



# Queensland Government Response

## Parliamentary Inquiry into improving Queensland's container refund scheme

March 2026

Queensland Legislative Assembly	
Number:	5826T 417
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MP:	Hon Powell
Clerk's Signature:	
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Prepared by: Office of Waste Reduction and Recycling  
Department of the Environment, Tourism  
Science and Innovation.

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*The Department of the Environment, Tourism, Science and Innovation acknowledges Aboriginal and Torres Strait Islander peoples as the Traditional Owners and custodians of the land. We recognise their connection to land, sea and community, and pay our respects to Elders past and present.*

*The department is committed to respecting, protecting and promoting human rights, and our obligations under the Human Rights Act 2019.*

March 2026

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## Background

On 20 February 2025, the Hon Andrew Powell MP, Minister for the Environment and Tourism and Minister for Science and Innovation announced an inquiry (the inquiry) into improving Queensland's container refund scheme (the scheme). The Legislative Assembly agreed to a motion that the Health, Environment and Innovation Committee (Committee) inquire into and report on Improving Queensland's container refund scheme.

The terms of reference for the Committee to report on included:

1. The current state and operation of Queensland's container refund scheme and its efficiency and effectiveness in meeting the scheme's objects as outlined in section 99H of the *Waste Reduction and Recycling Act 2011*.
2. The efficiency and effectiveness of the scheme's administration by Container Exchange (Qld) Limited (COEX) as the appointed Product Responsibility Organisation (PRO) under the *Waste Reduction and Recycling Act 2011*, including:
  - a. Its progress towards achieving the container recovery rate of at least 85 per cent for each financial year.
  - b. The availability of refund points across Queensland to provide the community with access to a place to return empty beverage containers in exchange for a refund.
  - c. The final processing and utilisation of recycled products, ensuring transparency and public oversight.
3. Whether the scope and objectives of the scheme remain fit for purpose and meet the needs of all Queenslanders, noting the Queensland government's ongoing support for the scheme.
4. Ensuring the appropriateness of governance arrangements, structures and expenditure (including sponsorship).
5. Any other relevant matters.

The Committee's Inquiry was the first comprehensive review of the scheme since its commencement in 2018.

The scheme provides Queenslanders with an incentive to collect and return containers for recycling in exchange for a 10 cent refund payment. The scheme is designed to reduce the amount of drink containers that are littered and increase Queensland's recycling rate. It also seeks to provide benefits to social enterprises and communities across the State by creating new jobs, recycling and fundraising opportunities.

The Committee tabled its report in Parliament on Thursday 16 October 2025.

The Committee's report was informed by more than 119 submissions and multiple public and private hearings.

## Findings

The inquiry found that since its inception, the scheme has enjoyed strong community support. Further, the scheme has delivered tangible benefits for Queenslanders including an increase in the container recovery rate from 18 per cent prior to commencement to 67.1 per cent for the financial

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year ending 30 June 2025 and a 60 per cent reduction in beverage container litter. While the scheme coordinator exceeded the target of 307 container points, the legislated 85 per cent recovery rate was unmet.

The Inquiry found a number of concerning aspects of the scheme including:

- weaknesses in governance and oversight of the scheme
- issues with the make up of the COEX board
- concerns about the governance practices of the scheme coordinator and its relationship with container refund point operators
- surpluses held by the scheme coordinator, which are used to offsets costs for the beverage industry rather than reinvested to improve the scheme or provide benefits to environmental or charitable programs
- structural issues with the scheme, including no tender process for the scheme coordinator and control heavily in favour of the beverage industry
- lack of accountability and transparency around the scheme coordinator
- absence of a safe, transparent complaints process.

Of particular concern was the fact 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.

The Inquiry also heard allegations of conflict of interest, unfair contracts, misleading conduct, bullying and harassment and has referred 10 matters to the Crime and Corruption Commission (CCC) for further investigation. Given these matters are to be considered by the CCC, it would be inappropriate to comment on them further and they are not addressed in this Government Response.

## Recommendations

The review made 21 recommendations aimed at improving governance, transparency, and accountability of the container refund scheme to improve its efficiency and effectiveness, and in turn, ensure public confidence in the scheme.

Key recommendations summary:

- Stricter oversight arrangements for the scheme coordinator (similar to those which apply to statutory authorities).
- A stronger role for the Minister, including in appointing all board members, setting a fixed term for appointment of the scheme coordinator and regularly renewing board composition.
- New powers for the Minister to approve, conditionally, a plan for investment and allocation of the scheme coordinator's surplus and retained funds, and to direct that its wage and remuneration policies.
- Ensuring the scheme coordinator is subject to an independent, external complaints process.
- Considering referring an increase in the container refund amount, and a rebate or exemption for small beverage producers, to the Queensland Productivity Commission.
- Increased transparency, including reporting on how much materials are recycled locally and publication of strategic and operational plans.

