

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

1 June – 3 June 2010

Question: BET 307

Topic: Section 87B undertakings

Hansard Page: Written

Senator Eggleston asked:

Given the comments made in the AFR on 6 April 2010, how would you like to expand the extraction of charity donations from wrongdoers as part of court undertakings?

Answer:

As noted in the ACCC's response to Question BET 240, from time to time, the ACCC has sought, or been offered, the inclusion of payments to charity in resolution of matters within or ancillary to section 87B undertakings. For example, section 87B undertakings accepted in 2010 have included the donation of canned food by H.J. Heinz Company Australia Limited and a financial donation to a children's hospital by Woolworths Limited.

The appropriateness of such remedies will depend on all the circumstances. For example, in matters where a party may have obtained financial gain from a course of conduct, but where compensation to affected parties has difficulties, a donation to charity may be an appropriate remedy.

The ACCC will continue to consider the inclusion of payments to charity in the resolution of matters including within or ancillary to section 87B undertakings in appropriate matters. As noted, the appropriateness of such remedies will depend on all the circumstances.