MINERALS COUNCIL OF AUSTRALIA

REPORT TO THE AUSTRALIAN COMPETITION AND CONSUMER COMMISSION (ACCC) UNDER CONDITION 3 OF INTERIM AUTHORISATION AA1000504

REPORT NO. 1

12 MAY 2020
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1. BACKGROUND

On 24 April 2020 the Australian Competition And Consumer Commission (ACCC) granted conditional interim authorisation in respect of the application for authorisation AA1000504, lodged by the MCA.

In its decision to grant interim authorisation, the ACCC authorised companies listed in a Schedule of Participants to engage in proposed conduct as set out in paragraphs 10-14 of the decision.

Condition 3 of the decision requires the MCA to provide the ACCC with regular updates on the implementation of the proposed conduct, including any material developments and arrangements, at a frequency agreed with the ACCC.

On 5 May the ACCC advised the MCA of its view that Condition 3 reports should be provided fortnightly, with the first report to be provided on Monday, 11 May 2020 or shortly thereafter.

2. MCA COMMUNICATION TO APPLICANTS AND PARTICIPANTS

The MCA has communicated with its members on what the interim authorisation allows them to do and their obligations should they wish to participate. The other applicant industry associations have similarly informed their members.

3. ACTIONS TAKEN TOWARDS ESTABLISHING MATERIAL ARRANGEMENTS

MCA coordinating mask sharing arrangements

The MCA has invited participants to join a working group exploring interest in establishing a material arrangement to source and ensure the supply of masks.

As at 12.00 pm (AEST) on 11 May 2020, 16 participants have engaged, informing the MCA about their supply situation (shortage/adequate supply/capacity to assist in a supply critical situation). A deficit of about 40,000 masks per month was identified for the period to the end of October 2020 (the limit of forecasting at this stage).

The MCA has also advised the working group and those participants which have registered a shortage of excess supplies of masks that may be available from two members of the working group.

The MCA has also provided information to the working group about non-participant distributors and manufacturers of masks who are believed to have capacity to supply and produce suitable masks.

Through the working group an opportunity was identified to supply 10,000 masks to Aboriginal health services providers in need, which was responded to by one member of the group.

Other preliminary discussions about material arrangements

The MCA is aware of three separate preliminary discussions between participants about potential material arrangements.