



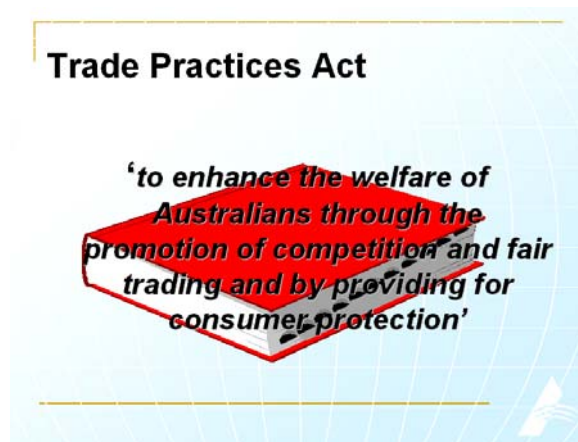
Advance Australia Fair and Competitive!

**Louise Sylvan
ACCC Deputy Chair**

Speech, with slides inserted, to the Country CFO Forum
Sydney, 19 February 2004

Thank you so much for your invitation to join you for lunch today. It's a very great pleasure to be here, and I appreciate the opportunity to raise with you some issues that I think are vital for all of us to think about in a modern-day economy.

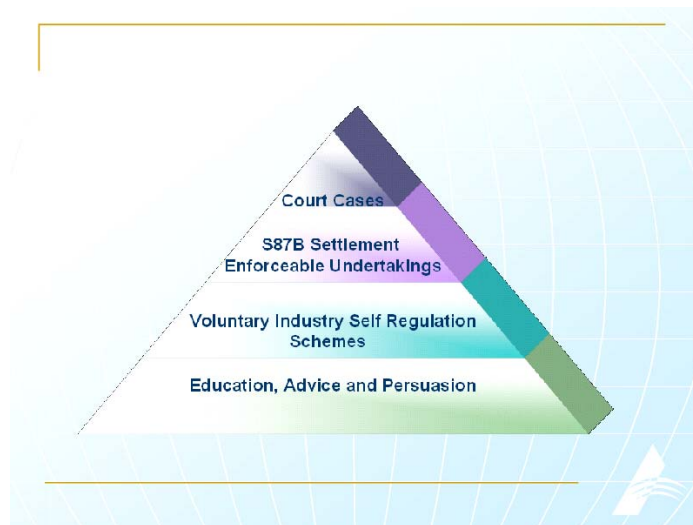
I have three major topics today. First, I'll talk about the Trade Practices Act, and the work of the ACCC of course, and some of our priorities. Second, and as the title of my presentation suggests, I'll be talking about Australia as a competitive nation – and the differences on this issue between the perspective of someone from a company as opposed to a regulator. And, finally, because of your very senior positions in Australian business, I intend to talk about what I think – personally - our society is beginning to signal that it expects of you as business leaders. There are some very broad shifts occurring in our society at the moment, which have big implications for business organisation leadership. So part of my talk today is with my Deputy hat on formally, and the other is a rather more personal reflection.



Role of ACCC

Let me begin with the role of the ACCC. To put it, in terms of our Act, the objective of the Trade Practices law in Australia is “to enhance the welfare of Australians through the promotion of competition and fair trading and provision for consumer protection.” It's a very broad objective. To achieve compliance with the Trade Practices Act, the ACCC seeks to improve competition and efficiency in markets, foster adherence to fair trading practices and promote consumer protection in well-informed markets.

The ACCC operates on a compliance model that uses what is called the “compliance pyramid”.



For most people, this is a nice theoretical model. For us, it actually describes, pretty accurately, the emphasis in the work.

Occupying the base of the pyramid is the Commission's campaign to educate, advise and use persuasion to encourage compliance of the TPA. And we work very hard at it. Prevention, after all, is better than cure and if we can, through a very visible and public presence in the market, prevent businesses from breaching the Act, then that's a good outcome for all concerned.

Around 800,000 publications go out each year from the Commission, many of them targeted at businesses, telling them about the Act and what it means in relation to their obligations and giving general guidance. Then there is all of the electronic information we have available, and as well, these types of interactions at functions with the business and consumer communities. Complementing these information sources flowing out from the Commission are a set of structures designed to bring information in – and I'll return to these in a minute.

