



Australian Government

Australian Government response to the
Senate Committee Economics report:

Inquiry into Treasury Laws Amendment (Mergers and
Acquisitions Reform) Bill 2024

March 2026

Introduction

This Treasury Laws Amendment (Mergers and Acquisitions Reform) Bill 2024 includes a package of reforms to modernise Australia's merger review framework. The Bill replaces Australia's current approach to merger control with a faster, stronger, simpler, targeted, more transparent and streamlined system that better addresses anti-competitive mergers and acquisitions.

The Bill:

- introduces a requirement for certain acquisitions to be notified to the Australian Competition and Consumer Commission (ACCC) for assessment prior to being put into effect, with penalties to support compliance
- establishes a new administrative system where the ACCC is the first instance decision maker on whether the acquisition is likely to substantially lessen competition in a market, or (following the competition assessment) whether likely public benefits would outweigh the public detriments
- streamlines the assessment of mergers and acquisitions with clear timelines
- promotes integrity and good decision-making by providing for review of ACCC decisions by the Tribunal
- enhances transparency through the establishment of a public register of notified acquisitions and other procedural safeguards
- provides that fees are payable for certain actions under the reforms.

The Bill passed both Houses on 28 November 2024 and received Royal Assent on 10 December 2024 as the *Treasury Laws Amendment (Mergers and Acquisitions Reform) Act 2024*.

The Government thanks the Senate Economics Legislation Committee for its inquiry into the Bill, and thanks the organisations and individuals who made submissions to the inquiry and participated in the public hearing.

The Government's responses to the recommendations made in the Committee's final report are provided below. In line with the guidelines on Government responses, recommendations that a bill or bills be passed, rejected, or amended have not been responded to. This includes the Committee's recommendation in the Main Report that the Senate pass the Bill, recommendation 1 in the Coalition Senators' additional comments and recommendation 1 in the Greens Senators' additional comments.

Response to the recommendations

Coalition Senators' additional comments

Recommendation 2

An expert implementation advisory panel be established, with the Competition Taskforce Advisory Panel and key submitters to this inquiry including the Business Council of Australia and the Technology Council of Australia among those represented.

Australian Government response

The Government **notes** this recommendation.

During the transition period (1 July–31 December 2025), Treasury worked closely with the Australian Competition and Consumer Commission (ACCC), the Business Council of Australia (BCA), the Law Council of Australia (LCA) and other key stakeholders, holding monthly meetings to capture emerging business experiences with the merger reform.

In 2025, the ACCC also renewed and expanded its Performance Consultative Committee to advise on the ACCC's merger review functions as well as the broad range of the ACCC's responsibilities.¹

The Performance Consultative Committee consists of a range of stakeholders including consumer, business, and legal representatives.² The Performance Consultative Committee will provide feedback on ACCC initiatives and a forum for exchange of perspectives on key issues, including those related to the implementation of the new merger system.

Recommendation 3

Treasury and ACCC officials make themselves available to provide a private briefing to the Senate Economics Committee on merger regime implementation progress on a quarterly basis.

Australian Government response

The Government **notes** this recommendation.

Relevant Treasury and ACCC officials have and will continue to be available to provide updates on merger reform implementation progress as part of regular Parliamentary scrutiny processes (including Senate Estimates).

Recommendation 4

Serious consideration be given to the implementation proposals highlighted by the Business Council of Australia that have not yet been adopted, namely the quarterly publication of key performance indicators on merger timelines and the publication of s155 notices data.

¹ ACCC, Statement of Goals for Merger Reform Implementation, ACCC, Australian Government, 10 October 2024
² ACCC, ACCC Performance Consultative Committee, ACCC website

Australian Government response

The Government **notes** this recommendation.

The ACCC published a Statement of Goals for Merger Reform Implementation³ on 10 October 2024.

The ACCC will include a summary of key performance indicators relating to merger timelines as part of annual reporting on the ACCC's mergers work, and has committed to reporting on the use of extension powers related to its information gathering powers under section 155 of the *Competition and Consumer Act 2010*.⁴

The ACCC's acquisition register publishes timelines and its use of timeline extension powers for merger notifications.

³ ACCC, Statement of Goals for Merger Reform Implementation, ACCC, Australian Government, 10 October 2024

⁴ Evidence to Senate Economics Legislation Committee, Parliament of Australia, Canberra, 30 October 2024, 16-17 (Gina Cass-Gottlieb, ACCC Chair).

Greens Senators' Additional Comments

Recommendation 2

The Government should prioritise reforms that would make markets more competitive and bring down the cost of essential goods and services, including by introducing economy-wide divestiture powers to allow for corporations that have misused their market power to be broken up.

Australian Government response

The Government **does not support** this recommendation.

The Government has prioritised reforms that will make our economy more competitive and productive, including the biggest reform to the merger control system in 50 years.

Divestiture is only available as a remedy in limited cases in Australia: to unwind mergers, to dispose of assets in a foreign investment context, or as a last resort to deal with aggravated causes of abuse of market power in electricity markets.

As past competition reviews have found, introducing divestiture powers as a remedy for breaches of misuse of market power provisions carries more risks than benefits and would likely result in significant adverse economic and legal consequences. The Hilmer (1993), Dawson (2003) and Harper (2015) reviews did not recommend divestiture as a remedy to address market power concerns.

As part of the *Treasury Laws Amendment (Mergers and Acquisitions Reform) Act 2024*, the Government passed legislation to introduce significant merger reforms to promote competition and deliver better outcomes for consumers, businesses and the economy. These are the biggest reforms to the merger control system in 50 years, making it stronger, faster, simpler, more targeted and more transparent. The ACCC will have stronger powers to identify and scrutinise transactions that pose a risk to competition before they occur.
