

Spier Consulting – Legal

**4 Waller Cres, Campbell, ACT, Australia 2612
02 62812030- 0419 239 755
spierconsulting@netspeed.com.au**

Submission to ACCC on “interested” party comments on ANF application for authorisation (A91407) for collective bargaining with suppliers.

ACCC Questions.

Question 1- As a general response to this question, ANF seeks to collectively negotiate, on behalf of ANF members, with the suppliers in the Supplier list submitted by ANF in relation to goods and /or services supplied by those suppliers to ANF members. In many cases this collective bargaining is already happening.

The following lists the categories in the List and the products and issues subject to the proposed collective bargaining.

- Insurance brokers- price , terms and conditions in relation various insurance products, both in relation to such products to be used by ANF members or sold on an agency basis by ANF members,
- Business opportunities- the terms and conditions in relation to the products offered by the promoters or licence holders to ANF members.
- Phone cards- the fees and terms and conditions of the agency agreements for the sale of phone cards

- Greeting cards and wrap- the price and terms and conditions of the resale of greeting cards and wrap.
- Stationary- the price and terms and conditions for the resale of stationary products.
- Banks- the terms and conditions of financial services provided to newsagents, including agency arrangements.
- Publishers- see list in application.
- Marketing groups/franchises-the terms and conditions that various products and/or services are provided to or offered to newsagents.
- Tobacco- the terms and conditions that tobacco products are supplied for resale to newsagents, including response to regulatory issues.
- Confectionary- the prices and terms and conditions that confectionary products are supplied to newsagents for resale.
- Shop fitters- the terms and conditions that shop fitting and renovation services are provided to newsagents.
- POS Providers- the terms and conditions that POS is provided to newsagents
- Electricity providers- price and terms and conditions for the use of electricity by newsagents.
- Service stations- the price and terms and conditions that fuel is obtained by newsagents.
- Transport companies- the price and terms and conditions that transport services are used by newsagents.
- ATM service providers- the terms and conditions in ATM agency or distribution agreements.
- Shopping Centre landlords. - the price and terms and conditions of retail commercial leases obtained by newsagents. Also the different treatment that small business such as newsagents are subjected to as opposed to larger tenants,

Question 2-

The bargaining processes will be no different to what happens now with publishers and lottery companies.

The ANF executive plus some operating ANF members seek to negotiate with relevant suppliers, as most of this is on a national basis, the ANF executive is involved. In some cases where the supplier is localised a local negotiating group is formed by the local ANF Branch or associate organisation.

Members are constantly advised of any such negotiations by email newsletters and feedback welcomed. Members are regularly advised that they need not to be part of a collective bargaining if they do not want to be a part.

Confidential information, to the extent that that exists, is held by the ANF in secure circumstances. Much of the sensitive material is only seen by the ANF executive. This has not been an issue in relation to collective bargaining by the ANF or its successors.

Question 3- ; Like ANF members, suppliers change. One option is for the ANF to seek minor variation but the process is anything but minor. No doubt in some cases that will be the only option.

It is suggested that the authorisation provide for an informal mechanism whereby the ANF notify the ACCC of any changes in suppliers, often due to changes in the supplier itself or new suppliers arise. The ACCC is then to advise if that requires a minor variation application or the ACCC notes that change and no more. It is a little like additions or deletions on the ANF side.

Additional issue raised in ACCC letter.

We do not accept that there is a possible imbalance of bargaining power. This misunderstands the process. Suppliers are not forced to negotiate on a collective basis with ANF and many will not.

Small suppliers are more likely to want collective negotiation as it is more effective and they have the upper hand as they can on the one hand refuse to negotiate collectively and on the other hand refuse to deal. The ANF sees the process as a more efficient and more informed way of dealing in a market where the ANF members are all very small and time and information poor.

As to safeguards, we doubt that any are needed but one solution might be where the supplier is not a public company and is in a local market than if it advises the ANF that it is fearful of the collective bargaining process the ANF will not pursue collective bargaining with it.

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