



**Australian  
Competition &  
Consumer  
Commission**

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Our Ref: D05/56380  
Contact Officer: Jason Byrne  
Contact Phone: (02) 6243 1279

27 September 2005

«Address»

Dear «Salutation»

**Application for authorisation lodged by the  
Federation of Australian Wool Organisations - Interested party consultation**

**Introduction**

The Australian Competition and Consumer Commission (the ACCC) is currently conducting an interested party consultation process in relation to an application for authorisation lodged by the Federation of Australian Wool Organisations (FAWO). As a possible interested party you are invited to comment on the application.

FAWO is seeking authorisation to implement a levy of \$1.50 on each bale of wool sold at auction or private treaty for the purpose of raising funds for a test marketing campaign for the promotion of the Australian wool industry. Further details of the proposed arrangements are outlined below.

**Background**

The ACCC is the Australian government agency responsible for administering the *Trade Practices Act 1974* (the Act). A key objective of the Act is to prevent anti-competitive arrangements or conduct, thereby encouraging competition and efficiency in business resulting in a greater choice for consumers in price, quality and service.

The Act, however, allows the ACCC to grant immunity from legal action for anti-competitive conduct in certain circumstances. One way businesses may obtain immunity is to apply for what is known as an 'authorisation' from the ACCC. Broadly, the ACCC may 'authorise' businesses to engage in anti-competitive arrangements or conduct where it is satisfied that the public benefit from the arrangements or conduct outweighs any public detriment.

In assessing the public benefits and detriments of an application for authorisation, the ACCC undertakes a public consultation process seeking comments on the application from interested parties. Following an initial consultation process, the ACCC will issue a draft decision for comment.



## **Application for authorisation by the Federation of Australian Wool Organisations**

On 20 September 2005, the ACCC received an application for authorisation lodged by FAWO for arrangements to implement a levy to be collected by selling agents on all wool sold at auction or private treaty for the purposes of raising funds for a test marketing campaign for promotion of the Australian wool industry. The proposed levy is \$1.50 per bale, to be added to the post-sale service charge paid by buyers at the point of sale. The target amount to be raised by the proposed levy is US\$2.8m.

To implement the levy an Implementation Deed will be established between FAWO, the National Council of Wool Selling Brokers of Australia Inc, the Private Treaty Wool Merchants of Australia Inc and the wool brokers, private treaty merchants and other selling agents who become parties to the deed.

A copy of the proposed arrangements is contained in the attached application. Please note that annexure 2 and 5 of FAWO's submission have not been included as they are subject to clarification over confidentiality.

### **Request for submissions**

To assist the ACCC in its consideration of the application it would be helpful to obtain your comments on the public benefits and detriments likely to flow from the proposed arrangements. In particular, I would appreciate your views on the public benefits claimed by FAWO. These claimed benefits include:

- Increased demand for Australian wool.
- Increased efficiency in the promotion of Australian wool.
- International competitiveness of the Australian wool industry.
- Increase in net exports.
- Higher employment.

If you intend to lodge a submission in relation to FAWO's application for authorisation, I would appreciate if you could do so by **28 October 2005**. Please feel free to forward this letter to any other party that you consider may wish to make a submission to the ACCC with regard to the application.

### *Interim Authorisation*

FAWO has also requested interim authorisation to commence implementation of the levy. Broadly, interim authorisation allows parties to engage in the proposed arrangements while the ACCC considers the substantive merits of the application.

The ACCC has previously stated that it is unlikely to grant interim authorisation where to do so would permanently alter the competitive dynamics of the market or inhibit the market from returning to its pre-interim state if authorisation is later denied, unless there are special

circumstances. I would appreciate any comments you may have on FAWO's application for interim authorisation. If you plan to comment on the application for interim authorisation, I would appreciate if you could do so by **14 October 2005**.

### **General Information**

The ACCC asks for submissions to be in writing so they can be made publicly available. Submissions are placed on a public register for this purpose and may also be placed on the ACCC's website. The ACCC may, where appropriate, supplement written submissions with discussions with relevant parties on a mutually convenient basis.

Persons lodging a submission with the ACCC may request that information included in the submission be treated as confidential and not be placed on the public register. If confidentiality is granted in respect of information, the ACCC may take it into account during its assessment, even though it is not publicly available. Guidelines for seeking confidentiality are attached.

If you wish to lodge a submission, please address your submission to:

The General Manager  
Adjudication Branch  
Australian Competition and Consumer Commission  
PO Box 1199  
DICKSON ACT 2602

Submissions can also be lodged by email to [adjudication@acc.gov.au](mailto:adjudication@acc.gov.au) or by facsimile on 02 6243 1211.

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 Jason Byrne on (02) 6243 1279.

Yours sincerely



Jason Byrne  
A/g Assistant Director  
Adjudication Branch

## GUIDELINES FOR CONFIDENTIALITY CLAIMS

The process whereby the Commission assesses applications for authorisation or notification is very public, transparent and consultative. The *Trade Practices Act 1974* (the Act) requires the Commission to maintain a public register in respect of authorisation and notification applications.

