



Submission – Strengthening the Unit Pricing Code

September 2025

About Us

CHOICE

CHOICE is the leading consumer advocacy group in Australia. CHOICE is independent, not-for-profit and member-funded. Our mission is simple: we work for fair, just and safe markets that meet the needs of Australian consumers. We do that through our independent testing, advocacy and journalism.

To find out more about CHOICE's work visit www.choice.com.au/campaigns

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Introduction

Comparing unit prices is one of the most effective ways for consumers to compare values and save money when shopping for groceries. Unfortunately, new survey data from CHOICE shows:

- a significant decline in the number of consumers who find unit pricing helpful, falling to 61% from 71% in 2022; and
- an increasing number of consumers experiencing issues with unit pricing, undermining its effectiveness.¹ In particular:
 - **38% reported issues with inconsistent units of measure** for the same type of product, a significant increase from 28% in 2022;
 - **38% reported unit pricing text that was difficult to read**, an increase from 33% in 2022;
 - **32% reported unit pricing was obstructed or covered**, up from 30% in 2022;
 - **22% reported inconsistent use of format and/or wording** (e.g. “\$4.27 / kg” vs “\$4.27 per kg”), up from 16% in 2022; and
 - **17% reported that the unit price was incorrect**, up from 13% in 2022.²

To inform consumer decision making, unit pricing should be clearer, more consistent and cover more products and retailers. This is why CHOICE strongly supports strengthening the Unit Pricing Code (the Code) to improve unit pricing display consistency and accuracy, and also expanding its scope so more consumers can benefit from it – including allowing broader comparison between stores and online, which will also help to improve competition.

CHOICE strongly supports the introduction of a shrinkflation notification requirement as a further prompt for consumers to compare products using unit prices, but also to deter businesses from engaging in this conduct.

Backing these important changes with strong civil penalties will help to improve the reliability of unit prices and ensure that unit pricing is an even more useful tool for consumers to save on groceries.

¹ CHOICE Unit Pricing is based on an online survey designed and analysed by CHOICE of more than 1,000 Australians main or joint grocery buyers in their household. The data was weighted to ensure it is representative of the Australian population based on the 2021 ABS Census data. Fieldwork was conducted in November, 2022 and June 2025.

² Ibid

Recommendations

The Federal Government should implement the following changes to the Code or arrangements to support administration of the Code:

Scope:

1. Expand mandatory unit pricing to other retailers beyond just grocery retailers, subject to further consultation.
2. Reduce the floor size threshold to 300 square metres or larger to expand the scope of the Code.
3. From the product categories, replace butter and fresh milk with dairy products and replace fresh fruit and vegetables with fruit and vegetables.
4. Lower the product category threshold to four or more of the product categories in the amended list.
5. Apply only the four-or-more product category threshold to all online retailers and no other thresholds.

Display requirements:

6. Include a requirement that a consumer should be able to notice and read the unit price from a normal viewing distance
7. Establish the following minimum requirements:
 - a. Minimum print sizes for unit prices:
 - i) For in-store shelf labels: the greater of either 6mm or 50% of the selling price;
 - ii) For in-store signs: the greater of either 8mm or 25% of the selling price; and
 - iii) For online display and printed advertisements: the greater of either 3mm or 50% of the selling price.
 - b) That all components of the unit price information should be the same size print.
 - c) The use of accessible fonts, such as sans serif.
8. Require websites showing unit prices to allow users to sort products by unit price.
9. Require unit prices to be provided by grocery comparison websites and on any advertisements wherever a selling price is shown.
10. Retain the requirement that the unit price needs to be displayed whenever the selling price is displayed, including the unit price for when optional promotions are used (such as multi-buy offers) and the unit price for when the optional promotion is not used.
11. Require unit pricing to be displayed immediately next to, or below, the selling price, with no other text in between.
12. Make changes to the national measurement arrangements for products sold in packages and loose from bulk to remove inconsistencies in the units of measure used for unit pricing, and make changes to the Code, including:
 - a. Bread and cake mixes should be added to the flour category (priced per kg);
 - b. 'Herbs and spices' should be changed to 'dried herbs and spices' (priced per 10g)
 - c. Requiring a single mandated unit of measure when the packages contain different item counts, such as tea bags and vitamins

- d. Requiring unit price per net drained weight for products that are intended to be drained prior to consumption, such as tuna and olives.
- 13. Require a consistent approach in formatting, with the '\$ per' format being the preferred approach as it's the most plain language format.
- 14. Consider introducing a cost per use unit of measure for products that are commonly provided in different concentrations and forms.

Accuracy

- 15. Require unit pricing calculations to be accurate.

Shrinkflation notices

- 16. Require shrinkflation notices to be displayed when:
 - a. A product has reduced in size;
 - b. The product is substantively the same or similar, notwithstanding a slight change of ingredients, change in name or branding; and
 - c. The effect of that change is that the cost per unit for that product has increased.
- 17. Ensure the requirements cannot be easily circumvented through principles-based anti-avoidance measures
- 18. Require shrinkflation notices to be displayed by grocery retailers on shelf labels, rather than requiring suppliers to include the information on the products themselves, next to price labels, and online.
- 19. Require shrinkflation notices to be clear and prominent, with specific details to be informed by independent behavioural research.

