

Gilbert Jewel

From: Grimwade Tim
Sent: Monday, 16 June 2003 8:46 AM
To: Gilbert Jewel; Dadd, Amanda
Subject: FW: AHA/TAB

For your attention and for public register

-----Original Message-----

From: hank spier [mailto:spierconsulting@netspeed.com.au]
Sent: Sunday, 15 June 2003 9:13 AM
To: Grimwade Tim
Cc: Gregson Scott; bevandouglas@northnet.com.au
Subject: AHA/TAB

Tim, I have read the latest submission from the TAB ,dated 13 June 2003 .The AHA does not want to get into any more semantic games or arguing over facts that should not be in contention.

Nevertheless I do want to make a few points,

1. On the Dawson Committee collective bargaining recommendations - if what the TAB says is correct the Dawson proposals on collective bargaining are meaningless .The TAB misses some critical points and one being that the onus will be on the ACCC to show detriment . The TAB appears to say that collective bargaining notifications will still be subject to an authorisation style public benefit test.
2. On the withdrawal of the AHA boycott application.The TAB belittles that but that was a major issue for the AHA. I note in the ACCC newsagents draft decision that that aspect was a major issue.
- 3.On the so called points of fact challenged by the TAB , as indicated the AHA does not wish to get into further debate.

However ,it does want to make the point again that in relation to race broadcasting there are no competitors in NSW . Hoteliers can subscribe to Foxtel or Austar in their home but an agreement between SKY and Foxtel or Foxstar precludes the use of that service in the hotel. Further hotels subscribe to Foxtel for other sporting services but cannot get racing broadcasts on that subscription.

The TAB query whether we should talk of Fox Sports rather than Foxtel/Austar. As far as hoteliers are concerned any contract is with Foxtel/Austar .If Foxstar was prepared to enter into direct broadcasts contracts with hotels for the supply of all its sporting programs the hotels would be delighted.

Second .the TAB challenges the statements that AHA members are small businesses. That should not be in contention, the bulk are. The few that are not have no more leverage in relation to TAB/SKY than the others. You may have noticed in the media that one of the larger groups, the Australian Liquor & Hospitality Group is on the market . It is likely that many of the hotels will be purchased by individual lessees.

In relation to hotel groups ,there is on going rumour that the TAB will enter that part of the industry .If it does that will raise competition concerns as through its TAB/SKY operations it demands commercial information from its customers which will be of even greater interest to TAB/SKY once it becomes a competitor .

4. On related issues ,I would like to draw a few issues from the recent ACCC final decision on collective bargaining by Qld concrete carters. I note that the fact that the collective bargaining was to be confined to one firm and not all in the industry was important ,as was the fact that the agreement was not national. Similar concerns can be seen in the ACCC draft decision in newsagents.

In AHA/TAB, the proposed agreement is with one firm. That one firm is the industry in NSW .That fact is the genesis of the application.

The application is not national.It is NSW only even though SKY operates nationally.

16/06/2003

I understand that you may wish to put these comments on the public register.

HANK SPIER