



5 July 2019

Gavin Jones
Director, Adjudication
Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2600

Via email: adjudication@acc.gov.au

Dear Mr Jones,

APRA application for reauthorisation (A91367-A91375 and A1000433)

Thank you for forwarding a copy of the draft determination in respect of the application by APRA. I have taken the opportunity below to comment on some matters within the determination.

Conference

Please note that I wish to attend the pre-decision conference scheduled for 19 July in Sydney.

Independence of the ADR scheme from APRA (ref: 4.165 – 4.174)

The AHA notes that there has been very minimal activity from licensees including hoteliers in the last five year. However, I also note that provision has been made by the Resolution Facilitator to introduce an automated electronic process for the registration, management, and tracking of matters. Being a member of the ADR consultative Committee, I know that the rationale for this acquiring this new process is a safeguard for handling an expected increased work load as a result of OneMusic Australia.

My observation is that Shirley Kirschener the Resolution Facilitator has handled her role exceptionally well. However, that does not change the chance of risk of perception of conflict of interest.

As much as to protect the Resolution Facilitator, the AHA agrees that a block funding model (or some other mechanism) paid for by APRA AMCOS may be appropriate. Any steps to further remove any perceptions of conflict would be worthwhile, especially with the volume of work possibly in the pipeline.

Governance and transparency of APRA's decision making (ref: 4.198 – 4.208)

The ACCC seeks further submissions from APRA about the best way to facilitate the reporting of this information, including possibly through existing reporting structures. From a licensee's perspective, there are many questions about "where the money we pay goes?"

The AHA supports the proposed condition (**condition C.4**) requiring APRA, to publish an annual Transparency Report

Transparency of APRA’s licensing arrangements (ref: 4.232 – 4.258)

The AHA agrees that there is a “significant information asymmetry” between APRA and its licensees.

The AHA supports the ACCC proposal to impose a condition of authorisation requiring APRA to make available the methodology for calculating the licence fee for each licence category, including relevant data, economic analysis or examination.

However, the AHA also believes that industry associations should be provided the data for their members irrespective whether APRA believes it to be commercial in confidence, perhaps even if only on a de-identified basis.

Conclusion

Thank you for the opportunity to make this submission and to appear at the pre-decision conference.

Yours faithfully,



STEPHEN FERGUSON
NATIONAL CEO