

Will Hodgman MP

Leader of the State Opposition

Wednesday August 6, 2008

ACCC backs unit pricing

The nation's consumer watchdog has backed consideration of unit pricing in Australia – an initiative designed to help shoppers that the State Opposition Leader, Will Hodgman, has been championing for months.

Mr Hodgman has today applauded the recommendation of the Australian Competition and Consumer Commission, following its six month inquiry into grocery prices.

In November last year, Mr Hodgman suggested Tasmania should lead the way on transparent pricing to protect consumers from being ripped off. He has also written to Woolworths urging it to consider a unit pricing trial in Tasmania, and moved motions in the Parliament for the initiative to be investigated for the State.

“I strongly support unit pricing because I believe that it has the potential to help consumers save money at the check-out,” Mr Hodgman said.

“People can better ascertain the true cost of a product when it is displayed on a per unit basis, and stripped bare of its marketing and promotional material.

“At a time of significant house-hold budget pressures, we should be looking at all options to help make life easier, and unit pricing is, I believe, one of them.”

Under the system, which is mandatory in the European Union and some parts of the United States, prices for goods must be displayed according to a specific measure, for example, price per 100g, alongside their total cost.

This transparent pricing enables shoppers to be better informed about the real cost of pre-packaged products, in the fact of often confusing package sizes, products and brands. It can promote competition and also act as a deterrent for companies to try to hoodwink shoppers by reducing the size of their product with new packaging, but not the price.

The Consumers Federation of Australia wants compulsory unit pricing for a range of supermarket goods, and says the benefits include:

- increased price transparency
- easier comparison of the variety of pre-packaged goods
- easier comparison of prices of alternative or similar goods;
- reduced shopping time and stress for consumers
- significant reductions in the cost of many goods for consumers
- reduced difficulties for disadvantaged groups such as people from non-English speaking backgrounds, or with disabilities; and
- increased competition between manufacturers and retailers.

The State Government was instinctively dismissive last year of of Mr Hodgman's call for unit pricing to be considered for Tasmania but Mr Hodgman said he hoped Labor would get behind the move now.

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