

Supermarket Pricing Inquiry

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Member for Hervey Bay

Supermarket Pricing Select Committee
Queensland Parliament
BRISBANE QLD

15 April 2024

RE: Supermarket Pricing Inquiry

I thank the Supermarket Pricing Select Committee for the opportunity to provide a submission on behalf of the people of the electorate of Hervey Bay, who I represent in the Queensland Parliament.

Like many across the length and breadth of the State of Queensland, household budgets have been impacted by the national cost of living rises and the ever-growing cost of grocery prices.

Recently, I conducted a survey asking the people of Hervey Bay how the current supermarket pricing regime and the nation cost of impacts have impacted their household budgets and families, particularly the pricing duopoly of the big supermarkets.

The huge response to my survey, clearly indicated that the people of Hervey Bay are facing challenges due to the national cost of living impacts. This has caused a great deal of stress for many local families. My community expressed its concern about the inflation and shrinkflation tactics utilised by the big supermarkets, which have only made it harder for families to make ends meet.

Further still many residents put forward their comments on what the direct impact of the big supermarket's tactics are having on their day to day lives.

Below I have detailed a number of comments I received back from my recent survey:



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“The fresh produce I have been buying lately is not lasting as long as it should be either. I'd rather be buying miss-shaped fruit and vegetables that actually are of good quality rather than those that look good but are already rotten inside or go off within two days. The last question should have had more than one answer able to be picked. I am also preparing food in bulk, buying different foods, and I skip meals if it means my kids are eating still. I have switched to buying at Aldi as they are the cheapest, but I still have to buy some stuff at Fresh and Save as they are the next cheapest. I now avoid Coles and Woolworths as much as possible.” – Rochelle, Kawungan

“It is more about the quality of fresh produce has dropped. I bought 5kg of potatoes and had to throw out 3kg. Also the shrinking of the prepacked products - less for more.” – Carolyn, Urangan

“Woolies have changed their pricing tickets on the shelves which makes it very difficult to see what is on special. Also with 3 Woolies stores in town why do they have different prices per store? They should lower prices on fruit and veg and raise prices on luxury foods so low income families can afford healthy options.” – Marie, Pialba

“Farmers are struggling because the middle man is making the majority profit when it should go to our farmers to be shared around.” – Perry, Urraween

Being a coeliac and lactose intolerant it is very hard to buy what groceries I need. The groceries are even dearer for these dietary restrictions so I often go without. – Sussan, Kawungan

The excuses offered by supermarkets re rising prices are often based on both lies (blaming increased costs in stocking stores when reports from primary producers and other suppliers indicate lower payments for their produce) and situations of their own creation (eg robo checkouts which thieves can exploit rather than properly staffed checkouts. Where do the cost of wages saved by the former reflect in grocery prices?) Don't get me started on on my opinions of the lecherous, piratical and downright theft conducted by Coles and Woolworths! – David, Eli Waters

Respondents overwhelmingly stated that big supermarkets need to be held accountable.

Other respondents noted that re-packaged items have decreased in size while the prices have increased. They have also observed a reduction in the quality of fresh produce.

When I asked the community about their weekly grocery expenses, the majority revealed that they spent between \$200 and \$250. I also inquired about the impact of changes made by big supermarkets on their personal and family budgets

The results showed that 47% of the respondents are now purchasing different food items or skipping meals, 40% are reducing their spending on non-essential items, and 28% are struggling to pay other family bills.

The people of Hervey Bay have made their voice clear. This price gouging must be brought under control as the impacts on quality of choice and the health of residents will continue to grow.

Many residents raised their concerns regarding the issue of the equity of price distribution on produce, that while the big supermarkets were raising their prices, the farmers and primary producers who supply their products are not receiving any additional compensation.

This is unfair because it means that these producers are not being paid fairly for their goods. What's more, the power exerted by big supermarkets in Queensland means that both consumers and primary producers are vulnerable, while smaller producers are at a disadvantage. The domination of the big supermarkets in Queensland means that primary producers are vulnerable, while smaller producers are at a disadvantage.

Ultimately, this leads to limited options for local consumers at high prices.

In conclusion, it was very clear in the extensive feedback that I received from communicating with the people of Hervey Bay on this matter, that they are tired of the duopoly created by these big supermarkets.

The community is calling for fairer laws that would compel big supermarkets to disclose these changes.

They want a more competitive market that ensures fairer prices and enables them to make informed decisions.

I know that the people of Hervey Bay are doing it tough, and that's why I urge the Committee to make the necessary recommendations that support local producers and help increase competition within the industry, that will lower prices across the supermarket aisles.

Ensuring that the big supermarkets are held accountable for providing families with access to necessary products at reasonable prices.

If you have any questions on this matter, please do not hesitate to contact me on 4183 8100 or hervey.bay@parliament.qld.gov.au.

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