

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates

13 – 14 February 2013

**Question: AET 70-74**

**Topic: Fuel Prices**

**Written: Received from Committee – 20 February 2013**

**Senator XENOPHON asked:**

70. In relation to competition issues, can the ACCC explain the difference between what it considers to be anti-competitive conduct versus uncompetitive conduct?
71. Can the ACCC provide an update on the progress of the inquiry into Shopper Dockets?
72. Can the ACCC provide an update on the progress of the inquiry into Informed Sources?
  - a. Is the ACCC looking at data sharing more broadly within the context of the industry, or just Informed Sources?
73. I understand there is currently a discussion taking place around the display of discounted prices on fuel price boards.
  - a. Is the ACCC involved in this discussion?
  - b. What is the ACCC's position on this issue?
  - c. Is the ACCC supportive of a national standard?
74. How many complaints have been made to the Petrol Commissioner in the last 12 months?
  - a. How many have been investigated?
  - b. What were the outcomes of these investigations?

**Answer:**

70. The answer to the question depends on the context in which the phrases are used. In the context of the *Competition and Consumer Act 2010 (CCA)*, the Australian Competition and Consumer Commission (ACCC) is interested in conduct that has a detrimental impact on competition.
71. Refer to Tabled Document No. 6, tabled 13 February 2013 at the Senate Economics Legislation Committee.
72. On 3 May 2011, the ACCC announced that it had commenced a formal investigation into price information sharing arrangements in the retail petrol industry.

At the time, we noted that investigations of this kind were necessarily complex and generally involved extensive evidence gathering followed by legal and economic analysis. We noted that given this, the ACCC anticipated the investigation will take some time.

While noting that it considered it appropriate to inform the public it is undertaking the investigation given the significant public interest regarding petrol pricing, we indicated we did not intend to make any public comment about the progress of the investigation. The

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ACCC is prepared to confirm its investigation continues and intends to make public reference to the outcome of that investigation once complete.

73.

- a. Following the July 2012 meeting of the Legislative and Governance Forum on Consumer Affairs (CAF), ACL regulators including the ACCC have undertaken significant work to develop options for a possible information standard to achieve a consistent national approach to fuel price boards.

In November 2012 the ACCC met with industry through its Fuel Consultative Committee in order to better understand the issues impacting industry.

On 7 December 2012 Consumer Affairs Australia and New Zealand released a public consultation paper, Consumers and Fuel Price Boards, seeking views on fuel price board advertising and options for a national approach. The ACCC provided insights from its work in relation to fuel price boards to help develop this consultation paper. Submissions closed on 15 February 2013.

The outcomes of the consultation will inform the final decision of ministers responsible for Consumer Affairs on whether an information standard is necessary.

- b. The ACCC believes that conditions for competitive retail petrol pricing will be facilitated by consumers having access to clear and unambiguous information about petrol prices.
- c. The ACCC recommends that consideration be given to a national approach to fuel price boards under the Australian Consumer Law, however the question of whether a national standard is the most appropriate means to address the confusion caused by fuel price boards is a matter for the Treasury and state and territory policy agencies.

74. Refer to AET 29