



**Australian
Competition &
Consumer
Commission**

Our Ref: 57928
Contact Officer: Lyn Camilleri
Contact Phone: 03 9290 1973

GPO Box 3131
Canberra ACT 2601

25 September 2015

23 Marcus Clarke Street
Canberra ACT 2601

Gerard Mus
President
Tasmanian Chicken Growers Association
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Dear Mr Mus

**Re: Tasmanian Chicken Growers Association – Collective bargaining notification
CB00323 – no further action**

I refer to the above collective bargaining notification Tasmanian Chicken Growers Association ('the Association') lodged with the Australian Competition and Consumer Commission (ACCC) on 2 September 2015.

I am writing to inform you that the ACCC does not object to the proposed collective bargaining arrangement. On the basis of the information available, the ACCC considers that the likely benefit to the public from the collective bargaining arrangement will outweigh the likely anti-competitive detriment to the public.

The notified conduct

The Association has notified that it proposes to negotiate on behalf of its eight chicken grower members with Inghams Enterprises Pty Ltd ('Inghams') in relation to the terms and conditions of its grower contracts, including the grower fee paid. The arrangement does not involve a collective boycott.

The Association has previously notified the ACCC of similar conduct in 2014, apart from an ownership change in one of its members.

ACCC consideration

The ACCC considers that this collective bargaining arrangement is likely to result in public benefits in the form of transaction cost savings and greater input by the Association's members into contracts, which is likely to result in more efficient outcomes.

The ACCC also considers that the potential for anti-competitive detriment is limited, in particular by the size of the collective bargaining group and the voluntary nature of the arrangement, for both Inghams and participants of the group. The ACCC notes that Inghams has not objected to the notification or conduct.

As with any notification, the ACCC may act to remove the statutory protection afforded by the notification at a later stage, if it is satisfied that the likely benefit to the public from the collective bargaining arrangement no longer outweighs the likely detriment to the public from the arrangement.

A copy of this letter has been placed on the ACCC's public register. If you wish to discuss this matter, please contact Lyn Camilleri on 03 9290 1973 or through adjudication@acc.gov.au

Yours sincerely

A handwritten signature in blue ink, appearing to be 'Richard Chadwick', with a long horizontal line extending to the right.

Dr Richard Chadwick
General Manager
Adjudication