Ms Patricia O'Callaghan
Director General
Department of the Environment, Tourism Science and Innovation
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21 October 2026

Dear Ms O'Callaghan

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

The Waste Management and Resource Recovery Association of Australia (WMRR) welcomes the opportunity to provide feedback on the draft *Waste Reduction and Recycling (Strengthening the Container Refund Scheme) Amendment Regulation 2026* {"Amendment Regulation"). The Amendment Regulation focuses principally on stronger oversight of the Product Responsibility Organisation (PRO), greater transparency about scheme performance and material destinations, support for small beverage manufacturers, and fairer contractual arrangements for container refund point and material recovery facility operators - supporting legislative amendments passed on 15 September 2026 and responding to recommendations from the parliamentary inquiry into Queensland's Container Refund Scheme. In participating in this consultation, an Information Paper was provided explaining the proposed regulatory amendments along with the working draft of the proposed Amendment Regulation.

As the national peak body representing Australia's $20 billion waste and resource recovery (WARR) industry with more than 2,300 members from nearly 400 entities nationwide, WMRR reflects the breadth and depth of the waste and resource recovery sector, including representation from business organisations, the three (3) tiers of government, universities, and Non-Government Organisations (NGOs), including research bodies. Based on the most recent available economic assessment, the waste and resource recovery sector contributes $2.02 billion to the Queensland economy annually and employs more than 10,290 people. WMRR represents more than 380 individual members from over 50 organisations across Queensland.

WMRR gave evidence at the parliamentary inquiry into Queensland's Container Refund Scheme and welcomes regulation that support stronger transparency, accountability and fairer contracting. However, WMRR recommends that the following additional safeguards are implemented to ensure transparency and consistency across the scheme in order to deliver measurable improvements in recovery, domestic recycling, community access and commercial fairness across the collection and processing supply chain.

i. Industry participation and network planning needs to be transparent and consistent

The Amendment Regulation (sections 46C–46I,) stipulates that the Product Responsibility Organisation (PRO) must prepare ten (10) annual corporate documents, including strategic, operational, performance, investment, network and complaints-management plans, with drafts submitted to the Minister by 31 March each year. This sense of stronger accountability is welcomed by WMRR, but the plans must deliver measurable improvements rather than simply add further administrative process, further industry engagement must also be built into their preparation.

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The Amendment Regulation should require consultation with refund-point operators, material recovery facilities (MRFs), recyclers, transporters, beverage suppliers and local government before strategic, operational, investment and network plans are finalised or materially amended. Performance measures should cover recovery, recycling, accessibility, efficiency, participant experience and environmental outcomes — not simply the number of containers collected.

WMRR also believes that in the interest of transparency and consistency, the PRO should publish a summary of feedback, its response, and reasons for significant network decisions. Network planning should assess regional, remote and Indigenous community access, travel distances, operating hours, capacity and reliability, alongside effects on existing services and commercial viability.

ii. Scheme outcomes must be measurable and reported consistently

The proposed sections 46C–46F and 46L should require consistent performance indicators and targets for recovery and actual recycling, contamination and disposal losses, service access and downtime, payment accuracy and timeliness, processing and transport efficiency, workplace and battery fire safety, participant satisfaction and complaint resolution. Performance should be independently verified and reported consistently over time.

Section 46F(3) defines return on investment as refunds paid as a proportion of total scheme costs. In WMRR"s view this is a cost-efficiency measure, rather than a complete assessment of scheme value, and should be revised accordingly, in order that necessary expenditure on regional access, safe operations and domestic recycling is assessed fairly, which should also be considered alongside environmental and service measures.

iii. Amendment Regulation should ensure verified material flows and public reporting rather than allude to assumed circular outcomes

WMRR supports reporting by material, local government area and recycling destinations. However, section 46L(1)(e) measures containers ‘sent’ for recycling’, which does not establish how much material is ultimately recovered or used in manufacturing nor does it distinguish between activity in Queensland, elsewhere in Australia or overseas. One of industries ongoing criticisms of this scheme is the lack of remanufacturing investment in Queensland due to its design compared with other states- efforts must be made to drive this investment and Queensland jobs.

In WMRR’s view, the Amendment Regulation should**:**

- Require material-flow reporting that identifies collection, contamination and rejects, sorting or beneficiation, reprocessing into secondary raw material, use in domestic manufacturing, exports and disposal, including reasons for losses.
- Establish downstream traceability and independent data assurance, with clear treatment of estimates, stockpiles and reporting-period differences.
- Protect legitimate commercial confidentiality while publishing sufficient detail to assess performance.
- Enable the publishing comparable historical data where reliable records exist, with any limitations explained, so that performance trends remain visible during transition (section 46M and section 119).

iv. *Transparent funding and accountable investment should be captured in sections 46B, 46G, 46H, 46L and 46M*

WMRR supports disclosure of scheme cost calculations, payments and proposed use of surplus funds, and would like to see these requirements further strengthened by publishing financial information sufficient to reconcile contributions, material-sale and other revenue, administration expenditure, supply-chain payments, reserves, surplus balances and investment. As drafted, section 46M does not list the budget as a standalone publication item – in WMRR's view it should require publication of an appropriately detailed budget and explanations of material variances between budget and actual expenditure.

