

## **Staltari, Danielle**

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**From:** Staltari, Danielle  
**Sent:** Monday, 20 August 2007 11:16 AM  
**To:** 'richard.lilly@freehills.com'  
**Cc:** Palisi, Joanne  
**Subject:** Notification received from Racing and Wagering Western Australia [SEC=UNCLASSIFIED]

**Categories:** SEC=UNCLASSIFIED  
**ACCC Classification:** SEC=UNCLASSIFIED

Dear Mr Lilly

I refer to the exclusive dealing notification sought to be lodged by Racing and Wagering Western Australia (RWVA) with the Australian Competition and Consumer Commission (the ACCC) on 16 August 2007. I understand the conduct sought to be notified by RWVA is:

RWVA will supply a licence to conduct training duties in the racing industry on condition that horse trainers acquire workers compensation insurance from an insurer specified by RWVA.

As discussed, third line forcing conduct which involves the forced purchase of a good or service from a nominated provider, where the requirement to purchase from the nominated provider is a prerequisite for operating in the industry raises significant competition issues. In order to assess the benefits and detriments of the notified conduct I would be grateful if RWVA could respond to the following questions by **cob 22 August 2007**:

- When will RWVA be able to inform the ACCC of the identity of the specified insurer?
- Will the notified conduct apply to horse trainers in both the thoroughbred and harness racing industries?
- Who do horse trainers currently obtain their workers compensation insurance from?
- What process is RWVA using to select the specified insurer? For example, will the insurer be selected through a tender process?
- I note that RWVA has previously required horse trainers, as a condition of being granted a licence, to hold workers' compensation insurance from employees. Could RWVA please explain the reasons for requiring horse trainers to obtain workers compensation insurance from one specified insurer?
- Could RWVA please explain why the volume discounts that RWVA will be able to negotiate with the insurer can not be provided on a voluntary basis?
- You advise that RWVA intends to review its arrangements from time to time so that the insurance business in question will be contestable. Could you please provide further information about this review process and what criteria RWVA will use to assess the specified insurer?
- Will RWVA receive a fee or a rebate from the specified insurer?
- Could RWVA please provide contact details for horse trainer associations in WA.

Should you have any questions please contact me on 02 6243 1362. I note that a copy of this email will be placed on the ACCC's public register.

Regards

Danielle

**Danielle Staltari**  
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**ACCC**  
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