

Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Estimates, November 2004

Question: Supp 41

Topic: **ACCC – Australian Financial Review story titled ‘ACCC case load sharply lower’**

Hansard Page: **Written**

Senator Murray asked:

I refer to the story in the Australian Financial Review of 30 November 2004 titled 'ACCC case load sharply lower'. Does the ACCC have established criteria by which decisions to litigate perceived breaches of the Trade Practices Act are made? If so, can this criteria be provided?

Answer:

Matters that influence the ACCC's decision-making concerning whether and how to pursue apparent contraventions, including whether to litigate, include:

- whether the conduct involves a blatant disregard of the law;
- whether the person, business or industry concerned has a history of previous contravention;
- the detriment caused or being caused by the conduct and avenues available to address that detriment;
- whether the conduct is of major public interest or concern;
- whether the apparent conduct is industry-wide or is likely to become widespread if the ACCC does not intervene; and
- the potential for ACCC involvement to have worthwhile educative and deterrent effect.

The ACCC takes account of the relative likely effectiveness and efficiency of litigation in:

- stopping the apparent contravention;
- resulting in remedies for those affected by the conduct;
- deterring contraventions generally and by the parties concerned; and
- where appropriate, resulting in punishment of the parties concerned.