

## PRODUCE AND GROCERY INDUSTRY CODE ADMINISTRATION COMMITTEE

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### Statement of Outcomes

The Produce and Grocery Industry Code Administration Committee (PGICAC) held its twenty-fifth meeting on 6 March 2008 in Sydney.

#### *ACCC Grocery Prices Inquiry*

The PGICAC agreed to provide a submission to the ACCC Grocery Pricing Inquiry particularly as the Inquiry includes an evaluation of the Horticulture Code of Conduct. The PGICAC agreed it should inform the ACCC of the history and background of the Produce and Grocery Industry Code of Conduct (PGICC) which, as a successful voluntary code, could be impacted by changes to the Horticulture Code. It was agreed the submission would identify the role of the PGICC within the produce and grocery supply chain, successes of the PGICC, historical events that lead to its establishment, and the possible impact of an expanded Horticulture Code. Subsequently, a draft submission was finalised at the meeting and lodged with the ACCC inquiry on 11 March 2008.

#### *Produce and Grocery Industry Ombudsman*

The Produce and Grocery Industry Ombudsman reported that five dispute enquiries have been received for the period 12 December 2007 to 21 February 2008. The dispute enquiries related to overdue payments for goods supplied. Each of these enquiries came from regional locations. Each enquirer was sent an information pack, outlining the steps to take in resolving a dispute under the PGICC.

The Ombudsman continues to place emphasis on approaching the other party to resolve the matter without resorting to mediation. This approach has been effective in encouraging cooperation between the disputing parties and maintaining their business relationship.

The PGICAC discussed a range of avenues for promotion of the services offered by the Ombudsman. It was agreed that Members of the PGICAC would raise this issue with individual organisations, with the intention of making available opportunities for the Ombudsman to inform stakeholders of the services offered within newsletters, industry forums and Conferences.

#### *Standards and Specifications Sub-Committee*

The Standards and Specifications Sub-Committee reported that the intent of the project is to draft a recommended set of product specifications which provide a sound basis for the industry to use. Mr Chris Mara reported that preliminary discussions with a number of industry representatives on the concept of a product standard and specification had been well received. Some industry groups noted a number of benefits - including uniformity in supply and dispute resolution measures. The Sub-Committee noted that broad industry support and acceptance will be required when considering the establishment of such standards. Further industry consultation is planned.

For further information, contact PGICAC Chairman, Ian Davis on (03) 8608 2897 or email [info@produceandgrocerycode.com.au](mailto:info@produceandgrocerycode.com.au)

### Background

The Produce and Grocery Industry Code Administration Committee was established in 2000 by the Australian Government to administer the Retail Grocery Industry Code of Conduct. The code covers all industry participants in the produce and grocery industry in their vertical supply relationships, from primary producers and growers to supermarket retailers and provides a mechanism for dispute resolution through the Produce and Grocery Industry Ombudsman. In February 2005, the code was renamed the Produce and Grocery Industry Code of Conduct to better reflect the coverage of its scope within the industry.

25 March 2008

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 Group 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.