

FILE No.
DOC:
MARS/PRISM:



**Queensland
Government**

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Our reference BNE2008/5639

Environmental Protection Agency

Incorporating the
Queensland Parks and Wildlife Service

9 May 2008

Ms Susan Philp
Director
Adjudication Branch
Australian Competition and Consumer Commission
GPO Box 3131
CANBERRA ACT 2601

Dear Ms Philp

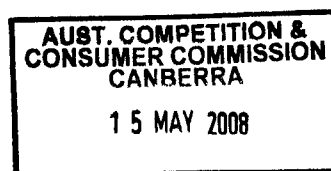
Thank you for your letter of 18 April 2008 inviting a submission on the Central Queensland Local Government Association (CQLGA) application for authorisation for a collective tender process for the provision of waste and recyclables collection and processing.

The Queensland Environmental Protection Agency (EPA) supports the application by CQLGA to undertake a collective tendering process on behalf of the Regional Councils of Rockhampton, Gladstone, Isaac and Central Highlands.

The area encompassing the four Regional Councils has a total population of 210,968, with the majority of the population located in Rockhampton Regional Council. With a total area of 147,400km², this Region is more than twice the size of Tasmania with less than half the population density. The Council areas away from the coast are quite sparsely populated. This makes the provision of services to households in these areas uneconomic in comparison to more populous areas of the State.

As an increasing number of people move from areas where kerbside waste and recycling services are provided into rural and remote areas, there is a growing expectation that Councils will provide these services for the community. However, many of the problems in service delivery lie in not being able to attract contractors to the area due to the small quantities of material available for collection and the considerable transport distances involved with the collection and processing of the material.

The joint tendering process between the four Regional Councils will provide greater economies of scale than could be achieved through individual Council tendering processes. The project in its entirety will ensure the establishment of a sustainable waste management system for the Central Queensland region. If the proposed arrangement is not authorised, it is likely that there will be no, or minimal, improvement in waste management practices in Central Queensland.

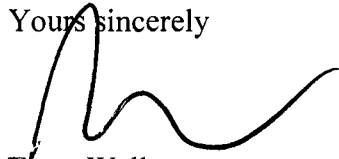


A regional tender process could allow for the entry of smaller service providers through the possibility of subcontract arrangements in some of the less populous areas, providing an increased business opportunity in these areas.

The EPA is currently preparing a new waste strategy for Queensland. This proposal complements the core principles of the new strategy—the waste management hierarchy and the proximity principle.

I trust this information is of assistance in your consideration of this application. Should you have any further enquiries, please do not hesitate to contact Kylie Hughes on kylie.hughes@epa.qld.gov.au of the EPA on telephone 3227 6665.

Yours sincerely



Terry Wall
per **Director General**