

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates

26 February 2014

**Question: AET 3163**

**Topic: Review of competition policy**

**Hansard Page: Page 119-120, 26 February 2014**

**Senator DASTYARI asked:**

3163. Senator DASTYARI: that I am that keen of having. If time permits I might get back to that, but I will touch on a couple of other points fairly quickly first. On the 'root and branch' review of competition policy: I note there was a press release—the date may escape me, but it was some time in December—In which he said there was consultation. Can we get an update on what is happening in that process?

Ms Wilkinson: The government has been consulting with states and territories on the draft terms of reference. It is in the process of considering that feedback. Once it has considered that feedback, it will announce the final terms of reference alongside the panel which will be leading the review of competition policy.

Senator DASTYARI: So how far away do you think we are, Minister? Are we talking about weeks or months? Is this going to be announced before the budget or after the budget?

Senator Sinodinos: Not too many more sleeps—you'll be right.

Senator DASTYARI: So there will be a panel. Have you announced how big the panel will be? I am not asking who is on the panel.

Ms Wilkinson: No, that has not been announced.

Senator DASTYARI: Has that been determined by cabinet yet?

Senator Sinodinos: I am not sure; we will check for you.

Senator DASTYARI: You are not sure?

Senator Sinodinos: This is Minister Bruce Billson's.

Senator DASTYARI: So there will be the 'root and branch' review. I want to take a step back. So far you have done consultation, and draft terms of reference have been discussed with the states. Is that correct?

Ms Wilkinson: That is correct.

Senator DASTYARI: Have they come back with their feedback?

Ms Wilkinson: They have provided some feedback.

Senator DASTYARI: Is the consultation phase completed?

Ms Wilkinson: That is correct.

Senator DASTYARI: So the only thing that we are waiting on now is clarification as to who the panel is. I assume that means that people have already sought out to be on the panel. Has that process been completed?

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Ms Wilkinson: Of course the government is still in the process of considering the feedback on the terms of reference and making decisions about who is on the panel. That is correct.

Senator DASTYARI: How does it work? Obviously there is a short-listing process that goes to cabinet. Different processes are used at different times for creating different panels. What is the process around this one?

Is there going to be a short list done through a cabinet process? Are you aware of that? It is fine if you are not; you can take it on notice.

Ms Wilkinson: It is a matter for the government to make a decision about how it wants to constitute this particular panel.

Senator Sinodinos: Not all of these processes go to cabinet.

Senator DASTYARI: No, of course not.

Senator Sinodinos: It may be that it is between the minister and the Prime Minister.

Senator DASTYARI: Do you know what process is being used for this?

Senator Sinodinos: I am not sure because I am not the responsible minister, but we will check for you. We are not trying to hide anything.

Senator DASTYARI: There may have already been announcements in the public domain to this effect, but what I am being told here is that the consultation phase has been finalised and it is now a matter for the executive government to make a determination as to the final terms of reference and to the nature of any panel. Has there been any determination yet as to how long this process will go for? Are you anticipating a report back this year or next year? Has anything to that effect been said?

Ms Wilkinson: There has been no formal announcement, but the funds that were set aside for running the review of competition policy were set aside in MYEFO, and that included funding for this year and for next financial year.

Senator DASTYARI: Do you know where that is in MYEFO? You can take that on notice.

Ms Wilkinson: We can get back to you. I found it earlier today online, but I do not think—

#### Answer:

3163. On 27 March 2014, the Minister for Small Business announced the final terms of reference for the Government's 'root and branch' competition review. The review will be independent, led by an expert panel.

Professor Harper will Chair the review, assisted by Mr Peter Anderson, Ms Su McCluskey, and Mr Michael O'Bryan SC.

The review will publish an issues paper and draft report, before providing a final report to the Government within 12 months.

Terms of Reference for the review are available on the review's website, <http://competitionpolicyreview.gov.au/>.

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Funding for the review was provided for in the Mid-Year Economic and Fiscal Outlook (MYEFO) 2013-14 (page 193). The MYEFO measure provided additional funding of \$2.5 million over two years to the Department of the Treasury to support the costs of a comprehensive review of competition laws and policy (\$1 million in 2013-14 and \$1.4 million in 2014-15).