

5 June 2020

ACCC GPO Box 3131 Canberra ACT 2601

Via email: adjudication@accc.gov.au

Re: AA1000512 - National Retail Association - submission

Dear Sir/Madam

The Australian Federation of Travel Agents (AFTA) is a joint applicant in relation to Proposed Tenant Conduct and Proposed Landlord Conduct and the interim authorisation granted by the ACCC.

As the peak industry body in Australia, AFTA represents the majority of retail travel agents including all of the major travel agency groups. AFTA's membership accounts for approximately 80 percent of Australia's travel intermediaries that control more than 96% of travel intermediary turnover. It also has a substantial base of associate members, representing non-intermediary sectors of the travel industry.

AFTA appreciates the opportunity to make a submission in relation to the cooperation permitted by the interim authorisation and for the purposes of the draft determination.

Submissions on the cooperation permitted by the interim authorisation

The granting of the interim authorisation has provided relief to allow member groups where they choose, assist tenant agents with rent relief negotiations with landlords. This is beneficial in assisting businesses at this difficult time to allow better representation where they so choose.

It is important that landlords are made aware that any negotiations are voluntary and that landlords are still obliged to enter into negotiations with a business that chooses not to participate in collective negotiating. One member has commented, that a particular landlord has not been open to individual negotiation, and pushing for forced collective negotiation.

Submissions for purposes of the draft determination

Travel businesses are a unique retail business and are facing a unique extended impact due to COVID-19. The effects of the government travel ban, will see a prolonged financial impact on retail travel businesses, with international travel suggested at restarting in April/May 2021. Due to the long term effect on revenue for these businesses, AFTA argues that such businesses need as much support as can be provided to ensure the longevity of these businesses. It would be detrimental for consumers, should such businesses be forced to close as many consumers are holding credits with suppliers and bookings on hold.







As such, AFTA urge the ACCC to grant the authorisation for 12 months, allowing collective negotiations to continue over this period of uncertainty for the travel industry.

Should you wish to discuss this matter further, please contact AFTA on 02 9287 9900.

Kind regards,

Courtney Duddleston Acting GM Operations



