

17 February 2026

The Treasury
Langton Crescent
Parkes ACT 2600

Dear Treasury,

Improving Price Transparency in the Supermarkets Industry

The Business Council of Australia (BCA) welcomes the opportunity to provide a submission to Treasury's consultation on improving price transparency in the supermarkets sector. The BCA represents Australia's largest employers across all sectors of the economy. Our views reflect engagement with members, including major retailers, as well as businesses across the broader supply chain.

1. General observations

The BCA supports transparency measures that genuinely enhance consumer understanding and confidence, while avoiding unnecessary regulatory duplication or compliance costs that ultimately flow through to higher prices. Any reforms in this area should be clearly justified, proportionate, and consistent with the Government's broader commitment to lifting productivity.

While we acknowledge Treasury and the ACCC's focus on improving price transparency, Australia already benefits from a strong consumer protection and competition framework, underpinned by the Australian Consumer Law and active regulatory oversight by the ACCC. The supermarket sector is highly competitive, as evidenced by low margins,¹ with clear price visibility in-store and online, and consumers actively comparing prices and shopping across multiple retailers. The fast growth in online retailing is adding to competitive pressures. Our members are acutely aware of consumer expectations regarding price transparency and directly experience the reputational and commercial impacts when consumers perceive that retailers are not being transparent. As a result, members already publish extensive price information online and are continually reviewing and implementing measures to enhance price transparency and improve customer trust.

Against this backdrop, the BCA is concerned that elements of the proposals under consultation risk adding complexity and cost without delivering commensurate public benefit. This is particularly critical at a time when inflationary pressures persist and productivity growth remains weak.

¹ According to the most recent audited financial statements for FY2025, Coles reported a net profit margin of approximately 2.4 per cent, while Woolworths Group recorded a margin of around 2.0 per cent.

2. Regulatory burden

Consistent with the outcomes of the Economic Reform Roundtable in August 2025, the Government should prioritise reducing regulatory friction rather than adding further prescriptive obligations. New price transparency measures should be pursued only where there is clear evidence of a market failure that cannot be addressed through existing regulatory frameworks. We have continuously advocated for a legislated commitment to regulatory stocktakes and cost-reduction targets, including a 25 per cent red tape reduction by 2030. Proposed measures like this will not only work against this ambition but also add to inflationary pressures through increased compliance costs.

Mandating new disclosure systems and reporting formats risks diverting business resources away from activities that directly benefit consumers and employees, such as investment in supply chain resilience, operational efficiency, and price competition. These costs would be particularly significant given the scale and complexity of supermarket operations.

3. APIs and data access (Proposal 1.3, consultation questions 8-12)

The BCA does not support mandating that supermarkets develop application programming interfaces (APIs) to facilitate price comparison.

Requiring bespoke API systems would impose substantial cost and technical complexity, particularly given supermarkets carry tens of thousands of products with frequently changing prices and promotions.

Price information is already publicly available via supermarket websites and apps, and web-scraping tools can access this data where there is genuine demand, provided this does not compromise cyber security controls imposed by the website. Mandating APIs where existing solutions are available and under-utilised is not justified and risks imposing costs that outweigh any incremental transparency benefit.

4. Loyalty program disclosures (Proposal 3, consultation questions 21-24)

The BCA also has concerns with proposals to mandate additional disclosure requirements for loyalty programs, including the attribution of a monetary value to points.

Information about how loyalty programs operate is already available to consumers through program terms and conditions and other customer communications. Imposing further disclosure obligations would add cost and complexity without meaningfully improving consumer understanding.

In addition, assigning a cash value to loyalty points is inherently problematic. Many programs explicitly state that points do not have a fixed monetary value, with programs making clear decisions for some rewards to be easier (cheaper) to redeem other than rewards. Assigning a monetary value can also undermine a loyalty scheme's purpose and concept, as many benefits cannot be measured in monetary terms, for example early access to a product or promotion. In addition, redemption options vary widely across products, partners and time. In some cases, loyalty programs are operated through independent joint ventures involving multiple partners, making a single, consistent cash valuation impractical and potentially misleading.

5. Conclusion

The BCA urges the Government to ensure that any reforms arising from this consultation are firmly grounded in evidence, proportionate to the problem identified, and consistent with the objective of

reducing unnecessary regulatory burden. Accordingly, the BCA recommends that these types of proposals only be considered where a regulatory impact statement clearly demonstrates that the expected benefits of the proposal outweigh the costs, while also delivering on the policy intent.

A focus on competition, productivity and cost-of-living outcomes will be best served by avoiding prescriptive interventions that increase compliance costs without delivering clear consumer benefit.

The BCA would welcome the opportunity to engage further with Treasury on these issues.

Yours sincerely

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