Penalties

- 20. Include strong financial penalties in line with civil penalty provisions for breaches of the Australian Consumer Law.
- 21. Consider whether additional funding for the ACCC is required to improve monitoring and compliance efforts.
- 22. Review the Code within two years of commencement.

New consumer research highlights unit pricing benefits and increasing labelling issues

Unit pricing helps consumers get the best value for money

Unit pricing is a simple and highly effective measure to help consumers compare values and save on groceries.

New nationally representative research from CHOICE conducted in June 2025 shows that significantly more people, 76%, selected the product that was the best value when unit pricing was shown across a range of similar products, compared to 63% when unit pricing wasn't shown.³

Displaying unit prices also resulted in a significant increase in the number of people who found it easy to determine which product was the best value item: 83% felt it was easy to determine the best value when unit pricing was shown, compared to 78% when it wasn't.⁴

When unit pricing is correct, clear and prominent, the savings benefits to consumers are clear. Particularly during a time when 50% of consumers are cutting back on food and groceries spending in the face of rising cost of living pressures,⁵ unit pricing should be a reliable and easy way for consumers to get better value for money.

Awareness and use of unit pricing remains at the same level as recorded in 2022, with 87% of shoppers familiar with unit prices, so measures to increase awareness will be important once changes are implemented to the Code.⁶

More consumers believe that buying 'specials' is the best way to save

Consumers are bombarded by colourful promotions at the supermarket, and despite not always offering the best value to consumers, they continue to have a significant influence on consumer buying decisions. Nationally representative CHOICE research conducted in February 2024 found that 1 in 4 people found it difficult to identify if certain supermarket labels represent a true

³ CHOICE Unit Pricing is based on an online survey designed and analysed by CHOICE of more than 1,000 Australians main or joint grocery buyers in their household. The data was weighted to ensure it is representative of the Australian population based on the 2021 ABS Census data. Fieldwork was conducted in November, 2022 and June 2025.

⁴ Ibid.

⁵ Ibid.

⁶ Ibid.

discount or not.⁷ In fact, the ACCC has alleged that some supermarket specials provide only illusory discounts.⁸

Despite this, 40% of consumers believe that choosing items on sale or on special is the best way to get the best value for money when buying groceries – an increase on 36% in 2022. Only 26% of consumers thought comparing unit prices was the best way to get the best value at the supermarket – up from 23% in 2022.⁹

CHOICE supports further reform to regulate supermarket price displays to address these issues, alongside improvements to unit pricing.

More consumers are using unit pricing to save, but less find it helpful as labelling issues increase

More people are using unit pricing to save on groceries (46%), compared to 42% in 2022. Unfortunately, of those that check unit prices when shopping, there has been a significant decline in the number who find it very helpful, falling to 61% from 71% in 2022.¹⁰

At the same time, an increasing number of consumers are experiencing issues with unit pricing, undermining its effectiveness:

- **38% reported issues with inconsistent units of measure** for the same type of product, a significant increase from 28% in 2022;
- **38% reported unit pricing text that was difficult to read**, an increase from 33% in 2022;
- **32% reported unit pricing was obstructed or covered**, up from 30% in 2022;
- **22% reported inconsistent use of format and/or wording** (e.g. “\$4.27 / kg” vs “\$4.27 per kg”), up from 16% in 2022; and
- **17% reported that the unit price was incorrect**, up from 13% in 2022.¹¹

Overall, only 20% of consumers reported that they hadn’t experienced any issues using unit prices, a significant decline from 29% in 2022.¹²

⁷ CHOICE Consumer Pulse survey is based on an online survey designed and analysed by CHOICE of 1,158 Australians. The data was weighted to ensure it is representative of the Australian population based on the 2021 ABS Census data. Fieldwork was conducted from the 16th of January until the 5th of February 2024.

⁸ ACCC (2024), ‘ACCC takes Woolworths and Coles to court over alleged misleading ‘Prices Dropped’ and ‘Down Down’ claims’, <https://www.accc.gov.au/media-release/accc-takes-woolworths-and-coles-to-court-over-alleged-misleading-prices-dropped-and-down-down-claims>

⁹ Above n. 1

¹⁰ Above n. 1

¹¹ Above n. 1

¹² Above n. 1

CHOICE received dozens of examples of poor unit pricing from supporters

In July this year, CHOICE asked supporters to send in examples of poor unit pricing in supermarkets across the country. CHOICE received dozens of examples, ranging from incorrect unit price calculations and inconsistent units of measure across similar categories to tiny font size and obscured labels. A selection of these examples are included by category in the Appendix to demonstrate the scale of the issues consumers are currently experiencing.

Growing issues demonstrate the urgent need for stronger rules, broader application and strong financial penalties

There is currently little incentive for retailers covered by the Code to ensure compliance. The result of this is evidenced by the sharp increase in issues consumers are facing when trying to use unit prices to make buying decisions. It's crucial that reforms to the Code adequately address these issues in order for the full benefits of unit pricing for consumers to be realised. Similarly, there are many instances where unit prices are not displayed, where consumers would benefit from their provision.

As cost and standard of living pressures persist, it is crucial that these changes are implemented as quickly as possible.

