



queensland council of social service inc
WORKING FOR A FAIR QUEENSLAND

Public submission to ACCC Grocery Inquiry by Queensland Council of Social Service Inc (QCOSS) on 17 March 2008.

I write in relation to the ACCC inquiry into the competitiveness of retail prices for standard groceries. QCOSS would like to express support for the submission made by the Queensland Consumers Association in relation to Question 26 in the ACCC Issues Paper regarding unit pricing, and to highlight some additional issues of concern in relation to the increased costs of groceries to families living in poverty.

Queensland Council of Social Service (QCOSS) is the peak body for over 700 welfare and community sector organisations in Queensland. For over 50 years QCOSS has worked to promote social justice and exists to provide a voice for Queenslanders affected by poverty and inequality. We act as a State-wide Council that leads on issues of significance to the social, community and health sectors. We work for a Fair Queensland and develop and advocate socially, economically and environmentally responsible public policy and action by community, government and business.

Groceries are a major item of expenditure for most Australians and particularly for those on low incomes or with large families. Surveys of household expenditure indicate that the average family spends approximately 18% of their income on food.

Recent evidence in the form of "healthy food basket studies" suggests however that the cost of meeting the nutritional needs of a family of five in an urban environment (in this case suburban Adelaide) is approximately \$250 per week. The cost is significantly higher in rural and remote areas. Put simply, this means that about a third of a low income family's income or benefits would have to be expended to eat healthily. Eating cheaply usually means eating food of a lower nutritional value, and we know that low income and socially disadvantaged groups have the greatest burden of diet related diseases.

For the estimated 10% of Australian people living below the poverty line (defined as 50% of the median disposable household income) the cost of groceries and the ability to budget adequately around week food expenditure is critical. A national system for monitoring the price of healthy food and ensuring an affordable healthy food supply for vulnerable groups is needed.

QCOSS agrees with the submission made by the Queensland Consumer Association that unit pricing would improve the ability for customers, and particularly low income customers to compare prices resulting in lower costs. We also agree that unit pricing should be made compulsory.

We also note and support the additional recommendations by the QCA concerning the need for enforceable standards regarding matters such as the units of measurement, the readability, visibility and accuracy of the information displayed, the need to implement best practice based on the available international evidence, and the need for further consideration by key stakeholders of the key features of a uniform high quality unit pricing system.

If you would like any further information or to clarify any aspect of this submission, please feel free to contact me on 3004 6900.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Jill Lang', with a stylized flourish at the end.

Jill Lang
DIRECTOR