

Waste Collection Market is competitive and delivers for consumers – IWMA.

The market for waste collection services is fully functioning and working for the benefit of consumers. Since waste collection services have been privatised, consumers have benefitted from increased collection services; the introduction of recycling and compost collections and reduced costs.

This is borne out by the CCPC Report which states that the average cost for household waste collection in Dublin was €228 in 2016. This is €140 less than the equivalent figure for the cost of waste collection in Dublin City in 2004, when the local authority collected household waste and employed a competitive tender for the collection of dry recyclables. So it clear that the current prices charged to householders are very competitive.

The CCPC report also recognises that most people are happy with their waste collection service (Section 5.11) and 65% of households indicated a preference for a choice of operator (section 4.16), so the existing system is popular for most people.

It must also be noted that Ireland is consistently meeting all our waste management and environmental obligations set by EU Legislation.

The report recognises that waste management in Ireland is complex due to the interactions of household and commercial waste and the vertical integration of collection and treatment. Despite this, in our view the system is working well for householders and working well for the environment. Any disruption of the current system has the potential to result in higher prices and/or reduced environmental performance. We know there are some issues that need to be ironed out, such as householders who refuse to avail of a service, but these issues are being addressed in the current system with waste collectors providing assistance to the relevant authorities.

The CCPC Report suggests that household waste collection is a Natural Monopoly, based on a 2006 report by economist Dr. Francis O'Toole. That report was used as evidence in the High Court case Dublin City Council v Panda in 2008. The judgement published in 2010 dismissed the report and disagreed with its findings. That judgement was not appealed so it is on the record as part of Case Law in Ireland. The judgement includes the following statements:

"I was also not impressed by the report of Dr. O'Toole. His assertions were of a hypothetical nature and of little application, in many situations, to this case."

"I am left in no doubt but that the market is capable of supporting multiple operators in competition with each other, and that this is not a situation where a monopoly is either required or to be preferred."

Regrettably the CCPC contains a lot of economic theories but is light on facts relating to the current market for household waste collection in Ireland. Too often it is hypothetical in nature and misses the point that because of the uniqueness of the system, international experiences do not necessarily offer a relevant comparison or a realistic alternative to the operating model in Ireland.