

From: Phil Newgate
Sent: Wednesday, 21 May 2008 11:08 PM
To: Grocery Prices Inquiry
Subject: supermarket pricing

You can pick up two similar cans of beans each priced almost the same, but have slightly different content by weight / volume. Supermarkets and manufacturers are well skilled at confusing shoppers with numbers, making it difficult to ascertain true value for money

Supermarkets and manufacturers making it difficult to ascertain true value for money

If shops displayed a so-called unit price (such as the cost per 100 g, per kilogram or per litre), consumers would be in a much better position to judge value.

Unit pricing is widely used in some US states and in the European Union, where it's a legal requirement.

We'd would like to see major supermarkets work with government and consumer organisations to develop an effective system for the introduction of unit pricing in Australia.

With good will from industry there may be scope for doing so without the need for government regulation (for example, in the form of a Code of Practice). However if an effective system cannot be implemented in a reasonable time we would encourage government to examine appropriate regulatory options.

We urge you to encourage the major supermarkets to initiate a process to develop an effective unit pricing system.