Continuing with the Compliance Pyramid, at the next level, we have voluntary compliance initiatives, which we strongly support business and industry to undertake. It is vital for companies, through their CEOs, and with the full support of their Boards of Directors for larger entities, to establish their own corporate compliance programs and to educate their staff on compliance with the law. Compliance should be part of the culture and fabric of every company doing business in Australia - and it starts with the leaders of organisations. I can only reiterate what the Chairman has said many times recently to top corporate executives: they set the tone of the business relationship with the regulatory agency for all of their employees.

Moving up the pyramid, we get rather a bit more interventionist. Here the ACCC resolves cases through accepting court-enforceable undertakings from the company and/or individual. In these undertakings, which are on the public record, companies agree to:

- remedy the mischief;
- accept responsibility for their actions; and
- establish, or review and improve, their compliance programs and culture.

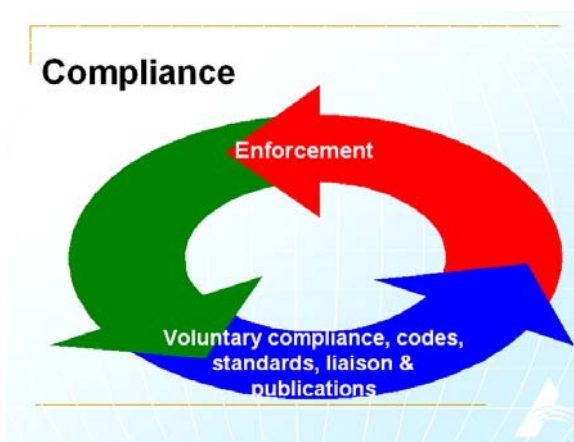
These undertakings need to be public, since that is an essential feature of how the Commission operates effectively.

The main object of the Commission's compliance and enforcement role is to stop a trader's breach of the law and to seek redress on behalf of the consumers who suffer loss and damage as a result of the

breach. If the Commission can stop the breach through a negotiated settlement which is fair and effective, that's a good result.

However, it is quite unrealistic to assume that compliance is regarded by all business as an altruistic nicety to be pursued in the public interest. The reality is that regulation exists to deal with misconduct and, to date, the Commission hasn't had any difficulty being kept occupied in that regard. In Australia, and this is paralleled in most of the world as well, the strength of the Act flows directly from the effectiveness of the Commission's enforcement regime.

So, if a company fails to negotiate an effective settlement, the Commission will certainly take enforcement action through the judicial processes. By taking enforcement action, we reiterate the determination of the ACCC to seek compliance with the Act. If individuals and companies believe that the Commission will take a court action for a breach, they are far more likely to ensure compliance with the law. And, decisive action against one company can be a strong message to others.



Enforcement action is particularly directed towards breaches of the Act where there is:

- widespread consumer detriment;
- deliberate breaches of the law;
- emerging trends of misbehaviour in particular industries; or
- recidivist behaviour.

Enforcement Priorities

We have a number of enforcement priorities at the moment and I'll mention two. The current priority on the consumer protection side came about through advice from our Consumer Consultative Committee – one of the consultative structures that I will talk about shortly.



The advice was that there was a need to focus more strategically on the behaviour of some firms towards disadvantaged and vulnerable consumers; by that we mean, for example, low income consumers or those of non-English speaking background, disability – whether intellectual, physical and so on – illiteracy, homelessness, elderly people, indigenous consumers, serious illness – essentially, a consumer that could be taken advantage of more easily.

We have been focussing on this through a variety of means, and I must say, I am rather shocked at some of the conduct we have found. The Act, as you may be aware, has a provision for unconscionable conduct towards consumers by traders in addition to its provisions for misleading and deceptive conduct and related provisions with which you might be more familiar; we are going to have some cases of taking advantage of people that I think will take you aback. We also found truly outrageous claims in the co-ordinated global Internet Sweep last week by the consumer protection regulators and other regulators around the world. There is no lack, on the Web, of preying on people with all types of claims: cures for serious illnesses, extravagant claims for income-earning potential in work from home schemes, get-rich quick plans and so on. So watch this space.

