



AUSTRALIAN COMPETITION  
& CONSUMER COMMISSION

# Price monitoring of menstrual products following GST changes

**Report to the Treasurer**

March 2019

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Australian Competition and Consumer Commission  
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# Executive summary

The ACCC was directed by the Treasurer, the Hon Josh Frydenberg MP, to monitor the prices, costs and profits of menstrual products in the feminine hygiene industry and report by 31 March 2019.

The Goods and Services Tax (GST) was removed from menstrual products as of 1 January 2019. All other things being equal, removal of the GST from a product will result in an approximately 9.1 per cent reduction in the retail shelf price.

The ACCC issued compulsory information notices to 16 businesses, conducted desktop price sampling, conducted field research and monitored complaint data. Our focus was retail pricing and the methods by which businesses informed consumers about the changes. We asked for pricing data both before and after the removal of the GST, including on 27 December 2018 and 14 January 2019.

In conducting this monitoring role, the ACCC observed that:

- the vast majority of businesses sampled removed GST from 1 January 2019, resulting in the expected retail price reductions for consumers of around 9.1 per cent
- businesses' rounding policies, errors in previous pricing and already heavily reduced clearance products would have reduced the observed shelf price change in some instances
- only a few businesses used the opportunity to increase their margins and usually only for a small number of products
- system errors caused some businesses to either remove GST but keep prices unchanged, or fail to remove GST for a short time until the errors were identified and corrected
- complaints to the ACCC and Australian Taxation Office (ATO) from consumers were extremely low.

The ACCC is also engaging with some smaller online retailers (often based overseas) that appear not to have removed the GST from menstrual products to date.

Overall, the ACCC has observed a retail sector that was aware that GST was being removed from menstrual products and was well prepared to implement the changes.

# 1. Introduction

## 1.1 Background and GST changes

On 3 October 2018, the Commonwealth, state and territory Treasurers unanimously agreed at the Council of Federal Financial Relations meeting to remove the GST from menstrual products as of 1 January 2019.

The determination that implemented this change (the *A New Tax System (Goods and Services Tax) (GST-free Health Goods) Determination 2018*) provides the following definition for menstrual products:

*'maternity pads, menstrual cups, menstrual pads and liners, menstrual underwear, tampons, and other similar products specifically designed to absorb or collect lochia, menses or vaginal discharge'.*

## 1.2 Ministerial Direction

On 28 November 2018, the Treasurer, the Hon Josh Frydenberg MP, directed the ACCC to monitor the prices, costs and profits relating to the supply of menstrual products in the feminine hygiene products industry in Australia.

The ACCC was required to monitor the price of menstrual products, particularly from 1 December 2018 to 28 February 2019, and report to the Treasurer by 31 March 2019. The Treasurer's Direction can be found at Attachment A.

## 1.3 How GST changes are seen in shelf prices

The GST is a 10 per cent tax added to the retail price of a product. Businesses remit this tax to the ATO, net of any credits they have for their business' acquisitions. This is the first major removal of the GST from a broad category of products and may, therefore, be an unfamiliar process for both businesses and consumers.

Unlike a 'sale' discount of 10 per cent from the retail price, the removal of the GST is a reduction of 1/11<sup>th</sup> of the price. This means the removal of the GST from an item should result in approximately a 9.1 per cent reduction in the retail 'shelf' price. For example, a menstrual product with a retail price of \$5 when it was subject to GST would now cost \$4.55 after removal of the GST, all other things being equal.

The ACCC notes that the price range for menstrual products varies significantly. The GST component may amount to several dollars for more expensive items, in particular, for some reusable products.

## 1.4 Relevant provisions of the Competition and Consumer Act 2010

### 1.4.1 ACCC price monitoring

Under Part VIIA, Division 5 of the *Competition and Consumer Act 2010* (CCA), the Minister can direct the ACCC to monitor the prices, costs and profits in relation to the supply of goods or services by persons in a specified industry (s. 95ZE).

Other relevant provisions to the price monitoring function are found in Part VIIA, Division 6, including the ability to issue compulsory information notices to businesses (s. 95ZK) and the regime relating to confidentiality of information (s. 95ZN).

It is under this framework that the current report has been prepared.

## 1.4.2 General laws that apply to pricing

While businesses are free to set their own prices, the removal of GST should generally result in approximately a 9.1 per cent reduction in shelf prices.

As is the case generally under the Australian Consumer Law, retailers need to be careful not to engage in misleading or deceptive conduct, or make false or misleading representations as to price, when dealing with the removal of GST from menstrual products.

