

ACCC Statement of Intent

The Government's vision is for the Australian Competition and Consumer Commission (ACCC) to be a high performing and responsive agency that administers a principles-based regulatory framework in a way that minimises compliance costs for business and provides business and the Australian community with stability, is efficient and effective, and balances the ACCC's objectives as set out in the *Competition and Consumer Act 2010*.

In this context, the Government has issued a Statement of Expectations for the ACCC, which outlines the Government's expectations of our role and responsibilities, our relationship with the Government, our Responsible Minister and the Commonwealth Treasury, issues of transparency and accountability, and organisational governance and financial management.

The Statement of Expectations is available via the ACCC website at: <http://www.accc.gov.au/about-us/australian-competition-consumer-commission/accountability#government-expectations>.

This Statement of Intent responds to the Government's Statement of Expectations for the ACCC.

Our role

The ACCC is an independent Commonwealth statutory authority whose role is to enforce the Competition and Consumer Act and a range of additional legislation; promote competition and fair trading; and regulate national infrastructure for the benefit of all Australians.

The ACCC makes decisions through formal meetings of our Commission, comprised of statutory officers. The staff of the ACCC form part of the wider Australian Public Service.

The ACCC is also responsible for resourcing the Australian Energy Regulator (AER), which has its own Statement of Intent available at <http://www.aer.gov.au/node/26292>.

The ACCC is committed to upholding the APS Values and promotes a culture in which it and its staff are impartial, committed to service, accountable, respectful and ethical. In addition the ACCC holds a set of values that complement these and the expectations of the Government as to our behaviour, including a commitment to being independent, expert, strategic and trustworthy (ACCC and AER Corporate Plan).

Deregulation Agenda

The ACCC notes the Government's deregulation agenda and commits to acting in accordance with regulatory best practice in our decision making, policy development and advisory roles, operational practices, and communications to ensure our effectiveness and efficiency is enhanced. This will allow us to contribute to the objectives of the Government's deregulation agenda.

We are committed to reducing compliance costs within the context of our regulatory obligations and will continue to review our policies and procedures regularly to ensure these take into account the impact on business and the community. We commit to the Government's updated Regulatory Impact Analysis requirement and to work to ensure regulatory burdens are properly costed before being imposed.

The ACCC acknowledges the Government's preference for principles-based regulation that identifies desired outcomes as a means for reducing regulatory and compliance burdens. The ACCC will continue to apply a principled and risk based approach that ensures proportionate responses to actual and potential harms. This is reflected in our Corporate Plan and publicly available operational and policy guidelines, including:

- *The ACCC Compliance and Enforcement Policy*

The policy outlines the ACCC's annual compliance and enforcement priority areas including drip pricing, misleading promotions in retail energy plans, disruption of relationship scams, and complexity and unfairness in consumer or small business contracts. Cartel conduct, anti-competitive agreements, misuse of market power, and product safety remain enduring priorities for the ACCC.

- *The Merger Guidelines 2008, the Informal Merger Review Process Guidelines 2013 and the Authorisation Guidelines 2013*

These publications outline the analytical and evaluative framework applied by the ACCC when reviewing mergers or assessing authorisation applications under the Competition and Consumer Act.

- Guidance to businesses on their obligations under the Competition and Consumer Act, including the *Advertising and Selling Guide*

The ACCC encourages compliance with the law by educating and informing consumers and businesses about their rights and responsibilities under the Competition and Consumer Act.

- Regulatory guidance, including the *Regulatory approach to price notifications 2009 guide*.

By communicating clearly and frequently what we do and sometimes about the limits of what we can do, the ACCC provides transparent signals to businesses and markets about our priorities and decisions in a way that reduces the regulatory and compliance burden on large and small business and consumers.

The ACCC employs flexible strategies to achieve principle based regulation including enforcement action, both administrative and court based outcomes; a range of compliance tools including education; working closely with stakeholders and other agencies to ensure appropriate outcomes; and has a dedicated small business group that allows us to take account of that sector's particular regulatory burdens and concerns.

Relationship between the ACCC and the Government

The ACCC recognises that while it is an independent statutory authority it is important for it to take into account the Government's broad policy framework in performance of its roles and responsibilities. In this regard it recognises the importance of actions to identify and reduce compliance costs on the community to assist in the Government's stated aim of improving productivity across the Australian economy.