Our enforcement priority on the competition side, at the moment, is cartel behaviour in the market – things like price fixing, market sharing, bid rigging and so on – collusions that are breaches of Part IV of the Act.

You might be aware that the Dawson Review recommended the introduction of criminal sanctions for hard-core cartel behaviour, and we expect that this will occur. In relation to that, I want to mention our leniency policy.

Leniency Policy

In December 2003, a penalty judgment was handed down by the Federal Court in a case instituted by the Commission. \$3.5 million in penalties were imposed by the Court against a New South Wales fire protection company for industry price fixing, market sharing and misleading or deceptive conduct in making various ‘cover price’ arrangements with competitors on fire protection tenders. These arrangements contravened section 45 of the TPA.

Leniency Policy

- Came into force June 2003
- Recent comment by Justice Wilcox in *ACCC v FFE Building Services Ltd*
- Will be enhanced by criminal sanctions – significant deterrent effect

The investigation of this case began as a result of one of the companies involved in the arrangement discovering through its trade practices compliance and training program that the conduct occurred. The company then approached the Commission with this information. By doing this, the company was able to take advantage of the ACCC’s leniency policy which encourages disclosure of collusive cartel conduct on a ‘first in best dressed’ basis. The Leniency Policy, in the event that you have not had an opportunity to look at it, is on the ACCC’s website at www.accc.gov.au; the policy came into force in June 2003.

Justice Wilcox, in his Reasons for Judgement in the fire protection case that I noted to you above, had this to say about the Commission's policy of leniency (though I would note that the leniency, in that matter, began under the earlier co-operation policy).

“Through its solicitors, Tyco alerted ACCC to the fact of the contravening conduct. Tyco, and its relevant executives, agreed to provide evidence to ACCC in return for a leniency agreement under which ACCC agreed not to seek the imposition of a penalty upon any of them.

No doubt it was appropriate for ACCC to offer leniency; without such an offer, ACCC may not have been able to prove the collusive conduct. It is another matter whether ACCC should have gone so far as totally to abjure any penalty application. However, that is not for me to determine. It is sufficient to say that, because of the existence of the leniency agreement, there can be no valid argument for parity in outcome as between Tyco and FFE. If this approach leads to a perception amongst colluders that it may be wise to engage in a race to ACCC's confessional, that may not be a bad thing.”

(par 29, 30)

The operation of the leniency policy will be further enhanced once criminal sanctions for hard core cartel conduct, as recommended by the Dawson Report, are implemented. I couldn't agree more with the Dawson Report when it said that hard core cartel conduct is sufficiently reprehensible as to warrant the imposition of a jail sentence. Cartels harm consumers and the economy by distorting the ordinary economic processes of competition, innovation and product development.

Information from other jurisdictions suggests that criminal sanctions are an effective deterrent to serious cartel behaviour. I want to pause on this for a moment. Breaches of competition laws have, in Australia, only led to fines, and sometimes quite large fines. Criminal sanctions are necessary to complement these monetary penalties. Sometimes, when the Courts have only the option of a pecuniary penalty to apply for particularly egregious conduct, they may penalise the innocent as well as the guilty – costs of fines could be passed through as higher prices or lower dividends and so on. (Perhaps shareholders should bear these costs for failing to be vigilant in corporate governance – but that fails to recognise the quite diffuse power of shareholders in public companies). If the fines were substantial enough, one could even conceive of a situation where they could put a company out of business, an ironic outcome which removes a competitor from the market and causes job losses. So the combination of monetary and non-monetary instruments will give the Courts options for more effective sanctions in some cases. It is important for me to stress that humiliation is not the intention here – though the media is bound to portray a jail sentence as “win” over greedy executives. The purpose from the Commission's view, however, is not revenge or retribution – it's deterrence. And very strong deterrence measures are important, because cartel behaviour seriously damages the economy and consumers, as well as competing businesses which are complying with the law.

