



Australian  
Competition &  
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Commission

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# NEWS RELEASE

## **A.C.C.C. NOT TO OPPOSE WESTPAC BANKING CORPORATION'S PROPOSED ACQUISITION OF ST GEORGE BANK LIMITED**

The Australian Competition and Consumer Commission has concluded that the proposed acquisition of St George by Westpac is unlikely to substantially lessen competition under section 50 of the *Trade Practices Act 1974* in the markets in which they compete.

"This conclusion was reached after conducting a comprehensive review of the proposed acquisition, including extensive market inquiries with a range of interested parties, confidential surveys by the ACCC, and considering internal documents of the merger parties," ACCC Chairman, Mr Graeme Samuel, said.

The ACCC reached the conclusion that, while St George Bank is a relatively innovative and dynamic competitor with a strong focus on customer service, other competitors to the merged entity which remain in the market will continue to play a similar role.

"In particular, the ACCC considered that competition in retail banking markets provided by the other major banks and regional banks along with credit unions, building societies and niche players, would be sufficient to constrain the merged firm after the acquisition," Mr Samuel said.

"The ACCC acknowledges the role that regional banks have played in challenging the major banks, particularly as they have entered new states and competed aggressively to gain market share."

The ACCC issued its preliminary views in a *Statement of Issues* published on 23 July 2008. In that statement, the ACCC identified the aggregation of the BT (Westpac) and Asgard (St George) wrap platforms as a preliminary competition concern.

Further market inquiries have since revealed that there are a range of substitutable products, including master trust platforms and, increasingly, separately-managed accounts, available to financial planning businesses and investors.

The basis upon which the ACCC has reached its decision will be outlined in a *Public Competition Assessment*, which will be available shortly on the ACCC's website, [www.accc.gov.au/publiccompetitionassessments](http://www.accc.gov.au/publiccompetitionassessments).

### Media inquiries

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### General inquiries

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