

Submission on the exposure draft of the Competition and Consumer (Industry Codes – Unit Pricing) Regulations 2021 and the outcomes of the Review of the Unit Pricing Code of Conduct

11th June 2021

By email: Consumerlaw@treasury.gov.au

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Dear Secretariat,

CPRC welcomes Treasury's decision to remaking of Retail Grocery Industry Code of Conduct rather than allowing the code to sunset. However, we urge The Treasury to consider amending the code to improve its efficacy and consequently, outcomes for consumers.

CPRC aims to create fairer, safer and inclusive markets by undertaking research and working with leading regulators, policymakers, businesses, academics and community advocates. Market governance issues are a research focus for CPRC, identifying key issues for consumers where market stewardship can improve market design and by consequence improve consumer wellbeing and welfare. In our submission to the Review of Retail Grocery Industry (Unit Pricing) Code of Conduct, we highlighted that key product information such as unit pricing needs to be clear, comprehensible and comparable as a precondition to enable consumers to make informed purchase decisions.

As outlined in the Treasury's own consumer survey, consumers heavily rely on unit pricing to compare and purchase goods, saving time and money, while enabling consumers to compare products both within and across brands.¹ However, the Treasury's consumer survey also finds the overwhelming majority of respondents indicated they had either "sometimes", "often" or "always" had difficulty finding and reading unit prices. This suggests changes to the code could significantly improve consumer outcomes.

We support the recommendations outlined in the Consumers Federation of Australia submission on the exposure draft - particularly around improve the readability of unit pricing, giving particular consideration to those with vision impairments. We urge market stewards to adopt an inclusive design approach to policymaking and market regulation – evidence indicates this approach provides benefits to the broader consumer base.²

We broadly support the other recommendations outlined in CFA's submission – regular public reviews of unit pricing would enable the standards outlined in the code to account for new evidence that emerges around unit pricing presentation that enhances consumer

¹ The Treasury, *Grocery Unit Pricing Consumer Survey: Results Summary*, 2018.

https://treasury.gov.au/sites/default/files/2021-05/c2018-174951_consumer_survey_results_0.pdf

² Ben Martin Hobbs and Emma O'Neill, *The experiences of older consumers: towards markets that work for people*, Consumer Policy Research Centre, Victoria: 2020, 62.

comprehension and comparison, as well as enabling the code to respond to a rapidly evolving online marketplace.

If you have any queries about this submission and the attached reports, please contact Ben Martin Hobbs, Senior Research and Policy Manager at ben.martinhobbs@cprc.org.au.

Yours sincerely,



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