



SCOUT RECYCLING CENTRE

Environmental Recyclers, Wholly owned by:
The Scout Association of Australia, South Australian Branch
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21st October 2016
Mr Rod Sims
ACCC Chairman
GPO Box 3131
Canberra ACT 2601

Dear Mr Sims

Re: Council Solutions Application – A91520

Further to our submission in February we wish to confirm our opposition to the Council Solutions application presently under consideration by the ACCC.

Based on the activity of larger firms in the resource recovery industry here in South Australia we have serious concerns with the model being proposed by Councils Solutions being approved. The larger contracts and tenders, especially those with broad and undefined specifications, attract the largest multinational contractors who are ultimately successful in winning the work.

We have seen partial rationalisation of the recyclables processing industry diverting bottles, on which the Scouts depend, to interstate locations. At present this throughput avoids the Scouts recycling depots, where we previously had arrangements to beneficially process the bottles using our 10 Adelaide neighbourhood locations.

The progressive Adelaide waste industry has been able to innovate through continual improvement and the Scouts, as an example, have grown our network to 110 staff working across 10 locations throughout Adelaide. In fact, for 39 years, the Scouts have been a large part of the success of the Container Deposit Legislation scheme which is soon to be emulated (20 years hence) in NSW and Queensland.

These depots employ staff who may find gaining employment challenging and the profits made from the beneficial collection and return of bottles at the Scouts depots goes towards funding the activities of the Scout groups around South Australia. Due to being involved in CDL The Scout Association of Australia (SA Branch) have been able to keep the annual fees down to under \$50.00 for both Adults & Juniors, compared to other States & Territories, who don't have Container Deposit, their fees are upwards of \$200.00 per annum. In SA we are able to subsidise not only the fees but many other aspects to keep the Scout Groups viable with no Government assistance. We believe this is a terrific outcome for the local community.

We respectfully request that the Council Solutions application be rejected on the grounds that it will substantially lessen competition, disrupt the culture of innovation and service efficiency that exists and create no net public benefit for the Adelaide community. In fact we firmly believe the Council Solutions application will result in net public detriment.

Your Sincerely

Warren Stone
General Manager Scout Recycling Centre