

# Determination

Application for minor variation of authorisations A91441-A91443

lodged by

**GAMSAT Consortium Limited** 

in respect of

the Interview and Preference Policies applied by participating universities for admission to graduate-entry medical schools

Authorisation number: A91441, A91442 and A91443

16 June 2021

Commissioners:

Rickard

Brakey

Ridgeway

## Summary

The ACCC has decided to vary authorisations A91441, A91442 and A91443 (the Authorisations) granted to members of the GAMSAT Consortium in relation to policies governing the interviewing and admission of applicants to study medicine at the participating universities' graduate-entry medical schools.

The variation adds GAMSAT Consortium Limited to the Authorisations, a company incorporated to conduct the administration of the scheme.

The Authorisations will remain in effect until 11 December 2024.

# 1. The application for minor variation

- 1.1. On 1 April 2021, GAMSAT Consortium Limited (the **Applicant**), on behalf of the GAMSAT Consortium members listed in paragraph 2.2 below (the **Consortium Members**), applied for a minor variation to authorisations A91441, A91442 and A91443 (the **Authorisations**) granted by the Australian Competition and Consumer Commission (the **ACCC**).
- 1.2. The ACCC granted the Authorisations for 10 years in 2014, expiring on 11 December 2024. The authorisations relate to the Preference Policy and Interview Policy (the Policies) governing the admission and interviewing of applicants to study medicine at the Consortium Members' graduate-entry medical schools (the Authorised Conduct).<sup>1</sup>
- 1.3. The Consortium Members are seeking a minor variation to add GAMSAT Consortium Limited to the parties authorised (the **Proposed Conduct Change**). This will accommodate the restructuring of the GAMSAT scheme and facilitate GAMSAT Consortium Limited handling the necessary administrative functions.
- 1.4. The member universities were previously responsible, on a rotating basis, for providing day-to-day administrative support. However, the Consortium Members considered it would be more efficient to have the admissions process conducted through a corporate entity rather than the unincorporated consortium, removing the added workload each time the responsible member rotates.
- 1.5. The constitution of the GAMSAT Consortium Limited is a formalisation of what was previously done under the unincorporated consortium and allows the entity to contract out the 'support institution' role to Medical Deans Australia and New Zealand Inc (Medical Deans). All decision-making processes remain unchanged and Medical Deans does not have any role in decision-making.
- 1.6. GAMSAT Consortium Limited was incorporated on 30 August 2018, and the relevant operations have been undertaken by the corporation since August 2019.
- 1.7. The Applicant submits this change is minor as the variation is merely administrative, there is no change to the relevant policies (as defined in the Authorisations).

See ACCC Final determination A91441, A91442 and A91443 dated 19 November 2014 for further details about the Authorised Conduct.

# 2. Background – the Applicants

- 2.1. The Graduate Australian Medical School Admissions Test (GAMSAT) Consortium is a group of 10 Australian universities that collectively develop and administer a shared approach to managing applications for entry to their medical schools. The member universities of the Consortium were the original applicants for authorisations A91441, A91442 and A91443.
- 2.2. The Consortium Members as at 19 November 2014, the date authorisation was granted, were:
  - University of Wollongong
  - Deakin University
  - The University of Western Australia
  - Griffith University
  - The University of Notre Dame Australia
  - The Australian National University
  - The Flinders University of South Australia
  - · The University of Queensland
  - The University of Melbourne, and
  - Monash University (no longer a participant in the GAMSAT Scheme).
- 2.3. The authorisation was granted to the members of the GAMSAT Consortium as at the date of the Authorisation and any other university that later became a part of the Consortium and agreed to abide by the Policies. Pursuant to this, Macquarie University is now also a participant.
- 2.4. GAMSAT Consortium Limited is a company limited by guarantee and a registered charity, created to facilitate the administration of the GAMSAT scheme for the original applicants. The board of the incorporated entity is the same as that of GAMSAT Consortium, comprised of the Deans of the medical schools.

