



Australian
Competition &
Consumer
Commission

Determination

Revocation of Authorisation

Application lodged by

Service Station Association Ltd

in relation to the publication of its flat rate manual for mechanical repairs

16 August 2006

Authorisation no. A16204

Public Register no. C2006/1284

Commissioners:

Samuel
Sylvan
King
Martin
McNeill
Smith
Willett

1 Introduction

- 1.1 The Australian Competition and Consumer Commission (the ACCC) is the independent Australian Government agency responsible for administering the *Trade Practices Act 1974* (the Act). A key objective of the Act is to prevent anti-competitive conduct, thereby encouraging competition and efficiency in business, resulting in a greater choice for consumers in price, quality and service.
- 1.2 The Act, however, allows the ACCC to grant immunity from legal action for anti-competitive conduct in certain circumstances. One way in which parties may obtain immunity is to apply to the ACCC for what is known as an 'authorisation'. Broadly, the ACCC may 'authorise' businesses to engage in anti-competitive conduct where it is satisfied that the public benefit from the conduct outweighs any public detriment.
- 1.3 On 23 November 1978, the Trade Practices Commission (TPC)¹ granted the Service Station Association Ltd² (the SSA) authorisation A16204 in relation to its Flat Rate Manual for Mechanical Repairs (the manual). The manual was distributed to the SSA's members and contained suggested times for specific operations of mechanical work on all popular makes and models of cars from 1967 to 1978. The SSA advised that the purpose of the manual was to assist its members in calculating the time taken for various mechanical repairs.

2 Statutory provisions

- 2.1 Section 91B of the Act provides that a person to whom authorisation was granted may apply to the ACCC for revocation of the authorisation. On receipt of such an application, the ACCC is required to write to interested parties:
 - advising them of the application for revocation,
 - indicating the basis on which the revocation has been applied for, and
 - inviting submissions from interested parties.
- 2.2 After considering any submissions received, the ACCC is required to issue a written determination either revoking or allowing the immunity conferred by the authorisation to continue.

3 ACCC review

- 3.1 On 6 June 2006 the ACCC wrote to the SSA seeking information as to whether immunity from the Act was still required for the arrangement covered by authorisation A16204.

¹ The TPC is now the ACCC

² At the time the company operated under the name *Service Station Association of NSW Ltd*

- 3.2 On 7 July 2006, the SSA requested that the ACCC revoke authorisation A16204. The SSA advised that it no longer required or desired the authorisation.
- 3.3 On 13 July 2006 the ACCC wrote to 13 potentially interested parties advising of the SSA's request for revocation of authorisation A16204. The letter invited submissions in relation to this request by 28 July 2006.
- 3.4 The ACCC has not received any objections to the revocation from any of the interested parties consulted. As a consequence, there is no need for the ACCC to assess the likely public benefits and detriments resulting from the revocation.

4 Determination

- 4.1 Based on the information provided by the SSA, and the absence of any objections from interested parties, **the ACCC hereby revokes authorisation A16204.**
- 4.2 This determination is made on 16 August 2006. If no application for review is made to the Australian Competition Tribunal, the ACCC's determination will come into force on 7 September 2006.