

**Senate Economics Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

**Treasury Portfolio**

Additional Estimates

2015 - 2016

**Department/Agency:** ACCC

**Question:** AET 2578-2581

**Topic:** Legal costs

**Reference:** written - 19 February 2016

**Senator:** Ludwig, Joe/Wong, Penny

**Question:**

Since the change of Prime Minister on 14 September, 2015:

2578. List all legal costs incurred by the department or agency

2579. List the total cost for these items, broken down by source of legal advice, hours retained or taken to prepare the advice and the level of counsel used in preparing the advice, whether the advice was internal or external

2580. List cost spend briefing Counsel, broken down by hours spent briefing, whether it was direct or indirect briefing, the gender ratio of Counsel, how each Counsel was engaged (departmental, ministerial)

2581. How was each piece of advice procured? Detail the method of identifying legal advice

**Answer:**

2578. From 1 September 2015 to 29 February 2016, the Australian Competition and Consumer Commission (ACCC) incurred \$12 462 215 (GST exclusive) in external legal costs. The ACCC also has an in-house legal practice which provides legal advice and services, as well as other services such as freedom of information coordination and legal technology. From 1 September 2015 to 29 February 2016, the ACCC's internal legal services expenditure cost \$ 5 489 262 (GST exclusive). This figure is inclusive of on-costs and ancillary non-legal services. It would be an unreasonable diversion of resources to provide figures from 14 September 2015 to 19 February 2016.

2579. Legal advice is often intertwined with broader legal services, including the preparation for and conduct of litigation, and the ACCC does not distinguish the costs of legal advice from other costs of legal services. External legal services were provided by junior and senior counsel, as well as solicitors of varying levels of seniority from law firms. Internal legal services were provided by the ACCC's in-house legal group. It would be an unreasonable diversion of resources to provide a breakdown of legal services, by source or hours, for the period 14 September 2015 to 19 February 2016.

2580. From 1 September 2015 to 29 February 2016, of the counsel briefed, 46 were female and 75 were male. It would be an unreasonable diversion of resources to

provide cost spend briefing figures or other details regarding counsel briefed from 14 September 2015 to 19 February 2016.

2581. The ACCC procures its external legal services in three main ways:
- a) through a parcelling arrangement with six law firms for competition, merger, adjudication and regulatory law work,
  - b) through another parcelling arrangement with six law firms for consumer law work, and
  - c) through the direct briefing of counsel.

The two parcelling arrangements are based on the Legal Services Multi-Use List (LSMUL) established by the Attorney-General's Department for Commonwealth legal services. Expenditure on external legal services, including detailed estimates, must receive prior approval by the ACCC's Executive General Manager, Legal & Economic Division before any legal services can be undertaken. The ACCC has requirements on internal and external legal providers to ensure that all substantive legal advice is captured in a central internal database maintained by the ACCC.