



Australian  
Competition &  
Consumer  
Commission



AUSTRALIAN  
ENERGY  
REGULATOR

Australian Competition and Consumer Commission and  
the Australian Energy Regulator



# ANNUAL REPORT 2011–12

# EVERYDAY AUSTRALIANS AND THE ACCC

1

## WHO'S ON THE PHONE?

The ACCC served 112 556 phone inquiries and responded to 18 842 emails in 2011–12. (page 135)

72 299 scam reports were received, with reported losses of \$85.6m. The ACCC conducted the 'Slam Scams' campaign and Fraud Week. The SCAMwatch website received 20.5 million hits and 19 000 subscribers to its alerts. (page 66)

2

## SAFE PRODUCTS

Keeping Baby Safe is on of the ACCC's most popular products. 2011–12 saw permanent bans on babies' dummies and dummy chains with decorations introduced; 2357 product safety reports were received; and 420 recalls managed. (page 76)

3

## CARBON PRICING

The ACCC protects consumers and educates businesses about misleading price claims on the impact of the carbon prices. (page 69)

4

## HELPING AUSTRALIANS ONLINE

The ACCC is establishing access arrangements for the NBN that maximise the opportunities for effective retail competition.

The ACCC accepted undertakings from Telstra that implement structural reform of markets for fixed line communications. The undertakings promote competition and safeguard consumers in the transition to the new industry structure. (page 92)

5

## WHAT'S ON TV?

The ACCC protects consumers against misleading and deceptive representations, succeeding in cases against Apple, Harvey Norman and Singtel Optus among others in 2011–12, with more than \$10 million in penalties imposed. (page 55)

It also ensured competition in subscription television by imposing conditions on the FOXTEL/Austar merger to maintain competition in content and emerging TV platforms. (page 38)



6

## OVERSEEING MONOPOLY POSTAL SERVICES

The ACCC scrutinises Australia Post's accounts to assess whether its monopoly services, such as its basic mail services, are cross-subsidising Australia Post's competitive services like its parcel services. The ACCC also regulates price increases for Australia Post's basic mail services. In 2011–12, it found there was no cross-subsidy from Australia Post's monopoly services to its competitive ones. (page 128)

7

## DOOR TO DOOR SALES

The ACCC educates consumers and businesses on their rights and obligations concerning door to door sales—a key part of the Australian Consumer Law. (page 70)

8

## PETROL

The ACCC analyses the prices, costs and profits of the petrol industry in Australia and reports its findings. In 2010–11 Australia had the fourth lowest petrol prices in the OECD. Net profit for all petrol products in 2010–11 was around 2.2 cents per litre. (page 117)

9

## REGULATING ENERGY MARKETS

The AER regulates monopoly electricity and gas transmission and distribution businesses by determining the revenue they receive. The AER set revenue for Powerlink (Qld), and Aurora (Tas), to 2017, and metering charges payable by Victorian consumers to 2015. (page 100)

10

## AIRLINES AND AIRPORTS

The ACCC took action to ensure passengers enjoyed their consumer rights when Tiger Airways and Qantas were grounded. (page 71)

Air cargo cartel action has resulted in \$58 million in penalties being imposed on eight airlines so far. Six cases remain before the courts. (page 34)

The ACCC monitors prices, costs and profits of services at airports and assesses price increases from Airservices Australia. (page 123)



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## Contact us

If you have any questions or ideas about this report, please contact:  
Director, Internal Communications and Publishing Services,  
Australian Competition and Consumer Commission

23 Marcus Clarke Street  
Canberra ACT 2601  
Australia

**Internet:** [www.accc.gov.au](http://www.accc.gov.au)

**Email:** [publishing.unit@acc.gov.au](mailto:publishing.unit@acc.gov.au)

**Phone:** (02) 6243 1111  
+61 2 6243 1111  
(international)

**Fax:** (02) 6243 1199  
+ 61 2 6243 1199  
(international)

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GPO Box 3131  
Canberra ACT 2601  
23 Marcus Clarke Street  
Canberra ACT 2601  
tel: (02) 6243 1111  
fax: (02) 6243 1199  
[www.accc.gov.au](http://www.accc.gov.au)

27 August 2012

The Honourable David Bradbury MP  
Assistant Treasurer and Minister Assisting for Deregulation  
Parliament House  
CANBERRA ACT 2600

Dear Assistant Treasurer

We are pleased to present to you the Annual Report of the Australian Competition and Consumer Commission (ACCC) and the Australian Energy Regulator (AER) in accordance with section 63 of the *Public Service Act 1999*.

This report, covering operations for the year ended 30 June 2012, is in accordance with sections 44AAJ(1) and 171 of the *Competition and Consumer Act 2010*.

We certify that the ACCC and AER have prepared fraud risk assessments and fraud control plans. We have in place appropriate fraud prevention, detection, investigation, reporting and data collection procedures and processes that meet the specific needs of the agency and comply with the Commonwealth Fraud Control Guidelines.

Rod Sims  
Chairman, ACCC

Andrew Reeves  
Chairman, AER

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