



The Confederation
of Australian Sport

Tuesday, 17 October 2006

General Manager
Adjudication Branch
Australian Competition and Consumer Commission
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Dear Commissioner,

RE: Australian Baseball Federation N 90853

FILE No:

DOC:

MARS/PRISM:

The Confederation of Australian Sport (CAS), as the peak body for sport in Australia does not support the ACCC's planned revocation of the Australian Baseball Federation's notification of Third Line Forcing.

We believe that there is very strong evidence that the public good from this licensing arrangement far outweighs any detriment of the program to the public. It is the position of CAS that the ABF have put together this program with the expressed intention of providing significant benefits to the sport as a whole and this is being achieved.

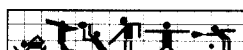
The ability of a National Sporting Organisation to generate a diverse income stream is a real challenge in this country. This has been demonstrated over and over again with the number of sports that either receive rescue funding packages from Federal or State Governments and by the number of sports that have faced their National Organisation being wound up. While each situation is different, it is the position of CAS that the Australian public is better served by having strong and viable National Sporting Organisations especially when CAS considers that the cost to the public is relatively negligible.

The revocation of the notification by the ACCC may in fact have a particularly detrimental effect on the participation in the sport because if an NSO is able to diversify its income across both licenses and competition fees as well as through licensing in this manner, the end cost to the participant is lowered. This is because uniforms and equipment are a necessary part of sport and the state and national bodies are not completely reliant on membership and competition fees for their income. These fees may have to increase substantially to sustain the level of income required for the current level of operation and this may mean that families already stretched by the cost of living may not be in a position to support family members taking part in the sport. Within the current framework of our increasingly obese nation, every effort must be maintained to encourage people's participation in sport and recreation. According to the Getting Australia Active: Towards better practice for the promotion of physical activity (National Public Health Partnership 2002) physical inactivity is responsible for an estimated 8,000

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deaths per year in Australia, and costs the health system at least \$400 million in direct health care costs.

Sports also rely on continual development of the next generation of participants to keep the sport vibrant. Through the many depositions made by both the State and National bodies, it is clear that the income that has been generated via this scheme benefits the sport through the appointment of Development Officers.

Inevitably in sport, there are differences between local leagues, states and the national body but a sport cannot exist without these institutions and it is the position of CAS that a whole of government approach would see that allowing licensing arrangements of the type that the ABF have constructed is a net. The Australian Sports Commission has stated to CAS that while it cannot comment on the ABF program specifically, the ASC has broadly expressed its support of the principle of revenue raising schemes that augment traditional membership based income (such as licensing schemes).

It is against this whole of sport view and the specific consideration that the public good of the sport and the nation has to be put ahead of any losses experienced by a small section of the community, that are not specifically being excluded by the licensing system, that CAS supports the position that the ACCC should not revoke the notification.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Lachlan Clark', written in a cursive style.

Lachlan Clark
General Manager
Confederation of Australian Sport