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**ANNUAL REPORT ON COMPETITION POLICY DEVELOPMENTS IN AUSTRALIA**

-- 2013 --

**17-18 December 2014**

*This report is submitted by Australia to the Competition Committee FOR INFORMATION at its forthcoming meeting to be held on 17-18 December 2014.*

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## EXECUTIVE SUMMARY

1. This report addresses events that have occurred in the past financial reporting year (1 July 2013 to 30 June 2014). However, where appropriate, significant developments since 30 June 2014 have also been included.

2. Australia's competition policy is implemented by a range of agencies (see [Appendix A](#)). This report primarily covers the activities of the Australian Competition and Consumer Commission (ACCC), and the Australian Energy Regulator (AER). The role of the ACCC is to enforce the *Competition and Consumer Act 2010* (CCA) and a range of additional legislation, promoting competition and fair trading, and regulating national infrastructure. The AER is Australia's national energy market regulator. Its functions are set out in national energy market legislation and rules, and mostly relate to electricity and gas markets in eastern and southern Australia. The AER has an independent Board and is a constituent but separate part of the ACCC (it shares staff and premises with the ACCC).

3. At the end of June 2014, the ACCC had seven cases alleging cartel conduct before the courts. In addition, the Courts ruled in two important cases involving arrangements between companies operating at different levels of the supply chain (see *Section 3: Enforcement of Competition Laws*). The ACCC considered 297 matters under the mergers and acquisitions provisions of the *Competition and Consumer Act 2010* (CCA) (see *Mergers and Acquisitions*, pages 7-8).

4. On 27 March 2014, the Government released the terms of reference for the independent review of Australia's competition policies and laws (the Harper Review). The Harper Review is inquiring into whether Australia's competition policies, laws and institutions are fit for purpose taking into account the changes to the economy since the last major review in 1993. The Review's final report is expected to be handed to Government by the end of March 2015. Further information about the Harper Review is available from the website: <http://competitionpolicyreview.gov.au/>.

5. The Productivity Commission (PC), an independent statutory authority, is the Australian Government's principal review and advisory body on microeconomic policy and regulation. In 2013-14, the PC completed a number of public inquiries and commissioned research studies. For example, in February 2014, the PC released the final report of its inquiry into the National Access Regime (NAR). The inquiry assessed the role and efficacy of the NAR and proposed ways of improving its efficient operation and investment in infrastructure, thereby encouraging competition in dependent markets.

6. In 2013-14, the AER completed the Better Regulation program, in response to a package of reforms designed to put downward pressure on electricity prices in the long-term and ensure that regulatory frameworks are better able to take into account consumer views.

7. There are also reforms to implement a consistent nationwide regulatory and institutional regime for the sale by retailers and supply by distributors of electricity and gas to retail customers (see *Energy market reform*, pages 3-4).

## **1. Changes to competition laws and policies<sup>1</sup>**

### ***1.1 Competition and deregulation reforms***

8. On 27 March 2014, the Government released the terms of reference for an independent review of Australia's competition policies and laws (the Harper Review). The review is being conducted by an independent panel, led by Professor Ian Harper. The Review is for 12 months. The Terms of Reference request the Review to inquire into whether Australia's competition policies, laws and institutions are fit for purpose taking into account the changes to the economy since the last major review, the Hilmer Review of 1993.

9. The Harper Review released a Draft Report on 22 September 2014 and submissions closed on 17 November 2014. The Draft Report made 52 recommendations relating to competition laws, policies and institutions and is available at <http://competitionpolicyreview.gov.au/draft-report/>.

10. Since 2013, the Government has held two parliamentary 'Repeal Days' with the express purpose of repealing counterproductive, unnecessary or redundant legislation and associated regulations. Through these Repeal Days, the Government has repealed around 11,000 regulations or pieces of legislation and reported on deregulation initiatives that will result in compliance cost savings of more than \$2.1 billion per year.

11. At the Spring Repeal Day, the Government released its Regulator Performance Framework for auditing the performance of regulatory agencies and has issued 'Statements of Expectations' to the largest regulators, outlining the priorities they should take into account in fulfilling their statutory duties, including a major focus on deregulation.

### ***1.2 Water market reform***

12. The *Water Act 2007* (Cth) established the Murray-Darling Basin Authority (MDBA), requiring it to prepare a Basin Plan for the coordinated management of the Murray-Darling Basin by the Commonwealth and relevant states and territories. Water trading rules came into effect on 1 July 2014. The ACCC had provided advice to the MDBA on the water trading rules and assisted the MDBA with the preparation of guidelines (released in April 2014).

13. In May 2014, the Commonwealth Government announced a review of the Water Act by an independent expert Panel. The Review's terms of reference include assessing the extent to which water trading is occurring efficiently and effectively across the Murray-Darling Basin.

14. The Harper Review is also considering how structural and regulatory reforms might be applied to the water sector to increase productivity and efficiency, with particular regard to the areas of institutions and governance, access and pricing regulation and infrastructure markets.

### ***1.3 Energy market reform***

#### ***1.3.1 Reforms to network regulation***

15. A comprehensive review of AER procedures relating to reforms designed to put downward pressure on electricity prices and ensure better regulatory frameworks, known as the Better Regulation program, resulted in consumers being more closely involved in the economic regulation process, and improved how the AER regulates network businesses.

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<sup>1</sup> In September 2013 there was a change of Government following the Australian federal election.

16. The reforms include:

- new guidelines outlining the AER's approach to network regulation;
- a Consumer Reference Group to contribute to the AER's guideline development work; and
- the appointment of an ongoing Consumer Challenge Panel to help incorporate consumer interests in revenue determination processes.

### *1.3.2 Reforms to energy retail market regulation*

17. The National Energy Customer Framework (NECF) provides a consistent nationwide regulatory and institutional regime for the sale by retailers and supply by distributors of electricity and gas to retail customers. The NECF involves the transfer of current state and territory (except Western Australia and the Northern Territory) legislation to a single set of national laws, regulations and rules. New South Wales implemented the NECF in July 2013. Queensland and Victoria intend to implement the NECF in 2015.<sup>2</sup>

### *1.3.3 Other regulatory and policy developments in energy markets*

18. On 5 December 2013, the Government released the Terms of Reference for its Energy White Paper. The Energy White Paper will set out a coherent and integrated approach to energy policy to reduce cost pressures on households and businesses, improve Australia's international competitiveness and grow its export base and economic prosperity. On 23 September 2014, the Government released an Energy Green Paper. The Government expects to release its final White Paper in 2015.

