

27 January 2010

The Committee Secretary
House of Representatives Standing Committee on Economics
PO Box 6021
Parliament House
CANBERRA ACT 2600

BY EMAIL: economics.reps@aph.gov.au

Dear Committee Secretary

Inquiry into the Competition and Consumer (Price Signalling) Amendment Bill 2010

CHOICE welcomes the efforts by the Competition and Consumer (Price Signalling) Amendment Bill 2010 (Bill) to resolve the inability of the *Competition and Consumer Act 2010* (Act) to adequately deal with 'price signalling' and unilateral conduct where this leads to a decline in the welfare of Australians.

However, CHOICE is concerned that the Bill adopts a piecemeal approach to consumer protection issues. The introduction of a new head of power needs to be carefully considered given the impact that it may have on the operation of the rest of the Act.

Instead, CHOICE submits that consideration should first be given to whether it would be more effective to amend the drafting of the current provisions of the Act relating to anti-competitive agreements. That is, the difficulties that are faced by the Australian Competition and Consumer Commission in proving that an 'understanding' has been reached in circumstances where the Courts consider that there is no 'commitment' on behalf of the relevant parties.

For further information on any aspect of the submission, please contact Katrina Lee on 02 9577 3347.

Yours sincerely

Christopher Zinn

Director,

Campaigns and Communication