The scope of the Unit Pricing Code should be expanded

There is strong public support for expanding the unit pricing code beyond grocery retailers

Although expanding the scope of the Code to retailers other than grocery retailers, such as department stores, pet supply stores, stationers and hardware stores, is not within the scope of this consultation, CHOICE strongly recommends that this be consulted on and considered next.

There is strong support for a wider expansion of unit pricing. In a CHOICE survey of 9,162 supporters conducted in August 2024, 99% agreed that all major retailers should be required to display unit prices on products in stores and online.

Some non-grocery retailers voluntarily display unit pricing, but ensuring that there are strong rules and that they can be enforced is the only way to improve the legibility, accuracy, consistency, comprehensiveness and usefulness of unit pricing displays.

Recommendation:

The Federal Government should:

1. Expand mandatory unit pricing to other retailers beyond just grocery retailers, subject to further consultation.

The floorspace threshold should be reduced

The current floorspace threshold of 1,000 square metres is no longer fit-for-purpose. Supermarket chains now have a range of stores in smaller formats and there are more medium sized supermarkets that should be captured by the Code, such as those in regional and rural areas. Some countries that have unit pricing rules have much lower floor size thresholds, including the UK, which applies a threshold of 280 square metres or more.

A threshold of 300 square metres or more would likely capture the vast majority of major supermarket chain store formats and other medium size supermarkets, but exclude very small stores that are more likely to be independently run as small businesses.

Recommendation:

The Federal Government should:

2. Reduce the floor size threshold to 300 square metres or larger to expand the scope of the Code.

The minimum range of food-based groceries threshold should be adjusted

The minimum number of product categories a retailer needs to sell in order to be captured by the Code should be adjusted to require unit pricing to be provided by more retailers that sell grocery products. It is currently easy to avoid being captured by the Code by simply not selling one of the 11 categories of products, particularly the fresh food categories. CHOICE recommends that if the retailer sells four or more of the product categories in the list, it should be captured by the Code, unless it is otherwise exempt due to floor size.

The fresh food requirements also limit the potential retailers that might otherwise be captured by the Code, so CHOICE also recommends:

- Replacing butter and fresh milk with 'dairy products'; and
- Replace 'fresh fruit and vegetables' with 'fruit and vegetables'.

Recommendations:

The Federal Government should:

3. From the product categories, replace butter and fresh milk with dairy products and replace fresh fruit and vegetables with fruit and vegetables.
4. Lower the product category threshold to four or more of the product categories in the amended list.

No minimum size or revenue thresholds should be applied to online retailers

Applying unit prices to products sold online provides significant benefits to consumers, enabling easier comparison between online retailers. Increasing the scope by applying the four-or-more product category threshold to online retailers would result in significant benefits to consumers.

Recommendation:

The Federal Government should:

5. Apply only the four-or-more product category threshold to all online retailers and no other thresholds.

Display requirements should be improved

Minimum display characteristics should be strengthened to improve readability and prominence

With 38% of consumers who use unit prices reporting they'd encountered unit pricing text that was difficult to read, it's crucial that new minimum display characteristics address rising readability and prominence issues.

Informed by the National Institute of Standards and Technology (NIST) Unit Pricing Guide, the Code should include a requirement that a person without vision impairment should be able to notice and read the unit price from a normal viewing position and distance. This should take account of other factors that may affect readability and prominence, such as the angle of the label, placement, lighting, glare, etc.¹³

¹³ National Institute of Standards and Technology (NIST) (2025), Unit Pricing Guide <https://nvlpubs.nist.gov/nistpubs/SpecialPublications/NIST.SP.1181e2025.pdf>

The Code should also establish minimum requirements informed by the guidance, including:

- 2) Minimum print sizes for unit prices:
 - a) For in-store shelf labels: the greater of either 6mm or 50% of the selling price;
 - b) For in-store signs: the greater of either 8mm or 25% of the selling price; and
 - c) For online display and printed advertisements: the greater of either 3mm or 50% of the selling price.
- 3) That all components of the unit price information should be the same size print.
- 4) The use of accessible fonts, such as sans serif.

To allow easy comparison of unit prices when shopping online, websites showing unit prices should be required to allow users to sort products by unit price. Some supermarkets have provided this function voluntarily, but consumers would benefit from wider application. It's important that consumers are able to filter by unit price for the products the consumer is interested in to reflect the way consumers shop.

Similarly, unit prices should be required to be provided by grocery comparison websites and on any advertisements wherever a selling price is shown.

Some supermarkets use electronic price labels that split the label between two products. This may make these requirements impractical or would lead to other crucial product information becoming too small to read. Where this occurs, the unit price should be at least as big as the size of the sale price and supermarkets should consider removing non-essential elements to provide more space, such as removing supermarket logos and other non-essential design elements.

Some supermarkets have opted to detail unit pricing information in a high-contrast format – white text on a white box background. This addition should be considered, but informed by behavioural research on different design options before minimum requirements are finalised.

Recommendations:

The Federal Government should:

6. Include a requirement that a consumer should be able to notice and read the unit price from a normal viewing distance
7. Establish the following minimum requirements:
 - a. Minimum print sizes for unit prices:
 - i) For in-store shelf labels: the greater of either 6mm or 50% of the selling price;
 - ii) For in-store signs: the greater of either 8mm or 25% of the selling price; and
 - iii) For online display and printed advertisements: the greater of either 3mm or 50% of the selling price.
 - b) That all components of the unit price information should be the same size print.

