

Sent: Wednesday, 16 April 2008 7:29 PM
To: Grocery Prices Inquiry
Subject: late submission- grocery price inquiry

Date: Wednesday 16th April 2008

Dear ACCC,

I wish to make a submission to the Australian Competition and Consumer Commission related to your current enquiry into inflated grocery prices in Australia.

It appears to me that Australia is dominated by a duopoly consisting of Coles Ltd and Woolworths Ltd, who, without up-to-date statistics control the greatest market share when it comes to groceries. For a number of years now, the basic prices of commonly bought items such as milk, fruit and vegetables and, in particular bread and toilet rolls appears to have increased way above inflation rates, even when factoring into the tough conditions of the Australian drought.

I wish to also make an international comparison. I lived in the U.K. for just under ten (10) years. During this period, I worked casually for a large supermarket chain 'Asda', owned by the North American giant, Wal Mart. There were also many other supermarket chains which competed against one another to regularly compete and bring consistently low prices to the consumer. The U.K. has much more competition to lower grocery prices and the main supermarkets are: Sainsbury's, Marks and Spencers, Asda, Tesco and Morrisons.

It appears, at least from my observations that Australian consumers have become used to inflated grocery prices and have simply accepted the status quo, without further questioning as to how Coles or Woolworths can justify a 50% increase in the price of bread over the last two (2) years.

I hope that the ACCC can better regulate and enforce their federal power to bring down the price of groceries to all Australians and create a fair, transparent system where all Australians pay fair prices for their groceries.

Regards,

Mr S Tully
Leichhardt, NSW