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- Consideration of expansion of eligibility of containers, collection and recycling of eligible container lids, and opportunities to increase sustainable participation in the scheme.
  - Assessment of the feasibility of collection of soft plastics, batteries and other recyclable items at container return points, to facilitate their recycling.
  - Consideration of the appropriateness of a regulated scheme container recovery rate, and a mechanism to improve performance.
  - Other measures to strengthen legislative safeguards and build recycling capacity.

## Government response

The Queensland Government welcomes the findings and recommendations of the Inquiry.

The government has strong support for the scheme and the benefits it can provide to the people of Queensland.

But it is clear that things need to change.

The government supports the majority of the recommendations, with the exception of recommendation 11 which suggested considering an increase to the refund amount. The Queensland Government has already ruled out increasing the refund amount given that these costs are likely to be passed onto Queenslanders.

A total of 17 recommendations are supported and three are supported in principle.

Many of the recommendations will require legislative changes. The Queensland Government will progress legislative changes to strengthen governance and oversight of the scheme as a matter of urgency.

Details of the government's response to each of the recommendations are provided in Table 1.

**Table 1: Detailed response to recommendations**

No.	Recommendation	Government Response	Comment
1.	<p>That the Minister for the Environment and Tourism and Minister for Science and Innovation consider amending the <i>Waste Reduction and Recycling Act 2011</i> to:</p> <ul style="list-style-type: none"> <li>a. ensure the existing scheme coordinator is subject to stricter oversight requirements commensurate to those which apply to statutory authorities responsible for handling public funds</li> <li>b. provide for the construction of the scheme coordinator as a Unit of Public Administration by regulation, and/or</li> <li>c. another governance model which would better serve the objects of the scheme and the public interest.</li> </ul>	Supported	The Queensland Government will progress legislative amendments to the <i>Waste Reduction and Recycling Act 2011</i> to strengthen oversight of the scheme and to clarify that the scheme coordinator is a Unit of Public Administration for the purposes of the <i>Crime and Corruption Act 2001</i> .
2.	<p>That the Minister for the Environment and Tourism and Minister for Science and Innovation consider amending the <i>Waste Reduction and Recycling Act 2011</i> to require Ministerial approval of all appointments to the scheme coordinator Board and ensure the Board's composition equitably demonstrates expertise in waste and recycling, local government, community and social enterprise capability, alongside small and large beverage manufacturers.</p>	Supported in principle	The Queensland Government will progress legislative changes to the <i>Waste Reduction and Recycling Act 2011</i> to provide for Ministerial approval of particular appointments to the Board of the scheme coordinator.
3.	<p>That the Minister for the Environment and Tourism and Minister for Science and Innovation consider amending the <i>Waste Reduction and Recycling Act 2011</i> to provide for a fixed term for the scheme coordinator's appointment, and include mechanisms for regular renewal of its Board.</p>	Supported	The Queensland Government will progress legislative changes to the <i>Waste Reduction and Recycling Act 2011</i> to provide for a review of the scheme coordinator's appointment every seven years and include mechanisms for regular renewal of the Board.

No.	Recommendation	Government Response	Comment
4.	That the Minister for the Environment and Tourism and Minister for Science and Innovation consider amending the <i>Waste Reduction and Recycling Act 2011</i> to require the scheme coordinator to publish its strategic and operational plans, immediately upon approval by the Minister.	Supported	The Queensland Government will progress legislative changes to the <i>Waste Reduction and Recycling Act 2011</i> and the Waste Reduction and Recycling Regulation 2023 to provide for the publication of strategic and operational plans relating to the scheme.
5.	That the Minister for the Environment and Tourism and Minister for Science and Innovation consider amending the <i>Waste Reduction and Recycling Act 2011</i> to require the Minister to approve, subject to any conditions, a governance plan for investment and allocation of surplus and retained scheme funds.	Supported	The Queensland Government will progress legislative changes to the <i>Waste Reduction and Recycling Act 2011</i> to require the scheme coordinator to submit a plan for investment of surplus funds to the responsible Minister for approval as part of a Governance and Investment Plan. The plan will be required to be published along with other strategic and operational plans.
6.	That the Minister for the Environment and Tourism and Minister for Science and Innovation notify the national Environmental Ministers Meeting (EMM) of the findings of this inquiry.	Supported	The Minister for the Environment and Tourism and Minister for Science and Innovation will advise Environment Ministers of the findings of the Inquiry.
7.	That the Minister for the Environment and Tourism and Minister for Science and Innovation ensure that the scheme coordinator is subject to an independent, external complaints body to mitigate the potential for unlawful and unethical conduct in the scheme.	Supported	<p>The Queensland Government acknowledges the importance of having dispute resolution and complaints pathways in relation to the operation of the scheme.</p> <p>The Queensland Government will investigate options for a complaints body in relation to the scheme, noting there are a range of existing mechanisms in place that deal with elements of the scheme already.</p>
8.	That the Minister for the Environment and Tourism and Minister for Science and Innovation consider the issue of an effective mechanism for improving the scheme container recovery rate, and whether a regulatory target is appropriate.	Supported	The Queensland Government will progress legislative changes to the <i>Waste Reduction and Recycling Act 2011</i> to provide for additional performance metrics ensuring there is continued improvement towards the scheme's recovery rate.