- c) The use of accessible fonts, such as sans serif.
- 8. Require websites showing unit prices to allow users to sort products by unit price.
- 9. Require unit prices to be provided by grocery comparison websites and on any advertisements wherever a selling price is shown.

The unit price should also be displayed on any promotional tags

The current requirements to provide the unit price whenever the selling price is displayed – and even when it is the same as the selling price – should be retained.

The unit price should be prominently displayed on any promotional tags and be proportionate to the sale price advertised on the tag, such as specials. This should include the unit price for multi-buy or member-only promotions, including the unit price when the promotional offer is used, as well as the unit price for when it is not also.

Recommendation:

The Federal Government should:

- 10. Retain the requirement that the unit price needs to be displayed whenever the selling price is displayed, including the unit price for when optional promotions are used (such as multi-buy offers) and the unit price for when the optional promotion is not used.

The unit price should be listed immediately next to, or below, the selling price

To ensure the unit price is sufficiently prominent, it should be displayed immediately next to, or below, the selling price on physical and digital signage, as well as online. There should be no other text in between.

Recommendation:

The Federal Government should:

- 11. Require unit pricing to be displayed immediately next to, or below, the selling price, with no other text in between.

Unit pricing should be more consistent

Inconsistencies limit the effectiveness of unit pricing

With 38% of consumers reporting issues with inconsistent units of measure and 22% reporting inconsistent use of format and/or wording,¹⁴ these issues are prevalent and need to be addressed as they make it more difficult for consumers to compare unit prices across products.

Units of measure should be more consistent

For unit pricing to be useful, consistent units of measure need to be used to allow a like-for-like comparison. Current inconsistencies make price comparisons difficult. Research commissioned by the Competition and Markets Authority (CMA) on the use of unit pricing in the UK in 2023 showed that it's important to users that units of measure are consistent across categories and similar products, making it easier to compare products at speed.¹⁵

CHOICE supports further engagement with the National Measurement Institute on packaged products, but products sold loose from bulk should also be considered in relation to changes to national measurement rules.

Changes that should be considered to the Code include:

- Bread and cake mixes should be added to the flour category (priced per kg);
- 'Herbs and spices' should be changed to 'dried herbs and spices' (priced per 10g)
- Requiring a single mandated unit of measure when the packages contain different item counts, such as tea bags and vitamins
- Requiring unit price per net drained weight for products that are intended to be drained prior to consumption, such as tuna and olives.

Tiered unit lists for different pack sizes should not be applied as it will increase inconsistency and make unit price comparison more difficult.

Recommendation:

The Federal Government should:

12. Make changes to the national measurement arrangements for products sold in packages and loose from bulk to remove inconsistencies in the units of measure used for unit pricing, and make changes to the Code, including:
 - a. Bread and cake mixes should be added to the flour category (priced per kg);

¹⁴ Above n. 1.

¹⁵ Competition and Markets Authority (2023), Unit Pricing Qualitative Research Report, https://assets.publishing.service.gov.uk/media/65b7a5e9c5aacc000da68468/_Unit_pricing_qualitative_research_report_-_Basis_Social.pdf?utm_source=chatgpt.com

- b. 'Herbs and spices' should be changed to 'dried herbs and spices' (priced per 10g)
- c. Requiring a single mandated unit of measure when the packages contain different item counts, such as tea bags and vitamins
- d. Requiring unit price per net drained weight for products that are intended to be drained prior to consumption, such as tuna and olives.

Consistent unit pricing formats should be required

At present, retailers display unit pricing in different formats, for example:

- \$ per 100g
- \$ = 100g
- \$/100g

The Code should require a consistent approach in formatting, with the '\$ per' format being the preferred approach as it's the most plain language format.

Recommendation:

The Federal Government should:

13. Require a consistent approach in formatting, with the '\$ per' format being the preferred approach as it's the most plain language format.

Performance-based units of measure should be considered for relevant products

Some products are provided in different concentrations, which can affect the cost per use. While the unit price may be cheaper on a less-concentrated laundry liquid, it may not be cheaper if the consumer needs to use more of that product to achieve the same result as other more concentrated products. Some products are also sold in different forms, including liquid, power, tablet, sheet or capsule.

These products may benefit from a performance-based unit of measure, such as:

- \$ per use

This would have the added benefit of disincentivising making products less concentrated to increase the cost per use without the consumer noticing.

Recommendation:

The Federal Government should:

14. Consider introducing a cost per use unit of measure for products that are commonly provided in different concentrations and forms.

Unit pricing should be accurate

The Unit Pricing Code should require unit pricing displays to be accurate. Providing incorrect unit pricing information is worse than providing no unit pricing information at all, as it will distort a consumer's economic decision making.

