

Monopolies, Mergers and Media

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1. Introduction

Thank you for inviting me to address the Melbourne Press Club on Monopolies, Mergers and the Media. I am pleased to speak to the Press Club because media reporting of competition policy makes an important contribution to its effectiveness. Reporting cases where business is found guilty of violating the Trade Practices Act heightens public and business awareness of the Act and encourages compliance with it. At a more general level competition policy questions usually involve a conflict between private interests of individual firms or industries and the general public interest in competition. Individual firms or industries typically prefer issues to be resolved behind closed doors where sectional interests are likely to prevail over general interests. Public exposure of the issues makes it more likely that the public interest will prevail.

Generally the reporting of ACCC matters has been accurate and reasonable. I emphasise the fact that competition policy issues can sometimes be complex and in this regard there will be a continuing need for accurate reporting.

2. Monopolies

Referring to my assigned topic "Monopolies, Mergers and the Media" I can deal with the first part of the talk about monopolies very quickly. There is no law in Australia against monopoly as such. Unlike in the United States there is no divestiture power that would enable the Commission to take court action to break up existing monopolies even if it wanted to. The Commission has not sought any such power. There are of course some powers under section 46 of the Trade Practices Act preventing monopolies from misusing their market power for the purpose of damaging competition but that is a very different matter. Also there are some powers under the Prices Surveillance Act, but price control in future will mainly be relevant to cases of pure monopoly such as sometimes exists in the public utility areas.

There is, however, one important policy implication of not having a divestiture power in the Trade Practices Act. This is that it underlines the importance of having an appropriate mergers policy. If we cannot break up existing monopolies then it is important that the other instruments of competition policy including trade liberalisation and merger policy should be used to help prevent any worsening in the state of competition in uncompetitive industries. In a growing economy - and the Australian economy is still growing in a not unhealthy manner - merger policy also plays an important role in ensuring that as the structure of the economy changes, new as well as old industries are less likely to have basically uncompetitive structures.

3. Revised Merger Guidelines

The Australian Competition and Consumer Commission has today issued revised guidelines on how it assesses mergers.

They reflect the ACCC's experience in assessing over 500 mergers since the publication of the draft Merger Guidelines in 1992, just before the "substantial lessening of competition" test was introduced (in place of the dominance test).

Experience shows the basic approach, which follows overseas practice and Court and Tribunal decisions, to be sound. There has been little or no change in the core analytical approach adopted in 1992. However, some changes have been made in the application of the guidelines in the light of experience in the past four years. There has been greater recognition of (a) the role of merger law in deregulating sectors and (b) the increased exposure of business to global markets.

Merger policy makes an important contribution to the achievement of a competitive and productive Australian economy. Regulation of anti-competitive mergers is an important part of National competition policy. Trade practices merger law conforms with the principles of natural competition policy agreed to by all Australian Governments when the Hilmer Review was established. These principles included:

1. No participant in the market should be able to engage in anticompetitive conduct against the public interest;
2. Conduct with anticompetitive potential said to be in the public interest should be assessed by an appropriate transparent assessment process, with provision for review, to demonstrate the nature and evidence of the public costs and benefits claimed. (See Hilmer Inquiry, Terms of Reference).

Regarding globalisation, the ACCC has not opposed any mergers in markets with substantial import competition in the past five years.

Merger policy is critical to ensure competitive input markets for trade exposed sectors. The ACCC's priorities remain with mergers in the non-traded goods and services sector.

Merger policy is of special importance to sectors undergoing privatisation and deregulation.

It is essential that the pro-competitive effects of deregulation not be undone by anti-competitive mergers.

One hypothetical example would occur if an electricity generation monopoly is split up into a number of competing generating businesses. A subsequent merger of them could be anticompetitive and inefficient. Similarly if the monopoly is split up "vertically" so that generation, transmission and distribution are run as separate businesses, a vertical reintegration merger could be anticompetitive and inefficient.

There are potentially many examples where the positive effects of de-regulation could be undone through mergers, in sectors such as energy (electricity, gas etc), communications (telecommunications, broadcasting etc) transport (ports, airports,

rail, etc), water, health, primary industry (agricultural marketing boards such as sugar, milk, eggs etc).

