



**Australian Government**

**Department of Transport and Regional Services**

**Secretary**

*File Reference: 2005/040538*

Mr Scott Gregson  
A/g General Manager  
Adjudication Branch  
Australian Competition & Consumer Commission  
PO Box 1199  
DICKSON ACT 2602

Dear Mr Gregson

**Subject: Application for authorisations A90964 and A90965 lodged by CSR Building Products Ltd**

I refer to your letter dated 5 April 2005. Thank you for providing the Department of Transport and Regional Services with an opportunity to comment on the two applications for authorisation by CSR Building Products Ltd (CSR).

The Department has assessed CSR's applications seeking to allow a group of owner-drivers to collectively negotiate the terms and conditions of their contracts with CSR. The Department agrees that the public benefits submitted by CSR that you noted in your letter are likely to flow from the proposed arrangements. In addition, the proposal may assist less skilled owner-drivers to negotiate fairer outcomes.

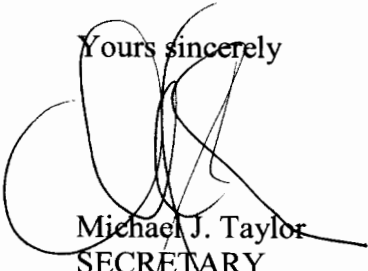
In relation to the proposal's potential detrimental effect on competition, given the limited nature of the group, it is unlikely to significantly alter the competitive balance of the industry as a whole.

Therefore, given the merits for all parties, particularly owner-drivers with less negotiation skills, the Department has come to the view that the likely benefits to the public outweigh any anti-competitive detriment. As such, we are not opposed to the ACCC approving the two applications in question for authorisation.

Finally, I apologise for the delay in commenting on the application for interim authorisation. For the reasons outlined above the Department is also not opposed to the granting of interim authorisation to CSR to proceed with the proposed conduct.

Thank you for raising this issue with me.

Yours sincerely

  
Michael J. Taylor  
SECRETARY

27 April 2005

