

## PRODUCE AND GROCERY INDUSTRY CODE ADMINISTRATION COMMITTEE

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### Draft News Release

#### **The impact of the Mandatory Horticulture Code of Conduct on the voluntary Produce and Grocery Industry Code**

The Produce and Grocery Industry Code Administration Committee (PGICAC) held its twentieth meeting on 12 December 2006 in Melbourne.

The Committee welcomed the Department of Agriculture, Fisheries and Forestry as the new Secretariat for the Committee following the transfer of the secretariat support from the Department of Industry, Tourism and Resources.

At this meeting, the Committee discussed the impact of the mandatory Horticulture Code of Conduct on the voluntary Produce and Grocery Industry Code of Conduct. The voluntary code will still have a significant role within industry due to its overall coverage whereas the mandatory code only covers growers and wholesalers in the fresh fruit and vegetable industry. Also, the mandatory code does not apply to retailers, processors or exporters who purchase growers produce, and also only applies where one party is incorporated or where the produce is traded across State borders.

The Committee could see no conflict between the codes and believes they will run alongside each other without any need to amend the voluntary code.

Also at this meeting, the Committee considered a number of recommendations from the Strengthening the Code Reference Group and will make changes to the Code such as:

- including the words 'concise' and 'reasonable' for suppliers and retailers to consider when using written contracts to evidence the terms and conditions of supply; and
- attaching a Terms of Trade Contract template to the Code to provide guidance on the form of a written contract listing possible requirements such as the general terms, supplier obligations, price determination, variation and notification.

The Committee also discussed the report received from the Produce and Grocery Industry Ombudsman (PGIO) which advises of the updated and expanded website which includes an on-line enquiry form. The PGIO also advised that there are currently 36 mediators available across the nation to mediate disputes in accordance with the Code.

Further Information on the PGIO can be found at [www.produceandgroceryombudsman.com.au](http://www.produceandgroceryombudsman.com.au) and for information on the voluntary Code visit [www.produceandgrocerycode.com.au](http://www.produceandgrocerycode.com.au).

For further information, contact Ian Davis, Chairman, on (03) 8608 2897.

15 January 2007

Code signatories include: Aldi Stores; Australian Chamber of Fruit and Vegetable Industries Limited; Australian Dairy Farmers, Australian Chicken Growers Council, Australian Egg Corporation Ltd; Australian Food and Grocery Council; Australian Retailers Association; Coles Myer Limited; Murray Valley Winegrape Growers; National Association of Retail Grocers of Australia; National Farmers Federation; National Retail Association; Horticulture Australia Council; Queensland Retail Traders and Shopkeepers Association; and Woolworths Limited.