Increased exposure to global markets is placing pressure on domestic firms to reduce costs, improve quality and service and innovate in order to become more competitive in those markets. Mergers can play an important role in achieving such efficiencies. These factors are reflected in the revised Guidelines, which:

- provide clear guidance on the Commission's assessment of import competition; and Monopolies, Mergers and Media
- place greater emphasis on the relevance of efficiency in merger assessments.

Specific steps taken by the ACCC include:

- greater emphasis on the relevance of efficiency considerations under section 50. Traditionally when firms argue that a merger may lead to greater efficiency this has been regarded as most relevant to applications for authorisation of mergers. The Guidelines now expressly recognise that in certain circumstances a merger that reduces costs may contribute to improved competition and that this may be taken into account at the stage of considering whether or not a merger is likely to breach section 50 (which prohibits mergers likely to substantially lessen competition). Monopolies, Mergers and Media adoption of an indicative position of not opposing mergers where a sustained and competitive level of imports exceeds ten per cent of the market.
- a review of other less direct impacts of internationalisation of trade and commerce on domestic competition to see whether any further general revisions should be made to the Guidelines.
- adoption of the Industry Commission's suggestion to consider the implications of liberalising the market share thresholds below which mergers will not be scrutinised. The ACCC will in 1996-97 review all mergers against both the current thresholds and those suggested for consideration by the IC and publish the results of that review.
- in the (many) cases where mergers are notified but fall below the existing thresholds there will be a fast track review process. The same may apply to mergers falling below the threshold suggested for consideration by the IC.
- the impact of deregulation and privatisation on market definition and the Commission's role in reviewing privatisations and mergers in deregulating industries, have been specifically dealt with in the revised Merger Guidelines.
- the impact of changes over time and functional dimensions of competition on market definition has been clarified.
- detailed guidance on the Commission's approach to accepting and enforcing section 87B undertakings.
- discussion of the circumstances in which the Act will apply to overseas transactions and partial share acquisitions.
- discussion of the extension of the Act to mergers in the non-corporate sector and the removal of State powers to exempt mergers, following the Hilmer review process
- clarification and further discussion of the Commission's approach to efficiency factors in the authorisation process.

4. Merger myths

Because of its impact in the business world, the ACCC has seen a number of myths arise about it. Some are amusing, some are misconstrued from actual happenings and some are just plain wrong. Lets look at a few:

Myth 1

The ACCC is all powerful:

- The ACCC makes two types of decisions
 - **(i)** determining that behaviour is anticompetitive eg price fixing, an anticompetitive merger etc. In such cases the ACCC has no power other than to take Court action. Having reached its verdict it must be able to prove its case to the Federal Court of Australia with actual evidence. In doing so it typically encounters strong, well resourced resistance from large corporations aided by solicitors, barristers, consultants etc typically possessing a more detailed knowledge of the firm and industry and the behaviour of concern than the Commission has. There is also the possibility of appeal to the full Federal Court and even the High Court on these decisions.
 - The Commission may authorise anticompetitive behaviour if it is satisfied that there is an overriding public benefit. Commission authorisation decisions can be and often are appealed to the Australian Competition Tribunal (formerly the Trade Practices Tribunal).

Accordingly the Commission has little power to make final decisions on its own.

- It is the Trade Practices Act which is powerful. It is true that the Commission is the "policeforce" that enforces the Act, but there are ample safeguards for big business against mistaken decisions.
- The Commission's power must be measured in relation to the power, scale and resources of the interests with which it must deal. The Commission deals with the largest and most powerful corporations in the country.
- The Commission covers the whole product market. This contrasts with the alternative model in which there would be a range of industry specific regulators. In this respect the Commission may appear more powerful than a specific industry regulator. In other respects it is more weakly resourced than would be the aggregate of a series of industry specific regulators (eg AUSTEL has 130 staff). ACCC staffing is around 300.

Myth 2

Business does not oppose the Commission in Court or in front of the Tribunal because of the costs, time, delay and public exposure involved.

- There is a considerable amount of litigation. If business thinks the ACCC has interpreted the Act wrongly, it usually challenges it, receiving great encouragement from its legal advisers to do so. At present the Commission is

before the Federal Court of Australia in thirty-five cases. There are several appeals pending before the Australian Competition Tribunal.

