

Monday 23rd April 2007

SA LEADS THE WAY IN PRICE SCANNING ACCURACY

Consumer Affairs Minister Jennifer Rankine says, "It's pleasing to see that price scanning accuracy in South Australia has improved significantly following regular monitoring of retailers who use electronic scanning equipment."

Today the Minister released results of a national electronic scanning audit coordinated by South Australia's Office of Consumer and Business Affairs (OCBA).

"Of all the items scanned in SA, 97% scanned at the correct price. This is an encouraging improvement given the previous year's result of 91% and places South Australia equal first with Victoria," Ms Rankine said.

While some inaccuracies put people out of pocket, many were also in their favour. Of the 3% of items that scanned incorrectly 1% were overcharges and 2% were undercharges.

This is the fourth consecutive year audits have been conducted and forms part of study being carried out by the State and Territory fair trading agencies.

The 2007 audit focused on a range of retail outlets including service stations, pharmacies, hardware stores, discount and variety stores.

159 stores were visited and more than 4000 individual items scanned.

While scanning errors have reduced dramatically, the Minister said there still is room for improvement.

"60% of South Australian stores audited had at least one item that scanned at an incorrect price. These stores clearly have more work to do in managing their electronic scanning methods," Ms Rankine said.

Variety stores across Australia fared the worse, with 75% of stores having at least one price scanned incorrectly.

"People cannot feel completely confident they will be charged the advertised amount at the checkout while stores are showing these errors. An incorrect price scan, whether it's in favour of the buyer or not, is still a potential breach of the Fair Trading Act," Ms Rankine said.

Whilst it's unlikely that OCBA would prosecute a store for undercharging, it should serve as a wake-up call to industry that there's a potential to lose money and should ensure their processes and equipment are operating accurately.

South Australian stores which showed non-compliance were immediately advised of the errors and asked to rectify the situation.

Follow up visits will be carried out, **and if errors are again detected OCBA will consider prosecution action.**

As a result of the 2007 audit, Trade Measurement Inspectors have conducted follow-ups on stores that had discrepancies and all but one were found to be 100% compliant.

Supermarkets were not a key focus for this national project, as most subscribe to a voluntary code that is supported by State, Territory and national fair-trading agencies. Under the Code of Practice for Computerised Checkout Systems, stores are required to ensure the price accuracy of their checkout systems and shelf pricing procedures.

“Diligently check your dockets and watch the prices as items are being scanned. If you find a problem, talk to the store. If you can’t resolve it there, report it to OCBA,” Ms Rankine said.

There is no excuse for any store failing to address pricing errors, and the Office will take action where an outlet fails to resolve a scanning problem that has been brought to its attention.

Complaints regarding price scanning should be directed to OCBA on 8204 9777, or 131 882 for country callers.

2007 Audit Results

% of items that scanned correctly

State/Territory	% correct
SA	97%
Vic	97%
QLD	95%
WA	92%
ACT	89%
NSW	88%
TAS	84%
NT	81%

Highest overcharge in this audit

State/Territory	Store Type	Over charge amount
ACT	Hardware	\$40.00
South Australia	Pharmacy	\$33.00
Northern Territory	Variety	\$15.00
New South Wales	Pharmacy	\$10.00
Queensland	Hardware	\$8.15
Western Australia	Pharmacy	\$5.00
Tasmania	Hardware	\$2.11
Victoria	Variety	\$1.00

Examples of items with incorrect prices in SA per store category

Item	Shelf Price	Scanned Price	Variance
Service Station - car polish	\$11.99	\$13.49	+\$1.50
Pharmacy - hair styling product	\$26.95	\$59.95	+\$33.00
Variety - water filtration device	\$39.99	\$27.99	-\$12.00
Hardware - tool kit - 70 pieces	\$38.92	\$34.89	-\$4.03