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AUST COMPETITION & CONSUMER
COMMISSION - ADELAIDE

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.

PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

1. Applicant

- (a) Name of person giving notice:
(Refer to direction 2)

N98808

University of South Australia

- (b) Short description of business carried on by that person:
(Refer to direction 3)

The University of South Australia (**University**) is established under the *University of South Australia Act 1990* (SA). The University provides tertiary level programs at its four metropolitan and two regional campuses in South Australia to over 30,000 students.

- (c) Address in Australia for service of documents on that person:
Prof Marie Wilson Pro Vice Chancellor, UniSA Business School
UniSA Business School
Level 5, Room 5-60, Way Lee Building
North Terrace
Adelaide SA 5000
Ph: 08 8302 0666 Mobile: 0466 130462
Email: marie.wilson@unisa.edu.au

2. Notified arrangement

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

This notice relates to the provision by the University of a Masters of Business Administration (**MBA**) program. The proposed MBA program will include the Company Directors Course provided by the Australian Institute of Company Directors (**AICD**) as an elective. The University is proposing to require students to become a member of the AICD as a prerequisite to enrolling in the Company Directors Course elective.

The services to which this notice relates are:

- (a) the provision of the Company Directors Course elective by the University as a component of its MBA program; and

(b) membership of the AICD.

(b) Description of the conduct or proposed conduct:

The University proposes to structure the MBA program so that membership of the AICD is a prerequisite to a student enrolling in the Company Directors Course elective (BUSS 5417). Membership would be for a period of 12 months.

Background

The Company Directors Course is designed for participants who wish to further their directorship skills and knowledge including executive and non-executive directors, CEOs and senior executives who report to boards.

Of the 50+ MBAs on offer in Australia, 12 academic institutions recognise the AICD's Company Directors Course and provide recognition for credit into the MBA. The process has traditionally been that these activities occur independently: that is, before or during MBA enrolment, a participant will directly enrol in the AICD's Company Directors Course. The fee for the Company Directors Course is currently \$7,175 for AICD members. Non-members who meet course criteria may undertake the Company Directors Course as a non-member for \$2,885 additional cost (significantly more than the AICD membership fee, which for the first year is currently a total of \$758). Participants have the opportunity to achieve the Company Directors Course Award by successfully completing the AICD's optional assessment. The assessment needs to be completed if a student wishes to apply for credit into an MBA from their academic institution. A small fee, less than \$100, is usually required by the University to process a credit application. Successful applications will result in the University approving credit to a student for one MBA subject being a 4.5 credit point elective.

Proposed conduct

In the proposed arrangement, the University will contract with the AICD for an 'in-house' delivery of the program as an elective course (BUSS 5417) within the MBA. Students will pay their normal MBA tuition fee for the course (currently \$3,500) to the University, after they are approved for enrolment. Approval for enrolment requires satisfying course prerequisites including academic prerequisites and providing evidence that they are a current member of the AICD. It is proposed that students arrange their membership directly with the AICD, pay for this membership personally and provide evidence of their AICD membership to the University prior to enrolment in the course. Members of the AICD gain use of the AICD post nominal applicable to their membership class.

Students who have previously or contemporaneously completed the Company Directors Course directly through the AICD will still be able to apply for credit from the University for one MBA subject being a 4.5 credit point elective as explained above.

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:
(Refer to direction 5)

The class of persons to which the conduct relates is students enrolled in the University's MBA program who choose to undertake the Company Directors Course as one of their electives.

- (b) Number of those persons:

- (i) At present time:

Nil

- (ii) Estimated within the next year:
(Refer to direction 6)

100

- (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:
(Refer to direction 7)

The University considers that the public and private benefits of undertaking the Company Directors Course elective extend beyond the immediate course content. The notified conduct is directly related to this extended benefit.

In addition to making the course more logistically and financially accessible to students, the embedding of the course ensures integration into the curriculum, and furthers the competencies of MBA graduates in the area of duties and responsibilities of directors and effective interaction between senior management and an organisation's governing body. By requiring students undertaking the elective to become members of the AICD, the University is extending the students' learning beyond the content of the course by ensuring that students are exposed to the AICD and its professional director and executive networks.

