

**Government response to the Agriculture and Environment Committee report into the Waste Reduction and Recycling Amendment Bill 2017**

<b>Recommendation</b>	<b>Response</b>	<b>Rationale</b>
<p><b><i>Recommendation 2</i></b> The committee recommends that the Bill be amended to mandate the inclusion of a recycling industry representative on the board of the Product Responsibility Organisation (PRO).</p>	<p>This recommendation is partially accepted.</p>	<p>The Government agrees with the committee's view that the recycling industry will play an important role in the implementation and functioning of the proposed Container Refund Scheme. The Government notes that section 99H(e) of the Bill includes as an objective of the Bill the need to complement existing collection and recycling activities.</p> <p>The Government also supports the committee's view that inclusion of a recycling industry representative on the board of the Product Responsibility Organisation (PRO) would ensure balanced representation.</p> <p>The Government is proposing to achieve the aim of this recommendation by amending the Waste Reduction and Recycling Regulation 2011 (the regulation) to include criteria in relation to PRO Board membership that will ensure that at least one of member of the board will have knowledge and experience of the waste and recycling industry. The criteria in the regulation will also ensure there is a member or members on the PRO board that bring knowledge and experience of the local government and not for profit sectors.</p> <p>It is important to note that the Container Refund Scheme is designed to create the potential for members of the waste industry to compete for revenue through the scheme. This opportunity is also available to other sectors such as local government and the not for profit sectors, but is not available to the beverage industry as the beverage industry must fund the scheme and the PRO itself cannot distribute a profit to members.</p>

		<p>Any person who is able to earn revenue through the scheme has a pecuniary interest which would create a potential conflict of interest if they were a PRO board member. The amendments to the regulation will avoid this potential conflict of interest by specifying that a PRO Board member may not be currently employed by a waste or recycling company, local government or not-for-profit organisation. This will not preclude a person who has knowledge and experience of those sectors from being a PRO Board member, and, as noted above, the regulation will be amended to ensure this knowledge and experience is brought to the PRO board.</p> <p>These criteria will also be stated in a pre-application information request which will be provided to the beverage industry. This will ensure that the beverage industry understands these requirements in relation to the establishment of the PRO and the make-up of its Board.</p>
<p><b>Recommendation 3</b></p> <p>The committee recommends that the Minister report to the committee on progress in reaching relevant benchmarks within two years of commencement of the Container Refund Scheme.</p> <p>The benchmarks should include:</p> <ul style="list-style-type: none"> <li>• Key performance indicators for the Container refund Scheme and Product Responsibility Organisation, including a container recycling target, a convenience and accessibility target in relation to the availability of container refund points, and targets relating to social enterprise and innovation and technology outcomes, and</li> <li>• The appropriate timeframe in which those targets are required to be achieved.</li> </ul>	<p>This recommendation is accepted.</p>	<p>The regulation will include a container recycling target as well as a target for the establishment of a minimum number of container refund points. The PRO will be required to provide information about how these targets will be met and the timeframes for delivering community accessibility, engaging with social enterprise organisations and how and within what timeframe innovation and technology will be incorporated into the scheme implementation.</p> <p>It is also likely that continuous improvement targets will also be included in relation to innovation and technology as new and more efficient technologies are likely to be developed.</p>

<p><b><i>Recommendation 4</i></b></p> <p>The committee recommends that the Minister specify in regulation those benchmarks referred to in Recommendation 3.</p>	<p>This recommendation is accepted.</p>	<p>Amendments to the regulation will contain targets in relation to the benchmarks outlined in recommendation 3. The Minister's letter of invitation and appointment conditions will also state that the PRO must develop a strategy and timeframes for meeting these targets and for ensuring that the rates are maintained.</p> <p>The following targets may be proposed for inclusion in the regulation:</p> <ul style="list-style-type: none"> <li>• Container recycling rate</li> <li>• Container refund point accessibility</li> <li>• Innovation and technology</li> <li>• Social enterprise engagement</li> </ul>
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