

Form G

Commonwealth of Australia
Competition and Consumer Act 2010 — subsection 93 (1)
NOTIFICATION OF EXCLUSIVE DEALING

To the Australian Competition and Consumer Commission:

Notice is hereby given, in accordance with subsection 93 (1) of the *Competition and Consumer Act 2010*, of particulars of conduct or of proposed conduct of a kind referred to subsections 47 (2), (3), (4), (5), (6), (7), (8) or (9) of that Act in which the person giving notice engages or proposes to engage.

1. Applicant

(a) Name of person giving notice:

N97977 Australian Human Resources Institute Limited
ABN 44 120 687 149 (AHRI).

(b) Short description of business carried on by that person:

AHRI is a national association representing human resources and people management professionals. AHRI provides education and training services in human resources, people management and business skills, produces conferences, and holds seminars and networking opportunities.

AHRI also conducts research into people management practices, and assists governments in the development of policy and legislation that affects people at work.

(c) Address in Australia for service of documents on that person:

Marianna Panopoulos
CFO and Company Secretary
Australian Human Resources Institute
Level 13, 565 Bourke Street
Melbourne VIC 3000

2. Notified arrangement

(a) Description of the goods or services in relation to the supply or acquisition of which this notice relates:

Workforce HQ subscription: Developed by AHRI, Workforce HQ supports small businesses that have no access to internal human resources, with tailored guidance on the recruitment, support and management of the people they employ. Through a low-cost subscription, small business owners are guided on all aspects of small business staff management, including by access to template documents and step by step guides.

(b) Description of the conduct or proposed conduct:

On 10 February 2014 AHRI entered into an arrangement with Qantas Airways Ltd ABN 16 009 661 901 (**Qantas**), under which AHRI offers Qantas small business customers (through the Qantas Aquire Loyalty Program) a discount on its Workforce HQ Subscription for an initial one year subscription.

In particular, the Workforce HQ annual subscription fee, which is normally \$499, is offered to Qantas small business customers for \$400 (**AHRI's Qantas Offer**).

As of mid-October an amendment to the Qantas (Aquire) partnership was also agreed so that AHRI's 'Ignition Short Courses', which are publicly available are included in the Aquire partnership under the banner of Workforce HQ short courses. Aquire customers purchasing AHRI's Ignition short courses will earn Qantas loyalty program points (the points are purchased from Qantas by AHRI and provided to the customer by AHRI). This agreement will apply on an ongoing basis.

3. Persons, or classes of persons, affected or likely to be affected by the notified conduct

(a) Class or classes of persons to which the conduct relates:

Small business owners and managers who are also members of the Qantas Aquire program.

(b) Number of those persons:

(i) At present time:

As the partnership is new there is only one AHRI customer that has subscribed to the Workforce HQ portal at this stage.

(ii) Estimated within the next year:

It is difficult to be certain about expected numbers in this class of persons, but a realistic growth factor would be to have in excess of 100 customers access either of the discounts by the end of the first 12 month period.

(c) Where number of persons stated in item 3 (b) (i) is less than 50, their names and addresses:

Not applicable.

4. Public benefit claims

(a) Arguments in support of notification:

The notified conduct provides benefits to customers and consumers because the conduct:

- (a) makes the Workforce HQ services more affordable for small businesses, allowing them to direct those savings to their customers including consumers;
- (b) motivates competitors to offer similar benefits and discounts and therefore increases competition; and

- (c) provides a significant number of small businesses with access to tools which promote better employment practices, benefitting individuals and the business community generally.

The effect of any third line forcing will be insignificant for the following reasons:

- (a) AHRI's Qantas Offer will be available to all Qantas small business customers (through the Qantas Acquire Loyalty Program) and will provide these businesses with a benefit if they choose to take advantage of it;
- (b) the general small business community that are not Qantas small business customers will continue to have access to Workforce HQ's subscription service and will not be precluded from subscribing to Workforce HQ by reason of AHRI's Qantas Offer;
- (c) AHRI is free to offer similar discounts and offers through different channels;
- (d) AHRI experiences strong competition from a range of service providers to small business and as a result there is unlikely to be any detriment to the small business market or consumers as a result of AHRI's Qantas Offer.

For the reasons above, there is no significant detriment to the public as a result of the proposed conduct. Any possible detriment is substantially outweighed by the public benefits outlined above.

(b) Facts and evidence relied upon in support of these claims:

There is strong competition in the Australian market from numerous service providers that provide a range of human resources and workplace relations services to assist small businesses, including those in competition with the resources and services provided by AHRI. AHRI would submit the resources and services available from each of these service providers are not adversely affected by the discount offered to Qantas customers, nor is there any adverse effect on access to Workforce HQ for non-Qantas customers.

5. Market definition

Provide a description of the market(s) in which the goods or services described at 2 (a) are supplied or acquired and other affected markets including: significant suppliers and acquirers; substitutes available for the relevant goods or services; any restriction on the supply or acquisition of the relevant goods or services (for example geographic or legal restrictions):

The relevant market is the market for human resources services and resources for small businesses in Australia. There is strong competition in the Australian market from numerous service providers that provide a range of human resources and workplace relations services to assist small businesses, including those in competition with the resources and services provided by AHRI. AHRI is not aware of any restrictions (including geographical or legal restrictions) on the supply or acquisition of the relevant goods or services.

6. Public detriments

- (a) **Detriments to the public resulting or likely to result from the notification, in particular the likely effect of the notified conduct on the prices of the goods or services described at 2 (a) above and the prices of goods or services in other affected markets:**

AHRI is unaware of any detriment to the public that is likely to result from the notified conduct.

The notified conduct enables Qantas small business customers to receive a discount on services from AHRI. The price and availability of AHRI's Workforce HQ subscription for customers that are not eligible for AHRI's Qantas Offer is not increased as a consequence or otherwise adversely affected.

The notified conduct does not involve the forced purchase of a second product. Customers are not compelled to participate in AHRI's Qantas Offer. Customers remain free to acquire services from Qantas without having to acquire services from AHRI and, similarly, remain free to acquire services from AHRI without having to obtain services from Qantas. Further, by participating in AHRI's Qantas Offer and obtaining a Workforce HQ subscription, customers are not required or compelled to acquire services from Qantas.

- (b) **Facts and evidence relevant to these detriments:**

Not applicable.

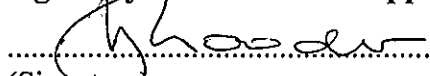
7. Further information

- (a) **Name, postal address and contact telephone details of the person authorised to provide additional information in relation to this notification:**

Marianna Panopoulos
CFO and Company Secretary
Australian Human Resources Institute
Level 13, 565 Bourke Street
Melbourne VIC 3000

Dated.....21 Nov 2014.....

Signed by/on behalf of the applicant


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(Signature)

Lyn Goodear
Chief Executive Officer
Australian Human Resources Institute