



Australian Government

Australian Government response to the
Senate Economics Legislation Committee report:
Treasury Laws Amendment (Fairer for Families and
Farmers and Other Measures) Bill 2024 [Provisions]

May 2026



Introduction

The Australian Government thanks the Senate Economics Legislation Committee for its consideration of the Treasury Laws Amendment (Fairer for Families and Farmers and Other Measures) Bill 2024.

On 28 November 2024, the Bill was passed by both Houses and subsequently received Royal Assent on 10 December 2024.

The Government provides the following response to the Coalition senators' recommendation.

Response to the recommendation

Coalition senators' additional comment

Recommendation 1

The Albanese Government finally treat supermarket sector competition with the urgency and sufficient penalties required to deliver cheaper groceries, greater opportunity for new entries, and protections for suppliers.

Australian Government response

The Government **notes** this recommendation.

The Government has introduced a comprehensive suite of reforms to ensure that the right regulatory settings are in place to foster a competitive and sustainable supermarket sector, put downward pressure on grocery prices, and hold supermarkets to account.

In addition to the Bill, these measures include:

- implementing regulations to prohibit very large supermarkets from charging excessive prices on groceries
- directing the Australian Competition and Consumer Commission (ACCC) to conduct an inquiry into pricing and competition in Australia's supermarket sector, and agreeing in principle to the recommendations of that inquiry
- increasing maximum penalties for breaches of Australia's competition and consumer laws from \$10 million in 2022 to \$100 million per breach in 2026, ensuring large businesses face meaningful consequences for misconduct
- providing the ACCC with over \$30 million at the 2024–25 Mid-Year Economic and Fiscal Outlook to increase investigation and enforcement activity in the supermarket and retail sectors
- allocating a further \$67.7 million over four years in the 2026–27 Budget to strengthen the ACCC's competition and consumer law enforcement capabilities
- funding the ACCC to deliver a consumer awareness campaign to help shoppers use unit pricing to find the best value for money
- funding CHOICE to provide consumers with more information on supermarket prices
- consulting on options to strengthen the Unit Pricing Code, including to address shrinkflation
- making the Food and Grocery Code of Conduct mandatory, with strong penalties for breaches and enhanced protections for suppliers
- funding national education and training for fresh produce suppliers to support their understanding and enforcement of rights under the Food and Grocery Code
- taking forward recommendations from the ACCC supermarkets inquiry to improve transparency on prices, price trends, promotions and loyalty programs

- reducing the cost of essential items in remote First Nations communities

These measures are complemented by broader competition and productivity reforms. These include the Government's merger reforms, which commenced on 1 January 2026 and require Coles and Woolworths to notify the ACCC and seek approval for acquisitions of supermarket businesses and certain land holdings. The Government is also working with states and territories through the revitalised National Competition Policy to reform planning and zoning rules, supported by the \$900 million National Productivity Fund, to reduce barriers to entry and make it easier for new supermarkets to enter the market.

Collectively, these reforms strengthen competition, enhance enforcement, and improve market transparency. This will put downward pressure on supermarket prices, support new entry and expansion, and strengthen the bargaining position of suppliers, helping to deliver fairer outcomes for Australian households, farmers and producers.