No.	Recommendation	Government Response	Comment
9.	That the Minister for the Environment and Tourism and Minister for Science and Innovation direct the scheme coordinator to ensure its wage and remuneration policies are commensurate to those that apply to statutory authorities.	Supported	The Minister for the Environment and Tourism and Minister for Science and Innovation provided updated conditions of appointment to COEX as the scheme coordinator in April 2025, which requires COEX to establish and maintain a committee of the Board responsible for managing the remuneration, nomination, succession and appointment of directors of the Board and that COEX must benchmark remuneration of directors every three years. The Minister has approved the policies provided by COEX as part of their updated appointment conditions and COEX is required to benchmark the remuneration of directors every three years.
10.	That the Minister for the Environment and Tourism and Minister for Science and Innovation consider adopting legislative safeguards similar to those that exist in Western Australia, including safeguards that: <ul style="list-style-type: none"> <li>a. prohibit unfair and discriminatory conduct by the scheme coordinator, and</li> <li>b. require the scheme coordinator to consider the economic viability of existing return points, including when making decisions about scheme expansion.</li> </ul>	Supported	The Queensland Government will progress legislative changes to the <i>Waste Reduction and Recycling Act 2011</i> to adopt legislative safeguards to prohibit unfair or discriminatory conduct by the scheme coordinator, and to require the scheme coordinator to consider the economic viability of existing return points, including when making decisions about scheme expansion.
11.	That the Minister for the Environment and Tourism and Minister for Science and Innovation consider referring the issue of an increase in the container refund amount to the Queensland Productivity Commission for reporting.	Not supported	The Queensland Government has ruled out an increase to the refund amount at this time and does not support this recommendation.  As the Committee points out, increasing the refund amount would likely increase the costs of the scheme and ultimately be passed on to consumers, which could add further to cost of living pressures.
12.	That the Queensland Government consider opportunities to increase sustainable participation in the container refund scheme, by implementing strategies to:	Supported	The Queensland Government will continue to explore opportunities to increase sustainable participation in the container refund scheme. To support this, the Department of the Environment, Tourism, Science and Innovation will lead a cross-agency working group to

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	<ul style="list-style-type: none"> <li>a. increase scheme participation in corporate and government workplaces, and multi-unit dwellings</li> <li>b. increase the number of reverse vending machines</li> <li>c. examine the impact of local government planning processes on scheme expansion.</li> </ul>		<p>identify practical measures that can improve access, awareness, and long-term engagement within the Queensland Government.</p> <p>The Queensland Government acknowledges that development approvals are currently required for some container refund points, including reverse vending machines (RVMs). These approvals are generally the responsibility of the relevant local council. As such, the Government considers discussions regarding specific RVM locations to be matters for local councils and COEX to progress collaboratively.</p>
13.	<p>That the Minister for the Environment and Tourism and Minister for Science and Innovation ensure integration of the container refund scheme within the broader policy settings to be adopted by the new <i>Queensland Waste Strategy 2025–2030 – Less Landfill, More Recycling</i>.</p>	Supported	<p>The new Queensland Waste Strategy will be released by the Queensland Government shortly and will integrate the container refund scheme into broader waste policy settings to maximise recycling of containers and reduce landfill.</p>
14.	<p>That the Minister for the Environment and Tourism and Minister for Science and Innovation consider expanding the eligibility of containers in the scheme.</p>	Supported in principle, subject to further regulatory impact analysis	<p>The Queensland Government will consider expanding the scope of the scheme at an appropriate time.</p> <p>The government will also consider any Commonwealth proposal for harmonisation of schemes across Australia, provided that it delivers benefits for Queenslanders and does not increase costs for Queenslanders.</p> <p>It should be noted that expansion of the scheme to include things like smaller containers (e.g. drinking yoghurt) or larger containers (e.g. 2 or 3 L cordial or milk bottles), would likely be subject to a regulatory impact assessment process, given the additional costs for those beverage producers.</p>