## 2. The ACCC's approach to the monitoring of menstrual products

The ACCC has considered:

- whether businesses correctly removed the GST from menstrual products
- whether consumers would have observed approximately a 9.1 per cent reduction in retail prices across a range of sampled stores
- how businesses displayed the price reductions in store or online.

In order to report to the Treasurer in a timeframe of just over four months, the ACCC has used a combination of complaint data, desktop research, field collection and s. 95ZK compulsory information notices to gather relevant information. This has allowed us to obtain information relatively quickly that represented a wide cross section of the retail market for menstrual products.

Prices pre and post the removal of the GST were analysed to ascertain price movements between 27 December 2018 and 14 January 2019. If retail prices had not reduced by approximately 9.1 per cent, retailers were asked to explain why. Further information is in Chapter 3—Retail Prices.

The ACCC published a media release about our monitoring role on 29 November 2018.<sup>1</sup>

### 2.1 Desktop research and field collection

Desktop research and field collection was undertaken by the ACCC on 27 December 2018 and 14 January 2019. The ACCC sought price data for a selection of various menstrual products, across different brands. This was done to allow for cross checks of the information provided by businesses who were issued s. 95ZK notices, as well as to ensure that some data was available even if retailers failed to respond to the notices.

Where a business had prices online, online prices were recorded for 27 December 2018 and 14 January 2019. Field collection was conducted on the same dates where no online price was available.

Desktop research also allowed sampling of a larger number of online retail prices to be collected without the need to issue s. 95ZK notices.

### 2.2 Compulsory information notices

Sixteen s. 95ZK notices were served on a range of retail businesses. This was done to obtain a wide range of data which represented many sectors of the economy that sell menstrual products.

These sectors included online stores, major retail outlets, petrol stations, pharmacies and supermarkets.

The notices were issued on 18 January 2019 and served shortly thereafter. They compelled the businesses to provide information and documents relating to the retail and wholesale price of menstrual products supplied in physical and online stores with a focus on December 2018 and January 2019. Specifically, the notices required provision of:

- the Non-Sale Price<sup>2</sup> for menstrual products on 3 December 2018, 27 December 2018 and 14 January 2019
- if the difference between the Non-Sale Price for menstrual products from 27 December 2018 to 14 January 2019 is not a reduction in price of 9.1 per cent, the reasons why this is the case

1 See: <https://www.accc.gov.au/media-release/accc-to-monitor-the-removal-of-gst-on-feminine-hygiene-products>.

2 'Non-Sale Price' means the standard retail price offered, or that would have been offered, by the Supplier in the absence of any applicable promotional, loyalty or other short-term discounts.

- the wholesale price for menstrual products on those dates
- documents received from suppliers or displayed to consumers regarding the removal of GST.

Responses to the s. 95ZK notices were due on 6 February 2019. Fifteen of the 16 businesses provided responses on or before that day. The other, a small business, responded shortly afterwards.

All responses provided pricing information, generally in the form requested, although a number of businesses did not produce any documents evidencing correspondence with suppliers or consumers regarding the removal of the GST from menstrual products.

One retailer was sent an additional notice to resolve ambiguity between the prices stated in its response and those recorded by the ACCC for its products.

## 2.3 Liaison with the ATO and Treasury

As part of the monitoring role, the ACCC has liaised with the ATO and Treasury to understand the practical taxation implications of removal of the GST from menstrual products and coordinate on handling any queries consistently, as well as to prepare for any issues that might have arisen during the monitoring process.

The ATO advised the ACCC that it issued communications, updated website information and call centre information prior to the change to make it clear that these products would be GST-free from 1 January 2019. It also advised major platforms such as eBay and Amazon about the change through its client relationship managers.

## 2.4 Complaints and enquiries

In anticipation of complaints and enquiries from consumers about the GST change and its impact on retail prices for menstrual products, the ACCC's media release directed consumers to contact the ACCC Infocentre via our online enquiry form.

As noted above, the ACCC and the ATO also agreed to a strategy for handling complaints and queries from businesses and the general public, so that these could be appropriately directed and managed.



## 3. Retail prices

The ACCC's monitoring focused on retail pricing, as that is where consumers observe the impact of the GST removal.

All price comparisons and percentage reductions in this chapter refer to comparisons between retail pricing on 27 December 2018 and 14 January 2019. These dates were selected to provide a before and after price in relation to the removal of GST.

