

An anonymous interested party raises the following concerns about the Eastern Metropolitan Regional Council & Ors application for authorisation (AA1000587):

- The application creates the potential for the EMRC to operate in the commercial and industrial space, based on a track record of a number of local governments in Perth already doing so, at a continual loss of around ~\$1M each year, by using rate payer funds to compete with the private sector, well below the market rate for commercial service provision. (For example the provision of a new FOGO commercial business bin service, free of charge from March 2021 from a EMRC member council:
<https://www.bayswater.wa.gov.au/home-and-property/waste,-rubbish-and-recycling/fogo/fogo-for-businesses>)
 - Residents in new developments (whether residential or new commercial developments) cannot opt out of being charged for waste services via local government rates, even if they secure a supplier from the private sector (businesses will pay council waste rates even if no local government commercial waste service is provided). A solution would be to allow such new developments to opt out of paying for government rates for services that they do not receive; allowing them to obtain services from the private sector under the free market economy. Or preferably, not allow regional governments to push the private sector out of these new developing markets in the first place. Private sector suppliers can offer a wider range of services and logistical benefits under commercial free market agreements compared to the local government's mandated but limited service provision and their limited access to a varied fleet of truck sizes.
- It notes that the [Strategic Waste Infrastructure Planning Project Investigation Report 2014](#) (pages 9 and 10) found that the Waste Planning Policy & Procurement (WPPPA) model was the most favourable governance model. Under that model, while members were generally supportive of the potential for the State Government to plan and own strategic waste precincts, there was not support for the Government to own or operate facilities developed on those sites. The SWIP working group notes the importance of procuring and protecting sites and making them available to the market through long term leases.
 - It sees a significant conflict of interest in allowing local governments (like the councils within the EMRC) to grow a commercial arm that will involve them establishing or controlling where new waste infrastructure should be built. Disadvantaging proposals by private sector providers during local government planning approvals to purchase land for state government licencing under the Department of Water and Environmental Regulation, which requires local government planning approval, prior to any future waste and recycling facilities being built or licenced. The EMRC entity or its member councils could therefore deny planning approval to other competing waste facilities within its own area of influence and effectively control the ability of private sector providers to expand or develop their business.
- It sees no limits on the EMRC seeking to change its commercial offering into the construction and demolition or the commercial and industrial space, or engaging with councils outside of EMRC's member councils, as other privately-owned landfills run out of space. This means the EMRC would become vertically integrated via its Red Hill landfill site and other recycling processing sites, gaining market control of a collection fleet for commercial services and would be developing a monopoly of the municipal solid waste it collects. It would become too large a competitor and one that owns sole rights of collection of the large amount of waste municipal waste stream under the WARR Act.