19. The Australian Energy Market Commission (AEMC) commenced implementation of its Power of Choice reforms to network regulation in 2013-14. They include requirements on time variable pricing (to encourage consumers to shift their energy use away from peak times), reforms to expand competition in metering and related services, and stronger incentives for demand side participation. Once the rule changes are final, the AER will develop new guidelines and apply new criteria in considering any new or amended demand management incentive scheme.

20. Other key reforms in energy markets included:

- The AER established the Consumer Challenge Panel (CCP) on 1 July 2013 with the appointment of 13 members for an initial three year term. The Panel enhances consumer engagement in regulatory determination processes by representing consumers' interests in the assessment of energy network business spending proposals.
- The voluntary gas supply hub in Wallumbilla in Queensland began operation on 20 March 2014. The gas supply hub was developed and implemented by AEMO over two years in close consultation with gas industry participants. The gas supply hub offers a low-cost, flexible method of buying and selling larger contractual transactions of gas.
- The COAG Energy Council agreed to the establishment of Energy Consumers Australia (ECA) by no later than 1 January 2015 to increase consumer advocacy on national energy market matters of strategic importance or material consequence for energy consumers.

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<sup>2</sup> Tasmania and the Australian Capital Territory implemented the NECF in July 2012 and South Australia in February 2013.

21. A number of major reviews and reports were published or implemented in 2013-14:
- On 27 September 2013, the AEMC published its final report on its review of the national framework for distribution reliability.
  - The AEMC also released its final report on the Review of Electricity Customer Switching on 10 April 2014, which contained recommendations that give customers the choice to switch electricity retailers faster and more accurately.
  - Legislative changes at a Commonwealth level and in South Australia were made following the review of the operation of the limited merits review regime in September 2012.
  - On 3 January 2013, the Department of Industry and the Bureau of Resources and Energy Economics released the Eastern Australian Domestic Gas Market Study in response to concerns about the advent of liquefied natural gas export projects on the east coast and the associated uncertainty surrounding the outlook for supply and demand.

#### **1.4 Telecommunications**

22. The Government is rolling out a high-speed national broadband network (NBN) across Australia to operate on an open access, wholesale-only basis. On 1 October 2014, the Government publicly released the “Vertigan” NBN market and regulation report. Its key recommendations aim to open the NBN to greater technology based competition in the provision of superfast broadband. The Government is considering its final response to the Vertigan Review.

#### **1.5 National Access Regime**

23. The NAR is a regulatory framework through which third parties may seek access to nationally significant infrastructure services and includes Part IIIA of the CCA.

24. The Productivity Commission (PC) released the final report of its inquiry into the NAR in February 2014. The inquiry assessed the role and efficacy of the NAR and proposed ways of improving its efficient operation and investment in infrastructure, thereby encouraging competition in dependent markets. Key issues emerging from the inquiry to date include: the role of industry-specific access regimes; the role of regulators; the implications of a recent High Court decision on the interpretation of the declaration criteria; and the role of the Australian Competition Tribunal (ACT).

25. Recommendations for reform of the NAR were included in the Draft Report released by the Harper Review in September 2014. In February 2014, the Government announced it would respond to both the PC inquiry and the Harper Review recommendations, after the final report from the Harper Review is presented to Government.

#### **1.6 New guidelines**

26. In 2013-14 the ACCC issued updated Informal Merger Review Process Guidelines that reflect its current approach and processes for considering mergers on an informal basis. In most cases, publications are available from the ACCC and AER websites at [www.accc.gov.au](http://www.accc.gov.au) or [www.aer.gov.au](http://www.aer.gov.au).

### **3. Enforcement of competition laws**

27. The CCA prohibits a wide range of anti-competitive practices, including cartel conduct, contracts, arrangements or understandings that substantially lessen competition, exclusive dealing that

substantially lessens competition, secondary boycotts, misuse of substantial market power, mergers or acquisitions that are likely to substantially lessen competition, and resale price maintenance. The CCA also contains telecommunication specific competition rules.

28. The CCA provides the ACCC with a range of enforcement remedies, including court based outcomes and court enforceable undertakings. The ACCC also resolves many matters administratively. In enforcing the provisions of the CCA, the ACCC's primary goals are to maintain and promote competition and remedy market failure, and protect the interests and safety of consumers and support fair trading in markets. The CCA allows any person to independently seek a remedy from a court, including an action for third party damages, regardless of any action by the ACCC.

29. The ACCC cannot pursue all the complaints it receives. Its priorities for each year are set out in its *Compliance and Enforcement Policy*, and currently include:

- competition issues in highly concentrated sectors, in particular in the supermarket and fuel sectors; and
- emerging issues in the online marketplace, in particular drip or partition pricing and comparator websites, where there is a significant impact on the competitive process.

30. Some conduct, such as cartel conduct, anti-competitive agreements, and the misuse of market power, are so detrimental to consumer welfare and competition that the ACCC will always assess them as a priority. The ACCC is currently also prioritising its work in a number of areas including conduct which may impede competition between online traders; highly concentrated sectors, in particular in the supermarket and fuel sectors.

### **3.1 *Anti-competitive conduct matters***

31. In the period 1 July 2013 to 30 June 2014, the ACCC commenced litigation in nine non-merger competition matters. Two of these related to a breach of an enforceable undertaking provided to the ACCC in relation to anti-competitive practices. Six first-instance competition proceedings (that is, not appeals) were concluded during the period.

32. At 30 June 2014, the ACCC had six matters involving alleged cartel conduct, one matter involving alleged anti-competitive agreements and two matters involving alleged misuse of market power before the courts. A further two matters involving anti-competitive agreements are before the courts on appeal.

#### **3.1.1 *Proceedings instituted***

33. In December 2013, the ACCC instituted proceedings regarding alleged cartel conduct and anti-competitive arrangements in supplying laundry detergents against two laundry detergent manufacturers, Colgate-Palmolive Pty Ltd and PZ Cussons Australia Pty Ltd, a retailer, Woolworths Limited; and an individual.

34. In February 2014, the ACCC instituted proceedings against Pfizer Australia Pty Ltd for alleged misuse of market power and exclusive dealing regarding its supply of atorvastatin to pharmacies. It is alleged that, in early May 2012, Pfizer offered significant discounts and rebates on sales of Lipitor, provided pharmacies bought a minimum volume of Pfizer's generic atorvastatin product.

35. In May 2014, the ACCC started Federal Court action, alleging that the parties to an egg cartel attempted to induce egg producers to enter into an arrangement to cull hens or dispose of eggs, in order to reduce the egg supply to Australian consumers and businesses.

