



**Australian
Competition &
Consumer
Commission**

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Our Ref: C2008/477
Contact Officer: Lauren Roy
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26 August 2008

By email

Dear Sir/Madam

**Job Futures applications for authorisation A91084 & A91085
- revised non-compete arrangements**

On 25 March 2008 Job Futures Ltd (Job Futures) lodged an application for authorisation with the Australian Competition and Consumer Commission (the ACCC). The ACCC issued a draft determination in respect of the application on 26 June 2008.

For the reasons set out in Chapter 6 of its draft determination, the ACCC proposed to grant authorisation to Job Futures to collectively tender on behalf of its members for government employment services contracts. However, the ACCC proposed not to grant authorisation to Job Futures for its current 'non-compete' arrangements.

Revised non-compete arrangements

On 22 August 2008 Job Futures provided a submission to the ACCC outlining its proposal for new non-compete arrangements. A copy of the submission is attached. The submission will also be available from the ACCC's website (www.accc.gov.au).

In brief, the new arrangements would:

- require member organisations to commit to remaining within the arrangements for at least two full contract terms or two tenders
- require organisations that wish to exit the arrangements after the initial term to give Job Futures notice approximately half way through the second contract term
- entitle Job Futures to restrict an exiting organisation's access to information other than that required for it to deliver the Services
- entitle Job Futures to allocate a small part of the contracted services (up to 30 per cent) to another member, provided that this does not reduce the contracted market share to an amount less than that identified by the organisation as its minimum viable share.

Request for submissions

The ACCC invites you to make a submission on the likely public benefits and effect on competition, or any other public detriment that will result from the revised arrangements.

If you intend to provide a submission in relation to Job Futures submission, please do so by **cob Friday 29 August 2008**.

Submissions, including oral submissions, will be placed on the ACCC's public register subject to any request for exclusion (guidelines are attached).

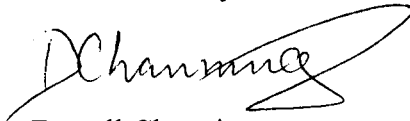
You can also forward this letter to any other party who may wish to make a submission to the ACCC regarding the submission.

Next steps

The ACCC will consider any submissions it receives and will then release a final determination in relation to these applications. The ACCC expects to issue a final determination for this matter in September 2008.

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 Lauren Roy on (02) 6243 4940.

Yours sincerely

A handwritten signature in black ink, appearing to read 'D Channing', with a large, sweeping flourish extending to the right.

Darrell Channing
Director
Adjudication Branch