

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

23 – 24 February 2011

Question No: AET 29

Topic: ACCC – COLLECTIVE BARGAINING APPLICATIONS

Hansard Page: Written

Senator Ryan asked:

How many small business collective bargaining applications have been made under the Trade Practices Act?

Answer:

On 1 January 2007, the collective bargaining notification process was introduced to provide small businesses with a new process for gaining protection for collective bargaining arrangements under the competition provisions of the *Competition and Consumer Act 2010* (the Act).

To be able to lodge a collective bargaining notification, parties to the collective bargaining arrangement must expect that its transactions with the target under the arrangement will not exceed \$3 million in any 12 month period. This threshold is higher for certain industries.

Since 1 January 2007, 147 valid notifications have been lodged in respect of 23 collective bargaining proposals. This includes 48 notifications lodged for a single franchise arrangement involving 48 separate suppliers, and 56 notifications lodged by a group of paint retailers to negotiate with 56 suppliers of paint and paint accessories.

For the same period, since 1 January 2007, 32 applications for authorisation for collective bargaining have been lodged. The majority of these would involve small business. There is no threshold restriction on parties lodging applications for authorisation for collective bargaining arrangements.

These statistics are correct as of 7 March 2011.