- The Commission has won 95 per cent of cases in the Federal Court in recent years and the majority of the appeals to the Australian Competition Tribunal. A major reason why business does not go to Court or the Tribunal is that the Commission's decisions are likely to be upheld. The Commission does not lightly decide to go to Court nor to reject an authorisation, and when it does so its decisions are likely to be very carefully and fully considered and to be correct. The chances of winning in the Court or the Tribunal against the Commission are often poor. Incidentally the Commission acknowledges that at the present time its rate of success in Courts is rather high by historical standards.
- It is acknowledged that in some cases cost, delay, and the fear of public exposure deter firms from pursuing court cases but this is not the only reason as some claim.
- In some cases the ACCC would be delighted if firms defended themselves in Court as this enables additional evidence to emerge.

Myth 3

The Commission prevents firms from achieving the economies of scale necessary to be internationally competitive.

- the ACCC has not opposed any mergers in the last five years where imports are significant eg more than 10 per cent of the market. Examples include BHP/Tubemakers, Amcor/APPM, and many others.
- It is in the trade exposed sector that the arguments about the need for Australian firms to grow large and achieve scale are most often made. The Act provides no real obstacle in these areas.
- However it is a fact that the ACCC opposes something like five mergers a year on the grounds that they are likely to substantially lessen competition and that in some such cases the objections cannot be overcome by providing undertakings.
- In such situations authorisation is possible. The Australian law differs from that in the USA which simply prohibits anticompetitive mergers. Australia allows such mergers if the ACCC (and on appeal the ACT) is satisfied that the public benefit outweighs the anticompetitive detriment. Over the years 26 out of 46 applications have been successful.
- The ACCC has 30 or 45 days to consider these matters, all the Tribunal normally has 60 days. The Act was amended in 1993 explicitly to refer to additional exports, import-replacement or contribution to international competitiveness as a public benefit.
- Notwithstanding this, the ACCC is addressing this issue in its revised general merger guidelines.

Myth 4

The Commission adopts a narrow approach to market definition.

- In the past five years the Commission has dealt with over 500 mergers.

- Contrary to some opinions issues of market definition have only been crucial in a small number of cases including a small fraction of cases where proposed mergers have been opposed.
- We are aware of no reviews of these 500 cases (which are listed in the Annual Reports of the Commission).
- An equally plausible hypothesis is that whilst the Commission makes its share of mistaken market definition decisions, in some cases it is too broad and in other cases it is too narrow. There seems to be no evidence to suggest that one or the other hypothesis is correct or that mistakes are unevenly distributed.

Myth 5

The Commission used a national market definition in the Davids/QIW authorisation case.

- This is not a general myth but one which has some currency as on some seven or eight occasions in The Australian Mark Westfield has asserted that the ACCC adopted a national definition of the market in the David's/QIW authorisation case. This incorrect assertion has been the basis of his frequent claim that the ACCC has been inconsistent in dealing with mergers.
- Mark Westfield is simply wrong. This is made very clear in the published report where the market issue is discussed at some length, and also in the associated executive summary and media release.
- We know of no other commentator who has made the same error.
- The mistake which he repeats is: In looking at the **benefit** from the merger the ACCC took into account benefits in markets other than the Queensland and Northern NSW regional market. This does not mean that in defining the market **for the purposes of competition analysis** those other markets were included. This is of course a basic distinction. By ignoring it, he has repeatedly erred in claiming that in analysing the state of competition in wholesaling and in banking the Commission has been inconsistent.

Myth 6

The business community opposes merger law.

- A recent Business Review Weekly survey of Chief Executive Officers found that 43 per cent supported the current substantial lessening of competition test whilst 57 per cent were opposed. The majority of CEOs in the services sector (something like 57 per cent) supported the current test. This is a remarkable finding, since one might think that the CEOs of Australia's top businesses would unanimously support the weaker test.

There has been strong support from the Council of Small Business Organisations of Australia (COSBOA) for the new test reflecting widespread attitudes of small business.

Business is a major beneficiary of an effective merger law. It has a strong interest in all its inputs being supplied competitively and efficiently and in its outputs being supplied to a competitive buying market.

