

Peter Wadewitz | Chair |

Australian Organics Recycling Association Ltd

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26 April 2018

Ms Tessa Cramond
Analyst, Adjudication, Mergers and Authorisation Review Division
Australian Competition and Consumer Commission
Level 17/2 Lonsdale Street
Melbourne VIC 3000

By email: adjudication@accc.gov.au
Cc: Tessa.cramond@accc.gov.au

Dear Ms Cramond,

Re: AA1000414 - Council Solutions & Ors

The Australian Organics Recycling Association is the peak body for the organics recycling industry in Australia.

Our membership includes recycled organics processing operators, state and local government representatives and industry stakeholders including individual and student members and those representing associated industry organisations.

Around half of all material destined for landfill is organic. In Australia, this represents around 19 million tonnes annually. The recycled organics industry currently processes around 6 million tonnes annually and is seeking to increase this volume by diversion into beneficial reuse as soil conditioners, composts and mulches. Where policies, practices and technologies allow, every kilogram has potential for beneficial reuse, taking organic material back to agricultural and other soils where it is increasingly needed.

Joint procurement of waste and recycling services by local governments provides an opportunity to for councils to generate cost savings and efficiencies. However, procurements of this nature can be poorly structured and can have the potential to see the the many strategies being taken by the industry to increase organic waste diversion and to reduce contamination levels, undermined.

We applaud the ACCCs decision to deny authorisation to Council Solutions under their original application (ACCC Authorisation A91520), based on the likelihood of reduced competition and the lack of clear public benefit.

It is our strong belief that the amended application provides no further evidence that would suggest that the public benefit outweighs any public detriment.

AORA has canvassed the views of its members with regard to the application and are of the view that ultimately, the reduction of competition presents a significant risk to the sector which is not offset by any genuine benefits.

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Yours Sincerely	

Peter Wadewitz Chair, AORA