

To: Grocery Prices Inquiry
Sent: Mon Mar 10 17:41:55 2008
Subject: Submission re: grocery prices enquiry

I thank the Commission for the opportunity to make this private submission, about an anomaly I feel has been in practice in the food industry for far too long. I refer to the difficulty of an average consumer to accurately ascertain price comparisons between similar articles in different sized packages.

My wife and I are among a large number of people with whom we have come in contact over the years who regularly have trouble in deciding the comparative values of foodstuffs and other grocery items which are sold in packages that are no longer of anything like a uniform nature, as they once were- i.e drink and juice bottles of 2.2 or 2.4 litres instead of an easily-calculable 2 litres; packages of 425 grams, 900 grams, 1.7 kg etc. It is very difficult to compare these "random" measures accurately across brands and qualities, and I feel that the retail industry should be made to address, AND IMPLEMENT, a "unit-pricing" regime for consumers and show clearly, at the point of sale or display, the price per 100 grams, 100 millilitres, or other suitably uniform amount, to enable the general public to make the comparisons which they need to do, to allow them to make better use of a rapidly-shrinking grocery-purchasing dollar.

The large chain stores will have arguments against this, of course, as they have been "making hay" from unsuspecting consumers for some time by way of pricing smaller amounts of goods cheaper than the larger "economy" sizes in various staple foods. For example, my local Woolworths- and Coles are no different, just across the road- have been selling 1 kg of home brand plain flour for 75c for some months now. The comparative cost of 2 kg of the same product is obviously \$1.50 (or less, as everyone EXPECTS it to be). Therefore, a price of \$1.83- as the 2kg package is ACTUALLY priced- is NOT in line with this calculation.

Similarly for home brand canola oil, although this commodity is packaged in more "random" sized bottles, which is where the "unit pricing" scheme starts to become more beneficial. It has been spoken about for many years and the benefits to the consumer, to my knowledge, have never been in doubt, although the retail industry seems to keep having it's "interests" successfully canvassed through all such avenues to date.

The system of computerised stock reconciliation and pricing, and it's practical application, is outside of my field of knowledge, but I find it difficult to believe that ANY retail outlet- large or small- couldn't quite readily introduce such a display field into the price and stock tickets which are displayed- by legislation, if I'm not mistaken- on the point-of-sale displays in such stores. Bar-coding was meant to be a boon for us all, but the incidences of mistakes in reading, data-entry or elsewhere are enough to keep us eternally on our toes ensuring all is as the price tickets tell us it will be. If the "unit price" was also shown on this card, it would entail negligible changes to the printing and display side of this facet of retail display.

I am a complete novice at this "submission" business, as you can probably see by the nature of this particular submission, but I wanted to bring to your attention some "everyday" examples of what I consider insidious and almost devious pricing and retailing

practices, where something like a "unit-pricing" mechanism might be of some use in re-balancing the "battle-lines" which we average consumers face every day in the conflict, for so it is, against the large conglomerate manufacturers and retailers. A person shouldn't need to carry a calculator in order to have any chance in getting fair value for their shopping dollar on every trip to the local shop or supermarket.

If you wish, please feel free to contact me to discuss these, admittedly anecdotal, accounts. However, I am not an idiot, and I know what I see daily. Thank you for your time and for the opportunity to voice my opinion.

Sincerely,

Mike Fenwick
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