

**Senate Standing Committee on Economics**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

**Budget Estimates**

1 June – 3 June 2010

**Question: BET 279**

**Topic: Complaints received by the Competitive Neutrality  
Complaints Office**

**Hansard Page: Written**

**Senator Eggleston asked:**

- a) With regards to the Competitive Neutrality Complaints Office operated by the commission, can you detail the number of complaints received for each year over the past three years and how many investigations have been undertaken by the office during that time?
- b) How many staff does the office employ and what is the total employee benefits associated with the operation of the office for each year of the past three years? Are these staff employed to solely work at the Office, or do they have other functions within APRA?
- c) What other work does the Office produce other than taking and investigating complaints? Is this work published?
- d) What was the operational budget for the Competitive Neutrality Complaints Office for each year of the last three years?
- e) Does the Office have any function in reviewing legislation introduced by the Government which might infringe competitive neutrality principles? Is it possible for a member of the public to make a complaint with regards to legislation before parliament?
- f) What enforcement options does the Office have to ensure that government agencies operate under the competitive neutrality rulings that the office makes through its investigations?

**Answer:**

- a) Two complaints were received over period 2006-07 to 2008-09 ; after preliminary analysis, one of those complaints was formally investigated (Defence Housing Australia, Investigation report no. 13).
- b) The Office does not employ staff exclusively or full-time; it draws on staff within the Commission, as informal queries or formal complaints arise. A notional 1 staff year was allocated to the AGCNCO for each year over the past three years. Over the period, 2 to 3 staff members have worked part-time on AGCNCO matters as needed, along with working on projects related to the work of the Productivity Commission. There is no connection to APRA.

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- c) The AGCNCO has in the past published a number of research reports aimed at highlighting some of the issues surrounding the application of CN policy, such as computing commercial rates of return. In response to informal enquiries, the Office also regularly provides informal advice to government agencies about the application of CN policy, along with dealing with a number of enquiries about the application of CN policy (around an average of 2 per week), most of which relate to state and local government activities. The advice and responses to informal enquiries are not published.
- d) The notional budget allocation to the AGCNCO from the Commission's budget appropriation is \$0.2 million per year on an accrual basis.
- e) The office has no role in reviewing prospective legislation or purview to investigate complaints about prospective legislation.
- f) When the AGCNCO formally investigates a complaint, it provides a written report to the Government setting out its findings and the reasons for them. It subsequently publishes the report and also makes it available on this website. While the AGCNCO may recommend changes to competitive neutrality arrangements, the Government is not obliged to accept that advice.