36. In August 2014, the ACCC instituted proceedings against Informed Sources and several petrol retailers. Petrol retailers provide pricing data to Informed Sources at frequent, regular intervals and in return receive from it collated data from other retailers. The ACCC alleged that this information sharing arrangement had the effect or likely effect of substantially lessening competition in markets for the retail supply of petrol in Melbourne.

### 3.1.2 *Proceedings concluded*

37. In November 2013, a Court dismissed the ACCC's case alleging price fixing by ANZ Banking Group Ltd. The ACCC alleged that Mortgage Refunds Pty Ltd and ANZ were competitors in the market for loan arrangement services and that ANZ engaged in price fixing by limiting the refund that Mortgage Refunds could give customers for arranging ANZ home loans. The Court dismissed the allegations, finding that ANZ was not a competitor in the market for loan arrangement services.<sup>3</sup>

38. In March 2014, a Court ordered Flight Centre Limited to pay \$11 million for repeatedly attempting to enter anti-competitive arrangements with three international airlines to eliminate differences in the international airfares offered to customers. Flight Centre has appealed the decision. The ACCC has appealed on the quantum of the penalties imposed.

39. Other matters concluded during 2013-14 include:

- In October 2013, the Court made consent orders that Koyo Australia Pty Ltd pay \$2 million in relation to an agreement with a competitor, NSK Australia Pty Ltd, to increase the price of ball and roller bearings to their aftermarket customers. The Court also made restraining orders for a period of three years and required Koyo to implement a CCA compliance training programs.
- In May 2014, the Court made consent orders that NSK Australia Pty Ltd pay a penalty of \$3 million in relation to that cartel arrangement. The Court also made restraining and compliance training order in relation to NSK.
- In March 2014, the Court found Cement Australia Pty Ltd and other companies had made agreements that had the purpose and effect of preventing a competitor from entering the market and that the agreements substantially lessened competition. The Court is yet to make a determination on penalties for this matter.
- In December 2013, the Court made consent orders that Mitsubishi Electric Australia Pty Ltd pay a \$2.2 million penalty for resale price maintenance on air conditioning products.

### 3.1.3 *Two specific non-court matters*

40. In December 2013, the ACCC accepted two separate court enforceable undertakings from Woolworths Ltd and several Coles group companies (Australia's two largest supermarket retailers) in relation to shopper docket fuel discounts. Shopper docket fuel discounts typically reward supermarket shoppers with a per-litre price reduction at supermarket-owned service stations if they spend more than a specified amount in the supermarkets. The arrangements were alleged to be causing a

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<sup>3</sup> The ACCC has appealed the decision. The appeal is yet to be determined.

substantial lessening of competition in retail fuel markets. Coles and Woolworths gave the ACCC formal undertakings, taking effect from 1 January 2014, not to make or allow fuel discounts where those discounts are not funded wholly by the fuel subsidiary or division of Woolworths or Coles, or where the discounts are greater than four cents per litre and contingent on purchase of goods or services at a store separate from the retail fuel outlet.

41. In February 2014, the ACCC began separate actions in the Federal Court against Coles Group Ltd and Woolworths Ltd for allegedly breaching their undertakings not to give a fuel discount greater than four cents per litre. The ACCC alleged that:

- Coles had offered a bundled discount of 14 cents per litre (10 + 4 cents), which was only available to a customer who had made a qualifying supermarket purchase; and
- Woolworths had offered a bundled discount of eight cents per litre (4 + 4 cents) which was only available to a customer who had made a qualifying supermarket purchase.

42. In April 2014, the Federal Court found that Woolworth's initial 4 + 4 cent offer to 9 March 2014 had breached the undertaking as the discount depended on a supermarket purchase. However, the Federal Court dismissed the ACCC allegations against Coles and Woolworths that their recent offers had breached their undertakings as the discounts did not depend on the customer having made a qualifying supermarket purchase.

43. In April 2014, the ACCC accepted a court enforceable undertaking from Peter McInnes Pty Ltd regarding resale price maintenance. The ACCC was concerned that Peter McInnes had induced or attempted to induce retailers not to sell certain products at a price less than its specified recommended retail price. Peter McInnes undertook to not engage in similar conduct for two years, write to all customers advising they were free to set their own prices, and implement and maintain a CCA compliance training program.

### **3.2 *Adjudication***

44. The authorisation and notification provisions of the CCA allow businesses to obtain protection from legal action for certain conduct that might otherwise raise concerns under the competition provisions in the CCA, where that conduct delivers public benefits. The authorisation and notification provisions reflect a recognition that, in certain circumstances, arrangements which restrict competition can nonetheless be in the public interest, principally by addressing market failure and increasing efficiency.

### **3.3 *Mergers and acquisitions***

45. Section 50 of the CCA prohibits mergers and acquisitions that would have, or are likely to have, the effect of substantially lessening competition in any market in Australia.

46. In 2013-14 the ACCC considered 297 matters under section 50 of the CCA. Of these matters, 242 were pre-assessed as not requiring a public review. The ACCC conducted a public review of 48 mergers and a confidential review for 7 mergers. The ACCC unconditionally cleared 65 per cent of those mergers that underwent a public or confidential review and 94 per cent of all mergers (including pre-assessments) considered during the period. Table 1 sets out the results of the merger assessments and reviews by the ACCC in 2013-14.

**Table 1: Merger matters assessed and reviewed in 2013–14**

Financial Year 1 July 2013 – 30 June 2014	
TOTAL MATTERS ASSESSED AND REVIEWS UNDERTAKEN	297
Matters pre-assessed - no review required	242
Reviews undertaken	55
<i>Total reviews can be broken down into the following categories:</i>	
Not opposed	36
Finished - no decision (including withdrawn)	2
Publicly opposed outright	4
Confidential review – opposed or ACCC concerns expressed	2
Resolved through undertakings	10
Variation to undertaking accepted	1
Variation to undertaking rejected	0

47. The following two case studies provide examples of the ACCC's assessment of merger proposals during the period.

### 3.3.1 *AGL Energy Ltd – proposed acquisition of Macquarie Generation*

48. Based on concerns of a substantial lessening of competition occurring in the New South Wales retail electricity market, on 4 March 2014 the ACCC opposed the proposed acquisition of Macquarie Generation by AGL Energy Ltd following an informal merger review. Macquarie Generation, a state-owned corporation, accounted for 27 percent of New South Wales' electricity generation capacity. AGL is one of Australia's three major energy retailers.

