

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

4 – 6 June 2013

Question: BET 24

Topic: Supermarket Inquiries

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Senator RYAN asked:

Senator RYAN: I appreciate that. You have talked about the use of your compulsory information-gathering powers. Are you able to say how many notices you have issued in the course of these supermarket inquiries? I was looking at how many notices you have issued. I understand that the investigation at this point is only into the two large chains, Coles and Woolworths. How many notices have you issued to them collectively—I am not necessarily asking for a breakdown—and how many have been issued to others, who I would classify as suppliers, not Coles and Woolworths?

Mr Gregson: Those investigations are undertaken in the Queensland office. We certainly publish the total number of section 155 notices, which are the compulsory information-gathering powers that you refer to, on an annual basis in our annual report. We do not as a matter of course break those down or even necessarily allude to which investigations they are used in. I believe that we have made reference to the use of our statutory powers in these matters. We have not stated publicly how many. I prefer to take that on notice because I do not have the information. I think there are some policy questions, too, about the information we give about our use of statutory powers. I am happy to take those questions on.

Answer:

The ACCC's investigations into the ways in which major supermarket chains deal with their suppliers is, in fact, a series of four separate investigations. Two deal with allegations of unconscionable conduct towards suppliers by each of the major supermarket chains and two deal with allegations of misuse of market power with respect to house brands.

The ACCC does not generally comment on the use of or extent of use of compulsory information gathering powers in specific investigations. In this instance, however, given the public reference to the matters, we consider it appropriate to provide the details below in response to the question.

Across the four investigations, a total of six notices under section 155(1)(a) and (b) of the *Competition and Consumer Act 2010* (CCA) have been served on the major supermarket chains. The ACCC has engaged with the supermarket chains to clarify information and documents requested and where appropriate has adjusted due dates to accommodate production of the requested material.

A total of 42 notices under section 155(1)(a) and (b) of the CCA have been served on suppliers, with one of those notices being later revoked. Two additional notices under section 155(1)(a) and (b) of the CCA have been served on third parties who are not suppliers to the major supermarket chains.