

OUTRAGEOUS FORTUNES

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Consumer groups flooded with gripes as customers vent price fury

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BUSINESSES are raking in billions of dollars as customers complain of blatant ripoffs.

Airport car parks, airlines, ticket booking agencies and banks are among industries attracting the biggest gripes about “outrageous” charges, consumer group Choice says.

“Lack of effective competition, the cost of convenience, pointless brand loyalty and a ‘lazy tax’ of not seeking out the best deal are costing consumers a small fortune,” Choice spokesman Tom Godfrey said.

“These fees and charges create anger and frustration because they come on top of significant pressures on the household budget such as electricity and gas bills, medical expenses and petrol.”

Melbourne Airport creamed a staggering 73.2c profit for every \$1 of carparking revenue in 2014-15, latest published data shows.

Short-term carpark users are slugged a drive-up rate of \$29 for one to three hours. Those staying for two days are charged \$109-\$119, more than double that of the less convenient long-term carpark.

man Grant Smith said drive-up prices were clearly displayed at entry. He noted “significant discounts are frequently available online”.

Travellers stung with huge fees to cancel flights have prompted a Choice “super complaint” to the Australian Competition and Consumer Commission alleging unfair tactics.

“We found airlines were charging as much as \$550 to cancel a ticket, and refusing to give refunds even when there was ample time to resell a seat,” Mr Godfrey said.

Qantas, Virgin, Jetstar and Tigerair have said fare terms and conditions are clearly disclosed, and compliant with Australian Consumer Law.

Sports fans unable to bring in cheaper alcohol to stadiums were regularly “held to ransom”, Mr Godfrey said.

Etihad Stadium said its beer prices, starting from \$5 for pots, “compared favourably” with other AFL venues. It’s biggest seller, the 425ml size, is \$7.80. At the MCG, a 425ml mid-strength Carlton Draught is \$7.80. A pot is \$5.40.

Etihad Stadium spokesman Bill Lane said the \$5 pot price had held for three years, and there was no intention to change this season.

Bottled water sales, worth about \$750 million annually, are thriving despite some brands costing up to 1830 times the price of tap water.

Mr Godfrey said cleverly marketed bottled water was no healthier than tap water, and some products were nothing more than treated tap water.

Australian Beverages Council chief Geoff Parker said prices reflected costs such as packaging, transport, and safety and quality testing.

An industry source argued bottled water profit margins, at about 5 to 10 per cent, were similar to that of soft drinks and not excessive.

Choice also branded “ridiculous” the size of ticket agency “service and handling” fees, particularly when tickets were printed at home. A *Herald Sun* website check found Ticketmaster’s quoted per-transaction charge for next month’s Justin Bieber concert at Etihad Stadium was from \$9.95.

Ticketmaster said: “There is a lot of technology involved in both producing a secure ticket and giving venues across the country the ability to scan these tickets. We are always reviewing these charges ... and keep these to a minimum.”

The practice of charging consumers to receive paper bills has spread from the telco industry to other sectors. Energy giants last year introduced fees from \$1.69 to \$1.75 for some customers. Telcos and some banks charge up to \$2.50 for paper statements.

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COUNTING THE COST



Melbourne Airport short-term carpark:
\$29 (1-3hr) \$39

(3-4hr) \$59 (6-24hr)
\$109-\$119 (2 days)



Sports stadium beer: MCG \$7.80 (425ml) \$5.40 (285ml); Etihad

\$7.80 (425ml) \$5 (285ml)
Australian Open \$9.50 (425ml)



Ticket agency per-transaction service/handling fee:

Ticketmaster Justin Bieber concert \$9.95;
Ticketek Australia v Sri Lanka T20 \$6.85



Flight cancellation: Up to \$550



Bottled water: Up to 1830 times more expensive than tap water



Printer ink cartridges: Up to \$5128 a litre



ATM withdrawal: \$2-\$35



Credit card late payment fee: \$9-\$35



Telco late payment fee: Up to \$15 plus interest



Paper bills: Up to \$2.50