49. The ACCC considered that other energy retailers would have difficulty entering or expanding in the New South Wales retail electricity market following the proposed acquisition. This was because the ACCC formed the view that the proposed acquisition would be likely to result in a significant reduction in both hedge market liquidity and the supply of competitively priced and appropriately customised hedge contracts to second tier retailers competing in New South Wales. Hedge contracts are required by non-vertically integrated electricity retailers in order to allow them to effectively compete in electricity retail markets. The ACCC was also concerned that post-acquisition, AGL would become the largest electricity generator in New South Wales, Victoria and South Australia.

50. On 24 March 2014, AGL applied to the ACT for authorisation. In merger authorisation determinations, the Tribunal must apply a public benefit test under section 95AZH of the CCA. This differs from reviews under s. 50 of the CCA where a substantial lessening of competition test is applied. The role of the ACCC at the ACT is to assist the Tribunal by making inquiries, calling and examining witnesses, making submissions and preparing a report for the ACT.

51. On 25 June 2014, the ACT granted conditional authorisation to AGL after concluding that the proposed acquisition would result in such public benefit that it should be allowed to occur. It imposed conditions on its authorisation, including that AGL offer not less than 500 MW of electricity hedge contracts to smaller retailers in New South Wales per year for a period of seven years.

#### 3.3.1.1 *Thermo Fisher Scientific Inc.—proposed acquisition of Life Technologies Corporation*

52. The ACCC did not oppose the proposed acquisition of Life Technologies Corporation by Thermo Fisher Scientific Inc. after competition concerns were resolved by an undertaking given by Thermo Fisher to the ACCC.

53. At the time of the ACCC's review, Thermo Fisher and Life Technologies competed to supply products in the molecular biology, protein biology and cell culture sectors. The merger in Australia was part of a global merger. The ACCC was concerned that the merger would be likely to substantially lessen competition in the market for the supply of certain cell culture products, which are used to grow cells for academic research and vaccine production, and of siRNA (a specialised molecular biology product used to effect gene silencing) to Australian customers.

54. Thermo Fisher gave the ACCC an undertaking to sell its Australian cell culture and siRNA businesses. The undertaking complemented Thermo Fisher's remedy offered to the European Commission. It also required the appointment of an Australia-based independent manager for transition of the Australian cell culture business to the approved purchaser. In reviewing the proposed acquisition and undertaking, the ACCC liaised with relevant overseas competition authorities, in particular, the European Commission, the New Zealand Commerce Commission and the American Federal Trade Commission.

### **3.4 Pricing matters**

#### **3.4.1 Airports**

55. Under Part VIIA of the CCA, Parts 7 and 8 of the *Airports Act 1996*, and related Airports Regulations 1997, the ACCC monitors and reports annually on a range of indicators—including quality of service, prices, costs, profits and investment levels—relating to aeronautical and car-parking services at Australia's four major airports. Further information about the 2012-13 monitoring report is available later in this paper under *Studies and Reports*.

56. The ACCC reviewed its quality of service monitoring program and released a revised guideline in June 2013. The revised guideline applies to data collected and reported on from the 2013-14 Airport Monitoring Report onwards.

#### **3.4.2 Airservices Australia**

57. The ACCC has a role in assessing proposed price increases (price notifications) for terminal navigation, en route navigation and aviation rescue and fire-fighting (ARFF) services provided by Airservices Australia (Airservices) under Part VIIA of the CCA.

58. In June 2014, Airservices submitted its price notification to the ACCC, proposing prices for declared services from 1 July 2014 that were the same as those outlined in the LTPA. Airservices also included proposals for fees for ARFF services at four regional airports that are expected to commence during 2014-15 and out-of-hours fees for ARFF and terminal navigation services. On 26 June 2014, the ACCC decided to not object to Airservices' proposed price increases, which took effect from 1 July 2014.

#### **3.4.3 Australia Post**

59. The ACCC has had a role in assessing increases in the prices of some of the letter services over which Australia Post has a legislated monopoly under Part VIIA of the CCA.

60. On 31 January 2014 Australia Post provided the ACCC with a price notification proposing an increase in the basic postage rate from 60 cents to 70 cents from 31 March 2014. Australia Post also proposed increases in the prices of other large ordinary letter services. The ACCC sought submissions from interested parties on Australia Post's proposal. On 20 February 2014, it released its decision to not object to Australia Post's pricing proposal.

61. The ACCC also produces annual cross subsidy reports, to determine whether Australia Post has used revenue from its reserved services to cross-subsidise its non-reserved services. The ACCC issued its cross-subsidy report for 2012-13 in June 2014. It concluded that the regulatory accounts did not show that Australia Post was cross-subsidising its competitive services with revenue from its monopoly services, rather the source of any subsidy appears to be Australia Post's competitive services. Further information about the 2012-13 report is available in Part V of this document, under Australia Post.

#### 3.4.4 *Petrol*

62. The ACCC performs a number of roles in the fuel industry, including monitoring prices, costs and profits, undertaking enforcement work, and informing the general public about the petrol industry. The ACCC has no role in setting fuel prices. Australian fuel prices are not regulated by the Government and companies are free to set prices in the market.

63. In December 2007, the then Government instructed the ACCC to undertake formal monitoring of prices, costs and profits relating to the supply of unleaded petroleum prices in the petroleum industry, and report to the Government every year for a period of three years. This direction was subsequently extended to 2013 and 2014. Further information on the ACCC's monitoring role can be found in its report *Monitoring of the Australian petroleum industry – Report of the ACCC into the prices, costs and profits of unleaded petrol in Australia 2013*, released in December 2013. The ACCC's latest monitoring report was released in December 2014.

64. The ACCC has sought to improve consumer understanding about fuel issues by providing information on its website including about petrol price cycles in the five largest cities (Sydney, Melbourne, Brisbane, Adelaide and Perth). The ACCC's website includes information on what determines petrol prices, petrol prices in regional areas and provides answers to some frequently asked questions. .

65. During 2014, the ACCC concluded two investigations in the Australian retail petrol industry (see *Anti-competitive conduct matters* above):

- into the competition implications of shopper docket discount fuel offers by Coles and Woolworths; and
- into Informed Sources and several petrol retailers.

#### 3.4.5 *Container stevedoring monitoring*

Under Part VIIA of the CCA, the ACCC monitors prices, costs and profits of container stevedoring operators located in the ports of Adelaide, Brisbane, Burnie, Fremantle, Melbourne and Sydney. The ACCC releases the monitoring reports annually. Further information about the ACCC's monitoring report for 2012-13 is available in Part V of this report under Container Stevedoring.

