

GPO Box 3131 Canberra ACT 2601

23 Marcus Clarke Street Canberra ACT 2601

> tel: (02) 6243 1111 fax: (02) 6243 1199

www.accc.gov.au

C2009/278 Contact Officer: Monica Bourke

Contact Phone: (02) 6243 1351

3 June 2009

Our Ref:

By email: Stephen.Lucas@sparke.com.au

Dear Mr Lucas

Application for minor variation of Information Technology Contract and Recruitment Association (ITCRA) authorisation A91063

I refer to the Information Technology Contract and Recruitment Association's (ITCRA) application for minor variation to authorisation A91063 lodged with the Australian Competition and Consumer Commission (ACCC) on 29 January 2009.

Authorisation A91063 was granted on 27 February 2008 to clauses 4.4, 5.8, 7.1, 7.2 and Schedules A and B of ITCRA's Code of Conduct until 30 June 2010. ITCRA applied for a minor variation to the authorisation to remove a number of clauses relating to contractor transitioning. Specifically, ITCRA proposed to delete subclauses 7.1.3 and 7.1.4, clauses 7.2 and 7.3, and Schedule A of its Code of Conduct.

Section 91A of the Trade Practices Act 1974 requires the ACCC to be satisfied that the variation sought in the application is a minor variation. Section 87ZD(1) defines a minor variation as a single variation that does not involve a material change in the effect of the authorisation.

Based upon information provided by ITCRA and interested parties, the ACCC considers that the removal of the proposed clauses may make it more difficult for contractor transitioning to occur. In its determination dated 27 February 2008, the ACCC noted several features of the contractor transitioning process which limited the impact of any anti-competitive detriment associated with the authorisation. The ACCC is concerned that the proposed deletions remove some of these features.

Therefore the ACCC considers that the proposed changes are likely to involve a material change to the effect of the authorisation and the ACCC is not satisfied that the variation sought by ITCRA is minor.

The Code of Conduct remains authorised in its current form, in accordance with authorisation A91063 until 30 June 2010.

ITCRA also sought minor variation for slight amendments to the capitalisation of 'members'. I note that these changes do not require authorisation as they do not raise competition concerns.

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 Monica Bourke on (02) 6243 1351.

Yours sincerely

Dr Richard Chadwick General Manager

Adjudication Branch