

SENATOR **John Williams**

Senator for NSW | The Nationals Whip in the Senate

21st August 2018

Mr Rod Sims
Chairman
Australian Competition and Consumer Commission
GPO Box 3131
CANBERRA ACT 2601

Dear Mr Sims, *Rod,*

I write on behalf of the Waste and Recycling Association of South Australia (WRASA) representing 24 waste companies of all sizes in South Australia.

WRASA has raised with me its concerns regarding the recent Draft Determination and Interim Authorisation by the ACCC for an application lodged by Council Solutions.

I am advised that Council Solutions, originally established by a group of 6 Councils in Adelaide as a procurement group, has submitted an application to the Australian Competition and Consumer Commission (ACCC) on behalf of the Adelaide City Council, the City of Charles Sturt, City of Marion and the City of Port Adelaide Enfield (a non-constituent member). This group was established to conduct collaborative competitive tenders, evaluate responses in collaboration with each other and jointly negotiate a contractual framework for its proposed activities being kerbside waste collection and bin supply. I am advised 3 of the constituent member Councils of Council Solutions have elected to not be involved in this waste application.

I am also advised by my office the ACCC granted interim approval on 20 July 2018 for the proposed activities in the application by Council Solutions.

I have been informed that a similar application by Council Solutions in 2016 to the ACCC was dismissed noting in its final determination that there would not be a net public benefit as a result of the proposed conduct and that such a proposal would lessen competition in the Adelaide waste industry.

The ACCC also found in its 2016 determination there would be no reduced transportation costs.

I understand the new application submitted to the ACCC by Council Solutions is materially similar and fails to address the bulk of the issues raised by the ACCC in 2016.

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I am told that the four Councils comprise 180,000 tenements which will make this one of the largest kerbside collection tenders in Australia and that the four Councils are not all clustered together.

WRASA advise that the four Councils are spread over three Adelaide waste precincts which could undermine future waste infrastructure planning.

WRASA considers that the consequences of the proposed activities by Council Solutions will result in no net public benefit and are likely to result in the closure of small businesses, a loss of local jobs, less competition and the potential for poorer service and increased costs per Council to procure waste services.

I take this opportunity to thank you for your consideration of the concerns I have raised.

Yours sincerely



John R Williams
The Nationals Senator for NSW
The Nationals Whip in the Senate