### 3.5 *Monitoring/enforcement of water charge and water market rules*

66. Under the Water Act, the ACCC has responsibility for monitoring compliance with and enforcing the following water market and water charge rules:

- Water Market Rules 2009;
- Water Charge (Termination Fees) Rules 2009;

- Water Charge (Planning and Management Information) Rules 2010; and
- Water Charge (Infrastructure) Rules 2010.

67. In this role the ACCC supports the development and operation of efficient water markets in the Murray-Darling Basin. The ACCC identifies concerns through monitoring and customer complaints. In 2013–14, the ACCC saw regulated entities, the majority of whom are member-owned cooperatives, continue to improve their understanding and application of the rules. This year, among various complaints received, the ACCC investigated charges of two irrigation infrastructure operators, agreeing to administrative resolutions of both matters after the operators agreed to make changes to their charges or pay refunds to affected customers. The ACCC also continued to work with Basin State departments to improve disclosure of information about their regulated (water planning and management) charges.

68. The ACCC or an accredited state regulator regulates charges for large, non-member owned water infrastructure operators in the Murray-Darling Basin under the Water Charge (Infrastructure) Rules 2010. In June 2014, the ACCC released its final decision on the pricing application of State Water Corporation of New South Wales for regulated charges for the 2014-17 period.

### **3.6 Energy infrastructure regulation and energy market monitoring/enforcement**

69. The electricity and gas rules require the network businesses to periodically (usually every five years) submit regulatory proposals (electricity) and proposed access arrangements (gas) to the AER for approval. The AER must assess the regulatory proposals of network businesses and justify network pricing decisions with regard to the legislative criteria.

70. In 2013-14, the AER completed one network pricing decision for the electricity transmission network business in Victoria for the period 1 April 2014 to 31 March 2017, with a total revenue allowance of \$1.6 billion. It made transitional decisions under the new rules for six electricity distribution and transmission network businesses in the Australian Capital Territory, New South Wales and Tasmania for the period 1 July 2014 to 30 June 2015. The AER also completed the final revenue determination for electricity transmission in Victoria under the old rules.

71. In 2013-14, the AER transitioned from the old to the new rules in network regulation. Several provisions of the Electricity Rules that constrained the AER's ability to diverge from network businesses' cost forecasts were removed. The changes to the rules also give the AER clear authority to benchmark network business practices and costs and use the results to inform the regulatory decisions.

72. The AER published framework and approach papers, embodying its Better Regulation principles, for electricity transmission networks in New South Wales and Tasmania, and electricity distribution networks in New South Wales, Queensland, South Australia and the ACT and commenced the framework and approach stage for the Victorian electricity distribution businesses. The AER undertook 19 price reviews for network businesses in New South Wales, the Australian Capital Territory, Queensland, South Australia, Tasmania and Northern Territory and 15 reviews for network businesses in Victoria.

73. The AER also monitors compliance with its decisions and network businesses' obligations, approves annual tariffs, assesses businesses' compliance with incentive schemes, develops and amends guidelines as required, and makes other decisions that impact on network businesses' charges. Further, the ACT can remit regulatory decisions back to the AER if a network business successfully appeals a decision. The AER is also responsible for monitoring and enforcement of national energy legislation and rules for wholesale electricity and gas markets in all jurisdictions except Western Australia and the Northern Territory. The markets of interest are the National Electricity Market

(NEM) in eastern and southern Australia, and the spot markets for gas in market hubs in Adelaide, Sydney, Brisbane and Victoria.

74. The AER aims to promote more efficient, competitive, transparent and secure wholesale energy markets. To ensure market participants comply with the relevant legislation and rules, the AER:

- takes effective, targeted and timely enforcement action when necessary;
- promotes best practice through compliance publications and audits;
- reports on day-to-day market activities and pricing outcomes;
- detects and report on market irregularities and manipulation; and
- provides policy advice to address market inefficiencies and improve competition (for example, via submissions and rule change proposals).

75. In terms of monitoring the markets, the AER publishes reports covering weekly wholesale electricity activity in the NEM, weekly activity in the Victorian gas market and gas short term trading market (STTM) hubs in Adelaide, Sydney and Brisbane, electricity prices events above \$5000 per megawatt hour, as well as significant price variations in gas markets, and special or systemic issues in the market.

76. In February 2013, the AER became responsible for regulating the retail electricity market in South Australia and on 1 July 2013 into New South Wales. The AER's retail compliance activities are currently focused on the protection of disadvantaged and vulnerable customers and on promoting customer confidence in the retail energy market, taking action against conduct which may undermine that, such as, a failure to obtain a customer's explicit informed consent to switch retailers or enter into a particular contract.

77. The AER does not have a role in setting retail energy prices. The AER guides and informs energy consumers so they understand the range of energy offers available, make better choices about those offers, and are aware of their rights and responsibilities when dealing with their energy provider. The AER's Energy Made Easy website is a key vehicle for providing this information. It includes:

- a price comparator that shows all generally available offers available to consumers where the Retail Law has commenced;
- an electricity use benchmarking tool that allows households to compare their energy use with that of similar sized households in their area; and
- information on the energy market, energy efficiency and consumer protections.

### ***3.7 Access to infrastructure facilities***

78. Under the National Competition Policy reforms of the mid 1990s, all Australian Governments agreed to the introduction of an economy wide access regime for essential infrastructure services. The National Access Regime, which was established in 1995 under Part IIIA of the now CCA, provides an avenue for firms to access certain essential infrastructure services on reasonable terms and conditions in cases where commercial negotiations on access are unsuccessful. The regime provides three regulatory routes for access.

79. A party may: request the National Competition Council (NCC) to recommend that the designated Minister declare a particular infrastructure service (with the ACCC acting as arbitrator or determining terms and conditions of access); seek access through a state or territory access regime that is certified as effective by the Commonwealth Minister; or may give an enforceable undertaking, setting out the terms and conditions of access acceptable to the ACCC. There are also a number of industry specific access regimes, both at the Commonwealth level - for example, access to telecommunications services is provided for under Part XIC of the CCA - and at the State and Territory level.

### 3.7.1 *Telecommunications*

80. During 2014-15 the ACCC had a significant role arising from the implementation of the Government's policy for the roll out of a national broadband network in Australia. The ACCC also continues to have a role under the telecommunications-specific regulatory framework under Parts XIB and XIC of the CCA.