Leniency Policy

- Operation of leniency policy:
 - first company to report cartel conduct – gains clear, transparent and certain offer of leniency
 - Does not apply to instigators

Under the Commission's leniency policy, the offer is this: report cartel conduct such as price fixing, bid rigging and market sharing to the Commission in return for a clear, transparent and certain offer of leniency. The policy, however, applies only to the first company or executive to come forward and cooperate with the Commission. And leniency will not apply, as it should not, to people who were instigators – those who coerced others to participate in a cartel or were clearly the cartel leader.

Consultative Committees

Moving on to the consultative structures of the Commission that I have mentioned a couple of times. These advisory committees complement the outflow of information to business and consumers by bringing us direct feedback on business and community views; they are in addition to the 50,000+ calls and letters and emails that the ACCC also gets from individuals.



There is a Small Business Advisory Group, which I try to get to, time allowing; a Consumer Consultative Committee – and I've mentioned that group's campaign on better protecting vulnerable and disadvantaged consumers; a Consultative Committee of stakeholders which includes industry groups and others; and a newly established franchising consultative panel which provides a mechanism for stakeholders to identify and comment on emerging issues and raise any concerns regarding the Franchising Code of Conduct and the ACCC's administration of that code.

Competitive Economies

Let me now turn to general issues of competition in an economy.



If you recall the objective of the Trade Practices Act that I outlined earlier, the purpose of the Act is not competition *per se*, but to “to enhance the welfare of Australians through the promotion of competition

and fair trading ...”; given that we are dealing with economic law in the market, we take that to be a directive, in the very broadest sense, that through the existence and enforcement of its competition laws, this nation can enhance the consumer welfare of Australians. The recent decision in relation to petrol/grocery matters will, if you have looked at either the report itself, or even the media release, make clear the Commission’s thinking on this type of matter. So, competition isn’t an end in itself, it’s a means. The Australian act explicitly acknowledges that, and permits the ACCC to authorise anti-competitive conduct (with the exception of misuse of market power which cannot be authorised) if the public benefits outweigh the detriments – and the term public benefit is to be given its widest possible meaning according to the determinations of the Australian Competition Tribunal.

Through much theory and empirical research, it has long been accepted that, first, competition is good for consumers, second, it’s good for business, and, third, that anti-competitive conduct is bad both for consumers and for other businesses. In general terms, the more vigorous the competition, the better for a country’s citizens. That is the underpinning notion for anti-trust law, for the liberalisation of a variety of industry sectors, and also one aspect of the impetus to negotiate bilateral and multilateral trade agreements.

Competition can, of course, be a disaster for individual firms. The law is not framed in relation to outcomes for individual firms - though it’s a little hard from a company perspective to be objective about that! But as long as the competition has been fair, then a bad result for some companies is to be expected. The Austrian-American economist Joseph Schumpeter referred to the dynamic of capitalism as “creative destruction”, as old firms give way to new entrants.¹

S 46: Misuse of Market Power

- Fair trading – an objective and cornerstone of the Act, and essential to a competitive economy
- Law needs clarification – intention of Parliament must be clear

The antithesis of competition is market power. But the Act doesn’t prohibit the existence of market power – companies may well acquire it, and if they do that through appropriate competitive processes, that’s not in itself an issue. What is an issue, is if companies seek to misuse such market power in ways prohibited by the Act – in other words for the purposes of damaging competition and/or competitors.

s.46

You will have observed the difficulty the Commission has had in taking successful cases in relation to misuse of market power. That is not, in my view, simply because this is a very difficult part of the law, which it is; it has more to do with clarity about the intentions of the legislature in passing such a law and it’s a situation that needs to be rectified. The current Senate Inquiry into the Effectiveness of the Trade Practices Act in protecting small business from the anti-competitive exercise of market power is in part a result of the Commission’s difficulties with enforcing this part of the Act, in addition to the fact that the Dawson Review made no recommendations in relation to s.46.

¹ Joseph Schumpeter, *Capitalism, Socialism and Democracy* (Harper and Brothers 1942)

The Commission, in its submission to the current Senate Economics References Committee Inquiry, has said that the Parliament must clarify the law.² The ACCC has suggested a range of amendments and these are in my paper, and of course they are also on the website of the Senate Economics Committee. The areas of our request for clarification all go to the issue of how the Courts, at the direction of the Parliament, should interpret the question “when does vigorous competition end and anti-competitive behaviour begin?”

