

AGM:JW

# Harness Racing

26 August 2002

The General Manager,  
 Adjudication Branch,  
 Australian Competition and Consumer Commission,  
 PO Box 1199,  
DICKSON 2602

## New South Wales

Dear Sir,

FILE No:

DOC:

MARS/PRISM:

**AUTHORISATION A90837 LODGED BY THE AUSTRALIAN HOTELS ASSOCIATION (NSW)**  
**YOUR REF C2002/1080 (AMANDA DADD)**

I refer to your letter of 8.8.02 addressed to the Chairman of HRNSW at Bankstown and also your letter of the same date addressed to the Registrar and Administrative Services Australian Harness Racing Council in Melbourne (of which all harness racing States of Australia are members), dealing with the subject matter.

Please be advised that as the authorisation lodged with your Commission could impact upon harness racing in NSW the AHRC has forwarded their correspondence to the undersigned for information and attention where necessary.

HRNSW is a Statutory Corporation of the NSW Government and in accordance with the HRNSW Act of 1977 (as amended) not only controls and regulates the harness racing industry in NSW but is also responsible for commercial decisions.

I have noted the points raised in your letter of 8.8.02 together with the submission provided to your Commission by Spier Consulting of Deakin ACT on behalf of the Australian Hotels Association (NSW).

Firstly let me say that HRNSW has no difficulty with the application by the AHA (NSW) to the ACCC for authorisation to allow it to conduct collective contractual negotiations on behalf of its members with TAB Ltd in NSW for PubTAB wagering services and Sky Channel racing broadcast services, as this is a matter between the AHA (NSW) and TAB Ltd.

Secondly, it is noted that the application also seeks authorisation of primary boycott activity in the form of a collective decision by member hotels and taverns to withdraw services to TAB Ltd should contractual negotiations break down and not recommence within 7 days.

This area is of considerable concern to HRNSW as such a boycott would have a detrimental effect to our industry in respect of a downturn in harness racing betting turnover with TAB Ltd through the various PubTAB's statewide.

Please note that the three racing codes in NSW i.e. Harness, Thoroughbred and Greyhound (through NSW Racing Pty Ltd which acts as agent for the 3 codes with TAB Ltd) have contractual obligations with TAB Ltd under the NSW Racing Distribution Agreement as follows:

22 Meredith Street, Bankstown. Telephone: (02) 9722 6600  
 P.O. Box 358, Bankstown 1885. Fax: (02) 9722 6690  
 World Wide Web: <http://www.harness.org.au>  
 CompuServe Forum: Go Harness  
 Email: [genmgr@harness.org.au](mailto:genmgr@harness.org.au)

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- Maximise net wagering revenue
- Maximise wagering earnings
- Encourage public interest in racing in NSW
- Encourage public attendance at race meetings
- Otherwise promote the quality and development of racing in NSW

It should be noted that over the past few years since privatisation TAB Ltd has taken a business decision to rationalise a number of TAB betting agencies in NSW and is now reliant to a degree for support of its off course betting business through Pub and Club TABs in NSW.

In this regard it is important to note that many of the remaining TAB betting agencies close their doors at 6pm. This is very detrimental to the predominantly night racing codes of harness and greyhounds as a significant amount of our off course totalisator betting turnover occurs between the hours of 6pm to 10.30pm a time slot which is currently serviced by many Pub and Club TABs in NSW.

On behalf of HRNSW I thank you for the opportunity to make these comments and should you require any further information, please do not hesitate to contact the undersigned.

For your information, the contact persons, addresses and telephone numbers for the following NSW racing bodies are set out hereunder:

Mr Merv Hill  
CEO  
Thoroughbred Racing Board  
PO Box 528  
KENSINGTON 1465 (Phone) 9551 7500

Mr Steve Rosier  
CEO  
Greyhound Racing Authority  
PO Box 138  
LIDCOMBE 2141 (Phone) 96433100

Mr Greg Purcell  
CEO  
NSW Racing Pty Ltd  
PO Box 528,  
KENSINGTON 1465 (Phone) 9551 7500

Yours faithfully,

  
**A G MULLINS**  
Chief Executive Officer