

# Mandatory Unit Pricing

July 2022



New Zealand Council Of  
Christian Social Services

Contact Name:	Nikki Hurst Hamish Jarvie
Organisation Name:	New Zealand Council of Christian Social Services (NZCCSS)
Organisation Description:	The New Zealand Council of Christian Social Services (NZCCSS) welcomes the opportunity to provide feedback on Mandatory Unit Pricing. NZCCSS has six foundation members: the Anglican Care Network, Baptist Churches of New Zealand, Catholic Social Services, Presbyterian Support and the Methodist and Salvation Army Churches. Through this membership, NZCCSS represents over 250 organisations providing a range of social support services across Aotearoa. We believe in working to achieve a just and compassionate society for all, through our commitment to our faith and Te Tiriti o Waitangi. Further details on NZCCSS can be found on our website <a href="https://nzccss.org.nz/">https://nzccss.org.nz/</a>

## Tirohanga Whānui | Overview

NZCCSS welcomes the implementation of mandatory unit pricing on grocery items. We believe that this will enable consumers to make more informed decisions in an economy which has experienced significant inflation of essential grocery items. We also recommend that the implementation of these standards consider the size and competitive advantage of larger market players in order to maintain a fair market.

## Taunakitanga | Recommendations

### **Comment One: New Zealand could follow the Australian model.**

Australia has been an important litmus test for unit pricing in the grocery sector. The Australian model outlines which items are included in the system and which units of measurement are used. Larger players looking to move into the New Zealand market will have prior experience in the implementation and upkeep of these systems through their presence in Australia, and will adapt accordingly.

**Recommendation One:** NZCCSS recommends that New Zealand follow the Australian model for the implementation of mandatory unit pricing.

### **Comment Two: A Floor Space Threshold should consider the cost for smaller businesses.**

The inclusion of a floor space threshold has the potential to limit monopolies and impact for smaller locally owned businesses. However, legislation must be nuanced enough to consider that some small businesses make large profits and should not be exempt. Small businesses such as dairies which sell essential goods will (in some cases) not have the staffing or monetary capacity to implement these standards, however, some will. A targeted floor space threshold would impact only grocery suppliers above a certain size, and minimally impact those which have higher prices to cover legitimate costs due to supply chain.

**Recommendation Two:** NZCCSS recommends that consideration be given to smaller grocery businesses with corresponding smaller profit margins while forming this legislation.