No.	Recommendation	Government Response	Comment
15.	That the Minister for the Environment and Tourism and Minister for Science and Innovation consider amending the <i>Waste Reduction and Recycling Act 2011</i> to allow eligible container lids to be collected and recycled through the scheme.	Supported	The Queensland Government will progress legislative changes to the <i>Waste Reduction and Recycling Act 2011</i> to enable eligible container lids to be collected and recycled through the scheme.
16.	That the Minister for the Environment, and Tourism and Minister for Science and Innovation conduct a feasibility study regarding the use of container return points to facilitate the collection and recycling of soft plastics, batteries and other recyclable items.	Supported in principle	<p>The Queensland Government acknowledges the important role that container refund points play as a statewide network of accessible collection hubs. This network presents an opportunity to expand collection activities beyond beverage containers to include a broader range of recyclable materials. Enabling the collection of additional material types would not only enhance resource recovery but also provide meaningful diversification opportunities for refund point operators.</p> <p>It is recognised, however, that different waste streams have unique handling requirements and logistical considerations. As such, any future expansion of materials collected through refund points cannot adopt a one-size-fits-all approach. Factors such as safety, contamination risks, storage needs, and transport efficiencies must be considered to ensure that each waste stream is managed in a way that is commercially viable and operationally practical for refund point operators.</p> <p>To progress this initiative, the Queensland Government will encourage discussions between the waste industry and COEX to assess stakeholder interest and determine whether a formal feasibility study is required, or whether location-based opportunities can be pursued directly.</p>

No.	Recommendation	Government Response	Comment
			The Queensland Government will progress legislative changes to the <i>Waste Reduction and Recycling Act 2011</i> that will ensure operators are not prevented from being able to collect materials other than just containers under the <i>Waste Reduction and Recycling Act 2011</i> .
17.	That the Minister for the Environment, and Tourism and Minister for Science and Innovation consider referring the issue of a rebate or exemption that reduces the financial impact of the container refund scheme on small beverage producers, to the Queensland Productivity Commission for reporting.	Supported	The Queensland Government acknowledges the issues facing small beverage manufacturers. Rather than referring the matter to the Queensland Productivity Commission, the Government will proceed directly with legislative amendments to the <i>Waste Reduction and Recycling Act 2011</i> and the Waste Reduction and Recycling Regulation 2023. These amendments will ensure that scheme pricing takes account of impacts on small beverage producers and allow for an exemption for small beverage manufacturers for a certain number of containers produced.
18.	That the Minister for the Environment, and Tourism and Minister for Science and Innovation consider amending the <i>Waste Reduction and Recycling Act 2011</i> to mandate the scheme coordinator to invest in and support initiatives to build recycling capacity in Queensland.	Supported	The Queensland Government will progress legislative changes to the <i>Waste Reduction and Recycling Act 2011</i> to make it clear that functions of the scheme coordinator include supporting recycling infrastructure and community initiatives.
19.	That the Minister for the Environment, and Tourism and Minister for Science and Innovation consider amending the <i>Waste Reduction and Recycling Act 2011</i> to expressly mandate the scheme coordinator to publish more detailed data about the proportion of recovered materials that are recycled locally.	Supported	The Queensland Government will progress legislative changes to the <i>Waste Reduction and Recycling Act 2011</i> and Waste Reduction and Recycling Regulation 2023 to require greater reporting by the scheme coordinator about the proportion of recovered materials recycled locally and/or domestically.
20.	That the Minister for the Environment, and Tourism and Minister for Science and Innovation direct the scheme coordinator to ensure the process it uses for the sale of	Supported	The Queensland Government supports maximising local recycling of material collected through the scheme where possible.

No.	Recommendation	Government Response	Comment
	Polyethylene terephthalate (PET) scheme materials gives adequate consideration to domestic processing capability, the likely end use of the product, employment outcomes and environmental benefits.		The Queensland Government will progress legislative amendments to promote local or domestic recycling of products collected through the scheme under the <i>Waste Reduction and Recycling Act 2011</i> .
21.	That the Queensland Government continue to invest in building Queensland's recycling capabilities, including supporting innovations that improve the quality of recycling materials recovered by Materials Recovery Facilities, and encouraging initiatives that increase the proportion of eligible containers recycled locally.	Supported	<p>The Queensland Government is continuing to invest in the recycling infrastructure needed to divert waste from landfill and boost recycling rates.</p> <p>The government is funding a range of programs like the \$130 million Resource Recovery Boost Fund, which will support councils investing in the infrastructure they need to boost recycling.</p> <p>The government will continue to support programs that support waste technology innovation.</p>

## Next steps

The Queensland Government is committed to the container refund scheme and ensuring Queenslanders can participate across the State.

The Queensland Government will progress legislative changes to the *Waste Reduction and Recycling Act 2011* and Waste Reduction and Recycling Regulation 2023 as a matter of priority to deliver changes that focus on urgently addressing governance and oversight of the scheme.

The Government will continue consulting with the wider community prior to the implementation of the Inquiry recommendations. Implementation of recommendations may be subject to development of detailed proposals, further stakeholder consultation and/or consideration of regulatory impact assessment.

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