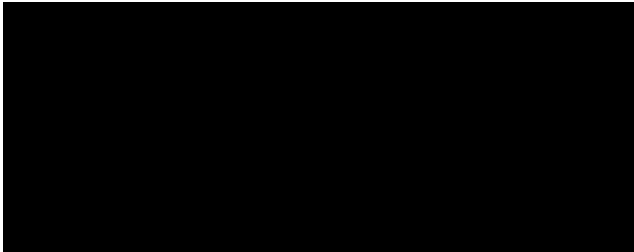


16 August 2023



### **Official Information Act #23.001 – Supermarket Prices**

1. We refer to your request received on 4 July 2023 for information about how much supermarkets Countdown, PAK'n Save & New World mark up their items, particularly meat and produce. You also asked if an enquiry into supermarket markups has taken place, and if not why not.
2. We have treated this as a request for information under the Official Information Act 1982 (**OIA**).
3. On 31 July 2023, the Commerce Commission (**the Commission**) extended the time limit by which we must make a decision on your request to 16 August 2023.

### **Our response**

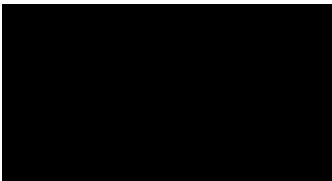
4. The Commission has not conducted an enquiry specifically into how much supermarkets are marking up individual goods. Although such an enquiry has not taken place, in November 2020, the Commission conducted a market study into whether competition in the grocery sector was working well, and if not, what could be done to improve it. A copy of the report from the Market Study into the Grocery sector can be found [here](#).
5. As a result of the Market Study into the Grocery sector, the Commission recommended that changes were required to increase competition in the sector. The recently passed Grocery Industry Competition Act 2023 gives the Commission new responsibilities to monitor and regulate the Grocery section. More information about this can be found [here](#).
6. We have decided to decline your request for information concerning Countdown, PAK'n Save & New World's pricing for items.

7. During the 2020 Market Study into the Grocery sector, the Commission received information from the above supermarkets' parent companies (**the Participants**) concerning costs of goods, revenues and volumes sold per item, on a weekly basis over a period of 2019. The information was provided by the Participants in confidence in response to information requests from the Commission strictly for the purposes of the 2020 Market study into the New Zealand grocery sector.
8. The Commission has consulted with the Participants to seek their views on release of the information. We have decided to withhold all information requested for the following reasons:
  - 8.1 To protect information where the making available of the information would disclose a trade secret or would be likely unreasonably to prejudice the commercial position of the Participants (section 9(2)(b)(ii) of the OIA); and
  - 8.2 To protect information which is subject to an obligation of confidence, where the making available of the information would be likely to prejudice the supply of similar information, or information from the same source, and it is in the public interest that such information should continue to be supplied (section 9(2)(ba)(i) of the OIA).
9. We consider that good reasons exist for withholding the above information which are not outweighed by other considerations which would make it desirable, in the public interest, to make the information available (section 9(1) of the OIA).

#### **Further information**

10. If you are not satisfied with the Commission's response to your OIA request, section 28(3) of the OIA provides you with the right to ask an Ombudsman to investigate and review this response. However, we would welcome the opportunity to discuss any concerns with you first.
11. Please note the Commission will be publishing this response to your request on its website. Your personal details will be redacted from the published response.
12. Please do not hesitate to contact us at [ويا@comcom.govt.nz](mailto:ويا@comcom.govt.nz) if you have any questions about this request.

Yours sincerely



OIA and Information Coordinator