Similarly, the prescribed contents of the governance and investment plan in section 46G currently focuses on infrastructure, environmental programs and surplus use. These should be expanded to address standard governance safeguards such.as requiring a gifts and benefits policy (rather than making reporting under section 46L(1)(b) conditional on one (1) existing). Transparent investment and procurement criteria, conflicts-of-interest controls, related-party transaction disclosure and independent scrutiny of significant investment decisions should also be required as part of what WMRR considers standard good governance practice.

Given the governance issues raised within the parliamentary inquiry, the Amendment Regulation should also require a justified financial reserves policy and transparent plans for applying surplus funds to agreed scheme purposes, with safeguards against accumulation beyond reasonable operational and investment needs. Scheme funds should address demonstrated collection, processing, safety, access and market-development gaps. Investment should complement commercial capacity and avoid unfairly displacing established operators.

v. *Fair payments and contractual protections musts be prioritised*

Making agreement terms ineffective where they conflict with corporate documents is welcome, but consistency with PRO documents does not itself ensure fair commercial outcomes. The proposed section 46H and amendments to Schedules 6–8 under clauses 17–19 should require transparent payment methodologies, independent cost benchmarking, regular review and indexation that recognise efficient collection, transport, sorting and processing costs, including regional service requirements.

Standard terms should provide timely payment and reconciliation, balanced allocation of contamination, commodity-price and volume risks, proportionate audit and information obligations, reasonable notice of variations and termination, fair renewal arrangements and appropriate recognition of operator investment. Include express protection against discriminatory treatment and an affordable mechanism to challenge payment calculations and contractual decisions.

vi. *Independent complaints and dispute resolution mechanisms must be transparent and consistent*

WMRR supports a published complaints framework and performance standards. The proposed sections 46F(1)(c), 46K and 46L(1)(a)(iv) should also require clear acknowledgement and resolution timeframes, reasons for decisions, accessible escalation and independent external review. The pathway should cover operators, MRFs, other service providers, beverage suppliers and consumers, including disputes about payments, contracts and network decisions.

In WMRR's view, complaint categories, resolution times, outcomes and overdue matters, should be reported while protecting confidential information. Participants must be able to raise concerns without adverse treatment. A reduction in complaint numbers should not, by itself, be treated as evidence of better

performance; reporting should also assess accessibility, satisfaction and whether underlying problems were resolved.

vii. Additional collection services and small producer relief

In principle, WMRR supports preventing restrictions on operators providing other waste services, as we recognise the importance of colocation and incentivise take back schemes, to drive increased source separated recovery. These changes should preserve operator choice and should not create an obligation to accept additional products. By taking this approach, refund points (where appropriate) have a real opportunity to provide community services and incentivise the recovery of other waste streams in one location, subject to the sites being appropriately licensed.

All co-collection schemes such as batteries, soft plastics or other products would be subject to separate funding and must be subject to appropriate approvals, storage, handling, transport, fire prevention and emergency-response arrangements, insurance and clear liability. This is especially important for lithium-ion batteries, which create significant fire risks for collection, and recognising that these sites are in fact accepting in some instances licensed waste materials.

WMRR also supports proportionate relief for genuinely small beverage manufacturers, subject to transparent eligibility and funding arrangements. Section 35A excludes amounts relating to the first 20,000 beverage products manufactured in a financial year. WMRR recommends that the Amendment Regulation goes further to explain the basis for this threshold and clarify how existing eligibility rules apply to related entities and contract manufacturing, how claims will be verified, and whether exemptions may be transferred or carried forward. DETSI should disclose the expected contribution shortfall and how it will be funded. –relief must not reduce payments to collection, transport, sorting or recycling providers or shift unfunded costs onto them.

viii. DETSI should clarify transition requirements and publish an implementation timetable

WMRR notes that section 120 limits the amended standard terms to agreements entered into after commencement. This could leave existing participants without the strengthened protections for an extended period. In WMRR's view, a defined transition period and a process for reviewing and updating existing agreements must be established, with clear treatment of renewals, extensions and variations and protection for legitimate existing investments.

As such, before commencement, DETSI should:

- publish an implementation timetable, reporting definitions, data-assurance guidance and model agreement terms; and,
- assess compliance costs across the supply chain and allow sufficient time for systems, contracts and operating procedures to be updated.

WMRR seeks these changes so that greater disclosure is supported by fair payments, accountable decisions and enforceable protections for the businesses delivering the scheme. The final framework must improve verified recycling and access without transferring unfunded costs or safety risks to waste and resource recovery operators.

WMRR supports reforms that strengthen the transparency, accountability and performance of Queensland's Container Refund Scheme. However, additional plans and reporting requirements will only be effective if they produce measurable improvements in recovery, domestic recycling, regional access and commercial fairness across the collection and processing supply chain. We also wish to reiterate that

to achieve these changes not just in theory, but practically, it will be necessary for a cultural change at COEX, which in our view requires as a priority, a new genuinely independent chair, particularly given the adverse commentary in the parliamentary inquiry report.

Finally, the final regulation should require meaningful industry consultation, independently verified material-flow data, transparent reinvestment of scheme funds and fair contractual protections for collection point operators, material recovery facilities and recyclers. It must also ensure that small-producer concessions and the collection of additional products do not transfer unfunded costs or safety risks to waste and resource recovery operators.

Please contact the undersigned if you wish to further discuss WMRR's comments.

Yours sincerely



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