Applicants and interested parties can request that a submission, or part of a submission, be excluded from the public register.

The Commission is required under the Act to exclude from the public register upon request details of:

- (i) secret formulae or process;
- (ii) the cash consideration offered for the acquisition of shares in the capital of a body corporate or assets of a person; or
- (iii) the current manufacturing, producing or marketing costs of goods or services.

However, even if a document does not meet these technical requirements, the Commission may still grant confidentiality where, in the Commission's view, it is desirable to do so.

The Commission also has the discretion, under s89 of the Act, to exclude material from the public register if it is satisfied that it is desirable to do so, either by reason of the confidential nature of the material or for any other reason. The Commission expects that a party claiming confidentiality on these grounds will present a case for its treatment in this manner.

Under Regulation 24 of the *Trade Practices Regulations*, when a request for confidentiality is made to the Commission:

- (a) where the request is that a whole document be excluded, the words "**Restriction of Publication Claimed**" should appear in red writing near the top of each page; and
- (b) where the request is that part of a document be excluded, the words "**Restriction of Publication of Part Claimed**" should appear in red near the top of the first page of each document, and the part for which confidentiality is claimed should also be marked in red. A submission of more than 5 pages should also include a description of the whereabouts of the parts for which confidentiality is claimed.

Applicants, as a matter of course, should remove headers claiming "confidential communication" from all Emails and otherwise, unless they have a particular piece of information that they justify to the Commission deserves exclusion from the public register. If confidentiality is not requested but a header cannot be removed, it should be clearly stated at the beginning of the communication that confidentiality is not requested.

If the Commission denies a confidentiality request, the requesting party may ask that the material be returned. As a matter of practice, the Commission will specify a period (usually 14 days) in which they can request the return of such material. Upon response, the Commission will return the original material and destroy all associated copies. The Commission will not consider this material when reaching its decision.

If the Commission does not receive a response within the specified period, the original material will be placed on the public register.

Information or documents granted confidentiality may be used by the Commission pursuant to its powers generally under the *Trade Practices Act*.

No	Address
1.	Mr Mark Grave Chief Executive Australian Wool Exchange Ltd PO Box 649 LANE COVE NSW 1595
2.	Dr Len Stephens Chief Executive Officer Australian Wool Innovation Ltd Level 5, 16-20 Barrack Street SYDNEY NSW 2000
3.	Mr Ben Fargher Chief Executive Officer The National Farmers Federation PO Box E10 KINGSTON ACT 2604
4.	Ms Sally Standen General Manager Department of Agriculture, Fisheries and Forestry GPO Box 858 CANBERRA ACT 2601
5.	Mr Ray Johnson Chief Executive NSW Farmers Association GPO Box 1068 SYDNEY NSW 2001
6.	Mr Alastair Dawson Chief Executive Officer Victorian Farmers Association Level 5, Farrer House 24-28 Collins Street MELBOURNE 3000
7.	Ms Carol Vincent General Manager South Australian Farmers Association PO Box 6014 ADELAIDE SA 5000
8.	Mr Doug Parker Executive Director Western Australian Farmers Association Inc PO Box 6291 EAST PERTH WA 6892
9.	Mr Greg Bradfield Chief Executive Officer Tasmanian Farmers & Graziers Association PO Box 193 LAUNCESTON TASMANIA 7250
10.	Dr Nigel Johnston Chief of Division CSIRO Textile and Fibre Technology PO Box 21 BELMONT VIC 3216

11.	Mr Chick Olsson Chairman Australian Wool Growers Association Ltd PO Box 96 COOLAH NSW 2843
12.	Mr Michael Jackson Managing Director Australian Wool Testing Authority Ltd PO Box 240 NORTH MELBOURNE VIC 3051
13.	Mr Shane Jones Dyson Jones PO Box 498 FREMANTLE WA 6160
14.	Managing Director Primaries of WA Pty Ltd PO Box 1563 BIBRA LAKE WA 6965
15.	Mr David Nancarrow President Australian Council of Wool Exporters Inc 691 Geelong Road BROOKLYN VIC 3012
16.	Mr John O'Connor Executive Director National Council of Wool Selling Brokers Australia Ltd 691 Geelong Road BROOKLYN VIC 3012
17.	Mr Lindsay Mitchell Australian Wool Processors Council Inc President 691 Geelong Road BROOKLYN VIC 3012
18.	Dr Peter Morgan Director Private Treaty Wool Merchants of Australia Inc 691 Geelong Road BROOKLYN VIC 3012
19.	Mr Frank O'Connor President Australian Superfine Wool Growers Association Inc Victorian Wool Centre 691 Geelong Road BROOKLYN VIC 3012
20.	Mr Edgar Richardson Wool Director Pastoralists & Graziers Association Pastoral House 277 Great Eastern Highway BELMONT WA 6104