Recommendation:

The Federal Government should:

15. Require unit pricing calculations to be accurate.

Shrinkflation notices should be introduced

Shrinkflation may manipulate consumers' economic decision making

Shrinkflation is a significant concern because it has the likely effect of distorting or manipulating a consumers' economic decision making. It has the effect of disguising a price increase per unit through reducing the size of a product which a consumer may not notice. Improving unit pricing will help draw the consumer's attention to which product is the best value, but displaying an explicit notice when a product has been affected by shrinkflation will help prevent the consumer being tricked into paying more than they intended to. In fact, studies have shown that consumers are less likely to alter their purchasing behaviour in response to product downsizing than to an equivalent price increase.¹⁶

¹⁶ US Government Accountability Office (GAO) (2025), CONSUMER PRICES: Trends and Policy Options Related to Shrinking Product Sizes, https://files.gao.gov/reports/GAO-25-107451/index.html?_gl=1*1uj81rl*_ga*MTM1MzY0MjE4OC4xNzU4MjU3OTY1*_ga_V393SNS3SR*cZ3NTgyNTc5NjQkbzEkZzAkdDE3NTgyNTc5NjQkajYwJGwwJGgw#_Toc204674800

Shrinkflation is a common practice across the board

In 2024 alone, CHOICE identified 19 products that had been impacted by shrinkflation. The practice does not just affect brand-name products and is a problem across supermarket-owned products also. Woolworths, Coles and Aldi have all engaged in the practice with their own-brand products in 2024, including:

- Coles Multi Grain (changed from 560g to 495g, with the price remaining at \$4.50);
- Woolworths Max Charge (changed from 560g to 495g, with the price remaining at \$4.50);
- Woolworths Chocolate Rocky Road Tarts (changed from 240g to 180g, with the price increasing from \$7.50 to \$8.00);
- Woolworths Salted Caramel Tarts (changed from 210g to 180g, with the price increasing from \$7.50 to \$8.00); and
- Aldi Iced Christmas Cake (changed from 100g to 90g, with the price increasing from \$2.29 to \$2.39).

The responsibility for shrinkflation is shared between suppliers and supermarkets, who both have a say in the price of the product and both make decisions about the size of the products they supply to consumers.

Shrinkflation notices should deter companies from obscuring price increases

Alerting consumers to when a product has reduced in size and the value has worsened will be a valuable prompt for consumers to check the unit price and to compare the product with other products that may offer better value. The rules should be designed so that the need to display a shrinkflation notice will deter most companies from engaging in this practice altogether and lead to more transparent price increases when they occur.

Shrinkflation notices should be displayed when shrinkflation occurs

As a starting point, grocery retailers subject to the Code should be required to display clear notices on shelves and online when:

- A product has reduced in size;
- The product is substantively the same or similar, notwithstanding a slight change of ingredients, name and/or branding.

Other jurisdictions may provide useful benchmarks about how long the notice should be displayed. The period of time a notice needs to be displayed is two months in France, but 3 months in South Korea, which is reportedly a sufficient amount of time for consumers to notice the change.¹⁷

¹⁷ Ibid

The trigger for displaying the notice must also reflect the increase in the price per unit, while minimising opportunities for avoidance

The regulation must also capture that the product's price per unit has increased due to the reduction in size, as this is a key element of shrinkflation. It is this relative price increase that makes shrinkflation harmful to the consumer.

However, because products sold at supermarkets fluctuate in price frequently, this creates a risk that the shrinkflation notice requirement could easily be circumvented by, for example:

- Increasing the price of the product immediately before replacing it with the smaller-sized product, followed by a decrease in price to make it appear that the product is no worse value, or better value, than before; or
- Introducing the altered product at a cheaper price, then increasing the price soon after.

Preventing this kind of avoidance behaviour could be addressed through a principles-based anti-avoidance rule. For example:

- A rule could be created that deems price changes that have the purpose or effect of masking shrinkflation to be misleading. This will discourage opportunistic price changes designed to avoid the shrinkflation notice requirement.
- An alternate approach could be to include shrinkflation (i.e. a reduction in package size accompanied by an increase in the unit price) without appropriate transparency within the 'grey list' in the proposed ban on unfair trading practices. This would allow the regulator to make an evaluative judgement about the circumstances of the change in package size and/or price to determine whether it is the kind of change that is unfair.

A more prescriptive approach could also be taken to address avoidance, such as implementing a time period requirement on any unit price increase. To be effective, this would need to cover a substantial period of time, for example:

- If the cost per unit increases at any point over a period of three months following the change in size, compared to the usual unit price of the product over the preceding three months. The usual unit price of the product should be considered to be the price that the product was most frequently sold at over the preceding three month period.

In this scenario, the notice should be displayed whenever the unit price of the product is more expensive than the usual unit price of the product for as long as that is the case – and this requirement should cover a period of three months following the change in size of the product. This approach would act as a deterrent to disguising a price increase by reducing the value of the product, but still allow suppliers to reduce the size of products with sufficient transparency.

A prescriptive approach may itself be vulnerable to 'gaming' (e.g. by adjusting the price over a three month period before reducing the package size) minimising its effectiveness as an anti-avoidance strategy, so a principles-based approach to the design of the requirement is preferred.

For either a principles-based or prescriptive approach to managing avoidance, it is likely monitoring will present challenges. Monitoring has been a reported challenge for the scheme in France, relying heavily on consumer reports. However, requiring suppliers to report when a product has reduced in size to the ACCC would likely aid monitoring efforts, which is a voluntary measure that is used in South Korea. Monitoring retail scanner data is another measure that could be effective, which is used in several countries.¹⁸

Recommendation:

The Federal Government should:

16. Require shrinkflation notices to be displayed when:
 - a. A product has reduced in size;
 - b. The product is substantively the same or similar, notwithstanding a slight change of ingredients, change in name or branding; and
 - c. The effect of that change is that the cost per unit for that product has increased.
17. Ensure the requirements cannot be easily circumvented by principles-based anti-avoidance measures.

