Senate Economics Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Supplementary Budget Estimates

2014 - 2015

Department/Agency: ACCC

Question: SBT 4340-4342

Topic: Pharmacy Chains - Relates to SBT 4335

Reference: Written - 14 November 2014

Senator: Edwards, Sean

Question:

In relation to the supplementary budget estimates hearing on 31 October 2014, Senator Edwards would like to include follow up questions which were initially asked to the ACCC in Treasury portfolio (Hansard p28). The questions are:

- 4340. Claims have been made by National Pharmacies, Choice and potentially other groups around the practices of Chemist Warehouse, particularly in the areas of misleading price comparisons and two price comparison advertising, claiming it is a breach of the ACCC's Advertising and Selling Guide (April 2014). What actions have the ACCC taken to investigate these claims?
- 4341. If action has been taken, what were the results of these investigations?
- 4342. Will the ACCC make any further investigation of these claims and what timeframe will be observed for these investigations?

Answer:

4340-4342.

The ACCC has previously considered concerns raised in relation to the practices of Chemist Warehouse. The ACCC has raised some of those matters with Chemist Warehouse and resolved certain issues at the time.

Further complaints were received in October and November regarding current advertising practices of Chemist Warehouse. In particular, concerns were raised over advertising relating to discounts on prescription medications and concerns in relation to two price comparison advertising. These complaints are currently being assessed and the ACCC expects to raise these matters with Chemist Warehouse shortly.