The ACCC’s position in relation to the misuse of market power is founded on a fundamental economic notion. If large corporations, with entrenched market positions, use the power of incumbency to block the entry of rivals or to damage or eliminate rivals, the dynamic processes of competition are thwarted.

Understanding this, and that the perspective of a regulator is not that of an individual firm, but a perspective related to the overall competitiveness of the economy in each of its relevant markets, is crucial for company leadership and crucial for the relationship that companies have with the competition regulator.

Why all this emphasis on competition and fair trading?

I should say at this point that I’m not passionate about competition on any ideological basis. As a former consumer advocate, I’m well aware of the limitations of markets and that we shouldn’t be trying to make them do what they can’t do. Markets are basically price-clearing mechanisms – they can’t deliver on equity for example, and they fail badly at pricing “goods” like socially just education outcomes or equitable access to health services. That’s what governments are for and it’s why we see high-level intervention of various sorts in these areas by governments of all political complexions. But markets do some things VERY well and the ACCC is there to make sure that they are able to operate as effectively as possible.

Why the emphasis on competition and fair trading?

- Competition has become a key instrument of economic development
- Where strong consumer protection and competition laws operate – competitive innovation is fostered (eg. see Hilmer Report)

Although our emphasis is ensuring that Australian consumers benefit from competition in the domestic economy, there are other very strong reasons for backing vigorous competition in Australia, in a world with reduced trade barriers.

² The ACCC has recommended amendments to clarify that the threshold of ‘a substantial degree of market power’ is lower than the former threshold of substantial control, that ‘substantial market power’ does not mean that a business is absolutely free from constraint and that evidence of a company’s behaviour is relevant to determining substantial market power. Further, in predatory pricing cases, the Commission has argued that a finding that losses were recoupable should not be required to establish a breach of the Act. We have also submitted that section 46 should apply to any use of substantial market power with a proscribed purpose, irrespective of whether the conduct takes place in the same market where the power exists.

Competition policy is an instrument of economic development – it recognises that the purpose of economic activity is to bring benefits to consumers (basically through higher living standards). Healthy and profitable businesses are obviously a precondition for such benefits to be realised, but they are not the goal of economic activity – a fact that businesspeople are rather apt to forget. Corporations are simply agents in an economic process. It may seem counter-intuitive, but where strong competition and strong consumer protection law operates - such that profits cannot be derived from collusion, deceptive practices, price fixing and so on,³ that leaves competitive innovation in either new products or new processes as the only game around. And innovation, as you know, has to be an ongoing dynamic process if profits are to be sustained.

This was the vision articulated in the 1993 Report on National Competition Policy, known as the Hilmer Review, which in its opening paragraphs stated:

“Competition provides the spur for businesses to improve their performance, develop new products and respond to changing circumstances. Competition offers the promise of lower prices and improved choice for consumers and greater efficiency, higher economic growth and increased employment opportunities for the economy as a whole.”⁴

This view wasn't put as a theoretical proposition either. The most pre-eminent person who has analysed this phenomenon in markets is the economist Michael Porter from Harvard. There's far too little empirical evidence available in the field and Porter's work in The Competitive Advantage of Nations⁵ is, I think, seminal; he has published rather a lot more on the topic since that book came out in 1990 which further extends and supports the evidence.

Here's an important couple of quotes from him.

“Few roles of government are more important to the upgrading of an economy than ensuring vigorous domestic rivalry. ... The importance of domestic rivalry for national advantage has strong implications for antitrust policy, particularly policy toward mergers and alliances. Yet the need for antitrust has been questioned because of the globalization of industries and the view that domestic firms must merge to gain economies of scale. ... Managers are often the first and loudest voices for easy approval of mergers or alliances, because eliminating domestic rivals is a tempting way to raise short-term profits.