21.	Mr Will Banks Sheep & Policy Director Agforce Queensland PO Box 13186 BRISBANE QLD 4003
22.	Dr Mark Dolling Wool Program Manager Department of Agriculture WA 3 Baron-Hay Court SOUTH PERTH WA 6151
23.	Mr Jim Hallion Chief Executive Department of Primary Industries and Resources SA GPO Box 1671 ADELAIDE SA 5001
24.	Dr Richard Sheldrake Deputy Director General NSW Department of Primary Industries Locked Bag 21 ORANGE NSW 2800
25.	Mr Robert Setter Deputy Director General Industry Development Department of Primary Industries & Fisheries GPO Box 46 BRISBANE QLD 4001
26.	Ms Catherine Hollywell Executive Director Agriculture Development Department of Primary Industries 1 Spring Street Melbourne VIC 3000
27.	Mr Andrew Johnston Regional and Business Development Department of Primary Industries, Water & Environment PO Box 46 KINGS MEADOWS TAS 7249
28.	Mr Greg Weller The Executive Director WoolProducers PO Box E10 KINGSTON ACT 2604
29.	Mr Richard Manning Interactive Wool Group Pty Ltd PO Box 296 TAMWORTH NSW 2340

30.	Mr Christopher Langman First Assistant Secretary Office of Trade Negotiations Department of Foreign Affairs & Trade R.G. Casey Building John McEwen Crescent BARTON ACT 0221
31.	Ms Michaela Browning Director Agriculture Policy Department of Foreign Affairs & Trade R.G. Casey Building John McEwen Crescent BARTON ACT 0221
32.	Mr Ross Bawden Landmark Limited GPO Box 4562 MELBOURNE VIC 3000
33.	Mr Patrick Byrne Western Wool Marketing PO Box 130 PARKES NSW 2870
34.	Mr Miles Hampton Managing Director Roberts Ltd GPO Box 65A HOBART TAS 7001
35.	Mr Mark Rodda National Manager Wool Elders Limited GPO Box 551 ADELAIDE SA 5001
36.	Mr David Landini Landini & Company Pty Ltd 27 Flinders Street WAKOOL NSW 2710
37.	Mr Jim Allchin Conn Wool Pty Ltd PO Box 452 LAUNCESTON TAS 7250
38.	Mr Bob Amos Adelaide Wool Co 133-139 Bedford Street GILLMAN SA 5013
39.	Mr Neville Armstrong ACF Wool Traders Pty Ltd 229 Barrington Street BIBRA LAKE WA 6163
40.	Mr Geoffrey Beath Bryton Wool PO Box 49 CANOWINDRA NSW 2804



41.	Mr Dean Hackworth Southern Wool (SA) Pty Ltd PO Box 572 STRATHALBYN SA 5255
42.	Mr David Willson Willson Wool Pty Ltd PO Box 102 CLARE SA 5453
43.	Mr Ross Langwill Monaro Wool Services COOMA NSW 2630
44.	Mr Laurie Miller Techwool Trading Pty Ltd PO Box 437 LAVERTON VIC 3028
45.	Mr Mark Bazeley Riverina Wool Brokers PO Box 219 MOAMA NSW 2731
46.	Mr Rob Brown NGS Wool (Queensland) Pty Ltd PO Box 386 ACACIA RIDGE QLD 4110
47.	Mr Duncan Davis Davis Wool 77 Randolph Street ROCKLEA QLD 1426
48.	Mr Ian Mayer Wool Marketing Manager United Farmers Co-operative 2 Birksgate Road Rous Head PMB 10 NORTH FREMANTLE WA 6159
49.	Mr Graham Knight Tradeswool Country Woolbuyers Pty Ltd PO Box 256 KYNETON VIC 3444
50.	Mr Ken McFeeters McFeeters Wool PO Box 606 COWRA NSW 2794
51.	Mr Marty Moses Moses and Son PO Box 85 TEMORA NSW 2666
52.	Mr Bob Saunders Saunders Wool Pty Ltd PO Box 428 LAUNCESTON TAS 7250

53.	Mr Andrew Scott AES Scott & Co Pty Ltd PO Box 124 WEST WYALONG NSW 2671
54.	Mr Scott Shenton Wool Agency Co Pty Ltd 4 Clontarf Road HAMILTON HILL WA 6163
55.	Mr Milton Smith Fibres (Australia) Pty Ltd 7 Lloyds Rd BATHURST NSW 2795
56.	Mr Graeme Turner Arcadian Wool Brokers Ltd 16-18 Brougham Street GEELONG VIC 3220
57.	Mr Rowan Woods Managing Director Jemalong Wool PO Box 127 FORBES NSW 2871
58.	Mr Peter Wright Murrumbidgee Wool Brokers Pty Ltd PO Box 8140 KOORINGAL NSW 2650