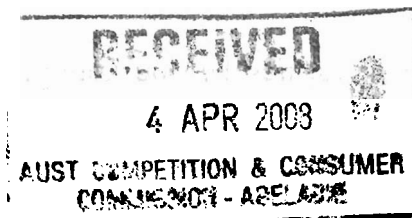


Australian Competition and Consumer Commission
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Renfrey G. Ansell
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ROSEWATER
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April 2008

The Chairman, ACCC,



Tel. (08) 8447 5149

Dear Sir,

I'm not sure how to go about making this submission, but I'll try, and, so, what follows is some of my experiences regarding the rising prices of groceries recently. Actually more than recently, these large increases have been taking place at least for over the last half-decade or so.

One particular item is a series of products manufactured by Tre Bon in Victoria. They produce 700g loaf: "Continental Fruit Loaf" as well as a 450g "Sultana and Cinnamon" etc. These make a great toasted snack especially for breakfast. However, this product has gradually and inexorably heading out of the price range of myself and many other poor benighted consumers. At the moment depending on where you shop, the 700g loaf can cost up to \$6.45 a loaf! The smaller ones in the \$5.95 range.

It wasn't so long that the smaller loafs were about \$3.25 to \$3.75 and the 700g about \$4.25 to \$4.75. Then they crept up to over \$6.00 for the 700g and over \$4.50 for the 450g variety.

Bread of course is going the same way, that is unless you want to buy that cheap and nasty white muck that is presented to us as food. Otherwise you'll pay up to and over \$4.00 for 900g of continental white or the rye bread styles available. Perry's 850g Bauernbrot or 900g Atlantic sliced Light or Sweet and Sour Rye now are well over \$4.00 a loaf and in some places over \$4.50! Five Dollars for a decent loaf of bread!? This is not Zimbabwe, and goodness knows how those poor benighted people get by with the incredible rate of inflation there.

Milk is to me a fairly accurate gauge of inflation in the food retail area. It's price has been rising steadily for as long as I can remember. The same with fruit and vegetables. All rising much more than the rate at which most incomes increase. That is unless you are a C.E.O. of a bank, mining company or a telco. With their wages, price rises mean nothing, except to their bottom line.

Now from what I can gather from radio items and report on the A.B.C. and tabloid T.V. producers on the land are barely keeping up with the cost of producing grains, fruit and vegetables due I believe, to the fact that the food manufacturers and retailers are paying them bugger all for their products. But are forcing the consumer to pay ever-increasing prices for the same fresh and processed food. My memory is not too good here, but, it would seem that a farmer in Tasmania was getting say (and I'm only guessing here) about 50 to 70cents a kilo for their spuds and the consumer was paying well over \$2.00 a kilo. Much of the potatoes are partly green, picked too early. Now, is it true that green spuds are mildly toxic? And as for the quality of the tomatoes we are forced to buy. What a joke. Tasteless, watery and inedible. My figures aren't that accurate here but the rate of difference pretty much reflects the rip-off that is going on at both ends of the chain, with the blokes in the middle doing very nicely thank you.

We have too much of a monopoly as regards the food retail business in this country. In the U.S. I believe a retailer can only have up to 18% on a particular market. Not here. (And now they are dominating petrol retailing!) Then again, some of the grocery independents aren't all that much cheaper than the two majors, Coles and Woolworths.

We have a mob here in Adelaide called Romeos that have taken over a couple of Foodland super markets in my area. They are definitely not cheaper than their competitors, whether its Coles or Woolworths or the other independents. Actually much dearer than the previous owners. Significantly so, that the staff at the Alberton branch have noticed the price hikes when Romeos took over recently and have commented on this when questioned about it by disgruntled customers. We out here in consumer land are getting mightily fed up with all this.

So, why are consumers having to put up with green spuds, pseudo tomatoes which are only fit for paperweights and over priced bread products. The other rip-off is that the size and weight of processed foods is being decreased while the prices are of course heading for the ceiling. Remember when the spirit manufacturers decreased the size of a bottle of spirits from 750ml to 700ml for the same price?

I also believe we are paying far too much for Xbox and Playstation video consoles and much too much for the various games played on these consoles. New games are costing up to \$109.00 and the consoles in the vicinity of \$700.00 to \$800.00. Far more than the same games and units cost in the U.S. and Japan. I've also heard that some of the major not so major retailers are not passing on the increase in the Aussie dollar as relates to the U.S. dollar when selling the Xbox 360 console and the accompanying games. The rip-offs continue.

Thanks for having this inquiry, some how I can't see it significantly reducing prices in the short term. Or the long term for that matter. But good luck any how.

Yours sincerely

Renfrey G. Ansell

A handwritten signature in dark ink, appearing to be 'R. Ansell', written over a light blue grid background.