

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Budget Estimates

2017 - 2018

**Division/Agency:** Small Business and Consumer Division

**Question No:** 258

**Topic:** Increased penalties for breaching the Australian Consumer Law

**Reference:** Written

**Senator:** Ketter, Chris

**Question:**

1. The Government has announced it will increase the penalties for breaching the Australian Consumer Law from \$1.1 million to \$10 million. The Budget is silent on the likely revenue gains from this measure. How long had Treasury been working on this measure?
2. Did anyone in The Treasury or the Department of Finance prepare a costing on how the likely revenue gains from this measure?
3. If not, why was no costing prepared given the PBO prepared a costing for Labor on this measure for the forward estimates from 2015-16 that delivered a quantified amount of revenue?
4. Does the Consumer Law-related fine revenue go into consolidated revenue?
5. Does the Australian Competition and Consumer Commission receive a share of the increased fine revenue?
6. If so, what is the process of determining what extra revenue the ACCC gets?

**Answer:**

1. The measure is a proposal of the Australian Consumer Law Review (ACL). The ACL Review commenced in 2016 and concluded in March 2017. The Final Report was released on 19 April 2017.
2. Yes. As per Budget Paper No. 2, the measure is estimated to have an unquantifiable gain to revenue over the forward estimates period.
3. Not applicable.
4. Yes.
5. No.
6. Not applicable.