



**Australian  
Competition &  
Consumer  
Commission**

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Our Ref: C2005/524  
Contact Officer: Cameron Martin  
Contact Phone: 02 6243 1107

5 May 2005

Mr Dennis Martin  
Snedden Hall & Gallop  
GPO Box 794  
CANBERRA ACT 2601

Dear Mr Martin

**Application for revocation of authorisation A90871 and substitution by  
replacement authorisation A90963 lodged by AgSafe Ltd**

I refer to the above mentioned application for revocation and substitution of authorisation lodged with the Australian Competition and Consumer Commission (the ACCC) on 18 March 2005.

*Request for further information*

The ACCC is in the process of assessing AgSafe's application but requires further information in order to complete its assessment, in particular:

1. The ACCC is seeking an estimate of the amount of money likely to be collected annually by AgSafe under the levy from containers that are eligible for collection under the *drumMUSTER* program, but contain products that are not eligible for collection under the ChemClear chemical collection program.
2. In previous authorisations, AgSafe has noted that chemicals sold within eligible containers generally cost between \$5/L and \$20/L. Proportionally, the levy placed on these items would be between 0.2 and 0.8 per cent of the final cost to consumers. Is this information still accurate and if not, what is the current cost per litre of such chemicals?
3. In AgSafe's submission it is stated that an area of concern for farmers with regard to the *drumMUSTER* program has been either infrequent or inconvenient collections or



the lack of notification of collections. The *Tasmanian Department of Primary Industries, Water and Environment* has submitted that acceptance of the drumMUSTER program has been slow amongst some growers due to logistical and operational difficulties. The ACCC is seeking information on either the steps that AgSafe has taken or may plan to take to address these concerns.

4. On page 2 of AgSafe's *Public Interest Impact Statement*, under the heading *Proposed Changes*, it is submitted that a top-up fee may be implemented to maintain the drumMUSTER reserves equivalent to one year's funding. The ACCC is seeking information on how this would be administered and how it may effect the levy.
5. On page 4 of AgSafe's *Public Interest Impact Statement*, under the heading *Reduced weight at source*, it is submitted that the 2003 Avçare audit found that there has been an increase in volume of 80 per cent over the past twelve years but no reference is made as to what this increase relates to. The ACCC is seeking clarification on what this statistic relates to.

#### *Interested party consultations*

In addition, the ACCC has received fifteen submissions in relation to AgSafe's application from interested parties. Copies of these submissions are enclosed for your information and have been placed on the ACCC's public register.


The ACCC requests that you respond to the above questions and, if you wish, respond to the attached interested party submissions by close of business Friday, 20 May 2005. Responses should be addressed to:

The General Manager  
Adjudication Branch  
Australian Competition and Consumer Commission  
PO Box 1199  
DICKSON ACT 2602

Submissions can also be lodged by email to [adjudication@acc.gov.au](mailto:adjudication@acc.gov.au), or by facsimile on 02 6243 1211.

If you have any questions in relation to this letter please do not hesitate to contact Cameron Martin on 02 6243 1107.

Yours sincerely



Scott Gregson  
A/g General Manager  
Adjudication Branch