Businesses provided national retail prices where they had one. If pricing was not national, businesses provided retail prices for the least remote and most remote store in each state and territory. The ACCC did not observe a difference in the price impact of removal of GST based on whether companies used national or varying prices.

The vast majority of the pricing information observed by the ACCC reflected the expected reduction (9.1 per cent) in price due to removal of GST.

Given some menstrual products cost only a few dollars, the GST component can be small and the rounding policies of stores can affect the extent to which the expected reduction in retail price was observed by consumers.

Consumers may also have observed some products being discounted by more than 9.1 per cent, for example where the product was also on special immediately after the GST change. Conversely, if a product was on special just before 1 January 2019 but not afterwards, consumers would have observed a smaller than expected reduction or potentially a price increase, depending on the size of the previous discount.

### 3.1 Consumers generally observed the expected reduction in price

Most businesses observed by the ACCC reduced the price of their menstrual products by the expected amount on 1 January 2019.

In some instances where the full reduction was not observed, reasonable rationales exist. For example, where products were already at end of line clearance pricing, or where there were errors discovered in the previous pricing.

Specifically, some retailers informed the ACCC that in relation to products that were heavily discounted as end of line clearance products prior to the change, while they removed GST status they did not change the price. The ACCC recognises that this allowed consumers to continue to acquire the products at a reduction, often a greater reduction than would have occurred had only the GST value been removed from the ordinary selling price.

In relation to the businesses observed, the ACCC observed that consumers would generally have seen at least the expected reduction in price from removal of the GST on 1 January 2019.

Aldi Stores reduced its prices of menstrual products by between 8.73 and 10.84 per cent in response to the removal of GST. When rounding is taken into account, consumers would have observed the expected reduction as a result of the tax change.

Amcal Online's prices reduced by between 8.37 and 30.04 per cent. When rounding is taken into account, consumers would have observed the expected reduction as a result of the tax change, or close to it.

As part of its response to the ACCC notice, Australian Pharmaceutical Industries Ltd (API) (Priceline) identified a rounding error in its systems and has reduced the retail price of more than half of its products by a further one cent from 31 January 2019. Before API made this rounding error change all its items were reduced by 8.97 to 10 per cent so consumers would have already seen the expected reduction in prices due to the removal of the GST.

Biome reduced its prices of menstrual products by between 8.97 and 20.75 per cent in response to the removal of GST. When rounding is taken into account, consumers would have observed the expected reduction as a result of the tax change.

Coles Supermarkets Australia provided responses for four sales channels: Coles Local, Coles Express, Coles Online and Coles Supermarkets. Coles Local had national pricing and the others had varying pricing.

At Coles Local, prices of menstrual products were reduced by 9.09 to 16.67 per cent in response to the removal of GST. At Coles Express, prices were reduced by 9.57 to 11.11 per cent. Consumers would have observed the expected reduction, or more, as a result of the removal of GST in these sales channels.

Coles Online prices were reduced from 8.94 to 38.06 per cent, with the exception of one product, which had no price change in some areas due to a pricing error identified by Coles where the product was below the national pricing rate. This anomaly was rectified on 1 January 2019, concurrently to the GST change (offsetting some of the savings).

At Coles Supermarkets, prices were reduced from 8.94 to 42.66 per cent, with the exception of two products at some stores due to an error regarding the calculation of freight costs. This anomaly was rectified on 1 January 2019, concurrently to the GST change (offsetting some of the savings). These price changes also included some heavily discounted clearance items.

Costco reduced its prices on menstrual products by 7.5 to 10.72 per cent in response to the GST changes. Costco advised the ACCC that those prices that it reduced by less than 9.1 per cent were due to incorrect rounding to meet a retail price point, and it was corrected on 1 February 2019 with the new reduced prices to take effect on 2 February 2019.

Juju reduced its prices of non-bundled menstrual products by between 9.08 to 9.18 per cent, so consumers would have seen the expected reduction in price. It also sells two bundled items that were reduced by 3.50 and 5.89 per cent. Bundles will have less than a 9.1 per cent reduction in shelf price where they have items that are still subject to GST (i.e. not menstrual products), as the bundle price will only reduce by the GST amount on the previously-taxed component(s). The ACCC notes that apportioning the appropriate taxed and untaxed components of a mixed product bundle is not straightforward. Businesses should refer to the ATO's online guidance or contact the ATO directly if they are unsure.

Kmart Australia's stores reduced its prices on menstrual products by between 9.52 and 16.67 per cent. This means consumer would have seen at least the expected reduction in price due to the removal of GST, or more.