81. In December 2012, the NBN Co<sup>4</sup> lodged a special access undertaking (SAU) for assessment by the ACCC. This replaced one lodged in September 2012. After extensive consultation, including publication of a consultation paper and presentation of an industry forum, the ACCC released its draft decision on the undertaking in April 2013. The draft decision stated that the ACCC was not satisfied that the undertaking met the legal criteria for acceptance. In such circumstances, the CCA allows the ACCC to give the company concerned a notice specifying variations to the undertaking which allows it to lodge an amended version.

82. On 4 July 2013, the ACCC released a draft notice to vary. The draft notice to vary specified a range of variations aimed at reducing the complexity of the undertaking and clarifying its operation, and creating certainty about when and how NBN Co must comply with its obligations in relation to access determinations and binding rules of conduct made by the ACCC. On 8 October 2013, the ACCC issued NBN Co with a notice to vary pursuant to section 152CBDA of the CCA. The ACCC also published an explanatory statement that outlines the key changes that were made when finalising the notice and addresses the views put forward in submissions to the draft notice to vary.

83. On 19 November 2013, NBN Co Ltd lodged a varied SAU with the ACCC. NBN Co lodged this varied SAU in response to the ACCC's notice to vary given to NBN Co on 8 October 2013. On 13 December 2013, the ACCC published its decision to accept the varied SAU.

84. The ACCC has also continued to oversee Telstra's compliance with its structural separation undertaking (SSU). The SSU recognises that Telstra, as the vertically integrated access provider to the ubiquitous copper network, operates at all levels of the supply chain and competes with businesses to which it supplies. The SSU requires Telstra to structurally separate over time, by ceasing to supply fixed line voice and broadband services over its copper and hybrid fibre-coaxial networks and progressively migrating its customers to the NBN as it is rolled out. It includes commitments to safeguard competition until the NBN is built and Telstra has migrated its fixed-line customers to the new network. During the 2013-14 financial year, Telstra reported a number of breaches of its SSU which fall into two broad categories:

- failing to properly ring fence the protected information of Telstra's wholesale customers; and
- failing to provide operational equivalence in the supply of regulated services as a result of different wholesale and retail processes which favoured its retail customers.

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<sup>4</sup> <http://www.nbnco.com.au/>.

85. Telstra's SSU contains an overarching commitment requiring Telstra to provide equivalent outcomes for wholesale customers to those achievable by Telstra's retail businesses. The ACCC accepted two rectification proposals from Telstra that set out the steps it would take to meet its equivalence commitments.

86. In responding to Telstra's reported breaches, the ACCC has focused on stopping the conduct, ameliorating its impact, and ensuring that Telstra's systems and processes are remediated as soon as practicable to safeguard against recurrence.

87. The ACCC continues to oversee the Telecommunications Access Regime under Part XIC of the CCA. Part XIC of the CCA is a key part of the regulatory framework supporting the development of a competitive telecommunications industry. Part XIC allows services to be 'declared.' Once declared, the service must be supplied, on request, to other providers for use in their own services. This arrangement guarantees access to telecommunications services in the interest of the provision of competitive services to end-users.

88. The ACCC can set terms and conditions for access to declared services through final access determinations. In 2013-14, the ACCC commenced final access determination inquiries into the terms and conditions of access for:

- the seven declared fixed line services;
- the domestic transmission capacity service; and
- the mobile terminating access service.

### 3.7.2 *Rail*

89. The ACCC has a role in assessing and monitoring compliance with Part IIIA access undertakings submitted by rail access providers in relation to rail track infrastructure ('below-rail' services). To date, only one rail infrastructure provider, the Australian Rail Track Corporation (ARTC), has submitted access undertakings under Part IIIA of the CCA. There are currently two access undertakings—one for ARTC's Hunter Valley rail network and one for its national interstate rail network.

90. In 2012-13 the ACCC continued to monitor and administer relevant provisions of the undertakings for ARTC's interstate and Hunter Valley rail networks.

### 3.7.3 *Bulk wheat port terminal services*

91. Before the introduction of a mandatory code of conduct for port access described below, undertakings were offered by bulk wheat port terminal operators to comply with the 'access test' requirements in the *Wheat Export Marketing Act 2008*. This required wheat exporters who also owned and operated port terminal facilities to have access undertakings in place.

92. In 2011, the ACCC accepted new access undertakings from four bulk wheat port terminal operators – GrainCorp Operations Ltd, Australian Bulk Alliance (now a wholly owned subsidiary of Emerald Group Australia), Co-operative Bulk Handling Limited (CBH) and Viterra Operations Limited. The aim of the undertakings was to prevent the use of market power at grain ports by vertically-integrated port operators, and benefit the Australian economy by promoting the development of a wheat export marketing industry that is efficient and competitive and advances the needs of wheat growers.

93. In 2013-14, the ACCC conducted assessments of a number of proposals put forward by port operators in relation to their undertakings, including in relation to:

- CBH's proposed changes to its auction system;
- a new undertaking put forward by Emerald;
- Viterra's proposal to extend and vary its undertaking;
- GrainCorp's application for reduced regulation at its port in Newcastle; and
- a new undertaking put forward by CBH containing long term agreements for capacity allocation.

94. Changes to the legislation made in December 2012 provide that a mandatory code of conduct for port access, prescribed under the CCA, be in place by 1 October 2014. This would trigger the repeal of the *Wheat Export Marketing Act 2008* and vertically integrated port operators would no longer be required to have access undertakings. Wheat port access would instead be governed by the mandatory code of conduct and by general competition law.

- A mandatory port access code of conduct commenced on 30 September 2014.

#### 3.7.4 Authorisations

95. The ACCC issued 36 final determinations on authorisation matters during 2013-14. The arrangements covered by the authorisations spanned a wide range of sectors including agriculture, manufacturing, health care, energy, airlines, finance, waste services and retailing.

96. One authorisation decision considered by the ACCC during 2013-14 related to a coordinated approach to implementing and applying mandatory personal identification number (PIN) rules by credit card providers.

#### 3.7.5 Credit card coordination on mandatory PIN rules

97. Card payment providers such as Visa, MasterCard and American Express can independently decide whether to allow signatures or PINs as a method of authentication for card transactions without ACCC approval. However, coordination between the card schemes and financial institutions in relation to the removal of signatures for most credit card transactions that are completed in person could breach the CCA and as such they sought authorisation.

98. The ACCC granted an authorisation in late December 2013. It considered that a coordinated approach and a single message from industry were likely to lead to some efficiencies and less confusion for customers and merchants. Reduced competition more broadly is unlikely, as the card schemes will still compete on fees and all other products and services. Coordination between the card schemes is also likely to lead to the earlier implementation of mandatory PIN at point-of-sale. The ACCC granted authorisation until 30 June 2015.

