

To: Grocery Prices Inquiry  
Public Submission to ACCC Grocery Inquiry

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Competition regarding grocery prices is not the only issue that concerns consumers. I do not think that I am exaggerating to say that we devalue everything about life and living in Australia if we make price our only concern when we purchase any item, particularly food.

The store brands compete very favourably in terms of price with established name brand products. It appears that the major chains price their own store brand products to make a comfortable profit and then overprice the competitors' products to make them unappealing. However, retailers do not readily provide all the information required for consumers to make an informed choice when shopping.

Unit pricing on shelf labels should be mandatory. This is little more than couple of lines of software that could be very easily included in any store that uses computer generated shelf labels. Most labels already include a weight or volume measure along with the name of the product, so the information is clearly available. The ever increasing practise of reducing the volume or weight of a product slightly while keeping the price the same would be clearly exposed with unit pricing.

Labelling laws for packaged goods in this country are woefully inadequate, particularly when it comes to country of origin requirements. Although it is legal to sell a product labelled as "Packaged in Australia from imported and local products," it is an insult to consumers in this information age. There should be no reason why, at a very basic minimum, a code could not be printed with along with the 'Use By' date that consumers could use to reference complete country of origin data for that particular batch.

As a further example of the inadequacy of country of origin laws for packaged goods, I believe that many consumers would choose differently if they realised, for example, that their 'Made in Australia' bacon was actually Chinese pork that has been cured in Australia. Package labelling should be made to include the country of origin of all major ingredients. The distinction between "Made in Australia" and "Product of Australia" is massive, yet the words do not indicate this.

Another example, with more subtlety; a major brand of biscuits previously made in an Australian bakery are now made in China. Retailers who choose to clearly display this information about country of origin on a shelf label would be seen as offering real information to their customers, enabling them to choose on more than just price.

I think that the Australian public has a right to be fully informed about the choices they are making. The current mandatory requirements regarding consumer information are a very basic minimum and no doubt the result of serious lobbying by retailers who are determined to keep consumers in the dark as much as possible.

There would be some serious competition between grocery retailers if consumers were given information not only about total prices, but also unit prices and meaningful country of origin information. It is very difficult searching for this information now; in the majority of cases it is not available at all without contacting the manufacturer directly and requesting the information. Australian consumers have a right to this information and would choose both products and retailer differently if they had this information easily available. Retailers should be compelled to provide this information to consumers and thus allow a true multi-faceted competition.