“Leniency towards cartels is also a trap. ... Cartels dampen or suspend the self-reinforcing process of upgrading that grows out of domestic rivalry. A cartel may maintain profits for a time, but it usually marks the beginning of the end of international success. ... A strong antitrust policy, especially in the area of horizontal mergers, alliances and collusive behaviour, is essential to the rate of upgrading in an economy.”⁶

So it isn't simply the direct benefiting of Australian consumers that results from a vigorous application of the competition and consumer protection laws. Domestic competitiveness is an asset in aiding international competitiveness. This holds both at the level of the firm and at the level of the national economy.⁷ It's why the so-called “national champions” argument doesn't work – you simply cannot have a firm with two cultures: one in the “domestic” market protected from vigorous competition and one for the “global” market where the business is innovative and customer oriented and price

³ This assumes, as well, that there are no substantial forms of financial support available from governments which mitigate the forces of the market impact on firms.

⁴ *National Competition Policy* Report by the Independent Committee of Inquiry, August 1993.

⁵ Michael Porter *The Competitive Advantage of Nations*, (Free Press 1990).

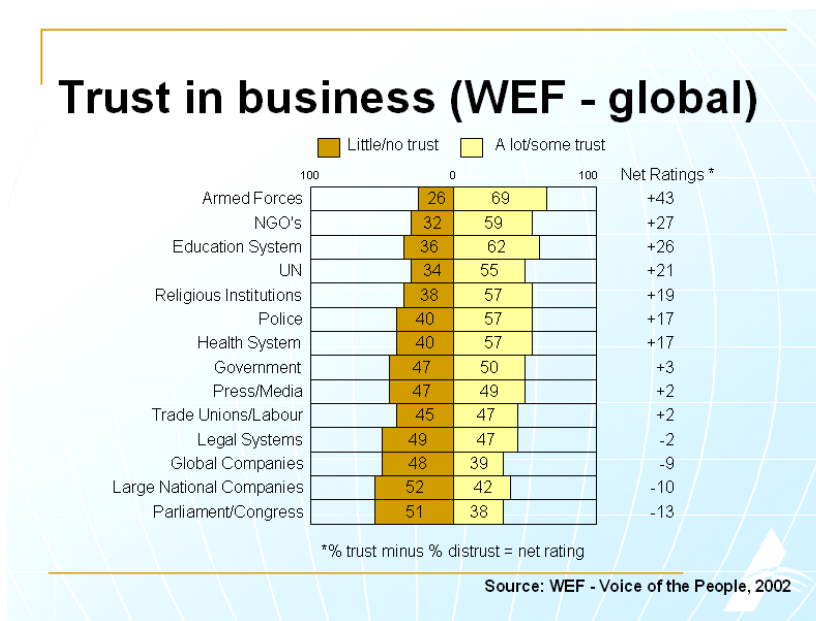
⁶ *Ibid.*

⁷ *Ibid.*

competitive. Corporations have one prevailing culture, and for Australia to compete successfully globally, that culture has to be one of vigorous competition at home.

Corporate Responsibility, Corporate Leadership

I want to do one final, personal, comment on corporate responsibility and leadership. It’s a personal comment because one of the reasons that I was keen to join you for lunch today wasn’t only to be able to talk about the ACCC’s work and the importance of competition in the economy, but to give you a sense of where I’m coming from as well. In terms my priorities at the Commission, I’ll be working on issues like “what do consumers do for competition?” – an area of too little research, and also on ensuring in our enforcement activity that we are able to secure refunds or restitution for consumers and not simply penalties in relation to breaches of the Act. But I’d like to move, for a moment, beyond my priorities at the ACCC.

