



18 February 2026

Supermarkets Taskforce
The Treasury
Langton Crescent
Parkes ACT 2600

via email: supermarketstaskforce@treasury.gov.au

Dear Taskforce

Improving price transparency in the supermarkets industry

The Australian Small Business and Family Enterprise Ombudsman (ASBFEO) welcomes the opportunity to make a submission to Treasury's consultation on improving price transparency in the supermarket sector. We support measures that enhance price transparency and fair competition, while drawing attention to the unique challenges faced by small rural stores and remote community stores.

Small businesses make up approximately 97% of all Australian businesses, employing around 39% of the private sector workforce and contributing approximately one-third of Australia's GDP.¹ While small business is often defined as having an annual turnover of \$10 million or less, about 92% of these have a turnover of less than \$2 million.² This highlights that most Australian small businesses operate on a small or micro scale with resources and capabilities that differ markedly from those of larger enterprises. A supermarket sector that promotes transparency and fair competition is therefore critical not only for consumers, but also for small and family-owned businesses participating in grocery retail and related supply chains.

The ASBFEO supports proposals to improve price transparency and customer awareness of shelf prices. However, we highlight the unique challenges faced by small rural stores and remote community stores, such as those in the Northern Territory, regarding the displaying of prices.

Rural and remote community stores typically experience significantly higher freight and logistics costs due to their remoteness, infrastructure constraints and limited supply chain options. These higher costs flow directly through to shelf prices and can fluctuate more regularly than supermarkets and retailers located in larger regional or metropolitan areas. Further, these costs cannot be readily absorbed or offset, as these stores do not benefit from the purchasing power, distribution networks or economies of scale available to major supermarket chains or urban retailers.

As a result, any price transparency reforms, including price comparison or reporting mechanisms, could place an unsustainable cost burden on these businesses if they do not adequately account for the structural factors causing higher input costs. Without appropriate contextualisation, the pricing practices of independent rural and remote stores may also be unfairly compared with

¹ Australian Small Business and Family Enterprise Ombudsman, *Small Business Data Portal: Number of small businesses in Australia; Contribution to Australian Gross Domestic Product; Contribution to Australian Employment*, ASBFEO, Australian Government, 2025.

² ASBFEO, Number of small businesses in Australia, ASBFEO, July 2025, accessed 11 February 2026



larger regional and metropolitan supermarkets or retailers, potentially distorting consumer perceptions and undermining the viability of essential local businesses in rural and remote communities. The regulatory costs of complying with price transparency requirements in these stores are also likely to be higher due to the more regular fluctuation in the prices of goods.

The ASBFEO advocates for the new price transparency requirements to be designed in a way that accounts for the unique operating circumstances of small rural stores and remote community stores, while balancing the need for greater price transparency for consumers. We recommend the Treasury consult with these entities to ensure that the reforms improve price transparency for consumers while providing a proportionate compliance framework for the small and family-businesses operators.

We also encourage the Australian Government to undertake a targeted examination of supply chain cost structures in rural and remote communities, to ensure that policy responses address the underlying drivers of higher grocery prices in these areas.

If you require any further information, please do not hesitate to contact the Policy and Advocacy team via email at advocacy@asbfeo.gov.au.

Yours sincerely

The Hon Bruce Billson

Australian Small Business and Family Enterprise Ombudsman