

13<sup>th</sup> July 2016

The General Manager  
Adjudication Branch  
Australian Competition and Consumer Commission  
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Attention: Ms. Kabita Prasad

Dear Madam,

## A91544 – CAIRNS REGIONAL COUNCIL - SUBMISSION

We refer to the ACCC's letter of 1<sup>st</sup> July 2016 regarding the above application.

J.J. Richards is not lodging an objection to this specific application based on the Council's intent to structure the tender in separable portions and to award separate contracts for each local government area.

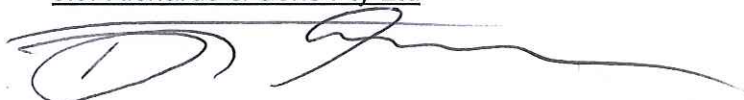
As we have submitted to the ACCC in response to other recent applications, we continue to be gravely concerned at the increase in the number of applications from Local Government Authorities, and approval of same by the ACCC, for joint waste collection tender processes. We include below an extract from the ACCC's published determination in relation to a recent application.

*The ACCC acknowledges the submission by JJ Richards and notes that there are a number of groups of councils around Australia which have been authorised to jointly tender and contract for waste management services. In assessing the public benefits and detriments of joint arrangements between local government authorities, the ACCC will have regard to any existing authorisations in the relevant areas of competition, as well as factors including the effect of the arrangements on competition, innovation and the introduction of new technology.*

It is our view that the collective impact of the growing number of applications is reason to deny future applications. There is no doubt that a reduction in the number of waste collection tenders available in the market place, due to joint tenders and some with longer contract periods, will reduce competition. It will also stifle innovation and introduction of new technology which often result in improved efficiency, reduced cost, better quality of service and a positive impact on the environment (introduction of collection vehicles with improved emission standards is one of many examples). The result will be a detrimental outcome for the public in the longer term.

Thank you for your consideration of our comments.

Yours faithfully,  
J.J. Richards & Sons Pty Ltd



Don Thomason  
Associate Director