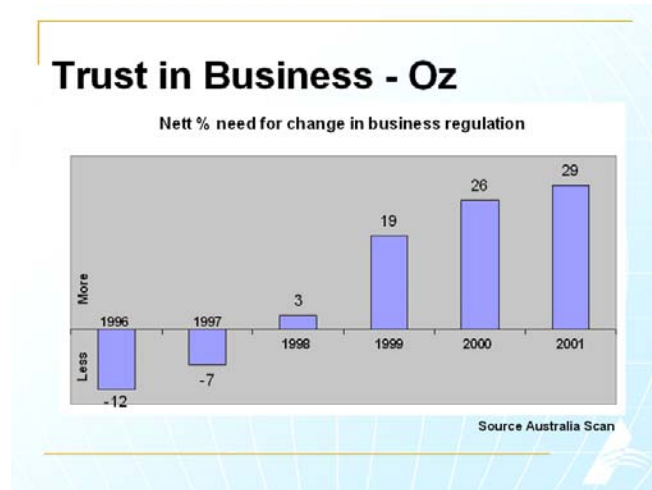


As the head of the global consumer movement for 3 years, as its President, I used to get to attend the World Economic Forum in Davos. (As a “lowly” regulator now, one can only expect to be invited to regional forums if that!) This graph is from the World Economic Forum results of a global survey commissioned for its members and reported on at the end of 2002 for the January 2003 meeting. These are the results of 36,000 responses from people around the globe, from 47 developed and developing countries.

It’s nice to see the NGOs up there – which is where they often rate, in fact they are usually at the top of these sorts of surveys. We have the military at the top here, which is interesting. That probably has a lot to do with the timing of the interviews by Gallop International – still within a year of 9/11; but it’s also a warning to us I think – liberalisation of markets and globalisation has often occurred for nations shortly after the demise of military dictatorships, and there is a growing feeling in a number of countries that the stability and the economic evenness of those military regimes might have been preferable to the instability and economic uncertainty that now prevail. So, I’m taking that as a bit of danger signal.

Note the extremely worrying results for the institutions of our democracies – right at the bottom. It’s not governments in particular that are mistrusted which I take to include the public service; governments are reasonably placed in the middle of the field, not as high perhaps as one might have hoped. But it’s the structures within which our political leadership operates that are severely distrusted

– the Parliaments, the Congresses. If you, like me, think that democracies do have some definite fragility to them, then that’s not a comfortable result. The critical point of presenting this to you however, is the very low rating for both multinational business and large domestic business. The question that was asked in this survey was: “Which institutions can be trusted to act in society’s best interests?”



I don’t have a breakdown for Australia on these measures, but this additional table tells you a little bit about how well Australian business is trusted. AustraliaScan asked whether people thought there was a need for business to be regulated, and you can see the very large shift in opinion over the course of these 6 years, which I’m sure hasn’t altered direction much since then.

Corporate Citizenship – what does it mean?

- Complying with the law
- Focussing outside the narrow performance measures – company’s effect on social and environmental factors – triple bottom line?
- Executive salaries – message to the society?

I think we’d all agree that the importance of business in our communities means that we, not unreasonably, should expect a certain standard of behaviour. When I’m talking to large business representatives, like yourselves, about the poor reputation big business has in the community – and I’ve done that in many places in the world, not just here – there are a few things that I mention that I think are important. I should hardly need to mention that complying with the law is a somewhat basic fundamental. But business leadership these days, of any significant organisation including business organisations, probably needs to focus not only on the inward-turned company performance measures, but also the outward-turned issues – things like social and environmental performance. If this isn’t attended to, then the likelihood of restoring trust and rebuilding business reputations just won’t occur in my view.

The simple concept is behaving like a good member of the citizenry; the detail of course is much harder. Demands for corporate social responsibility and triple-bottom reporting are some of the manifestations of this, and I know that in many of your companies, the jury would still be out as to whether this type of request – especially public reporting on a triple bottom line - is even an appropriate demand of business.

In terms of being a good member of the citizenry, I want to digress for just a moment to note the issue of executive salaries. I'm not raising this for the usual reasons - though I do think the emerging research on trust in societies and its relationship to inequality and what Ichiro Kawachi at Harvard University calls measures of social capital makes this a very hot topic; I am in fact raising this as an issue of business leadership in a society in relation to competition and economic reform. Australia has been going through a period of quite fundamental economic reform since the Hilmer recommendations were accepted by governments. Economic reform, such as liberalisation and competition policy reform, are essential to a competitive economy but they are highly dislocating in societies. The Australian tradition of dealing with this kind of major challenge has been one of "sharing the pain". That's how we held it together. Business executives, it seems to me, have broken the "covenant"; in this period of reform they've basically said to their societies – "If I'm okay, whether or not 'you're okay' is irrelevant". The upshot is that this has undermined substantially the support in the community for reform – if the benefits of reform are seen to be highly unevenly distributed, then it's very difficult for political leaders to stand by it. So the executive salary issue has helped to undermine the ability of the nation to handle dislocating economic change. And I think business leaders are on very shaky ground, at the moment, in commenting on the need for governments' sustained commitment to reform.