Myth 7

ACCC power's growth by stealth

- The growth in the ACCC's power and influence has allegedly received little discussion "it sort of happened by stealth" says Brian O'Callaghan a partner in the law firm Phillips Fox in Canberra and a former senior officer in the Attorney-General's Department. (BRW page 44, June 10, 1996.)
- The establishment of the ACCC was discussed at length by the Hilmer Committee.
- The Hilmer Committee discussed the idea widely before finalising its report eg with all Australian Governments.
- The establishment of the ACCC was discussed at several meetings of the Council of Australian Governments attended by all Australian Governments and at several further separate meetings of Premiers and Chief Ministers and was ultimately endorsed by COAG.
- The establishment of the ACCC was the result of legislation enacted by nine Parliaments.
- The powers of the ACCC are not very different from those of the Trade Practices Commission. The only changes are that it is given a role, albeit significant, in determining access disputes although its decisions can be appealed and the ACCC has taken over the functions of the Prices Surveillance Authority. However it is expected these powers will be exercised less than they were by the Prices Surveillance Authority.

Myth 8

"There are doubts whether the authorisation process is currently fulfilling its proper role...despite efforts by the ACCC to encourage firms to apply for authorisation the IC understands that the authorisation process has not applied to over 99 per cent of mergers considered by the TPC/ACCC" (Industry Commission)

- 95 per cent of mergers are not initially opposed by the Commission, therefore 95 of the 99 per cent referred to above do not need to apply for authorisation and of course it would be highly wasteful of resources were they to do so.
- Of the remaining 5 per cent a significant number do apply for authorisation or overcome their difficulties by providing undertakings.

Myth 9

"The ACCC should release more public information on the operation of the public benefit criteria, including details of past cases where such authorisations have been approved and rejected (Industry Commission)"

- All authorisation decisions are automatically published.
- There are 46 such authorisation cases on record. They provide very full public information on the operation of the public benefit criteria. It follows that there are no past cases where authorisations have been approved or rejected that have not been published.

Myth 10

The Commission employs more media officers than the entire South Australian Government.

- To be fair the Premier of South Australia, Mr Dean Brown only said that this was folklore. He mentioned it in a speech at a Business Council of Australia function because he had been assured by a number of leading business people that it was true.
- In fact the Commission only employs one media person (Ms Lin Enright). The number doubles to two if the Chairman is counted.

5. Competition policy in the media

I would like to discuss the application of competition policy to the media. The Trade Practices Act now applies in full to the media whether it be TV, radio, newspapers, magazines etc. Moreover, the new merger test which prohibits mergers that are likely to have the effect of substantially lessening competition in a substantial market unless authorised has applied since 1993. One reason for changing the test was the recommendations of the House of Representatives Select Inquiry into the Print Media which recommended a change of the test. One matter often cited as a reason for the change of the test was the fact that the Trade Practices Commission did not oppose the Herald and Weekly Times takeover by News Limited. I believe that the application of the new test would have been likely to have affected that merger although there is room for more than one view on that subject. [The Commission views the newspaper market as regional in character, that is consumers in any one State have a choice of local newspapers but not of interstate newspapers with some exceptions such as the Australian.

There would probably not at that time have been a problem under any test with News Ltd taking over the Herald newspaper in Victoria since this was merely replacing one competitor with a new one in the Victorian market. However in both South Australia and Queensland there might well have been a problem. At the time of the acquisition News Ltd owned The News in Adelaide and The Sun in Brisbane. Both these papers competed against the morning newspapers, The Adelaide Advertiser, Courier Mail and the Herald and Weekly Times. When News Ltd proposed to take over the two morning newspapers, the then Trade Practices Commission expressed the view that this acquisition would create a position of dominance in those two markets.

News Ltd was able to respond by selling off the two evening papers. It was able to argue successfully that given the existence of these two evening newspapers which it no longer owned that it could not be said to be dominant in those markets. If however the test had been a substantial lessening of competition it is possible there would have been objections under the Trade Practices Act to this solution. The reason was that on balance there would have been a lessening of competition. This was because News Ltd sold its newspapers to owners that were a far weaker competitive force in the market and either itself or the Herald and Weekly Times.

Essentially the new owners did not have strong resource backing. They also apparently had had a history of some links with News Ltd which some suggest may

have dulled their competitive spirit. In short the market would have moved from a position in which there were two strong well resourced competitors to a position in which there was one strong well resourced competitor earning the major circulation morning newspaper and one relatively weak poorly resourced group running a weaker evening newspaper. In the event the Commission or the Federal Court had concluded that the News Ltd acquisition of newspapers in South Australia and Queensland should not proceed it is possible that the remainder of the acquisition would not have been able to proceed also.

There is probably room for different opinions on this whole subject.]