Shrinkflation notices should be displayed on grocery retailer shelves and online

Requiring suppliers to include shrinkflation notices on their packaging, as opposed to labels on the shelf, would not be practical as it may not enable the essential information to be communicated, such as the difference in unit price, and would be unable to take into account fluctuating prices to ensure the information provided is accurate. At most, this would allow only notification that a product has reduced in size. Therefore, supermarkets are better placed to display shrinkflation notices on shelves and online.

Labels on shelves would also likely increase prominence and the likelihood that a consumer will notice it. These should be displayed next to the price label, as opposed to including all product information on the one label, to ensure sufficient readability and prominence.

As it is the supplier's decision to reduce product size, enabling supermarkets to recoup reasonable costs from suppliers for any notices that need to be displayed may act as an additional deterrent, whilst still addressing the issue of supermarket-owned brands.

¹⁸ Ibid

Recommendation:

The Federal Government should:

18. Require shrinkflation notices to be displayed by grocery retailers on shelf labels, rather than requiring suppliers to include the information on the products themselves, next to price labels, and online.

Shrinkflation notices should be clear and prominent and informed by behavioural research

In principle, shrinkflation notices should be clear and prominent. The design and specific requirements of shrinkflation notices should be informed by independent behavioural research and have the effect of alerting the consumer to the change.

Recommendation:

The Federal Government should:

19. Require shrinkflation notices to be clear and prominent, with specific details to be informed by independent behavioural research.

Strong financial penalties should be introduced

Strong financial penalties are needed to act as a deterrent for non-compliance

CHOICE supports the introduction of strong financial penalties, including infringement notices and civil penalties that would have the effect of being a sufficient deterrent against non-compliance. This should be in line with civil penalties available for breaches of the Australian Consumer Law.

Monitoring will be a challenge, so additional funding should be considered for the ACCC to monitor compliance, or to outsource monitoring, such as to trade measurement officers.

A mandatory review of the Code should also commence within two years after changes are implemented to ensure the Code is providing positive outcomes for consumers.

Recommendation:

The Federal Government should:

20. Include strong financial penalties in line with civil penalty provisions for breaches of the Australian Consumer Law.
21. Consider whether additional funding for the ACCC is required to improve monitoring and compliance efforts.
22. Review the Code within two years of commencement.

Penalties will be proportionate to the offence

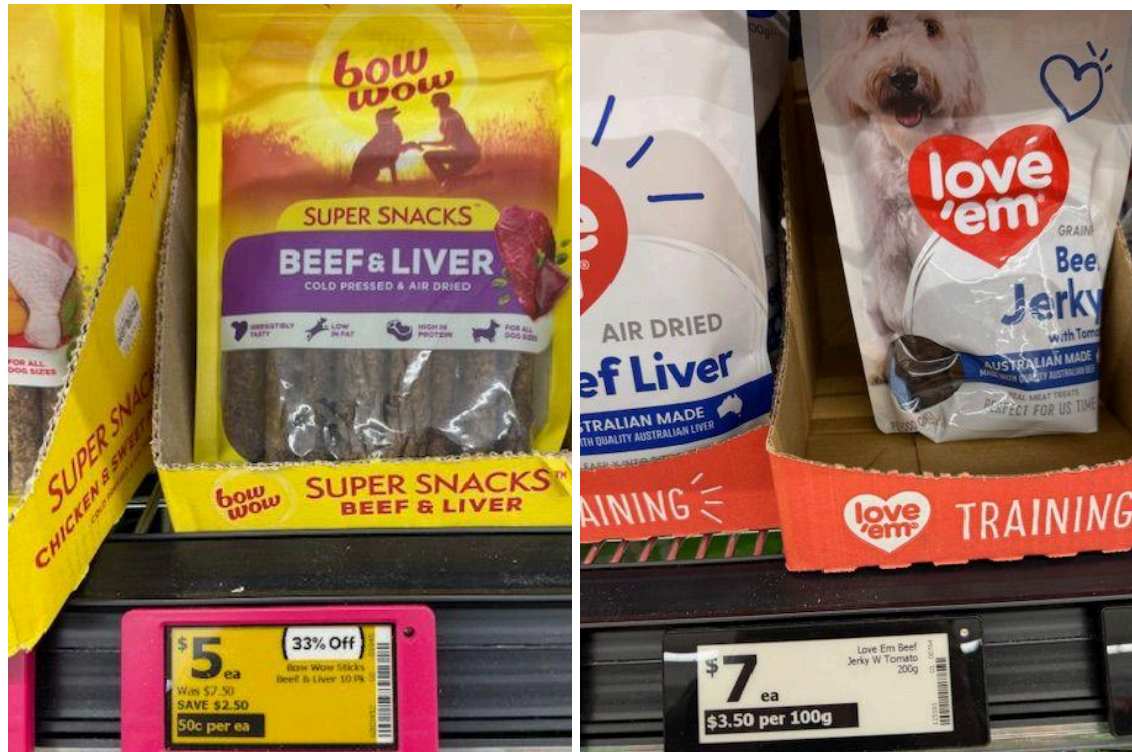
Introducing civil penalties would be unlikely to result in penalties that are unfairly disproportionate to the contravention, as evidenced by how penalties have been applied for various breaches of the Australian Consumer Law due to consideration of the course of conduct and the totality principles. For example, it would be unlikely that one unit price label error that contravenes the Code for a single product that is rolled out through many stores in a network would attract the maximum penalty for every store.

