



Good evening, Chair and Senators.

I would like to acknowledge the Ngunnawal people, the traditional owners and custodians of the land on which the Australian Parliament sits. I would also like to recognise any other people or families with connection to the lands of the ACT and region. I pay my respects to them, their culture and Elders past, present and emerging.

The ACCC's senior executive management team and I are pleased to be here before the Committee.

We are very conscious of the cost-of-living pressures that Australians are currently facing. The ACCC recognises that this is a priority for the community and reflected in directions we have received from the Government. This is acknowledged and reflected in the work being delivered across our enforcement and regulatory work programs. This includes:

- the recent direction for an ACCC inquiry into Australia's supermarket sector;
- our work, in collaboration with other agencies and the private sector, in combatting scams and the losses to victims from scams, through the National Anti-Scam Centre;
- the ACCC's inquiry into childcare and our recommendations to enhance the affordability and accessibility for all families; and

- our regulation and monitoring roles across the economy, protecting and informing consumers through telecommunications regulation, broadband monitoring, enforcing the electricity retail code, domestic airline competition monitoring and monitoring the electricity market.

## Supermarket inquiry

We recognise that many people, farmers, businesses small and large business as well as the parliament are interested in our supermarkets inquiry. To assist the Committee, I would like to start by outlining how the ACCC will conduct this work.

It will closely examine the competitiveness of the supermarket sector and how it has changed since the ACCC's last sector inquiry in 2008.

The inquiry's first priority will be an Issues Paper, to be released by the end of February. This will outline our initial areas of focus. It will also provide information for those who wish provide submissions or input to the inquiry, many of whom have already expressed an interest in our work.

We will use our full range of legal powers to conduct a detailed examination of the sector, produce a detailed public report and where we identify problems or opportunities for improvement, we will carefully consider what recommendations we can make to Government.

Our inquiry will examine the nature of the current competitive environment between supermarkets, as well as the barriers to greater competition and new entry in the sector.

The inquiry will also look at any emerging issues related to more recent trends, including online shopping, changes in technology, and loyalty programs.

We will release an interim report by the end of August, and a final report will be provided to the Treasurer by the end of February 2025. This will all be informed by meaningful consultation with the community, and will leverage the skills and experience the ACCC has developed conducting similar inquiries in recent years.

National Anti-Scam Centre (NASC)

I would also like to touch on the work of the NASC. The first fusion cell, established in July 2023, has worked effectively to confront the scourge of investment scams in the community. These scams can lead to significant financial losses and emotional burden for victims. Together with ASIC, banks, digital platforms and the telecommunications industry, this fusion cell has referred over 800 offending websites for takedown. It continues to actively share intelligence with law enforcement and the private sector to disrupt scams.

Losses reported to Scamwatch in December 2023 were \$25.2m, down 41.7% compared to December 2022 (\$41.3m). This represents the sixth straight month of declining losses in Scamwatch reports compared to the corresponding month in

2022. We will be working co-operatively with peer regulators, law enforcement and key private sector members to continue and build upon these early steps.

All of this is very positive, but the job is far from done and a whole of ecosystem legislative framework with mandatory, enforceable codes remains critical to ensure Australia becomes the world's hardest target for scammers.

### Inquiries into Retail Deposits and Childcare

Since last appearing before the Committee in October 2023, the ACCC has finalised its Retail Deposits Inquiry. This also marks the end of the ACCC's specific role in financial services, which commenced in 2017. Our final report makes 9 findings, outlining the importance of retail deposits to everyday Australians, the state of competition in the supply of retail deposit products and the importance of supporting informed consumer engagement in the choice and acquisition of these products.

We also completed our Childcare Inquiry in January 2024. This important work has concluded with a final report containing 31 findings based on detailed data and extensive engagement. We have made 8 recommendations to improve outcomes for households in diverse circumstances and locations across the country. The recommendations particularly identify potential interventions to better support lower income families, households living in remote locations, children with disability or complex needs, and culturally and linguistically diverse families.

### Law reform

As I conclude, I would like to note Treasury's ongoing work following the Treasurer's announcement in August 2023 of a two-year Competition Policy Review. The ACCC has engaged closely with the Review team and will continue to engage constructively as it progresses.

A key area that the ACCC has proposed for legislative reform is merger control. We consider that the existing voluntary enforcement based regime is not doing its job to identify and prevent anti-competitive mergers. Retaining an ineffective merger control regime increases the risk that Australian consumers, business suppliers, including farmers and small business customers will suffer from less competitive prices, lower quality, less innovation, less choice and lower productivity across the economy.

It is important to make sure the merger regulatory framework is fit for purpose, enabling the ACCC to see and prevent anti-competitive mergers, particularly at this time where there is considerable economic and geopolitical uncertainty, in the midst of a technological and environmental transition.

Finally, the ACCC's inquiries since 2017 into digital platform markets have been influential in framing our recommendations for new and targeted regulation to complement enforcement of our existing laws.

In December 2023, the Government announced its support in-principle for the recommendations made by the ACCC for economy-wide consumer measures against unfair trading practices, platform specific consumer measures and targeted,

service specific codes to apply to designated digital platforms to protect and promote competition in markets for digital platform services.

As digital transformation continues in many sectors of the economy and digital platform service providers become more deeply embedded in our lives, it's critical we have fit-for-purpose regulatory tools that ensure effective and robust competition and consumer protection.

There is significant progress internationally to address the competition concerns and consumer harms that are becoming increasingly apparent in digital platform markets. We must keep pace with this progress.

The regulatory reforms we've proposed will ensure Australia can fully embrace the opportunities offered by digital platform services and respond to current and future challenges as they arise.

We look forward to answering the Committee's questions today.