

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON INFRASTRUCTURE AND COMMUNICATIONS Inquiry into IT Pricing Issued: 24 May 2012

Chair: Nick Champion MP Deputy Chair: Paul Neville MP

## House Committee Examines IT Price Discrimination in Australia

The House of Representatives Standing Committee on Infrastructure and Communications will conduct an inquiry into the price differentiation of IT software and hardware in Australia compared to overseas markets.

The inquiry was referred by the Minister for Broadband, Communications and the Digital Economy, Senator the Hon Stephen Conroy, who noted that "small businesses and private consumers are facing price disparities that affect their international competitiveness."

The Chair of the Committee, Nick Champion, said "Australians are often forced to pay more for IT hardware and software than consumers in overseas markets. The Committee's inquiry aims to determine the extent of these IT price differences and examine the possibility of limiting their impact on Australian consumers, businesses and governments."

He added "the Committee will look into the cost of computer hardware and software, including games, downloaded music, e-books, and professional software, to name a few. The Committee is looking forward to hearing from the companies who set these prices and the consumers and businesses that purchase their products."

The terms of reference for the inquiry are as follows:

"Noting the estimated value of the Internet to the Australian economy, and the importance of competitively priced IT hardware and software being made available to business, government and the community, the House of Representatives Standing Committee on Infrastructure and Communications is asked to inquire:

(a) Whether a difference in prices exists between IT hardware and software products, including computer games and consoles, e-books and music and videos sold in Australia over the internet of in retail outlets as compared to markets in the US, UK and economics in the Asia-Pacific;

(b) Establish what those differences are;

(c) Determine why those differences exist;

(d) Establish what the impacts of these differences might be on Australian businesses, governments and households; and

(e) Determine what actions might be taken to help address any differences that operate to the disadvantage to Australian consumers."

The Committee will accept submissions addressing one of more of the points listed in the terms of reference until **Friday, 6 July 2012**. Further details about how to make a submission can be obtained from the Committee's website at: <u>http://www.aph.gov.au/house/committee/ic</u>.

**For media comment:** please contact the Committee Chair, Mr Nick Champion, on (02) 6277 4451

**Further information:** contact the Inquiry Secretary (02) 6277 2352, email <u>ic.reps@aph.gov.au</u> or visit the Committee's webpage at <u>http://www.aph.gov.au/ic</u>