One of the most important features of competition policy in Australia in the last five years has been its extension to cover every part of the product market. In 1991 all Australian Governments agreed that:

- no participant in the market should be able to engage in anticompetitive conduct against the public interest;
- as far as possible universal and uniformly applied rules of market conduct should apply to all market participants regardless of the form of business ownership;
- conduct with anticompetitive potential said to be in the public interest should be assessed by an appropriate transparent assessment process, with provision for review, to demonstrate the nature and incidence of the public costs and benefits claimed.

These principles were fleshed out by the *Independent Committee of Inquiry National Competition Policy* (Hilmer Report) in 1993 and subsequently endorsed by the Commonwealth, States and Territories in subsequent agreements and embodied in major changes to the Trade Practices Act at Commonwealth level and complementary legislation at State and Territory level which takes effect on July 21 this year. As a result the Act now applies to public utilities, agricultural marketing boards, the professions, unincorporated businesses, the health sector and so on. So it should be no surprise that the media is not exempt from the Act nor is it likely to be given an exemption. More than ever in the past it has to live with a vigorously enforced Trade Practices Act which enjoys wide public support and which the courts are prepared to back up when enforcement questions are raised.

In my view the Trade Practices Act is a particularly suitable piece of legislation to apply to this sector of the economy. The Act is based on very sound and enduring principles. It is also general in character and capable of adaptation to changing circumstances. As convergence occurs between telecommunications, the media, and the computer industry the Trade Practices Act provides a set of principles which are highly relevant to the fast evolution of the industry, principles which are capable of adapting to changing market boundaries, new technology and globalisation.

The question which I am most frequently asked is:

"what would your attitude be if Mr Packer wanted to take over Fairfax"?

As with all such hypothetical questions the ACCC's answer is that it looks at mergers on a case by case basis at the time they occur so that it can take account of the specific character of the transaction involved and take account of the latest changes in the nature of the industry at the time the transaction is occurring. Accordingly were Publishing and Broadcasting Ltd (PBL) ever to move on Fairfax the ACCC would investigate the matter at the time that it occurred.

It is, however, possible to indicate what the likely approach of the Commission would be. The Commission is concerned with what might be termed "economic competition". Newspapers charge a cover price and they sell advertising. Publishing and Broadcasting Ltd is not involved in selling newspapers but only in selling magazines, and in television production and advertising. Were it to acquire Fairfax, it would be likely to be seen as a new entrant into the newspaper industry and the newspaper industry would be seen as economically separate from television and in all likelihood from magazines.

One way of looking at the question of whether or not such an acquisition would substantially lessen competition is to ask whether as a result of such an acquisition Fairfax would be in a position more easily to increase its cover price or advertising rates. The answer is that this is unlikely. The capacity to raise newspaper prices is not made easier just because the owner of the newspaper happens to own a TV station. It would be quite different if the new owner of Fairfax were another newspaper owner such as News Ltd. In such circumstances one of the major competitive constraints on Fairfax's prices would be removed.

Likewise TV and newspaper advertising do not seem to compete for the most part. At any rate at the time when it looked as if the Tourang Consortium (which included Kerry Packer) might bid for Fairfax several years ago the Commission made very extensive enquiries of advertisers, advertising agents and people in the newspaper, television and magazine industries to determine whether or not there was competition between them for advertising. The general answer was that there was no such competition other than at the margin. There were perhaps some issues that would need to be looked at again in relation to competition between magazine advertising and newspaper and television advertising but at that time the Commission did not find that there was much competition.

Likewise at some point in the future it is possible there will be a closer convergence between television and newspapers on the information super highway (or hypeway as it is sometimes known). At present this seems too remote a possibility to be taken into account seriously when many decisions are being made.

Some people believe that an acquisition of Fairfax by Packer would reduce competition in the market for ideas. Whether this is true or not is unlikely in present circumstances to be relevant under the Trade Practices Act: the Act is concerned with "economic competition". It is important to educate the public about some of the options especially those concerning the Trade Practices Act of which the ACCC is the administration and enforcement agency.

If one is concerned about this matter - and it is a matter on which I have no particular views at this time - then one has to look elsewhere for other attempted solutions.

The present solution seems to be cross-media ownership laws. However the present government has said it could be interested in addressing this issue in a rather different manner. One such possibility is by the inclusion of some special provisions in the Trade Practices Act regarding media mergers and acquisitions.

