



Your ref: AA1000587
Our ref: DWERDG933/21
Enquiries: Sarah McEvoy, Ph [REDACTED]

Ms Susie Black
Director
Competition Exemptions
Australian Competition and Consumer Commission

Email: exemptions@accc.gov.au

Dear Ms Black

**AA1000587 – EASTERN METROPOLITAN REGIONAL COUNCIL
APPLICATION FOR AUTHORISATION – SUBMISSION**

Thank you for providing an opportunity to comment on the Eastern Metropolitan Regional Council (EMRC) application for authorisation to establish and jointly enter into a regional waste collection service on behalf of itself and the City of Bayswater, the Shire of Mundaring and the Town of Bassendean (AA1000587).

I am pleased to provide comment on behalf of the Department of Water and Environmental Regulation (DWER) that incorporates input from the Waste Authority.

The Western Australian *Waste Avoidance and Resource Recovery Strategy 2030* reflects a focus on applying better practice approaches that take into account the full costs, benefits and impacts of waste management decisions.

Competition can play an important role in confirming the suitability of services, including waste collection services, and the value they are providing.

Collaboration between local governments that leads to improved coordination of services, either through group contracting to private sector providers, or through the provision of services 'in-house' as proposed by the EMRC in its application may warrant a reduced level of open market competition.

Individual 'in-house' services provided by any one local government may lack the financial or technical responsiveness of commercial operations and can suffer from a general reluctance to invest when this impacts on rates and charges or borrowings.

Given this, it may be appropriate that 'in-house' services provided by local governments are tested on the open market at regular intervals to ensure they continue to provide best value for money and meet all the needs of the customer – in this case the community to which the local government is providing services.

Given the proposed duration of the authorisation extends to 2052, it is important that the authorisation, if approved, is contingent on the delivery of waste services that are consistent with State policy as it exists from time to time, including local government waste plans required under the *Waste Avoidance and Resource Recovery Act 2007*.

It will be important that the authorisation, if approved, provides for periodic reviews to confirm the authorisation continues to deliver a net benefit to the community.

Thank you once again for the opportunity to comment on the EMRC's application.

Yours sincerely



Michelle Andrews
DIRECTOR GENERAL

19 November 2021

cc: Reg Howard-Smith, Waste Authority Chair
waste.authority@dwer.wa.gov.au