The second digression that I'll make, also related to business leadership, concerns issues of evolving social and environmental standards. Businesses can see these in two ways – either as an imposition of governments or as an issue on which the leadership of corporate citizens is essential. I'll pull another quote from Michael Porter on this – again because his material is based on empirical work.

"It might seem that regulation of standards would be an intrusion of government into competition that undermines competitive advantage. Instead the reverse can be true....Stringent standards for product performance, product safety, and environmental impact contribute to creating and upgrading competitive advantage.

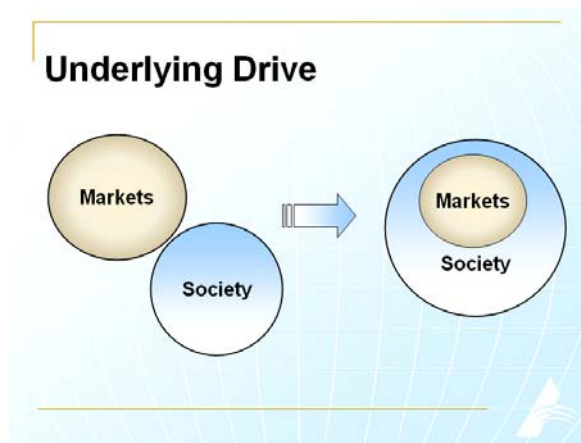
Firms, like governments, are often prone to see the short-term cost of dealing with tough standards and not their longer-term benefits ... Such thinking is based on an incomplete view of how competitive advantage is created and sustained. Selling poorly performing, unsafe, or environmentally damaging products is not a route to real competitive advantage ... especially in a world where environmental sensitivity and concern for social welfare are rising in all advanced nations.

The Competitive Advantage of Nations, 1990

This is of interest to me because appropriate standards appear to form part of the basis for generating a highly competitive economy, and thus an advantage for Australia in world markets. But it's not a view that I hear very often from the business community.

Bigger Picture

In thinking about all of these developments – some related to competitive outcomes, others related to societal expectations - I always find it helpful to try and put things into a bigger picture in order to recognise what is going on. I'd like to try and encapsulate all of this with a picture.



We've been living in a conceptual model where markets are supposed to be the drivers and society somehow responds or manages – sometimes at great cost. That's been the conceptual framework for quite a long time. What is happening, I think, is a very broad attempt to bring the markets much more under the proper disciplines of their societies – re-embedding them in their societies, while still enhancing their critically important innovation and entrepreneurial features. I used this picture about a year ago, and someone pointed out that it is very similar to the argument made by the Nobel Laureate economist Karl Polanyi – who described the need for this kind of reintegration of the markets at the time that nations were coming out of the second world war. I'm not sure all that much has happened to make his vision a reality in the past 60 years, so it seems it is falling to us in the 21st century to finally consider it seriously.

Triple bottom line reporting might very well help. Political leadership and business leadership is essential. And it's actually going to take each one of us, in our capacities as the leaders in organisations, to implement a transformation of this magnitude. Regaining people's trust – not only in the workplace - but in the critical organisations of our societies, like our Parliaments, our public service and our businesses, is a very big challenge.

All of this might seem very grand to you, or excessively idealistic perhaps? But who changes the world ultimately? Let me leave you with a quote from the person who also gave expression to the first set of consumer rights back in 1962, the American President John F. Kennedy:

'Few will have the greatness to bend history itself; but each of us can work to change a small portion of events, and in the total of all those acts will be written the history of this generation.'

I'm hoping that the history of our generation is to leave behind overall changes in our society that we will look back on with great pride.

Thank you.

Louise Sylvan
ACCC Deputy Chair