

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates, 1 to 4 June 2004

Question: Bud 71

Topic: Caltex Memo

Hansard Page: Written Question on Notice

Senator Conroy asked:

What is the status of ACCC's investigation into the so-called Caltex FUD memo?

In April 2004 claims were made that Caltex was exploiting the Commonwealth fuel sales grant scheme. Franchisees have claimed that Caltex is cancelling out the grant by reducing price support. Is the Commission investigating this matter?

Does the Commission have any capacity to take any action even if the allegation is correct? Can the Commission confirm that the price exploitation provisions in Part VB of the TPA expired?

Answer:

The ACCC has investigated the circumstances surrounding the Caltex internal strategic memorandum for negotiations with its franchisees (the so called "FUD memo" referred to above) and, based on the information provided to it by parties, has discontinued the investigation.

Issues relating to the Commonwealth fuel sales grants scheme are not the responsibility of the ACCC.