#### 3.7.6 Notifications

99. Approximately 503 exclusive dealing notification matters were considered by the ACCC in 2013-14. The vast majority of these were allowed to stand. Most of these notifications related to 'third line forcing' conduct, which is a per se breach of the CCA. During the year the ACCC accepted a

court enforceable undertaking in relation to solar energy third line forcing of electricity supply with solar panels.

### 3.7.7 *Undertaking protects customers in solar energy deal*

100. In October 2012 and March 2013, Jasmin Solar lodged third line forcing notifications proposing to supply discounted solar panel systems in Queensland so long as customers use Diamond Energy as their energy retailer for certain products. Customers sign on for 16 years.

101. On 4 September 2013, the ACCC accepted a s. 87B undertaking from Jasmin Solar and Diamond Energy. It ensures that the retail electricity prices charged to Jasmin Solar's customers reflect the prices charged to other customers with solar panel systems in the same geographic region, preventing Jasmin Solar's customers paying excessive prices for additional electricity that they must purchase from Diamond Energy over the term of the contract.

## 4. Resources of competition authorities

102. The total average number of staff employed by the ACCC for 2013-14 was 788 (down from 798 in 2012-13). It should be noted that in addition to competition matters, the ACCC has consumer protection, product safety and national infrastructure services regulatory functions, which account for more than half of the ACCC's total average staff. The ACCC also administers the functions of the AER. The ACCC consists of seven full time members and four associate members; three of these are ex officio, being economic regulators from other federal or state and territory bodies. The AER consists of three full-time members.

103. The ACCC's total funding for 2013-14 was \$180.6 million, comprising the original appropriation of \$179.5 million and other revenue of \$1.1 million. The NCC had an average staff of 10 over 2013-14. The NCC's total funding was \$2.7 million in 2013-14.

**Table 2: ACCC and NCC funding appropriations**

	ACCC*		NCC*	
	2013-14 \$m	2012-13 \$m	2013-14 \$m	2012-13 \$m
A\$	179.5	150.2	2.7	2.7
US\$	169.1	141.5	2.5	2.5

## 5. Studies and reports

### 5.1 *Petroleum industry*

104. In December 2013, the ACCC published its sixth annual report, Monitoring of the Australian petroleum industry — Report of the ACCC into the prices, costs and profits of unleaded petrol in Australia 2013. The ACCC's latest monitoring report was released in December 2014.

### 5.2 *Telecommunications sector*

105. The ACCC continued to collect pricing information for a number of telecommunications services. Together with usage data provided by major carriers and carriage service providers, this information was used to determine and report on the changes in price for telecommunications services

\* Foreign exchange rate used for conversion purposes: 1A\$ = US\$0.9420

in 2012-13 published in March 2014. The ACCC also published the Telecommunications Competitive Safeguards for 2012-13 report which highlighted key trends in competition in the industry.

106. The ACCC published quarterly reports on imputation testing and non-price terms and conditions relating to the accounting separation of Telstra (March 2013, June quarter 2013, September quarter 2013, December quarter 2013). The ACCC also published bi-annual reports on current cost accounting reports relating to the same regime.

107. In December 2013, the ACCC reported that Telstra adequately complied with the retail price control arrangements from 1 July 2012 to 30 June 2013, as per its statutory reporting obligations, based on its review of an independently audited compliance report that Telstra supplied. Under the *Telecommunications Act 1997*, the ACCC must monitor and report each financial year on breaches by Telstra of its structural separation undertaking. In May 2014, the Minister for Communications tabled the ACCC's annual compliance report for the 2012-13 financial year.<sup>5</sup> The report identified a number of breaches of the SSU, which Telstra brought to the ACCC's attention pursuant to the SSU's monthly reporting obligations.

108. The ACCC updated its list of points of interconnection to the NBN as required by the CCA in December 2013. The CCA also requires the ACCC to review the policies and procedures relating to identification of listed points of interconnection to the NBN. On 19 February 2013, the ACCC released a consultation paper inviting submissions to the review on the policies and procedures relating to identification of points of interconnection, the extent of interconnection, and the impacts of the ACCC approach to identify point of interconnection locations.

109. The facilities access code sets out arrangements for carriers wishing to install their equipment on or in facilities owned by other carriers. On 1 May 2013, the ACCC published a Draft Decision to vary the code to remove obsolete references, reflect legislative changes, and align the code with Telstra's structural separation undertaking to ensure there is no inconsistency in relation to how eligible facilities are regulated. The Final Access Code became operational on 24 September 2013.

110. On 11 July 2013, the ACCC commenced a combined public inquiry into making final access determinations (FADs) for a number of the fixed line services and the wholesale ADSL service, which is ongoing. There has been consultation on non-price terms and conditions and primary prices to be included in the FADS.

### **5.3 Water sector**

111. The ACCC published its fourth annual water monitoring report in April 2014. The report provides data for the 2012-13 year and covers water trading activity, regulated water charges, transformation arrangements and compliance with the water market rules and water charge rules in the Murray Darling Basin. The 2012-13 report detailed the impact of water market reforms on affected irrigation infrastructure operators and their customers, noting that the reforms had reduced barriers to water trade and increased irrigators' and other water users' access to water markets.

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<sup>5</sup> ACCC, *Telstra's Structural Separation Undertaking – Annual Compliance Report 2012-13*: <http://www.accc.gov.au/system/files/Telstra%20compliance%20with%20SSU%20Report%202012%20AD13.pdf>

#### **5.4 Airports**

112. The ACCC released its Airport Monitoring Report 2012-13 in April 2014. During 2012-13, the ACCC conducted a review of quality of service monitoring and recommended changes to the information which will be reported, to apply from the 2013-14 Airport Monitoring Report. The revised quality of service monitoring Guidelines and accompanying Statement of Reasons follow the Productivity Commissions' 2011 inquiry into the economic regulation of airport services.

#### **5.5 Australia Post**

113. In addition to its role in assessing increases in the prices of letter services over which Australia Post has a legislated monopoly under Part VIIA of the CCA, the ACCC also produces annual cross subsidy reports. These reports analyse Australia Post's regulatory accounts for the preceding year, to determine whether it has used revenue from its reserved services to cross-subsidise its non-reserved services. (Reserved services are services for which Australia Post has a statutory monopoly; non-reserved services are services it provides in competition with other businesses.)

