



**Australian
Competition &
Consumer
Commission**

PO Box 1199
Dickson ACT 2602
470 Northbourne Ave
Dickson ACT 2602
ph (02) 6243 1111
fax (02) 6243 1199
www.accc.gov.au

Our Ref: C2005/1078
Contact Officer: Cameron Martin
Contact Phone: 02 6243 1107

4 August 2005

Mr David Hazell
Executive Officer
Tasmanian Forest Contractors Association
PO Box 770
King Meadows TAS 7249

Dear Mr Hazell

Applications for authorisation A90973 and A90974 lodged by the Tasmanian Forest Contractors Association Ltd – request for interim authorisation

I refer to the applications for authorisation A90973 and A90974 lodged with the Australian Competition and Consumer Commission (the ACCC) by the Tasmanian Forest Contractors Association Ltd (the TFCA) on 30 June 2005.

I note that, as part of this application, the TFCA has requested that the ACCC grant interim authorisation to allow it to begin the process of organising its members into bargaining groups, but not to commence collective negotiations with the wood companies.

By way of guidance on how it will exercise its discretion to grant an interim authorisation, the ACCC has stated that it will only grant an interim authorisation in special circumstances. Factors that the ACCC will consider in making this assessment include whether the market would be able to return to substantially its pre-interim authorisation state if the ACCC were to later deny authorisation.

Having considered the TFCA's request for interim authorisation, the ACCC has decided that it would not be appropriate for it to grant interim authorisation to the TFCA at this time.

On balance, the ACCC decided that it would be more appropriate to reconsider the issue of interim authorisation when issuing its draft determination. At that time the ACCC will be in a better position to consider whether interim authorisation to allow the TFCA and its members to commence collective negotiations should be granted.

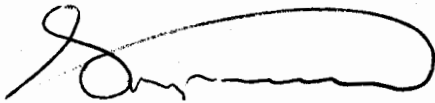


I also note that it is unclear whether the TFCA proposed to engage in activities for which interim authorisation is required. That is, it is not apparent that interim authorisation is in fact necessary for the TFCA to determine the structure of future bargaining groups.

I would also note that 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.

A copy of 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 Cameron Martin on 02 6243 1107.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Scott Gregson', with a large, sweeping flourish above the name.

Scott Gregson
A/g General Manager
Adjudication Branch