

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Budget Estimates

1 June – 3 June 2010

Question: BET 75

Topic: Unit Pricing Code of Conduct

Hansard Page: E98-99 (02/06/2010)

Senator XENOPHON asked:

Senator XENOPHON—Perhaps I will correspond with you further in relation to that. That would be useful. In answer to question No. 1 placed on notice in February, the ACCC stated that at the time it had spent \$313,924 of the \$1 million allocated to administer the unit pricing code of conduct in the 2009-10 financial year. Can you tell me how much more of that has been spent in this financial year? Can you give a breakdown of that money? Perhaps that latter part of the question could be taken on notice.

Mr Ridgway—We might have to take the question, which is back to the amounts expended, on notice.

Mr Cassidy—What we will have to do here is actually add up the different things we have done and what we have spent on the picture in total. It is not something that just falls out of our system.

Senator XENOPHON—Sure.

Mr Cassidy—Let us take it on notice.

Answer:

The ACCC was allocated \$1.1 million in 2009–10 to undertake its roles with respect to the Unit Pricing Code. This funding reflected expenses including staffing, marginal on-costs and overheads, legal expenses and other expenses.

The ACCC estimates that it has spent close to \$700,000 delivering unit pricing functions. Of note, this includes approximately \$375,000 in staff costs, \$160,000 in communications and education related expenses (including publications) and \$150,000 in marginal on-costs and overheads (referred to as indirect costs previously).

Approximately \$300,000 of funding earmarked for contingent legal expenses has not yet been incurred as the ACCC has not been required to take enforcement action to date. A further sum of approximately \$20,000 will be expended upon the completion of a consultancy currently underway.