) the regulator

(b) the PRO (COEX)
(c) liable beverage suppliers
(d) refund point operators

This could legislatively codify clear decision rights and limits through defining:

(a) what matters COEX can decide independently,
(b) what requires Ministerial or regulatory approval, and
(c) regulator escalation triggers (i.e.: failure to meet payment timeliness thresholds, spikes in coercion/retaliation allegations, and repeated underperformance).

ii. Transparency improvements do not equate to full accountability

WMRR strongly supports the Bill's requirements for the public reporting of finances, reserves and payments, and operator performance transparency. WMRR notes that because the PRO is not considered a statutory authority, annual reports are not required to be tabled in parliament. However, they are required to be published on the PRO's webpage. However, this will not automatically translate to accountability or behavioural change, and WMRR is concerned that persistent underperformance of the scheme may ensue without meaningful corrective action. As such, given the public interest in the Scheme, and the work done by the Inquiry, we would request that the annual report be tabled in the Queensland Parliament to enable ongoing transparency and monitoring.

The Bill requires the PRO to provide particular documents (102BO) which have been expanded to include:

- a governance and investment plan (which will include the investment and allocation of surplus and retained scheme funds),
- a document setting out a scheme payments and contribution methodology, and
- a network of container refund points plan.

WMRR notes that the reporting obligations could be drafted more clearly and with greater enforceability. Whilst ministerial oversight is appreciated, the transparency of these documents falls short of regulating the use of scheme funds and reserves. Given the inquiry finding that the Scheme has generated $2.5 billion in revenue since inception but has returned less than 40% of that to Queenslanders through refunds, and less than 2% to charities, WMRR recommends that more specific wording is included in the Bill, particularly in relation to the obligation for quarterly reports (102BU) which should explicitly require the PRO to publish the following information on its website:

(a) Scheme revenues and expenditures;
(b) Scheme reserves;
(c) Recovery and recycling rates;
(d) Payments made to refund point operators.

WMRR recommends the introduction of these structured transparency and reporting requirements along with regulated management of scheme reserves. These should be complimented by mechanisms that enable operator experience to influence aspects of the Scheme such as:

(a) Formalised operator and community advisory mechanisms to inform decision-making,
(b) Performance monitoring frameworks incorporating operator experience, and
(c) Mandatory consultation processes for fee and contract changes.

iii. Opportunities for industry and operator advisory mechanisms to inform decision-making of the PRO

Whilst the Board composition requirements are noted, WMRR continues to have concerns that operator voices and knowledge will not be duly considered by the PRO, given that the documents required by the PRO for ministerial oversight do not clearly prescribe a performance management framework inclusive of Scheme participant feedback. Guidance for monitoring such concerns is limited to the PRO's function as including "*to receive and deal with complaints relating to the scheme from members of the public"* (102AK(h)). As such WMRR supports the addition of reportable requirements for the PRO to engage in multi-layered, non-capturable stakeholder oversight that separates advice from control through:

- Statutory operator and community advisory council (non-governing):
  - Establishing a formal advisory body including refund point operators (metropolitan and regional), network operators, recyclers/ reprocessors, local government, and social enterprises/charities.
  - Role: advise on accessibility, service standards, safety and fairness; publish a short annual operator experience report; and review plans submitted by COEX to government prior to government sign-off.
  - This body may also assist in addressing Queensland's lack of investment in aggregation points, re-manufacturing and supply chain capacity.

- Operator voice embedded in performance monitoring:
  - Require structured operator surveys, published with regulatory oversight.
  - Include operator complaint metrics (volume, themes, time to resolution, outcomes) in quarterly reporting.

- Standing consultative process for fee/contract changes:
  - Require formal consultation (and regulator sign-off) before changing handling fees, changing standard terms, or altering network coverage settings. This reduces "surprise" changes that can be experienced as coercive.

iv. Transition requirements

Part 7 allows transition provisions for the PRO, with the current organisation ending its appointment as PRO, three (3) years after the commencement of the Act alongside provision for the constitution to comply within three (3) months and the allowance of transitional regulation making powers (346) within the initial two (2) years of the amendments coming into force. To reduce risk and ensure existing operators continue to have protections and provide continuity of service, WMRR recommends staged commencement, such as:

Stage 1 (0–3 months after assent/decision)

(a) Establish independent panel/adjudicator and complaint pathways
(b) Introduce anti-reprisal protections
(c) Begin baseline reporting

Stage 2 (3–6 months)

(a) Introduce standard contract and prohibited terms
(b) Implement quarterly reporting and audit readiness

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Stage 3 (6–18 months)

(a) Introduce performance targets tied to regulatory triggers
(b) Implement "two-key" approvals for high-impact decisions
(c) Complete first independent review cycle planning

v. *Performance monitoring frameworks incorporating operator experience:*

WMRR recommends a balanced scorecard with leading and lagging indicators and formal operator feedback integration. The documents provided to the Minister as proposed by the Bill should capture the key aspects for the monitoring framework including:

(a) Recovery and recycling performance: container recovery rate; contamination and end-market outcomes.
(b) Accessibility and service: refund point density and coverage; uptime/queue times/customer accessibility measures.
(c) Financial integrity: reserves and cashflow metrics; administrative cost ratio; timeliness of operator payments.
(d) Fairness and conduct: complaints by category; average resolution time; operator satisfaction score; number of upheld determinations by the independent panel.

These should be considered against operator/industry feedback. Suitable mechanisms may include:

(a) Quarterly operator forums (minuted, with published action register);
(b) Annual independent operator survey (third-party run);
(c) Protected whistleblower channel overseen by regulator/independent panel, and
(d) Published "You said / We did" responses.

WMRR trusts that these comments will be considered in the Committee's review of the Bill and welcomes the opportunity to provide evidence at the upcoming hearing. Please contact the undersigned if you wish to further discuss WMRR's submission.

Yours sincerely

Gayle Sloan
Chief Executive Officer
Waste Management and Resource Recovery Association of Australia