Australian Competition & Consumer Commission

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NEWS RELEASE

ACCC TO NOT OPPOSE TRANSURBAN CONSORTIUM'S PROPOSED ACQUISITION OF THE TOLLROAD ASSETS OF QUEENSLAND MOTORWAYS GROUP

The Australian Competition and Consumer Commission will not oppose the proposed acquisition by the Transurban Consortium (including Transurban Group) of the tollroad and associated assets of Queensland Motorways Group. It is proposed that Transurban would be the entity responsible for operating the QM Group tollroad assets, should the Transurban Consortium's bid be successful.

The consortium consists of AustralianSuper Pty Ltd, Tawreed Investments Limited, Transurban Holdings Limited, Transurban International Limited and Transurban Infrastructure Management Limited.

Both Transurban and QM Group are currently involved in the ownership or operation of tollroads in Australia. Both entities also have substantial electronic tag issuing businesses in Australia. However, there is at present no geographic overlap between Transurban and QM Group's activities with Transurban's tollroad operations and tag issuing businesses based in NSW and Victoria and QM Group's activities limited to Queensland.

"The ACCC concluded that the acquisition of QM Group's tollroad operations in Queensland would be unlikely to substantially lessen competition," ACCC Chairman Rod Sims said.

"The ACCC determined that the proposed acquisition would not enable Transurban to raise prospective rivals' costs, through higher roaming fees, for future opportunities to own and operate tollroad concessions".

While the proposed acquisition would increase Transurban's electronic tag base nationally, the ACCC concluded that due to the limited degree of interstate travel by motorists, the aggregation of Transurban's New South Wales and Victorian businesses with QM Group's Queensland business was unlikely to increase Transurban's ability to raise roaming fees and thereby impact the competitiveness of rival bids in each relevant state.

The ACCC also concluded that the proposed acquisition was unlikely to substantially lessen competition in the market for the supply of electronic tolling services to tollroad owners and operators. Market inquiries confirmed that tollroad owners and operators would have a number of alternatives to Transurban including in-house development of the necessary electronic toll collection system and international market participants operating similar systems offshore.

The ACCC also considers that the countervailing power possessed by State Governments, as the entities responsible for awarding new tollroad concessions would likely constrain Transurban in relation to both the market for the supply of tolling services to tollroad concession-holders and the market for the award of tollroad concessions.

Media inquiries
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MR 71/14
4 April 2014