Qantas-BP link gets green light

QANTAS'S loyalty tie-up with BP petrol stations is set to get the green light from the consumer watchdog despite the regulator's misgivings over the sharing of customers' data.

The Australian Competition and Consumer Commission says it proposes to authorise the deal, which was announced in September, even though it has "some concerns about the potential for consumer harm arising from BP sharing consumer data with Qantas".

The ACCC said yesterday it encouraged both parties to adopt recommendations about the collection of consumer data when the regulator publishes the final report from its review of customer loyalty schemes later this year. The ACCC's draft report published in September said the watchdog was concerned about the opaque, take-it-or-leave-it privacy policies of major loyalty programs.

The draft report also raised issues with how some schemes collect data on consumers.

Nonetheless, the ACCC granted interim authorisation for the deal to take effect from February 1 and will make a final decision that month.

"We consider that these arrangements will provide public benefits, for example by giving consumers more opportunity to earn and use rewards program points," ACCC commissioner Stephen Ridgeway said.

"The arrangements are also likely to provide cost savings to the parties, by allowing BP to negotiate with Qantas on behalf of BP petrol station owners, rather than each station owner needing to negotiate individually."

7-Eleven loss for Metcash

METCASH shares have dropped more than 10 per cent to a four-month low after 7-Eleven chose not to renew its contract with the wholesale food and beverage supplier when it expires in August.

"Metcash was unable to reach agreement with 7-Eleven on its supply requirements," Metcash said yesterday.

Metcash said annual sales to 7-Eleven total about $800 million, mostly in lower-margin tobacco products, but that it was still in talks to continue to supply 7-Eleven stores in WA.

PATIENT: Chief investment officer of Menninger Capital Lloyd Hirst and CEO of Menninger Capital Matthew Smith outside Holborn and Kensington Apartments, the letting and management rights to which have been acquired in a $7 million agreement. Picture: ALIX SWEENEY

City property rights snapped up for $7m

TONY RAGGATT

A SUNSHINE Coast property services group with Townsville connections has picked up the local property management rights of distressed Brisbane fund manager Blue Sky Alternative Investments in a deal believed to be worth more than $7 million.

Property Vine has acquired the management and letting rights to the Holborn, Kensington, Islington, Dalgety and Riverway Point apartment complexes in Townsville's CBD and at Condon.

Receivers were appointed to Blue Sky Alternative Investments earlier this year after the company's market capitalisation virtually evaporated under a campaign waged by US-based short sellers.

Parties to the Townsville transaction announced the sale yesterday.

It involves Townsville-based investment fund Marathon Consolidated which acquired a 24.8 per cent stake in Property Vine in June.

Marathon Consolidated is managed by local investment manager Menninger Capital headed by Matthew Smith.

Mr Smith and Menninger chief investment officer Lloyd Hirst have taken seats on the board of Property Vine to represent Marathon.

"Blue Sky went into receivership earlier this year after seven-and-a-half years on the ASX and we identified the opportunity here for Marathon, one of the funds we manage, and Property Vine to benefit significantly from the purchase," Mr Smith said.

"We partner with quality companies by providing long-term, patient capital and strategic guidance for growth and this acquisition demonstrates the success we are seeing with our approach."

Property Vine CEO Adam Thomas said the acquisitions highlighted their belief in Townsville and their expectation for growth and prosperity in the region.

"These acquisitions were made possible by a significant investment from local fund manager Menninger Capital and are a part of our 2025 strategic plan to increase our property management portfolio which currently is in excess of 900 real estate properties across Queensland," Mr Thomas said.

Mr Thomas said their strategic plan included the acquisition of several additional management and letting rights for apartment complexes in Queensland.

They were also preparing for an Initial Public Offering on the Australian Stock Exchange.

Mr Hirst said the investments were a great example of Menninger's partnership approach to create value for investment partners, to fund growth and help Property Vine prepare for its listing.

Menninger Capital will hold its Annual Investment Partners Meeting in Townsville on November 29.

Bosses dud one in three workers with lost super payments

EMPLOYERS are shortchanging one in three workers on their superannuation, and the employees are missing out on a combined $6 billion a year, a federal parliamentary inquiry has heard.

Industry Super Australia chief Bernie Dean said a third of Australians were seeing super recorded on their pay slips but not getting it.

Mr Dean told the inquiry that ensuring super was paid on payday was a "no-brainer" and called on the government to make it mandatory.

"The dollar figures Australians are missing out on are too large to ignore," he said.

"It really hasn't changed, for the last five or six years."

He said it wasn't a case of money getting paid late, but rather, the money never being paid.

Mr Dean said a bill in the Senate to address the issue would give amnesty to employers who admitted underpaying super and pledged to rectify it.

"Now, if you know a third of the national workforce is missing out on superannuation through those employers ... would your first thought be to give them a free pass," Mr Dean asked.

Industry Super Australia is a lobby group for industry super funds.

The group's deputy chief executive, Matthew Linden, also defended the sector's treatment of inactive accounts where fees are charged without services being provided.

He said it was better for inactive accounts to be with super companies than the Australian Taxation Office.

Inquiry chair and Liberal MP Tim Wilson has said such accounts mark the super industry's own "fees for no service" moment.

Industry super funds have been transferring inactive accounts with balances below $6000 to a holding fund called AusFund, where they are eroded by fees, when inactive accounts are meant to be moved to the tax office.

But Mr Linden said the accounts were earning five times more in returns than they would at the tax office. He also said the sector had a better track record of reuniting inactive accounts with their owners.

At AusFund, 42 per cent of accounts were reconnected with their owners, compared with 27 per cent of those at the ATO, he said.

Mr Linden said 200,000 AusFund accounts had been reunited with their owners out of 475,000.

Labor's shadow assistant treasurer, Andrew Leigh, said it was much better for the accounts to stay in the sector, than be moved to the tax office.