## 3. Consultation

- 3.1. For the purpose of consultation, the ACCC made an initial assessment that the application is capable of being a 'minor' variation consistent with the definition of a minor variation in the Act.<sup>2</sup>
- 3.2. The ACCC then invited submissions from a range of potentially interested parties including non-member universities with graduate-entry medical schools, relevant industry associations and state government stakeholders. No submissions were received.

## 4. ACCC assessment

4.1. This application for a minor variation was made under subsection 91A of the Competition and Consumer Act 2010 (Cth) (the **Act**).

<sup>&</sup>lt;sup>2</sup> Section 87ZP(1) of the Act

- 4.2. Under section 91A, the ACCC may grant an application for minor variation of an authorisation if it is satisfied that:
  - the proposed variation is minor, and
  - the variation would not be likely to reduce the extent to which the benefit to the
    public from the authorisation outweighs any anti-competitive detriment caused by
    the authorisation (the minor variation test).

#### The proposed variation is minor

- 4.3. The ACCC is satisfied that the proposed variation is minor. The ACCC considers that the proposed variation will not involve a material change in the effect of the authorisations that were originally granted. The ACCC considers that adding GAMSAT Consortium Limited to the authorisation, facilitating its involvement in undertaking the administrative functions of the Authorised Conduct, does not involve a material change in the effect of the authorisation, nor the resulting net public benefit. It is primarily an administrative change.
- 4.4. There is no additional conduct sought to be authorised under the minor variation and there is no change to the relevant Policies defined in the Authorisation. The decision-making process and the authority and composition of the committees making those decisions are unchanged.

#### No reduction in the net public benefit of the arrangements

- 4.5. In its 2014 determination, the ACCC concluded that the arrangements were likely to result in a net public benefit. In particular, the ACCC considered that the arrangements would be likely to result in public benefits arising from the streamlining of the application and interview processes for selecting graduate-entry medical students, leading to cost savings for both universities and applicants.
- 4.6. The ACCC does not consider that that the proposed minor variation is likely to have any impact on this public benefit.
- 4.7. In its 2014 determination, the ACCC also considered that the Authorised Conduct was unlikely to result in any significant public detriment. This assessment was informed by the following:
  - While the Policies may reduce the potential for competition between members of the GAMSAT Consortium in terms of their admission processes, there are features of the Policies which mitigate this detriment including the ability for each participant school to place different weight on the selection components and to adopt their own interview format
  - GAMSAT Consortium as a group cannot restrict the total number of places to graduate-entry medical schools as this is determined by the Australian Government
  - The number of applicants for places in graduate-entry medical schools far exceeds the number of places available, so there will always be applicants who are not offered places, regardless of the admissions process used
  - Similarly, the GAMSAT Consortium cannot establish the prices of courses as that is also determined by the Australian Government and nothing in the Policies allow the Consortium members to reach agreement on course fees.

- 4.8. The ACCC considers that the proposed minor variation is unlikely to result in any increase in likely public detriments as it does not seek to change the nature of the conduct previously authorised.
- 4.9. For the reasons outlined, the ACCC considers that the proposed minor variation will not result in any reduction in the net public benefits of the Authorised Conduct.

## 5. Determination

- 5.1. The ACCC is satisfied that the variation is minor as defined by section 87ZP of the Act.
- 5.2. The ACCC is also satisfied that the public benefit test under section 91A(4)(b) of the Act is met. That is, the variation would not result, or would be likely not to result, in a reduction in the extent to which the public benefit of the authorised conduct outweighs any public detriment caused by the authorised conduct.
- 5.3. Pursuant to section 91A(3) of the Act, the ACCC makes this determination varying authorisations A91441, A91442 and A91443 to allow the Proposed Conduct Change as described at paragraph 1.3 of this determination.
- 5.4. This determination is made on 16 June 2021. If no application for a review of the determination is made with the Australian Competition Tribunal, the determination will come into effect on 8 July 2021.