The benefit to consumers of an enforceable Unit Pricing Code outweigh the potential risks

Some retailers that provide unit pricing voluntarily may decide to remove unit pricing if civil penalties are introduced. However, having unit pricing but no way to enforce compliance may not be a good outcome for consumers as it increases the risk that the unit pricing is incorrect, inconsistent or not provided across all relevant products, as there is little incentive to ensure it's done right. The result may be that consumers spend more than intended due to incorrect or confusing information. The benefits to consumers of enforceable unit pricing obligations are clear and far outweigh the risk that some retailers may retract unit pricing they were providing voluntarily.

Appendix

Examples of poor unit pricing documented by CHOICE supporters in 2025

Inconsistent units of measure	
Woolworths Helensvale Westfield 12 July 2025	 The left photograph shows a yellow box of 'bow wow' Super Snacks Beef & Liver. The box features a silhouette of a person and a dog. A pink price tag is attached to the box, displaying '\$5.00 ea' (33% Off), 'Was \$7.50', 'SAVE \$2.50', and '50c per ea'. The right photograph shows a white bag of 'love 'em' Bee Jerky. The bag features a picture of a dog and a heart logo. A black price tag is attached to the bag, displaying '\$7.00 ea' (33% Off), 'Was \$10.50', 'SAVE \$3.50', and '\$3.50 per 100g'.

Woolworths

Whitfords City
(Hillarys, WA)

12 July 2025



Woolworths online

15 July 2025



Q Paracetam... X



Panadol Rapid
Soluble With
Paraceta...g 16 pack



\$6⁰⁰ \$0.38 each

Lists

Add



LOWER WINTER PRICE



Panadol Cold and
Flu Plus
Deconge...g 16 pack

\$10³⁰ \$64.38 per 100EA

Was \$11.45 27/05/2025

Lists

Add



SAVE \$0.50



Panadol Extra For
Pain Relief
Paraceta...g 16 pack

\$6³⁵ \$0.40 each

Was \$6.85

17 July 2025



22 July 2022



Woolworths

Booval Fair, QLD,
4304.

30 July 2025



Coles Local

Adelaide St
Brisbane

9 August 2025



Woolworths

Claremont WA

10 August 2025



\$4.00

\$12.12 / 1KG

McKenzie's Chickpea Flour
330g



**Quick & easy dinner
recipes**

Try one this week



\$5.59

\$1.60 / 100G

Yesyoucan Besan C
Flour 350g

Woolworths

Katoomba

7 July 2025



Harris Farm
Markets

West End Brisbane

7 July 2025



Woolworths

Leichhardt

July 4, 2025



Woolworths
Eltham, VIC
2 July 2025



Woolworths

Earlville Shopping
Centre, Earlville
QLD

21 August 2025





Woolworths

Stockland
Shellharbour

24 Aug 2025



Woolworths

Curlewis

12 Jul 2025



Woolworths

Moruya

9 Sept 2025



Woolworths
Mt Sheridan
6 Sept 2025





Woolworths

Unknown location

9 July 2025



Obscured

Coles

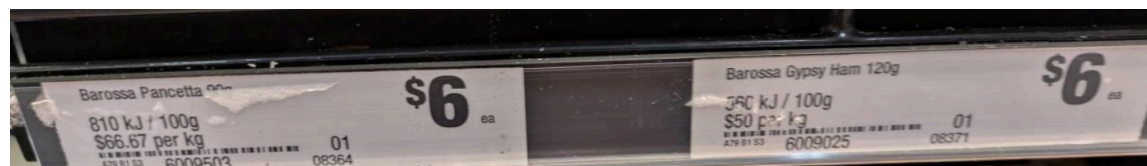
Penrith, NSW
Station Street &
Reserve Street

11 July 2025



Woolworths

21 July 2025



IGA

Manilla

5 July 2025



Unit price is missing / sale price missing

Woolworths

Brickworks, Ashwin
Parade,
Torrensville SA

11 July 2025



Woolworths

Unknown location

Approx 14 July



Woolworths

Narangba -
South-East
Queensland

15 July 2025



Woolworths

Mount Annan

15 July, 2025



Woolworths

Unknown date and
location



Coles

Coles Blackburn
North (Vic)