Target Australia informed the ACCC that it removed the GST from menstrual products on 1 January 2019, with the exception of one product due to error. After removal of the GST, Target's menstrual product prices were reduced by at least 10 per cent, apart from seven items that were already selling below cost for clearance purposes.

Woolworths provided pricing information for four sales channels, Big W, Metro (small stores), Supermarkets and Woolworths Petrol. Big W and Woolworths Petrol stores had national pricing for menstrual products, while supermarkets and metro stores had varying prices between stores.

At Big W, pricing information was reduced by 10 to 33.33 per cent between 27 December 2018 and 14 January 2019. Woolworths informed the ACCC that Big W had a number of items which were being discontinued and were sold at a clearance price.

At Woolworths Metro stores (smaller format), prices reduced between 7.55 and 13.29 per cent between 27 December 2018 and 14 January 2019, with the exception of two products in only one store, due to an underlying price increase on 28 December 2018.

At Woolworths Petrol Stations, prices reduced by 8.57 and 8.75 per cent, with slightly lower than expected reduction due to rounding prices to end in '0' consistent with their stores' pricing method.

In Woolworths Supermarkets, consumers would have observed price reductions of 9.09 to 12.20 per cent, reflecting the full expected amount due to the removal of GST, or more.

## 3.2 Reassessment of margins or price rises

The ACCC observed shelf prices reduced by less than the expected amount at some businesses, either because they used the opportunity to improve their margins or adjust their prices. However, this was generally only on some items and the majority were reduced as expected.

In particular, for some products in some stores, retailers took the opportunity to review pricing arrangements and identified certain products that were being supplied below cost or at unsustainable levels.

The ACCC acknowledges that businesses are free to set their own prices. Nonetheless, in the absence of any explanation, concurrent price increases may lead consumers to believe the GST had not been removed, or that the price was not reduced by as much as they had expected, from the products at those stores.

ePharmacy Group Pty Ltd (ePharmacy) provided data for three sales channels: Chemist Warehouse Online, ePharmacy Online and My Chemist Online. The information showed at Chemist Warehouse Online and ePharmacy Online, its prices for menstrual products between 27 December 2018 and 14 January 2019 ranged from a 6.68 per cent increase in price to a 25.13 per cent reduction in price. The price increase was for one item, with other prices all ranging from no change to a 25.13 per cent reduction.

In its My Chemist Online prices, ePharmacy identified price changes ranging from an increase of 8.02 per cent to a decrease of 25.13 per cent. The price increase applied to two items, with other prices all ranging from no change to a 25.13 per cent reduction.

The reasons given for reductions of less than 9.1 per cent by ePharmacy were either due to re-assessment of pricing (including where items were below cost) and a rounding policy that prices end in a '9'. Overall, 65 per cent of ePharmacy's menstrual products were reduced by 8.5 per cent or more.

Menstrual Cups Australia (MCA) Online has removed GST from its products. Consumers will not have observed the full benefit in retail prices, as both ACCC price sampling and its response to the notice indicate reductions between no change and 8.90 per cent between the dates 27 December 2018 and 14 January 2019.

It should be noted that the no change change was only for one item, with the remainder reduced by at least 7.51 per cent. MCA Online indicated that it needed to retain the price of that one item even without GST due to changes in the US/Australian exchange rate.

MCA Online indicated in its response to the s. 95ZK notice that the reason its products were not reduced by the full amount of the GST was because it was already priced below Recommended Retail Price (RRP).

### 3.3 In some cases, errors caused GST to still be charged or prices to be maintained

The ACCC observed that some retailers either:

- removed the GST from menstrual products but failed to pass through the expected price decline to consumers due to human or system errors
- did not remove GST for a short time after 1 January 2019 due to oversights or system errors.

GST should not be charged on a menstrual product from 1 January 2019. If GST was purported to be charged on a menstrual product after 1 January 2019, the ACCC considers consumers should be able to return to stores with proof of purchase to seek a refund of the stated GST amount.

7-Eleven informed the ACCC it did not remove the GST from menstrual products in its system until 4 January 2019. Further, that change implemented on 4 January 2019 did not automatically flow through to reduce the retail price. GST was removed but the shelf price remained the same. This issue was identified on 8 January 2019 but not corrected until 19 January 2019. 7-Eleven provided the ACCC with additional pricing data for 23 January 2019 that showed price decreases of between 9.09 and 12.20 per cent on all stocked menstrual products compared to 27 December 2018.

