



Australian
Competition &
Consumer
Commission

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28 February 2014

[Sent by email]

Dear Sir/Madam

Collective Bargaining Notifications CB00284 & CB00285 lodged by the Australian Wagering Council Limited – Draft objection notice and public consultation

The Australian Competition and Consumer Commission (the **ACCC**) has received two collective bargaining notifications from the Australian Wagering Council Limited (the **AWC**) regarding collective bargaining with, and collective boycott of, the National Rugby League Limited (the **NRL**) (the **notifications**).

On 26 February 2014, the ACCC issued a draft objection notice in respect of the notifications in accordance with section 93AC(1) of the *Competition and Consumer Act 2010* (Cth) (the **Act**). The reasons why the ACCC proposes to give an objection notice are set out in the attached draft objection notice. The notice also is available at <http://registers.accc.gov.au/content/index.phtml/itemId/773840>.

Pursuant to section 93AD(1)(b) of the Act, the effect of this draft objection notice is that the notifications will not come into force unless the ACCC decides not to give the AWC a final objection notice. For your information, a summary of the ACCC collective bargaining notification process is provided at the end of this letter.

Purpose of this letter

The purpose of this letter is to invite you to:

- notify the ACCC as to whether you wish the ACCC to hold a conference in relation to the draft objection notice; and
- make a written submission to the ACCC in response to the draft objection notice.

If you wish the ACCC to hold a conference in relation to the draft objection notice and/or to make a written submission to the ACCC in response to the draft objection notice, you must do so by the close of business on **Friday 14 March 2014** to the following address:

The General Manager
Adjudication Branch
Australian Competition and Consumer Commission
PO Box 3131
Canberra ACT 2601

Submissions may also be lodged by email to adjudication@acc.gov.au or by facsimile on (02) 6243 1211. Submissions will be placed on the ACCC's public register subject to any request for exclusion (guidelines are attached).

The ACCC will consider any submissions it receives, including any oral submissions should a conference be called, in deciding whether to issue a final objection notice in relation to the notifications.

A copy of 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 Michael Drake on (03) 9658 6517.

Yours sincerely

A handwritten signature in blue ink, consisting of a stylized initial 'R' followed by a long horizontal line.

Dr Richard Chadwick
General Manager
Adjudication Branch

Collective bargaining notification process

The ACCC is the Australian Government agency responsible for administering the *Competition and Consumer Act 2010* (the **Act**). The broad objective of the Act is to benefit all Australians by promoting competition and to ensure consumers are treated fairly.

Collective bargaining refers to an arrangement where one or more competitors in an industry come together to negotiate terms and conditions (including price) with a supplier or a customer.

While the Act prohibits certain forms of anti-competitive conduct, it recognises that conduct that may otherwise breach the Act may, in some circumstances, be of benefit to the public. The Act accordingly allows businesses that are considering engaging in anti-competitive arrangements to seek immunity from legal action. One way businesses can obtain immunity to engage in collective bargaining and collective boycott conduct that may be at risk of breaching the Act is to lodge a notification with the ACCC.

Once a notification has been validly lodged with the ACCC, immunity from legal action in respect of the notified conduct commences 14 days after the notification is lodged, unless the ACCC issues a draft objection notice proposing to prevent the immunity coming into effect.

The ACCC may proceed to remove the immunity provided by a collective bargaining notification where it is satisfied that the likely benefit to the public from the proposed conduct will not outweigh the likely detriment to the public from the proposed conduct.