

6 August 2015

The Commissioner,
Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2601

Your reference: 57224
Your Contact: John Rouw

Dear Commissioner,

Job Futures Ltd – Applications for revocation and substitution A91493 and A91494 - draft determination and invitation to make submissions.

I write as the Chair of Bridging the Gap Inc and with the authority of that board to object to a portion of the above determination and to request a pre-decision conference. Bridging the Gap is a foundation member of Job Futures Ltd and now finds itself in a major dispute with Job Futures, who we see as our Membership Manager or Network Manager and Collaborator.

We have this week appointed solicitors HHG Legal Group to advise the board on both the dispute and our objection to this draft determination. In the meantime this letter is sent to ensure that your deadline is met, and it constitutes a submission as foreshadowed in clause 72 of your draft determination.

Subject to formal legal advice, we agree with the majority of your determination but our objection follows similar lines to that provided by another Job Futures member that is quoted in your determination, namely Marillac. We agree with Marillac's objections as outlined in clause 44 of your draft determination and regret that we did not support Marillac's objection earlier in this process. For us, the facts are that the warnings contained in Marillac's objection have now come to pass and we now have first-hand experience that:

- *The proposed amendments are likely to have a distortive effect on the current market,*
- *There is a likelihood of financial detriment (to members)*
- *The proposed amendments may significantly impact the ability of other members to viably operate in their regions and*
- *the current clause is fair and equitable and results in a net public benefit*
(Draft Determination Clause 44)

Further, we contend that Job Futures has most likely breached the terms of your interim authorisation dated 28 May 2015, Clause 14 where it gave you an undertaking that: "*Job Futures has said it will not undertake tendering for new services before the ACCC finalises its assessment of the application for re-authorisation.*"

To summarise the current dispute, at Page 2 of your draft determination under the heading "The Applicant" you explain Job Futures' modus operandi and say "*the funding body (usually the*

Commonwealth), *contracts Job Futures, which in turn subcontracts its members.*" It seems that much of your authorisation flows from this arrangement where Job Futures acts as a Membership or Network Manager, contracting to the Commonwealth to win tenders that are distributed to and delivered throughout Australia by Job Futures' members for the benefit of Australia's disadvantaged.

In our dispute, Job Futures has tendered to the Commonwealth as a subcontractor to one of its Queensland-based members to deliver employment type services in Western Australia in competition with Job Futures' Western Australian membership base. That is, Job Futures has used its WA members' locational advantage and general members' funds to hire 25 staff and deliver under a contract, in an employment related field, that WA Members could have and should have been invited to deliver. We see all the warnings in Clause 44 applying here.

Note that Job Futures is both the network Manager of its Queensland based member "Busy at Work" and is co-tenderer and subcontractor to "Busy at Work" in Western Australia delivering services in competition with its WA members. This is clearly not the model you described in "The Applicant" on Page 2 of your determination though it brings all the detriments described in Clause 44.

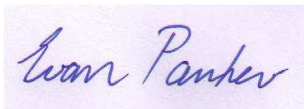
The result of this joint contracting by Job Futures is that Job Futures has helped "Busy at Work" to open nine new offices throughout the whole of Western Australia and has provided 25 new staff who are employed by our Membership and Network Manager, Job Futures.

Further, all Western Australian members now believe that any future work that our Network Manager, Job Futures wins in WA will go to their newly introduced Principal "Busy at Work" who has, within their new offices, 25 Job Futures staff. Put another way, all new work will go to themselves to the detriment of its longstanding WA members.

As Chairman of Bridging the Gap, I have sought resolution to these issues without success to date and I would be pleased to send copies of correspondence outlining our complaint to Job Futures and responses from their Chair should you require them.

As mentioned, we have this week appointed solicitors to assist us with this matter and we may make further submissions prior to your deadline.

Yours sincerely,



Evan Parker
BCom, THC, TTC, FCPA, AIMM, AMICDA
Chairman - Bridging the Gap Inc.

11 McCoy Street, Melville WA 6156
Tel: 08 6262 5321
Fax: 08 9330 3529
Mob: [REDACTED]
Email: [REDACTED]
Web: <http://www.bridgingthegap.org.au>