Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates 2017 - 2018

Division/Agency: Australian Competition and Consumer Commission

Question No: 35

Topic: ACCC Litigation Budget

Reference: Written **Senator:** Ketter, Chris

Question:

1. Would a larger litigation budget help the ACCC go after companies that flout the law?

2. Would you expect to see an increase in revenues as a consequence of having the ACCC go after more companies that flout the law?

Answer:

- Generally, the ACCC advises publicly that it is not able to pursue all matters that come
 to its attention and it is accordingly necessarily selective in the matters it pursues. The
 ACCC is appropriately resourced for our current level of enforcement activity, and
 directs investigation and legal resources to matters that deliver the greatest benefit.
- 2. The ACCC's revenues would not increase because any revenues arising as a result of enforcement action taken by the ACCC are paid to consolidated revenue, not to the ACCC. The ACCC cannot speculate on whether revenues to the government would increase in pursuing individual matters as this would depend on successful actions and the courts' determination of the size of penalties it might order. This said, it is likely that any increase in litigation undertaken by the ACCC would lead to additional successful matters and accordingly additional penalties awarded. The ACCC is seeking to have higher penalties imposed on larger businesses to better deter breaches of the law.