We will engage fully as appropriate with all stakeholders, including Government, in situations where we can make orders, rules and exemptions or exercise our statutory powers to ensure the implications of our proposed actions are fully understood and taken into account in our decision making.

Relationship with Responsible Minister

The ACCC commits to providing timely and accurate information to Treasury Portfolio Ministers, subject to the ACCC's obligations regarding the protection of investigative information.

The Chairperson will meet regularly with the ACCC's responsible Minister and/or his office to provide updates on ACCC activities and matters of significance to the Government, and other Ministers as required.

Relationship with Treasury

The ACCC recognises the importance of its relationship with the Commonwealth Treasury in particular, and with other Departments that have policy responsibilities in areas in which we regulate.

The ACCC maintains a close relationship with Treasury and will continue to do so through regular meetings, updates and briefings between officers. In particular, Senior Treasury officials and the ACCC, including the Chair, Commissioners and senior staff, will meet regularly to discuss major issues that are of interest to both agencies.

The ACCC will continue to update Treasury on significant high-level meetings with and to liaise with the Treasury on policy issues, including the review of existing or development of new product safety regulations, as well as possible changes to the regulatory or legislative framework that the ACCC believes would improve outcomes or reduce compliance costs for business and the community.

Regulatory cooperation

The ACCC maintains close ties with Commonwealth and State and Territory agencies and its overseas counterparts. The ACCC takes a leadership role in various national and international forums, including the International Competition Network, International Consumer Protection and Enforcement Network, the International Consumer Product Health and Safety Organization, the OECD's Competition and Regulatory Policy Committees and Product Safety Working Party and the Australian Utility Regulators Forum.

Under Australia's single consumer law multi-regulator model, the ACCC works with other Australian Competition Law (ACL) regulators to:

- employ the most effective means of addressing consumer harm through cooperative and complementary enforcement action
- avoid unnecessary duplication of effort in the effective administration of the ACL, and
- ensure, wherever appropriate, a consistent approach to dispute resolution and enforcement action.

This is coordinated through the Legislative and Governance Forum on Consumer Affairs (CAF) and officials of Consumer Affairs Australia and New Zealand (CAANZ).

Transparency and accountability

The ACCC recognises that we are part of the Australian Government and that our independence must be balanced by our commitment to transparency and accountability, as detailed in *The ACCC's accountability framework for investigations* at: <http://www.accc.gov.au/publications/the-acccs-accountability-framework-for-investigations>.

As a law enforcement and regulatory agency we are also held accountable for our activities through the courts, tribunals, the Parliament and the Commonwealth Ombudsman.

The ACCC has well developed consultative mechanisms through its various stakeholder Consultative Committees. It also consults broadly in undertaking its enforcement, compliance and regulatory responsibilities.

The ACCC commits to continuing its efforts to provide transparency and accountability recognising that to do so enhances the confidence of stakeholders in the effectiveness of the regulator and in its decision making. When communicating information the ACCC commits to dealing with parties in a fair, transparent and ethical manner and ensuring that there is no unnecessary damage to reputation.

Organisational governance and financial management

The ACCC is supportive of, upholds and promotes the values and conduct requirements of the APS and will continue to do so. In undertaking bargaining with its staff the ACCC will comply with the APS Bargaining Framework.

The ACCC has recently made significant improvements to its governance and financial management framework and will continue to develop these to meet the Government's expectations of the ACCC as an effective and efficient organisation providing value for money through the careful use of its resources within its allocated budget.

The ACCC's new governance structure allows the Commission and AER Board to focus greater attention on the relationship between the way the Commission and the AER Board go about their statutory decision making and the effective use of the

resources of the ACCC/AER to facilitate that decision making process. It is designed to ensure the best use of our people and resources to achieve outcomes that benefit the Australian community within the budget allocated to us by the Government.

Conclusion

The ACCC commits to work closely with all stakeholders to make markets work through the promotion of competition among businesses; the promotion of fair trading; and effective regulation of infrastructure. In undertaking our roles and meeting our objectives we commit to doing so in the context of the Government's broad policy framework including, in particular, the Government's deregulation agenda.