The AICD is committed to excellence in governance and makes a positive impact on society and the economy through governance education, director development and advocacy. The AICD's membership includes directors and senior leaders from business, government and the not-for-profit sectors. Membership of the AICD will enable MBA students to access a range of tangible and intangible benefits from the insight into the corporate governance environment that the AICD provides to its members. Students will be kept abreast of the latest regulatory and legislative issues affecting businesses and

boards, have opportunities to continue their professional development through AICD courses and functions, as well as becoming part of a large network of directors in Australia representing business, government and the not-for-profit sectors.

The University considers that adopting a holistic approach to director education within its MBA program (including AICD membership) provides a significant public benefit in furthering the development of MBA students to become better executives and directors. The exposure of MBA students to the AICD environment through membership of the AICD is a pathway to achieve this public benefit which can be facilitated by the University through its MBA program.

The public benefit also includes advanced preparation of female and indigenous professionals for senior leadership roles. The enhanced accessibility of the Company Directors Course within the MBA is linked to the AICD's national initiatives on diversity in the boardroom. The combination of this with the University's membership of the Women in MBAs, a partnership designed to tackle the gender imbalance in MBA study, and indigenous scholarship initiatives, targeted at increasing participation in partnership with employers, also supports the broader public purpose of gender equity and increased professional leadership in indigenous communities and in Australian organisations.

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

As described in (a) above.

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):
(Refer to direction 8)

The markets which are potentially affected by the notified conduct are:

- (a) the market for tertiary education leading to an MBA qualification; and
- (b) the market for governance education and director development for directors and senior leaders from business, government and the not-for-profit sectors.

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:

(Refer to direction 9)

There are no public detriments. An MBA can be completed without undertaking the Company Director Course. For the University MBA, the Company Directors Course is an elective and is not required in order to fulfil the requirements to graduate with the MBA award. MBA students and graduates may also enrol in the course separately through the AICD. Nothing in the proposed conduct affects:

- the ability of a person to undertake the Company Directors Course directly through the AICD; or
- the current recognition by academic institutions of the AICD's Company Directors Course for credit into an MBA.

- (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:

Prof Marie Wilson Pro Vice Chancellor, UniSA Business School
UniSA Business School
Level 5, Room 5-60, Way Lee Building
North Terrace
Adelaide SA 5000

Ph: 08 8302 0666 Mobile: 0466 130462

Email: marie.wilson@unisa.edu.au

Dated... 22 December 2015...

Signed by/on behalf of the applicant

.....
(Signature)

.....
(Full Name)

.....
(Organisation)

.....
(Position in Organisation)



DIRECTIONS

1. In lodging this form, applicants must include all information, including supporting evidence that they wish the Commission to take into account in assessing their notification.

Where there is insufficient space on this form to furnish the required information, the information is to be shown on separate sheets, numbered consecutively and signed by or on behalf of the applicant.

2. If the notice is given by or on behalf of a corporation, the name of the corporation is to be inserted in item 1 (a), not the name of the person signing the notice, and the notice is to be signed by a person authorised by the corporation to do so.
3. Describe that part of the business of the person giving the notice in the course of which the conduct is engaged in.
4. If particulars of a condition or of a reason of the type referred to in section 47 of the *Competition and Consumer Act 2010* have been reduced in whole or in part to writing, a copy of the writing is to be provided with the notice.
5. Describe the business or consumers likely to be affected by the conduct.
6. State an estimate of the highest number of persons with whom the entity giving the notice is likely to deal in the course of engaging in the conduct at any time during the next year.
7. Provide details of those public benefits claimed to result or to be likely to result from the proposed conduct including quantification of those benefits where possible.
8. Provide details of the market(s) likely to be affected by the notified conduct, in particular having regard to goods or services that may be substitutes for the good or service that is the subject matter of the notification.
9. Provide details of the detriments to the public which may result from the proposed conduct including quantification of those detriments where possible.