

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates

26 February 2014

**Question: AET 1818-1819**

**Topic: Deregulation (ACCC)**

**Written: 7 March 2014**

**Senator BUSHBY asked:**

1818. What consultative mechanisms did you previously have in your portfolio that gave feedback on red tape? Did any of these forums make a focussed effort or an overt role to get feedback on red or green tape?

1819. In the past year what was the extent of union involvement in consultative mechanisms within your portfolio and how has the level of union input changed over the past decade?

**Answer:**

1818. When the Australian Competition and Consumer Commission (ACCC) /Australian Energy Regulator (AER) proposes to introduce new regulations they conduct an open consultation process in which stakeholders' views on the proposed regulation are canvassed. This can include holding industry workshops/forums as well as seeking written submissions in response to issues papers and draft decisions before a final decision is made. Through this consultation process stakeholders are invited to provide submissions on a range of issues, including the likely impact on industry of any new regulation being imposed. The consultation process is not explicitly designed to obtain feedback solely on red or green tape, although there have been instances when the focus of aspects of the consultation has been on red tape and compliance costs. Where stakeholders make submissions on these issues their views are considered in the ACCC and AER's overall consideration of the impact of new regulations.

Some of the ACCC's roles, such as monitoring the petrol, stevedoring, airports and rural water sectors, require the ACCC to collect information from businesses on an annual basis. In developing these information requests the ACCC consults with the relevant businesses to ensure that the information request takes into consideration the regulatory burden placed on the monitored businesses.

The ACCC has an Infrastructure Consultative Committee (ICC) consisting of representatives from the main regulated infrastructure industries. The ICC meets twice per year and provides an opportunity for members to raise issues with the ACCC & AER, including in regard to red tape. The Fuel Consultative Committee has also provided feedback on compliance costs associated with Commonwealth and State regulatory changes.

1819. Over the past year there has been little, if any, union involvement in consultative mechanisms that provide feedback on red or green tape. Over the past decade there have been a few instances where unions have made a submission to an open consultation process.

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In performing its role in administering and enforcing the merger provisions under section 50 of the *Competition and Consumer Act 2010*, the ACCC conducts market consultation with a range of interested parties on mergers that are the subject of a public review. The ACCC receives a small number of submissions from unions regarding mergers under review in any year.

In assessing applications received under Part VII of the *Competition and Consumer Act* the ACCC will undertake public consultation, including inviting submissions from a range of parties that may have an interest in the application. In the past year this consultation has included seeking submissions from unions in respect of five matters assessed by the ACCC.

Union involvement in these processes over the past decade has varied depending upon the nature of the applications received by the ACCC.