
**PRODUCE AND GROCERY INDUSTRY CODE
ADMINISTRATION COMMITTEE**

Statement of Outcomes

The Produce and Grocery Industry Code Administration Committee (PGICAC) held its twenty-sixth meeting on 29 August 2008 in Melbourne.

Establishment of a sub-committee to consider the implications of the recommendations of the ACCC Grocery Inquiry in relation to the mandatory Horticulture Code of Conduct on the Produce and Grocery Industry Code

The PGICAC discussed the Australian Competition and Consumer Commission grocery prices report and its recommendations, particularly those relating to the extension of the Horticulture Code of Conduct to cover all first points of sale. The Committee expressed concern that extending the horticulture code would potentially damage the effective functioning of the Produce and Grocery Industry Code and unanimously agreed to establish a sub-committee to consider alternative approaches to meet the objectives of the ACCC's recommendations, with a view to preserving the underlying viability and effectiveness of the voluntary code. The PGICAC agreed the sub-committee should meet as soon as possible with a view to the PGICAC communicating with the Minister in October.

Produce and Grocery Industry Ombudsman

The Committee accepted the Ombudsman's 2007-08 Annual Report and requested that it be placed on the committee web-site. The Chair acknowledged the efforts of the Ombudsman in continuing to place an emphasis on early resolution of disputes without resorting to mediation. This approach has been effective in encouraging cooperation between the disputing parties and maintaining their business relationship. The Ombudsman presented its annual report, which was unanimously supported by the Committee.

PGICAC Annual report

The Committee unanimously adopted the 2007-08 PGICAC Annual report. The report highlights the activities of the Committee Chairman in 2007-08, particularly the Committee's participation in the review of the PGIC, making two submissions to the ACCC's grocery prices inquiry, amending the PGIC and establishing sub-committees to clarify membership procedures and to investigate the possibility for developing standards and specifications for the fresh horticultural produce sector. It also provides statistics on the use of the dispute resolution procedures in 2007-08. The report will be posted on the PGICAC web-site and presented to the Australian Government.

Reappointment of Mr Ian Davis as the Committee Chair

Mr Ian Davis was reappointed as the PGICAC Chair for a period of 12 months. This was supported by all members of the PGICAC.

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

1 September 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.