



MEDIA RELEASE

DR CRAIG EMERSON

Minister for Small Business, Independent Contractors and the Service Economy
Minister for Competition Policy and Consumer Affairs
Minister Assisting the Finance Minister on Deregulation

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Unit pricing becomes mandatory in major supermarkets

Australian households are estimated to be able to save an average of at least \$96 a year as a result of unit pricing which becomes mandatory in large supermarkets from today.

Unit pricing is where grocery items are priced by reference to common units of measure such as per 100 grams and per 100 millilitres.

For example, a 600 gram jar of jam that costs \$4.50 would have a unit price of \$0.75 per 100 grams.

Minister for Competition Policy and Consumer Affairs, Dr Craig Emerson, said: "Unit pricing will allow customers to choose the cheapest packet size for a particular brand.

"It will also allow customers to compare different brands in different package sizes by reference to their price per unit.

"Unit pricing is a valuable tool that enables consumers to seek better value for money when shopping for groceries."

The Unit Pricing Code became law on 1 July and supermarkets larger than 1000 square metres have been busy implementing the new consumer-friendly measure.

Smaller supermarkets can participate voluntarily, but if they decide to do so they must comply with the Code.

Unit pricing is already used in the European Union and the United States.

Mandatory unit pricing in major supermarkets is another instalment in the Rudd Government's program to create greater competition in grocery retailing.

The Government has opened the door to foreign supermarkets like Aldi and Costco and gotten rid of 80 per cent of the provisions in leases with shopping centres that have restricted the entry of rivals.

And the Government is working with the states and territories to remove unnecessary features of planning and zoning laws that prevent the entry of supermarket rivals.

The ACCC will be responsible for enforcing the Unit Pricing Code and has produced a range of material to assist consumers and retailers understand the new scheme.

For more information visit

<http://www.accc.gov.au/content/index.phtml/itemId/878180> or call the ACCC's Unit Pricing hotline on 1300 746 245.

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