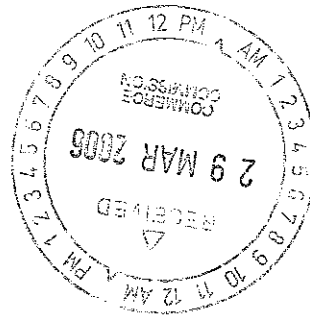


27 March 2006

TO: Glen McDonald
Director of Competition Branch
Commerce Commission
P O Box 2351
WELLINGTON

FROM: Stephen Morris



Dear Mr McDonald

I wish to make a submission to the Commerce Commission on the proposed Salary cap for the Rugby National Provincial Championship.

My submission is I want the salary cap proposal from the New Zealand Rugby Union rejected for the following reasons:

Salary caps are anti-free trade, a restraint of trade, and it stops players, or employees, earning as much as the market would otherwise pay them.

The point of a salary cap is to make the NPC a level playing field for all the teams in order to make the competition fair. This is a ridiculous notion. Sport is about playing to win, not draw. Sport is not about fairness, it is about the supremacy of the best over the rest.

Teams, or rogue Chief Executives like Mick Watson of the New Zealand Warriors, will find ways to cheat the salary cap and that will have a negative impact on the public's perception of the NPC. The New Zealand Rugby Union is naïve and gullible if they think all teams will abide by a salary cap.

A Salary cap is ideologically communist/socialist, not capitalism. The Australian NRL has a salary cap because rugby league is a working class game, with many supporters and officials involved in unions, with their socialist ideology of fairness. Rugby union is not a working class game and New Zealand is not a socialist country, it is a capitalist country.

Historically the major teams have always come from the biggest cities in the country. For example, why has Waikato emerged as a rugby power house over the last 20 years rather than Northland? Because Hamilton is a bigger city than Whangarei. So Waikato has more money to spend on players, facilities, gear and equipment, advertising, cheer leaders, etc... By installing a salary cap, the New Zealand Rugby Union is undermining that reality.

Sport is meant to be about finding the best. A salary cap will prevent an NPC team from being the best it can be. A salary cap will prevent the NPC from being the best rugby competition it could be.

Millionaires can't buy a trophy. Supporters of a salary cap always criticise English soccer, but Chelsea and Manchester United can't buy the Champions League trophy. A millionaire owner might buy the most expensive players but that doesn't mean the squad will gel as a winning unit. You can't buy that. So a salary cap won't prevent any team "buying" the trophy.

Let excellence triumph over every team being the same. Let clubs buy the best players they can get. I hate the fact children in sports like triathlons all get a medal, whether they come first or last. That is wrong; it is an insult to the winner to give the losers medals. A salary cap is just as wrong because it punishes the best and rewards the rest. That is what is wrong not just with New Zealand sport but New Zealand society today; excellence is punished. Look at tax rates for people on higher incomes in New Zealand. Same with the salary cap; it will punish rich clubs and reward poor clubs. That is wrong, so please Commerce Commission, send a clear message to New Zealand rugby, that the best must win. If that's not "fair" then welcome to planet earth; life is not meant to be fair and neither is sport. Let the winners win. Say no to a salary cap for the New Zealand rugby National Provincial Championship.

Yours sincerely



Stephen Morris

P.S. I would be happy to discuss this submission in person if required. I would appreciate acknowledgement of receipt of this submission.