

Latest Legal Update: Latest industry-specific authorisations granted by ACCC in response to COVID-19

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Abstract:

The Australian Competition and Consumer Commission (ACCC) has provided interim authorisation to the following industries as a result of COVID-19:

- 1. Mining companies allowed to co-operate to manage critical services and supplies:** The Members of the Mineral Council of Australia (MCA) and other mining associations will be able to work together to manage critical services and supplies during the COVID-19 pandemic. The interim authorisation is aimed at addressing critical shortages and supply disruptions in the mining sector and help ensure Australia's mining industry continues to operate safely and efficiently, by allowing members that have notified the ACCC to co-ordinate on sourcing, purchasing and distribution of critical supplies and services (eg health and safety equipment, logistics, equipment maintenance and consumables). Importantly, the authorisation does not allow mining companies to co-ordinate on the terms, conditions or prices in supply contracts. The ACCC media release can be found [here](#).
- 2. 7-Eleven and franchisees allowed to co-operate on store opening times:** 7-Eleven and its franchisees will be able to discuss potential temporary store closures or reduced trading hours, in response to reduced customer demand because of COVID-19 restrictions. 7-Eleven and its franchisees operate in competition in some areas. Franchisees will not have to temporarily close or reduce their store hours if they do not wish to. Franchisees that agree to close temporarily will receive an ex-gratia payment from 7-Eleven to cover certain unavoidable operational costs. Franchisees that agree to reduced hours will receive a pro-rata minimum guaranteed income from 7-Eleven to reflect the temporary reduction in trading hours. 7-Eleven must notify the ACCC of any arrangements reached. The ACCC media release can be found [here](#).
- 3. Retailers allowed to collectively negotiate with landlords:** The authorisation, granted to the Australian Retailers Association and its current and future members, will also allow retailers to share information relevant to the negotiations, including in relation to requests by landlords for certain information as part of considering and negotiating support to be provided in response to COVID-19. The ACCC cites the public benefit in allowing retailers to work together with landlords to reach a fair outcome. The authorisation is voluntary and does not include individual tenants exchanging information about the amount of their rent or any rent incentives they were previously granted. The ACCC media release can be found [here](#).

The ACCC may grant authorisation if it is satisfied that the public benefit from the proposed conduct outweighs any likely public detriment. Further information can be found in the Exemptions sub-topic on [Authorisation](#).

For more information on authorisations that have already been granted in response to the Covid-19 pandemic, see Latest Legal Updates: [Co-ordination between competitors and COVID-19](#), [Airline coordination and COVID-19](#); [ACCC authorises further industry cooperation](#); [ACCC issues new industry-specific authorisations during COVID-19](#) and [Latest industry-specific authorisations granted by ACCC in response to COVID-19](#).