19 July 2025



Coles

21 July 2025



ALDI

Central Street,
Labrador

21 July 2025



Coles

Labrador

29 July 2025



Woolworths

Smiths' Collective
in Southport

29 July 2025



IGA

South Brisbane

1 Aug 2025



Woolworths

Gordon,
Sydney NSW

11 August 2025



IGA

Boccaccio cellars
VIC

15 August 2025



Coles

Narrogin

16 July 2025



Coles



IGA

Monto

9 July 2025



Coles

Aberfoyle Park
5159,

6 July 2025



Harris Farm
Markets

West End,
Brisbane

7 July 2025



IGA

Manilla, NSW

5 July 2025



22 August 2025



IGA

Turramurra Plaza,
NSW

29 August 2025



Illegible or too small to read easily

IGA

Manilla NSW

12 June 2025



Woolworths

Brickworks, Ashwin
Parade,
Torrensville SA

4 July 2025



Woolworths

Smithfield Qld 4878

18 July 2025



IGA

Greenslopes,
Brisbane

31 July 2025



IGA

Greenslopes,
Brisbane

31 July 2025



IGA

South Brisbane

1 Aug 2025



IGA

South Brisbane

1 Aug 2025



Woolworths Metro

Ann St, Brisbane

7 July



Aldi

Altona Meadows
VIC

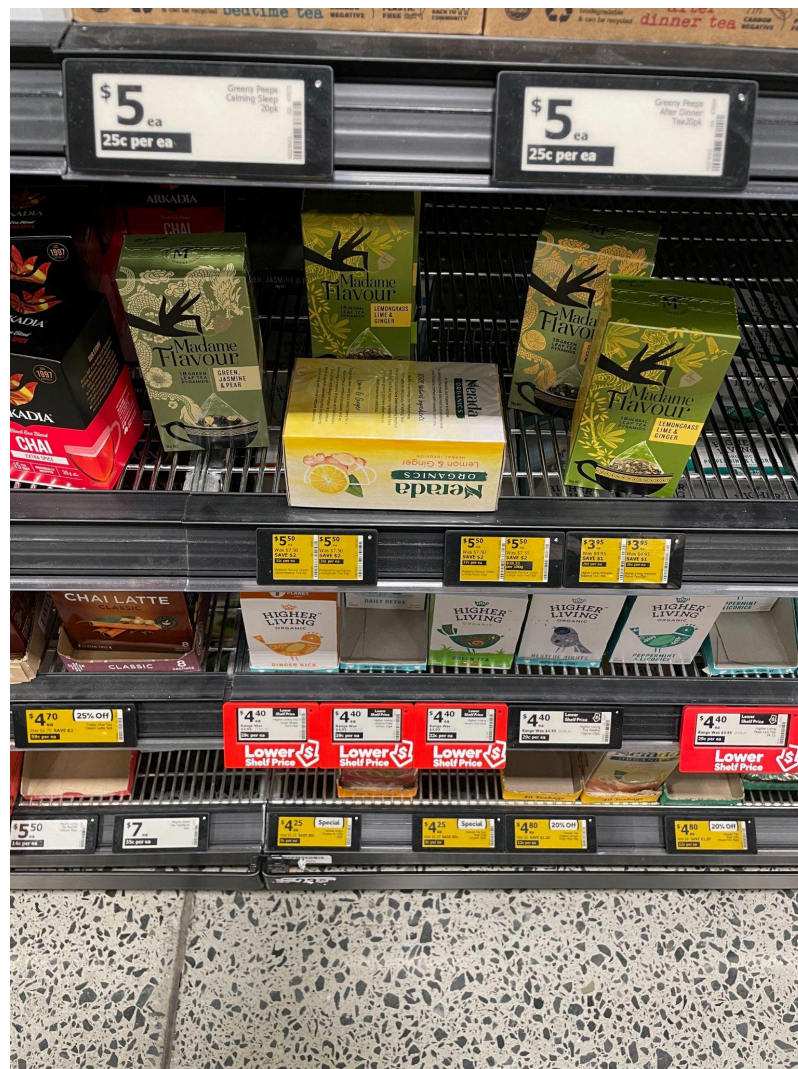
6 July 2025



Woolworths

West Markets,
Brisbane

7 July 2025



IGA

Cooroy, 3 Emerald
Street, Cooroy
QLD

8 July 2025



IGA

Cooroy, 3 Emerald
Street, Cooroy
QLD

8 July 2025



ALDI

West End Brisbane

7 July 2025



IGA

Sydney Road,
Brunswick, Victoria.

4 July 2025



Woolworths

West Ryde

4 July 2025



Woolworths

West Ryde

4 July 2025



Unit pricing info is incorrect (the maths doesn't add up)

IGA

Manilla NSW

12 June 2025



IGA

West Pymble

18 Jul



Woolworths

[Awaiting location]

21 July 2025



Woolworths

Moruya

22 July 2025



IGA

Manilla NSW

24 July

2025



IGA

Manilla NSW

24 July 2025



IGA

Manilla NSW

24 July 2025



Online Woolworths

15 July

09:25



Q Paracetam...



EVERYDAY LOW PRICE



Herron Gold
Paracetamol 500mg
16 pack

\$2⁸⁰ \$2.80 each

Lists

Add

IGA

Greenslopes,
Brisbane

31 July 2025



Foodland Bartley
Terrace

West Lakes Shore
SA 5020

31 June 2025



IGA

Manilla

12 August 2025

SPECIAL

00699896 9311594018601 Ends: 28/10/25

PRIMO SALAMI DANSH
THN SLC80GM

\$3⁹⁵

Was ~~3.9500~~ Save \$2.26
\$56.00 per kg
or buy

2 for \$6.70

Woolworths

Leichhardt
Marketplace

8 July 2025



IGA

Manilla

5 July 2025





Woolworths

Cumberland Park,
SA

4 July 2025



Coles

Westfield Bondi
Junction

4 April 2025



In the wrong place / too far from the sale price

Woolworths on
Queen St,
Brisbane, QLD

7 July 2025