7-Eleven informed the ACCC that the failure to reduce prices was due to a combination of human error and internal pricing systems not working as anticipated. It further informed us that \$2006.50 was incorrectly charged as GST, with a further \$6763.07 incorrectly charged at a higher price than 7-Eleven had intended due to the failure to update pricing. As a result, 7-Eleven has informed the ACCC it has made a \$9000 donation to a charity and will investigate how to ensure its systems do not result in a similar occurrence in the future.

Caltex did not reduce its prices on menstrual products on 1 January 2019 and informed the ACCC that, while its internal systems were updated on 21 December 2018 to prepare for the removal of GST on menstrual products, and GST was removed on 1 January 2019, the system did not concurrently update prices as expected.

It was not until receiving the ACCC s. 95ZK notice served on 21 January 2019 that Caltex discovered the error. The prices were not reduced until 1 February 2019, at which time they decreased in price by between 8.82 to 9.68 per cent. When rounding is taken into account, consumers would then have observed the expected reduction as a result of the tax change.

Metcash has five corporate stores (IGA Meadowbank NSW, IGA Eastern Suburbs (Bondi) NSW, IGA Bankstown NSW, IGA Georges Hall NSW and Fresh Pantry VIC).

Metcash informed the ACCC that its IGA Eastern Suburbs (Bondi) NSW correctly implemented the price changes and removed the GST on menstrual products on 1 January 2019 and reduced prices from 7.68 to 9.24 per cent. Only one price was reduced by 7.68 per cent and Metcash said this item needed to be updated in its system, the rest of prices were reduced by at least 8.99 per cent.

Metcash informed us that an audit on 22 January 2019 in response to the ACCC's s. 95ZK notice identified that, despite Metcash having removed the GST on menstrual products from its wholesale price list and corresponding suggested retail price, the other four stores had not removed the GST due to a combination of system issues and human error. Those four stores removed the GST and reduced the prices that day by a range of 2.44 to 20.51 per cent. Metcash advised that only three items were reduced by less than 8.89 per cent, due to one item being a deleted line and the others due to a system configuration. This configuration was rectified and the price on those items reduced further in early February 2019.

As noted above, Target informed the ACCC that, due to error, one product was sold as having GST applicable until 24 January 2019. This was corrected on 25 January 2019, when the GST status was removed and the price reduced by 10 per cent.

As part of the monitoring role, ACCC staff also sampled pricing online on 27 December 2018 and 14 January 2019 for some smaller online retailers that were not served with s. 95ZK notices. We have observed some may still be purporting to collect GST on the products, particularly those based overseas, and the ACCC is engaging with those businesses.

## 4. Methods of displaying the GST changes in store and online

Shelf price labelling and in store or online communication with consumers is a key means by which a retailer communicates with its customers about price. In such communication, retailers must not mislead or deceive customers, or make false or misleading representations with respect to information about the product's price.

For online stores, the ACCC observed that some retailers used a banner or note on the homepage or product category page banner to inform consumers. For physical stores, some retailers displayed signage where menstrual products were shelved to ensure consumers were made aware of the pricing change.

However, notifying consumers about the change is not required and many businesses did not provide signage, or used existing price reduction labels to display the changes.

### 4.1 Examples of retailers that did advise consumers of the GST change

Some retailers displayed a message alerting consumers of the removal of the GST.

Biome—a retailer with an online store and some retail premises in Queensland, informed the ACCC that it displayed the following message on its menstrual products category page:

*From 1 January 2019, GST has been removed from menstrual products including menstrual cups and reusable cloth pads!*

Costco displayed the following notice in its stores:

*Effective from 01st January 2019 all Feminine Hygiene Products\* are GST-free.*

*\*Excludes sprays, deodorants, wipes, washes and powders.*

On the 'Feminine Care' product category home page on Woolworths Online, the following notice was displayed:

*Feminine hygiene products\* will be GST-free from 1st January 2019. \*Excludes sprays, wipes, washes, powders, and deodorants*

Woolworths also advised that stores were provided with signage to display in-store in a location of their choosing.

Online retailer Juju displayed a banner on its homepage stating:

*Celebrate. HELLO 2019, GOODBYE GST. Celebrate the new year with tax-free sanitary items.*

## 4.2 Methods of displaying price reductions

Some businesses used generic 'was/now' price tickets to display the price reductions, while some online businesses used 'strikethrough' pricing. There is no prescribed method for displaying these reductions—or in fact, any requirement to state the reduction. However, if the price change is displayed, businesses should be careful not to mislead customers if the method used could be mistaken for a short-term special.

