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22/01/2018

Mr Robert J Nuss
Managing Director
RJ Nuss Removals Pty Ltd

By email: robertjnuss@nuss.com.au

Dear Mr Nuss

Collective bargaining notification CB00433 lodged by R J Nuss Removals Pty Ltd

I refer to the above collective bargaining notification lodged with the Australian Competition and Consumer Commission (the ACCC) on 22 December 2017.

I am writing to inform you of the outcome of the ACCC's assessment of this notification.

The notified conduct

R J Nuss Removals Pty Ltd (Nuss Removals) lodged collective bargaining notification CB00433 on behalf of itself, Aussie Move International Movers Pty Ltd, King & Wilson Transport Pty Ltd, Fimpark Pty Ltd, Aussiemove N.T. Pty. Ltd, Karaco Pty. Ltd. and Kmb Pty. Ltd, proposing to collectively negotiate with Pacific National for the provision of rail linehaul freight services.

Specifically, Nuss Removals proposes to represent the group and negotiate with Pacific National an annual volume growth rebate based on the aggregate volumes of the participants. Other terms and conditions of the agreement will also be negotiated.

It is not proposed that there will be negotiations in respect of prices (other than those relating to rebates).

ACCC consideration

The ACCC may revoke the immunity provided by a collective bargaining notification if the ACCC considers the relevant tests in section 93AC are satisfied. Generally, if the ACCC concludes that the public benefits likely to result from the collective bargaining arrangement will not outweigh the anti-competitive detriments, the ACCC can remove the immunity provided by the notification.

The ACCC considers this collective bargaining arrangement may result in public benefits in the form of transaction cost savings and may allow the participants to negotiate a more favourable rebate with Pacific National which may allow them to compete more effectively.

Further, the ACCC 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 Pacific National and participants of the group.

On the basis of the information available, including the experience from having this conduct notified previously in 2008, 2010 and again in 2013, the ACCC considers that the likely

benefit to the public from the collective bargaining arrangement will outweigh the anti-competitive detriment to the public. The ACCC does not intend to take any further action in relation to the notification at this stage.

Noting the above, the ACCC considers it appropriate in all of the circumstances for notification CB00433 to expire on 21 December 2027.

As with any notification however, the ACCC may act to remove the immunity afforded by the notification at a later stage if it is satisfied that the likely benefit to the public from the conduct no longer outweighs the likely detriment to the public from the collective bargaining arrangement. Further, the protection provided by this notification applies only to those parties named in the notification, not to any future members of the group.

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 John Azzopardi on (03) 9290 1461.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'D. Jones', is positioned above the typed name and title.

David Jones
General Manager
Adjudication