



February 2025 Senate Estimates – Opening Statement

Good evening, Chair and Senators

I would like to start by acknowledging the Ngunnawal people, the traditional owners and custodians of the land on which the Australian Parliament sits. I pay my respects to them, their cultures and to their Elders. I would also like to recognise any other people or families with connection to the lands of the Australian Capital Territory and this 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 this evening.

Last week I announced the ACCC's compliance and enforcement priorities for 2025 to 2026. This statement addresses a number of those priorities. We will continue to focus on sectors and conduct that significantly affect the cost of living and cost of doing business. Additionally, our priorities reflect the ongoing impacts of digital transformation and the transition to net zero.

Confident, informed consumers drive competition

Australia's consumer protection laws work in tandem with our competition laws to promote the proper functioning of Australian markets and deliver better outcomes for consumers, small businesses and our economy.

When markets are not workably competitive, Australian customers – whether consumers or businesses – pay the price. When businesses compete with each other to meet consumer needs, they are incentivised to innovate and improve, to offer greater choice, lower prices and better quality products and services that deliver value for the money consumers choose to spend.

But it is also true that when customers are misinformed and lack confidence in the representations being made by suppliers, markets and the suppliers in them, pay the price.

Conduct that erodes trust and impedes informed purchasing decisions is a concern for consumers and the many businesses acting within the

bounds of our law. Such conduct significantly impairs the capacity for competition on the merits.

In the 2024 financial year, alongside our competition enforcement program, the ACCC pursued a comprehensive program of enforcement and compliance work in consumer and small business protection. As a result, fines and penalties from consumer and industry code enforcement exceeded \$500 million.

Beyond enforcement, we continue to use all available tools to promote consumer welfare, including compliance initiatives for the Australian Consumer Law and industry codes, and exploring ways to raise business standards in Australia.

Competition and consumer and fair trading concerns in supermarket and retail sectors

In 2024, the ACCC conducted an inquiry to examine pricing, competition and emerging issues in Australia's supermarket sector. The final report of our inquiry is due to the Treasurer on Friday 28 February.

To inform this inquiry, we gathered a range of information from consumers and small businesses. Many consumers struggling with grocery costs reported buying less, skipping meals, and feeling distressed. Rural and low-income families reported high prices and limited choice, while farmers and small business raised concerns about supermarkets' bargaining power.

In the coming financial year we will prioritise anti-competitive conduct in this sector that may contribute to higher prices for consumers and unfair treatment of suppliers. We will also target our efforts on consumer and fair trading concerns in the supermarket and retail sectors, with a focus on misleading pricing practices.

Competition and consumer issues in essential services

In the current context of cost-of-living and cost of doing business concerns, Australian consumers and small businesses are particularly vulnerable to anti-competitive conduct in essential services – and the impacts on price, choice and quality of services.

In recognition of this ongoing concern, in 2025 to 2026, our priority on promoting competition in essential services with a focus on telecommunications, electricity, and gas will continue.

Similarly, households and businesses rely on these services, so it is critical that service plans, and pricing claims are clear, accurate and deliver the value represented to customers. For this reason misleading pricing and claims in relation to essential services, will remain a priority.

Competition in the aviation sector

Our commitment to addressing competition and consumer issues in aviation remains strong, with a renewed focus on tackling the most pressing challenges and opportunities in the sector. The recent record of entry and exit in this industry underscores its significance for consumers, businesses, and the broader economy, highlighting the need for effective competition and consumer protection to drive better outcomes.

Misleading surcharging practices and other add-on costs

In the 2025 to 2026 financial year, the ACCC will also focus on addressing misleading surcharging practices and add-on costs.

Our efforts will include increasing compliance with the prohibition on excessive card surcharges and improving pricing transparency for all add-on costs.

We will continue to contribute to the RBA's policy considerations on card surcharging and retail payments frameworks to support consumers, businesses and competition in the payments system.

Competition and consumer protection in the digital economy

The products and services that form part of the digital economy are crucial for Australian consumers and businesses, driving significant productivity growth.

We have found that weak competition in digital markets can limit choice, stifle innovation, and raise prices.

Given the importance of digital platforms and the risks to competition and consumer welfare, addressing these issues will be a priority in the year ahead. Given the significance of digital services to the lives of consumers we will prioritise competition, product safety, consumer and fair trading issues in the digital economy, with a focus on misleading or deceptive advertising within influencer marketing, online reviews, in-app purchases and unsafe consumer products. Promoting choice, compliant

sales practices and removing unfair contract terms such as subscription traps in online sales, is a key focus for the ACCC.

The ACCC is also pleased to be working with Treasury towards implementing its proposed new digital competition regime.

Misuse of market power and cartels

Our enduring priorities to address anti-competitive agreements, misuse of market power and cartel conduct continue to be a cornerstone of our efforts to protect and promote competition.

In the 2024 financial year, the ACCC's competition enforcement program secured over \$100 million in fines and penalties - the highest total ever for competition law breaches in a single year.

Looking ahead, our competition enforcement program includes several matters in various stages of litigation, including our recent cartel action against Spotless and Ventia for conduct impacting services provided to the Department of Defence, and next year's trial in misuse of market power proceedings against Mastercard.

Australia's new merger regime

The ACCC is focussed on successfully implementing merger reform under the new regime, ensuring scrutiny of anti-competitive mergers while minimising the burden on non-contentious acquisitions.

The new merger regime will introduce a number of changes that strengthen both the protection and the promotion of competition in Australian markets. The new merger regime will come into effect from 1 January 2026, with voluntary notification available from 1 July 2025.

Continuing focus on environmental claims and sustainability

Our focus on consumer, fair trading and competition issues related to environmental claims and sustainability will remain a priority in 2025 through 2026.

In December 2024, we released our final guide on sustainability collaborations and Australian competition law, aimed at helping business understand where competition law risks are less likely to arise when working together to improve sustainability outcomes.

In the year ahead, we will continue to ensure that competition based on green merits is driving innovation in the transition to greater environmental sustainability.

A new focus for product safety for young children

Our priority on product safety for young children will also continue into the foreseeable future, with our current focus on the enforcement of button battery standards, and the awareness raising of the new infant sleep and toppling furniture standards.

In recognition of the risks associated with non-compliance of these products, we will continue our work in the year ahead to address systemic non-compliance with these standards.

Unfair trading practices reform

We will continue to advocate for the introduction of a prohibition on unfair trading practices to address gaps in Australia's current consumer laws. This reform would modernise Australia's consumer protection framework, aligning it with international best practice, and would establish new standards for business conduct, driving better outcomes for consumers, markets and the economy.

Conclusion

We remain steadfast in our commitment to enhancing competition across the economy, promoting the welfare of consumers and small businesses, and ensuring that markets work for all Australians. I thank the Committee for the opportunity to deliver this opening statement, and on behalf of the ACCC, I look forward to assisting the Committee with your questions.