



Australian Competition & Consumer Commission

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17 October, 1996

Mr Alan L Limbury
 Special Counsel - Trade Practices
 Minter Ellison
 GPO Box 521
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Dear Mr Limbury

PMAA Code of Practice - Authorisation A90549

I refer to your letters dated 18 September and 3 October 1996, and inform you of the Commission's decisions made at a meeting on 16 October 1996.

In regard to the proposed PMAA amendments to its Code of Practice detailed in your letter dated 18 September 1996, the Commission considered that the amendments would not be significant and would not materially alter the circumstances of authorisation A90549 granted by the Trade Practices Commission (TPC) in respect of the PMAA Code of Practice on 27 January 1994.

Under the additional proposed amendments detailed in your letter dated 3 October 1996, PMAA proposes to incorporate into its Code of Practice the provisions of the Media Council of Australia's Therapeutic Goods Advertising Code (TGAC). The Commission notes that under the PMAA Code of Practice authorised on 24 January 1994, PMAA has a relatively minor role in respect of the TGAC. Under the proposed amendments to the PMAA Code of Practice, PMAA would assume responsibility for the TGAC (including its administration and amendment, as well as the handling of complaints under that Code). The Commission considers that such proposed changes would be significant and would materially alter the circumstances of Authorisation A90549 granted in respect of the PMAA Code of Practice on 24 January 1994.

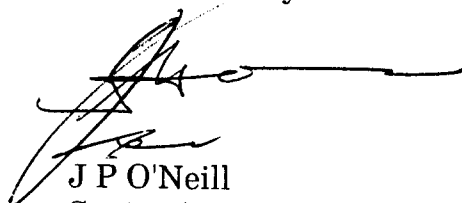


I also refer to the TPC's letter dated 27 January 1994 (copy attached) which sets out the procedures under which the Commission considers whether Authorisation A90549 granted in respect of the PMAA Code of Practice on 27 January 1994 applies to future proposed amendments to the Code. In the light of experience in the operation of these procedures, it is apparent that it may not always be possible for the Commission to reach a decision as to the significance and materiality of proposed amendments to the Code within 10 working days of receiving advice of amendments.

While the Commission will continue to endeavour to respond to proposed amendments within 10 working days, it does not consider it appropriate that a failure by the Commission to respond within such time should be taken to constitute advice (by it) that the proposed amendments are not significant. The procedures set out in the TPC's letter dated 27 January 1994 have been amended accordingly, so that the procedures for the Commission's consideration of future proposed amendments to the PMAA Code of Practice will now be set out below, as :-

- PMAA will notify the Commission of amendments it proposes to make to the Code.
- Within 10 working days of receiving these, the Commission will advise PMAA if it considers the proposed amendments are significant and would materially alter the circumstances of any authorisation granted by the Commission.
- Both the proposed amendments and the Commission's advice to PMAA concerning those amendments will be placed on the public register of authorisation applications maintained by the Commission, subject to the Commission's power to, on request, exclude material from the public register.

Yours sincerely



J P O'Neill
Senior Assistant Commissioner
Adjudication Branch