



Our ref: AA1000460
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3/12/2019

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By email

Dear Sir or Madam

Car rental operators at Cairns Airport application for authorisation AA1000460—interested party consultation

The Australian Competition and Consumer Commission (the ACCC) has received an application for authorisation from a group of car rental operators at Cairns Airport (namely, Avis, Budget, Hertz, Europcar, Enterprise and Thrifty – together, the Applicants). The ACCC invites you to comment on the application. Attached is a summary of the authorisation process including how to make a submission to the ACCC.

The Applicants seek authorisation to collectively bargain with Cairns Airport in relation to the acquisition of airport space association with the provision of car rental services at Cairns Airport, including the terms and conditions of the licencing and lease agreements. The Applicants seek authorisation for a period of 10 years.

A full copy of the application for authorisation is attached to this email.

Interim authorisation

The Applicants has requested interim authorisation to enable them to commence the negotiation process as soon as possible, including if required, collectively negotiating to 'hold over' existing agreements on the basis of existing terms. The Applicants do not propose to enter into collectively negotiated agreements until the ACCC has made a final determination.

The ACCC endeavours to deal with requests for interim authorisation quickly. In making an assessment as to whether it is appropriate to grant interim authorisation, the ACCC is not required to undertake a full assessment of the benefit and detriment likely to arise as a result of the proposed conduct.

The ACCC decides whether to grant interim authorisation on a case by case basis. Should an applicant request interim authorisation, the ACCC will usually consider a range of factors, including harm to the applicant and other parties if interim is or is not granted, possible benefit and detriment to the public, the urgency of the matter and whether the market would be able to return to substantially its pre-interim state if the ACCC should later deny authorisation.

Request for submission

The ACCC invites you to make a submission on the likely public benefits and effect on competition, or any other public detriment, from the proposed arrangements.

If you intend to provide a submission in relation to the application for authorisation (including the request for interim authorisation), please do so by **17 December 2019**. Submissions should be emailed to adjudication@acc.gov.au with the subject 'AA1000460 – Car rental operators at Cairns Airport – submission'.

Alternatively, if you prefer to make an oral submission please contact Hannah Ransom on (02) 6243 1255 or Kaitlin Hanrahan on (03) 9290 1917.

Submissions will be placed on the ACCC's public register subject to any request for exclusion (guidelines are attached).

Timetable

The ACCC will progress its assessment of the application in a timely manner. An indicative timetable is set out below for your information

28 November 2019	Lodgement of application and supporting submission.
3 December 2019	Public consultation process begins.
17 December 2019	Closing date for submissions from interested parties.
January 2020	ACCC decision regarding interim authorisation.
January/February 2020	Applicant responds to issues raised in the public consultation process.
March 2020	Draft determination.
March/April 2020	Public consultation on draft determination including any conference if called.
May/June 2020	Final determination.

Please advise if you do not wish to make a submission at this time, but would like to be informed of the progress of the application at the draft and final determination stages. If you are able to please provide a nominated contact email address for future correspondence.

You can also forward this letter to any other party who may wish to make a submission to the ACCC regarding the application.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Hannah Ransom on (02) 6243 1255 or Kaitlin Hanrahan on (03) 9290 1917.

Yours sincerely



Danielle Staltari
Director
Adjudication Branch

Interested parties consulted

A1 Car rental

All Day Car Rentals

Apex Car Rentals

Atlas Car & Truck Rental

Australian Airports Association

Cairns Airport

Cairns Regional Council

Cairns Rent A Car

Cruising Car Rental

East Coast Car Rental

Hire and Rental Industry Association of Australia

Rent A Bomb

Sixt Car Rental

Sugarland Car Rentals

Tourism and Events Queensland

Tourism Tropical North Queensland