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### By email

Dear Sir or Madam

# The Real Estate Institute of Western Australia (Inc) application for authorisation A91586 - draft determination

The Australian Competition and Consumer Commission (the ACCC) has issued a draft determination in respect of the application for authorisation lodged by the Real Estate Institute of Western Australia (REIWA) on 22 May 2017.

Please see the ACCC's publication <u>Authorisation process - the basics</u> for a summary of the authorisation process and how to make a submission to the ACCC.

REIWA is seeking authorisation for arrangements contained in its Membership Framework, namely its:

- Articles of Association, including its proposed CPD scheme
- Members' Codes of Practice
- Auction Code of Conduct
- website (reiwa.com) terms and conditions
- agreements between REIWA and its members that give rise to REIWA's Standard Exclusive Agency Forms
- proposed voluntary accreditation scheme.

#### **Background**

On 10 January 2017, REIWA lodged application A91569 for the revocation and substitution of authorisation A91280.<sup>1</sup>

On 13 April 2017 the ACCC issued a draft determination proposing to grant conditional authorisation A91569 to REIWA for arrangements contained in REIWA's Membership Framework for a period of ten years, subject to a number of conditions relating to access to standard forms. No submissions were received prior to or following the draft determination.

REIWA did not seek, and the ACCC did not grant, interim authorisation prior to the expiry of authorisation A91280 on 11 May 2017. With the expiration of authorisation A91280, there is no authorisation on foot to revoke to to revoke and substitute, and the ACCC is therefore unable to finalise the application A91569.

<sup>&</sup>lt;sup>1</sup> Authorisation A91280 was granted on 19 April 2012 and expired on 11 May 2017.

In light of this, REIWA lodged a new application for authorisation (including a request for interim authorisation) on 22 May 2017. The substance of application A91586 is identical to its previous application for revocation and substitution (A91569). The only difference is that REIWA has sought authorisation for a period of 10 years (rather than 5 years).

On 24 May 2017, the ACCC granted interim conditional authorisation to REIWA in respect of the conduct the subject of REIWA's substantive application, subject to a number of conditions relating to access to standard forms.

#### **Draft determination**

A copy of the ACCC's draft determination and summary of its reasons is attached. For the reasons set out in its draft determination, the ACCC proposes to grant authorisation subject to conditions for ten years.

## **Next steps**

Once the ACCC issues a draft determination, the Applicant or any interested party may make a written submission and/or request that the ACCC convene a 'pre-decision conference'.

If you wish to make a submission in response to the ACCC's draft determination, please lodge your submission by **14 June 2017**. "Submissions should be emailed to adjudication@accc.gov.au with the subject "A91586 – REIWA - submission".

A pre-decision conference provides the opportunity for interested parties to make oral submissions in relation to the draft determination. Conferences are conducted informally and while legal or professional advisers are able to attend they are not entitled to participate in the discussion.

If you wish the ACCC to hold a pre-decision conference in relation to the draft determination you must notify the ACCC in writing by **14 June 2017**.

The ACCC will consider any submissions it receives, including any oral submissions made should a pre-decision conference be called, and will then release a final determination in relation to these applications.

Submissions will be placed on the ACCC's public register subject to any request for exclusion. Please see the ACCC's publication <u>Guidelines for excluding information from the public register</u>.

#### **Timetable**

The ACCC will continue to progress its assessment of the application in a timely manner. An updated indicative timetable is set out below for your information.

Indicative date	Stage in assessment process
22 May 2017	Lodgement of application and supporting submission.
24 May 2017	Interim authorisation granted.
31 May 2017	Draft determination.
14 June 2017	Deadline to call pre-decision conference.
	Closing date for submissions in relation to the draft determination.
June 2017	Final determination.

This letter will be placed on the ACCC's public register.

If you wish to discuss any aspect of this matter please do not hesitate to contact Elizabeth Batten on (02) 6243 1359 or <a href="mailto:adjudication@accc.gov.au">adjudication@accc.gov.au</a>.

Yours sincerely

**Darrell Channing** 

Director Adjudication