
The Parliament of the Commonwealth of Australia

Review of the ACCC Annual Report 2003

House of Representatives Standing Committee on Economics, Finance and
Public Administration

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Foreword

The Committee's review of the ACCC (Australian Competition and Consumer Commission) *Annual Report 2003* has occurred at a particularly fortuitous time, given that it has coincided with a number of key events related to competition policy in Australia, including Telstra's recent changes to its broadband retail and wholesale pricing regime. In addition to this, the review has addressed several other matters of considerable importance to Australian society, including fuel pricing, telecommunications and banking.

During the review process a public hearing was conducted on 5 March 2004 in Melbourne. This hearing was the first occasion on which the recently appointed Chairman of the ACCC, Mr Graeme Samuel AO, had publicly appeared before the Committee in his new role. The hearing provided Committee members and the public with a considerable insight into a range of issues and challenges currently facing the competition watchdog, including problems posed by jurisdictional limitations, spiralling litigation costs and the maintenance of competition in rural and regional Australia.

The Committee intends to continue carrying out annual report reviews of this nature with the ACCC into the future. These will be based on the highly successful Reserve Bank of Australia hearings which the Committee conducts biannually. The Committee feel that this approach not only helps to ensure that the ACCC remains accountable to the Parliament for its actions, but also provides an excellent opportunity for the public to gain a greater understanding of the role and policies of the Commission.

On behalf of the Committee I would like to express our appreciation to the ACCC, in particular the Chairman Mr Graeme Samuel and the CEO Mr Brian Cassidy, for their considerable assistance in the review process. Finally I would like to acknowledge the efforts of Deputy Chair Anna Burke MP and our fellow Committee members for their participation in the review. We look forward to continuing our valuable dialogue with the ACCC at future hearings.

David Hawker MP
Chairman



Membership of the Committee

Chairman Mr David Hawker MP

Deputy Chair Ms Anna Burke MP

Members Mr Anthony Albanese MP

Mr David Cox MP

Ms Teresa Gambaro MP

Mr Alan Griffin MP

Mr Peter King MP

Mr Gary Nairn MP

Hon Alex Somlyay MP

Dr Andrew Southcott MP

Committee Secretariat

Secretary	Mr Russell Chafer
Inquiry Secretary	Mr Ryan Crowley
Administrative Officer	Ms Sheridan Johnson



Terms of reference

The Standing Committee on Economics, Finance, and Public Administration is empowered to enquire into and report on any matter referred to it by either the House or a Minister including any pre-legislation proposal, bill, motion, petition, vote or expenditure, other financial matter, report or paper.

Annual Reports of government departments and authorities tabled in the House shall stand referred to the relevant committee for any inquiry the committee may wish to make. Reports shall stand referred to committees in accordance with a schedule tabled by the Speaker to record the areas of responsibility of each committee.

The Australian Competition and Consumer Commission *Annual Report 2003* was tabled in the House of Representatives on 16 October 2003. On 4 December 2003 the Committee resolved to review the Report.



List of abbreviations

ACCC	Australian Competition and Consumer Commission
ASIC	Australian Securities and Investments Commission
ATM	Automatic Teller Machine
CEO	Chief Executive Officer
EFTPOS	Electronic Funds Transfer Point of Sale
RBA	Reserve Bank of Australia



List of recommendations

ACCC and ASIC jurisdictional matters

Recommendation 1

The Committee recommends that the Government investigate bringing investment property advisors under a similar regulatory regime as financial planners.

Sanctions

Recommendation 2

The Committee recommends that the Government give serious consideration to introducing criminal sanctions for participants in hard core cartels.

Telecommunications and rural areas

Recommendation 3

The Committee recommends that further work be done by the ACCC to determine the extent to which competition can accelerate access to new telecommunications technology in regional Australia.

Bank fees and charges

Recommendation 4

The Committee recommends that the ACCC produce a public report at least annually detailing bank fees and charges.