114. In June 2014, the ACCC released the 2012-13 cross subsidy report on Australia Post. This report is addressed in *Section 3: Pricing matters*, above.

#### **5.6 Container stevedoring**

115. In October 2014, the ACCC issued its container stevedoring monitoring report, for the 2013-14 year. The report, the sixteenth produced by the ACCC, highlighted industry developments since the waterfront reforms of the late 1990s and the benefits of new entrants for competition in the industry.

#### **5.7 Energy**

116. In addition to its regulatory, monitoring, reporting and enforcement activities, the AER published the State of the Energy Market 2013, an accessible report on activity in Australia's energy industry. The report targets a wide audience, including market participants, policy makers and the wider community. The 2013 edition consisted of a market overview and analysis of activity and performance in each segment of the electricity and gas supply chain.

117. The AER published quarterly compliance reports summarising the compliance and enforcement activities in the gas and electricity sectors, weekly electricity and gas market analysis reports and reports into circumstances where the spot price of electricity exceeded \$5000/MWh in 2012-13. It also published the first annual Retail Market Performance Report in November 2013. The report was accompanied by notes designed specifically for consumer caseworkers and others interested in identified compliance issues and its monitoring focus.

#### **5.8 Productivity Commission inquiries, reports and publications**

118. In the past financial year, the PC completed a number of public inquiries and commissioned research studies. These can be accessed at [www.pc.gov.au](http://www.pc.gov.au). Completed inquiries included:

- Public Infrastructure;
- Tasmanian Shipping and Freight;
- Australia's Automotive Manufacturing Industry;
- Import of Processed Tomato Products;

- Import of Processed Fruit Products;
- Mineral and Energy Resource Exploration; and
- the National Access Regime.

119. The PC also completed commissioned research studies during the past financial year one Geographic Labour Mobility; Major Project Development Assessment Processes and Regulator Engagement with Small Business.

120. In 2013-14 the PC also produced a number of Staff Working Papers, including:

- Literacy and Numeracy Skills and Labour Market Outcomes in Australia;
- Environmental Policy Analysis: A Guide to Non-market Valuation;
- Productivity in Manufacturing: Measurement and Interpretation;
- Prevalence of Transition Pathways in Australia; and
- Deep and Persistent Disadvantage in Australia.

121. As at 30 June 2014, the PC was undertaking inquiries or research studies into:

- Access to Justice Arrangements (<http://www.pc.gov.au/inquiries/completed/access-justice/report>);
- Childcare and Early Childhood Learning;
- Natural Disaster Funding; and
- Relative Costs of Doing Business in Australia (Dairy Product Manufacturing and Retail Trade Industry; <http://www.pc.gov.au/news-and-media/latest/retail-trade>).

**APPENDIX A**  
**THE ROLE OF COMPETITION AUTHORITIES**  
**IN THE FORMULATION AND IMPLEMENTATION OF OTHER POLICIES**

1. The principal government departments/agencies involved in the development, implementation, administration and enforcement of competition policy and laws are detailed below.

**1. The Treasury**

2. Amongst other functions, the Treasury advises the Government on competition law and policy, including advice on the economic regulation of infrastructure and broader product markets.

3. More information can be found at <http://www.treasury.gov.au/>.

**2. The Australian Competition and Consumer Commission**

4. The ACCC was formed in 1995 (with the amalgamation of the Australian Trade Practices Commission and the Prices Surveillance Authority) and is an independent statutory authority that enforces the CCA. The CCA prohibitions of anti-competitive conduct apply to virtually all businesses in Australia.

5. The ACCC also has responsibilities under the Water Act to advise the Minister for the Environment on water charge and market rules and monitor compliance with, and enforce those rules, and to advise the MDBA on water trading rules.

6. More information can be found at <http://www.accc.gov.au/>.

**3. The Australian Energy Regulator**

7. The AER is the economic regulator of the electricity transmission and distribution networks and is responsible for monitoring the wholesale electricity market and enforcing the National Electricity Law and National Electricity Rules in the NEM. The AER is also responsible for the economic regulation of gas transmission and distribution networks and enforcing the National Gas Law and National Gas Rules in all jurisdictions except Western Australia. The AER also regulates retail markets (other than retail pricing) in all states that have adopted the National Energy Customer Framework.

8. More information can be found at <http://www.aer.gov.au/>.

**4. The National Competition Council**

9. The NCC considers applications in relation to major infrastructure services under Part IIIA of the CCA, and makes recommendations to the relevant decision making Ministers. The NCC has a similar role under the National Gas Law, where it makes recommendations on coverage, the form of regulation (light or full regulation), classifying pipelines (as transmission or distribution) and various exemptions for greenfields gas pipelines.

10. More information can be found at <http://www.ncc.gov.au/>.

## **5. The Productivity Commission**

11. The PC, an independent statutory authority, is the Australian Government's principal review and advisory body on microeconomic policy and regulation, and undertakes public inquiries and other research in response to terms of reference provided by the Australian Government. The PC also undertakes self-initiated research.

12. More information can be found at <http://www.pc.gov.au/>.

## **6. The Australian Competition Tribunal**

13. The ACT is an independent statutory tribunal whose primary role is to review decisions of the ACCC, the AER and responsible Ministers under Part IIIA of the CCA. Decisions of the ACCC which may be referred to the ACT for reconsideration include decisions on whether or not to grant authorisations under the CCA, and arbitration decisions in cases involving access to essential facilities. The ACT may also consider applications at first instance for authorisation in relation to mergers and acquisitions under the CCA.

14. More information can be found at <http://www.competitiontribunal.gov.au/>.

**GLOSSARY**

ACCC	Australian Competition and Consumer Commission
ACT	Australian Competition Tribunal
AEMC	Australian Energy Market Commission
AER	Australian Energy Regulator
ARFF	Aviation rescue and fire-fighting
ARTC	Australian Rail Track Corporation
CCA	Competition and Consumer Act 2010
CCP	Consumer Challenge Panel
CFR	Council of Financial Regulators
COAG	Council of Australian Governments
CPA	Competition Principles Agreement
DCC	Dynamic currency conversion
ESCV	Essential Services Commission of Victoria
LTPA	Long-term pricing agreement
MDBA	Murray-Darling Basin Authority
NAR	National Access Regime
NBN	National Broadband Network
NCC	National Competition Council
NCP	National Competition Policy
NECA	National Electricity Code Administrator
NECF	National Energy Customer Framework
NEM	National Electricity Market
NWC	National Water Commission
NWI	National Water Initiative
PC	Productivity Commission