



Australian
Competition &
Consumer
Commission

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Senator George Brandis
Chair
Senate Economics Legislation Committee
Parliament House
CANBERRA ACT 2600

Dear Senator

As you may recall, at the hearing of the Senate Economics Legislation Committee on 31 May 2005 Senator Lundy placed on notice a number of questions for the Australian Competition and Consumer Commission (ACCC).

One of those questions related to the provision of petrol pricing data and charts to the Committee. The specific question was:

In reply to a request placed on notice during the February estimates hearings, the ACCC provided me with a graph mapping an average of all capital cities and country towns. This did not show the breakdown of each country town - could the ACCC please provide the committee with all data they collected on country and regional towns during March and April 2005 and also provide the committee with a graph for each country town mapping the daily fluctuations for that 2 month period against the Singapore benchmark (Mogas 95 price).

The ACCC has some difficulties in responding to this question which I would like to explain to you.

The first relates to the fact that the petrol pricing data that the ACCC obtains is commercially sensitive information. The ACCC purchases this information from private sector companies whose business includes collecting and selling fuel-related data.

The ACCC obtains its petrol price data for all capital cities and country towns from Informed Sources, a Brisbane based company. As part of its contract with the ACCC to provide country fuel price data, Informed Sources specifies that "...the data is supplied for the ACCC's own internal purposes."

EXECUTIVE OFFICE



The ACCC obtains information on crude oil and refined product prices (including the spot price of Singapore Mogas 95 Unleaded, which is the relevant benchmark price for petrol prices in Australia) from Platts, an American company which specialises in the provision of energy information. The terms and conditions for the provision of the Platts data to the ACCC are that it may be used only for 'personal and non-commercial use'.

Under the contracts we have with the data providers we are required to seek their permission to publish price data and it is generally the case that they are more willing to agree to that request if the data is presented in an aggregated form. As a result of these contracts, the ACCC would not normally respond to requests for data from third parties. Instead, we would direct them to the data providers themselves. If the ACCC did provide this data to third parties we would be breaching the contractual arrangements we have with the data providers and be depriving them of income that they otherwise could receive.

We have reached agreement with one of the data providers that we can provide the data to the Committee and are in the process of consulting with the other provider. The data provider which has agreed to provision of the data to the Committee has asked that it be provided on a confidential basis. The other data provider is still in discussions with us but it has indicated that at the least it would like some financial recompense if the data is provided to the Committee. We understand that we are unable to provide data to the Committee on a confidential basis, given that the Committee was sitting as an Estimates Committee. Nor would we favour financially compensating the other data provider. Under section 29 of the *Trade Practices Act, 1974* the ACCC is required to provide information if it has been requested by a Senate Committee. This places the ACCC in a difficult position with the data providers and, were we to provide the data to the Committee, may adversely affect our ongoing relationship with them.

The second difficulty we have in responding to this question is the magnitude of the request. It would involve significant resource implications for the ACCC. The ACCC currently receives petrol price data for 113 country towns. Senator Lundy has requested that the daily price data for each of these towns for March and April 2005 be charted, along with the price of Mogas 95 Unleaded. To produce such a large number of charts will involve significant resources plotting data from two different sources.

While the ACCC did provide one chart showing average domestic petrol prices and Mogas prices in Australian cents per litre to Senator Lundy following a question on notice at the February 2005 Senate Estimates hearing, it can be distinguished from Senator Lundy's current request in that it was only one chart and it incorporated price data on an aggregated basis.

I would be grateful for your consideration of these concerns and for any suggestions the Committee may have as to how we may respond to Senator Lundy's question, having regard to the difficulties outlined above.

I am sending a copy of this letter to the Treasurer.

Yours sincerely

A handwritten signature in black ink, appearing to be 'B. Cassidy', with a long, sweeping horizontal stroke extending to the right.

Brian Cassidy
Chief Executive Officer