Again I do not have a strong view on whether or not this is desirable but I believe it is important to educate the public about some of the options. Accordingly I turn to the main options which I see as being relevant to this situation.

1. Apply the Trade Practices Act in its present form and abolish the cross-media ownership laws - as I have said this means it is likely that owners of TV stations could own newspapers and vice versa. It should be said that the Trade Practices Act in its own right does contribute significantly to competition and diversity in the media by preventing monopolies within particular markets that belong to the wider media sector. The issue is whether something more is needed.
2. Apply the Trade Practices Act and the present cross-media ownership laws. This may well have merit. I have not studied the cross-media ownership laws very closely. However it could be argued that there are inherent weaknesses in this approach. Since the policy of restricting cross media ownership is embodied in the form of legislation it is difficult to change quickly to take account of changing circumstances such as rapidly changing technology, the globalisation of markets convergence and so on. Moreover if legislation has to be changed fairly frequently to take account of changing circumstances in this industry the legislation is particularly vulnerable to political deals which neglect the public interest. There is also the possibility that the legislation could be bypassed or evaded.
3. The Trade Practices Act could apply and the cross-media ownership laws could be changed and updated. As I previously indicated they may not change fast enough. They may still remain rigid. They may still be vulnerable to political deals and they may still be capable of evasion if they take a very specific form.
4. The Trade Practices Act could apply in the manner in which it does at present. However, in addition there would be a special provision inserted in the Act which states that unlike with other mergers and acquisitions in other industries any major media merger above a certain size would have to be notified in advance to the ACCC and would be prohibited unless the ACCC (or on appeal the Australian Competition Tribunal) found it to be against the public interest. A more stringent rule would be one under which a notified merger that did not breach the Trade Practices Act could proceed unless it were found to be in the public interest.

Something like this approach applies in the United Kingdom where all significant newspaper mergers are referable to the Monopolies and Mergers Commission even if they are not anti competitive.

It should be noted that under this approach media mergers would be distinguished from other mergers in the economy which are only prohibited if they are anticompetitive. Our normal merger law permits mergers which could conceivably be against the public interest providing they are not likely to substantially lessen competition.

There are some rather obvious weaknesses in this approach. First the public interest is not defined. The matter would be left to the judgement of an independent agency. It would seem essential that if something like this approach were to be adopted that criteria including perhaps share of voice criteria would need to be included in the Act to provide guidance to the ACCC undertaking this task. Second the ACCC's principal experience has been in dealing with questions concerning "economic competition" (although it is true that in adjudicating on authorisations it must adjudicate upon public benefit questions and has a long history of doing so). It might be thought that the body with this set of concerns is unsuitable for adjudicating upon questions involving broad judgements about social policy, diversity in the means of expression of ideas and so on. It could further be thought that the appointment of specialised associate members with expertise and interest in these matters would not overcome this problem.

5. A different approach would be to retain Section 50 of the Trade Practices Act but to provide that any major media merger must be notified in advance to any independent agency which specialises in questions about media diversity. This agency would apply the relevant public interest tests as discussed above to major media mergers. In other words under this approach a major media merger would face two hurdles. The first would be the Trade Practices Act in its present form, the second would be the need to satisfy the agency concerned with media diversity that a merger in any case is not against the public interest.

It is important to note under this approach that the Trade Practices Act would continue to apply in its present form but there would be an additional test applied by an additional body. Something like this applies to bank mergers at the present time. Bank mergers must satisfy both the requirements of the Trade Practices Act and the requirement under banking legislation that the Treasurer considers that the merger is in the public interest.

******It should be noted that in the preceding discussion there has been no reference to the foreign ownership laws which apply to media mergers. This is another part of the policy jigsaw that requires consideration. Would these laws continue to be applied in their present form; would their operation be amalgamated into something like the fourth and fifth schemes set out above?

Whatever the merits of foreign ownership restrictions on the media it is rather clear that they tend to restrict competition.

In conclusion, I wish to emphasise the ACCC has no firm views on what policy options are preferable. The ACCC does have views on the need to apply the Trade Practices Act to areas of the economy to which it does not apply at present and supported the Hilmer Report recommendations extension of the Act into new areas, however with respect to questions about cross media ownership laws the issues raised

here do not directly involve competition matters and accordingly the ACCC has a neutral approach to policy in this area and mainly seeks to outline the kinds of options which seem possible to it if there are to be changes in the nature of our cross media ownership laws.