



Mining companies allowed to co-operate during COVID-19 pandemic

24 April 2020

Members of the Minerals 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, after the ACCC granted interim authorisation for the arrangements today.

The COVID-19 pandemic has led to shortages and supply chain disruptions for some critical services and supplies used by the mining sector.

The interim authorisation will help ensure Australia's mining industry continues to operate safely and efficiently by allowing members that have been notified to the ACCC to co-ordinate on the sourcing, purchase and distribution of crucial supplies and services such as health and safety equipment, logistics, equipment maintenance and consumables like fuel and explosives.

"The COVID-19 pandemic has had a dramatic impact on global manufacturing and supply chains, which has created challenges for those sectors, such as mining, that are still operating and still in need of crucial equipment and services," ACCC Chair Rod Sims said.

"To help address these challenges, we have authorised mining companies to co-ordinate on a limited range of activities to help ensure they can continue to operate safely and efficiently."

The authorisation only applies to activities relating to these critical services and supplies. It will, for example, allow companies to share inventories and manage demand for these critical services and supplies, coordinate deliveries, and share details of potential suppliers of personal protective equipment (PPE), such as N95 masks needed to work in underground mines.

"Importantly, the approval does not allow mining companies to coordinate on the terms, conditions or prices of supply contracts," Mr Sims said.

"We are going to closely monitor the effect of these arrangements and when it is appropriate for this authorisation to be revoked."

The authorisation applies to members of the MCA and seven other mining associations. The ACCC must be notified in advance of any arrangements made under the authorisation.

The ACCC will now seek feedback on interim authorisation, as well as the application for final authorisation, which is sought for a period of 12 months from the date of authorisation. More information, including the ACCC statement of reasons, a list of associations included, and the supplies and services covered by the authorisation is available at [Minerals Council of Australia](#).

Background

The Minerals Council of Australia's membership includes many of Australia's biggest mining companies. It has 11 full member companies and 29 associate member companies including mining service providers, state-owned energy and transport companies and consultancy firms.

Notes to editors

ACCC authorisation provides statutory protection from court action for conduct that might otherwise raise concerns under the competition provisions of the Competition and Consumer Act 2010.

Section 91 of the Act allows the ACCC to grant interim authorisation when it considers it is appropriate. This allows the parties to engage in the proposed conduct while the ACCC is considering the merits of the substantive application.

The ACCC may review a decision on interim authorisation at any time, including in response to feedback raised following interim authorisation.

Broadly, the ACCC may grant a final authorisation when it is satisfied that the likely public benefit from the conduct outweighs any likely public detriment.

Release number:

83/20

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