



23 Marcus Clarke Street
Canberra ACT 2601

Our ref: AA1000539
Contact officer: Robert Janissen
Contact phone: 02 6243 1387

GPO Box 3131
Canberra ACT 2601

tel: (02) 6243 1111
exemptions@accc.gov.au

12/02/2021

www.accc.gov.au

By email

Dear Sir/Madam

Morgan Sawmill Jamestown application for collective bargaining authorisation AA1000539 – interim authorisation decision

The Australian Competition and Consumer Commission (the ACCC) has decided to grant interim authorisation in respect of the application for authorisation lodged by Morgan Sawmill Jamestown on 18 December 2020. A copy of the ACCC decision is attached.

Interim authorisation protects the arrangements for which authorisation is sought from legal action under the relevant provisions of the *Competition and Consumer Act 2010* while the ACCC considers and evaluates the merits of the application.

The interim authorisation will permit businesses that acquire unprocessed timber logs from the South Australian Forestry Corporation (**ForestrySA**) to form a collective bargaining group and discuss the following terms and conditions with ForestrySA concerning the supply of logs from the Mount Lofty Reserve in South Australia:

- period of supply
- log volumes
- delivery and collection locations
- log specifications
- the rate at which logs would be collected (m³ or tonnes per week)
- incidental matters (e.g. when fire affected logs would be rejected, measurement methodology, insurance requirements, payment terms, security).

Interim authorisation is not granted for the Group to discuss prices per grade of log, or to enter into or give effect to log supply agreements with ForestrySA.

Next steps

For your information, the next step in the process is for the ACCC to release a draft determination which will take account of any submissions from Morgan Sawmill Jamestown and interested parties and will indicate the ACCC's preliminary views on the merits of the application. The ACCC will give both Morgan Sawmill Jamestown and interested parties the opportunity to provide a further submission on the draft determination before the ACCC issues its final decision.

As noted in the attached decision, the ACCC may review its decision on interim authorisation at any time. In this regard the ACCC will reconsider this decision at the time of issuing its

draft determination. The ACCC's decision in relation to interim authorisation should not be taken to be indicative of whether or not final authorisation will be granted by the ACCC.

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 Robert Janissen on 02 6243 1387.

Yours sincerely

A handwritten signature in blue ink that reads "DChanning". The signature is stylized with a large, sweeping loop at the end.

Darrell Channing
Director
Competition Exemptions