



Our Ref:

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4 November 2004

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Mr Geoff Noble General Manager Victorian Brick and Blocklaying Training Foundation Limited PO Box 42 Holmesglen VIC 3148

Dear Mr Noble

Trade Practices Act 1974

Application for revocation and substitution lodged by the Victorian Brick and Blocklaying Training Foundation (VBBTF) for itself and on behalf of the Clay Brick and Paver Association of Victoria (CBPAV)

The Australian Competition and Consumer Commission (the ACCC) has issued a final determination in respect of the above application for revocation and substitution lodged by the Victorian Brick and Blocklaying Training Foundation Ltd (VBBTF) for itself and on behalf of the Clay Brick and Paver Association of Victorian (CBPAV).

The original authorisation

On 12 December 2000, the ACCC granted authorisation A90738 to the CBPAV, for an agreement between its members to impose two levies, one on the price of clay bricks and pavers and one on the price of concrete masonry products sold in Victoria. The levies entail \$1.00 per thousand clay bricks and pavers sold and 5 cents per square metre of concrete masonry products sold in Victoria. The levies are currently matched by CBPAV and VBBTF manufacturing members, as voluntary industry contributions.

Money raised by the levies is used to fund an apprentice bricklayer training scheme, in an attempt to alleviate the current shortage of skilled bricklayers in Victoria.

Authorisation A90738 was granted by the ACCC for a period of 3 years until 3 January 2004.

Application for revocation and substitution

The application for substitute authorisation essentially sought to extend the current arrangements, however with an increase in the levy applied to clay bricks and pavers. The VBBTF and CBPAV sought to increase the levies from \$1.00 per thousand bricks sold to \$2.00, and from 5 cents per square metre of concrete masonry products sold to 10 cents.



Determination

The ACCC has made a determination granting authorisation to the VBBTF and CBPAV for the revocation of A90738 and its substitution by A90887. Essentially authorisation is granted for the applicants to continue to engage in the arrangements the subject of authorisation A90738 for a further three years, however with an increase in the levies. The reasons for this decision are set out in the enclosed final determination.

This determination is made on 4 November 2004. If no application for review of the determination is lodged with the Australian Competition Tribunal within the statutory period, namely by 25 November 2004, the ACCC's determination will come into force on 26 November 2004.

On 10 December 2003, the ACCC granted interim authorisation to the substitute arrangements while it considered the merits of the substantive application. Interim authorisation will continue to protect the substitute arrangements until the ACCC's final determination comes into effect.

A copy of this letter together with the determination will be placed on the ACCC's Public Register.

Please do not hesitate to contact Tania Mayrhofer on (02) 6243 1070 if you would like to discuss this matter further.

Yours sincerely

Tim Grimwade General Manager Adjudication Branch