Aldi Stores' shelf pricing tickets represented a 'New low price' label in yellow and red to show the price reduction as a result of the GST changes.

Coles Supermarkets used a combination of standard white price labels and red and white price reduction labels, distinguishable from its yellow sales labels.

## 4.3 Use of RRP comparisons

In relation to RRP comparisons when displaying prices, the ACCC's price display guidance provides:

*Depending on individual circumstances, businesses using statements such as 'savings' or 'discounts' when comparing a sale price to the recommended retail price (RRP) may be misrepresenting potential savings if the product has never been sold at the RRP or the RRP does not reflect a current market price.*

When viewing price displays with RRP comparisons, consumers would not have been able to determine whether menstrual products had been reduced in response to the removal of GST, due to the lack of a previous sale price. However, we note that there is no requirement for a previous sale price to be displayed.

The ACCC observed the use by Chemist Warehouse Online (ePharmacy) of RRP comparisons for its pricing, rather than the business's previous sold/listed price.

The ACCC also observed Amcal Online's pricing method on its website, which showed the supplier's RRP (as provided by the supplier) via a red strikethrough price and the current price in black text. This appears to be the same method that Amcal Online uses to display its own discounts for items on sale.

## 5. Wholesale prices

As part of the s. 95ZK notices, businesses were also required to provide information and documents relating to the wholesale price of menstrual products supplied in physical and online stores. Specifically, the notices required provision of:

- the wholesale price for menstrual products on 3 December 2018, 27 December 2018 and 14 January 2019
- the percentage change between 27 December 2018 and 14 January 2019
- documents received from suppliers regarding the GST changes.

The ACCC provided an Excel spreadsheet template for businesses to complete that had a section to provide these wholesale prices. ACCC staff reviewed the Excel files businesses submitted as part of responding to the notices and verified the percentage changes.

In addition, ACCC staff reviewed documents between suppliers and retailers relating to the supply of menstrual products and cross checked this information with letters of correspondence from businesses and Excel files which businesses completed as part of responding to the notices.

During the course of the price monitoring period, the ACCC did not observe any issues with regard to wholesale pricing.



## 6. Consumer observations and complaints

Contacts by the public were low. The ACCC received only two complaints—one relating to whether a generic ‘was/now’ price ticketing method by a company could be misleading, with the other indicating that an overseas eBay trader was still purporting to collect GST on a menstrual product.

The ATO advised that it received no complaints about the GST treatment of these products between 1 December 2018 and 28 February 2019. The ATO also advised that it received only one formal advice request which related to a GST transitional issues for a wholesaler. This related to the wholesaler receiving an order before 1 January 2019 but the payment was not received until after 1 January 2019. The ATO advised that the GST treatment of the supply would depend on when the supply was actually made (before or after 1 January 2019) and this would be determined by the contractual terms between the wholesaler and the purchaser.

If consumers observe retailers purporting to still charge GST on menstrual products or displaying price representations they consider misleading, they are encouraged to raise it with the business directly. If they do not receive a satisfactory response, they can raise the matter with their state or territory office of fair trading or inform the ACCC.

# Attachment A: Price Monitoring Direction



COMMONWEALTH OF AUSTRALIA

*COMPETITION AND CONSUMER ACT 2010*

## MONITORING OF THE PRICES, COSTS AND PROFITS RELATING TO THE SUPPLY OF CERTAIN FEMININE HYGIENE PRODUCTS

I, Josh Frydenberg, Treasurer, pursuant to section 95ZE of the *Competition and Consumer Act 2010*, hereby direct the Australian Competition and Consumer Commission (ACCC) to monitor prices, costs and profits relating to the supply of Menstrual Products in the feminine hygiene products industry in Australia.

Menstrual Products comprise those products specified in A New Tax System (Goods and Services Tax) (GST-free Health Goods) Determination 2018.

In performing its monitoring activities, the ACCC shall give special consideration to:

- (1) prices charged for Menstrual Products between 1 December 2018 and 28 February 2019;
- (2) the impact of the removal of goods and services tax on Menstrual Products from 1 January 2019 on the price of these products.

The ACCC must report to me on its monitoring activities by 31 March 2019.

This direction commences the day after registration.

DATED THIS

28

DAY OF

November

2018

A handwritten signature in blue ink, appearing to be 'J Frydenberg'.

Josh Frydenberg  
TREASURER



AUSTRALIAN COMPETITION  
& CONSUMER COMMISSION

