

Public Submission RE Horticulture Code by Bundaberg Fruit and Vegetable Growers on 6th June 2008.

About our Organisation

Bundaberg Fruit and Vegetable Growers (BFVG) is a non-trading, not-for-profit Cooperative with over 400 members. Our purpose is to provide services to our members and to ensure their voice is heard on a wide variety of issues. BFVG was established in 1948 and represents an industry in excess of \$350 million of production per year. It is also a key employer and economic driver for the Bundaberg and surrounding regions.

Parties Engaged

The BFVG board has discussed the Code since its inception. There have been information sessions for growers conducted directly by BFVG and also in conjunction with Growcom and the ACCC. Three separate information sessions in total have been held in the last 18 months throughout the region. Our monthly Newsletter has also provided updates and information on the Code to growers and other interested stakeholders. The comments below are a compilation of key points identified by the BFVG board and by individuals who have provided comments to BFVG separately.

Comments on Code Workings

- A strong consensus view is not possible due to the mixture of opinions and diverse farm operations (including various commodities) that are impacted on differently from the current code and any proposed changes.
- Changes to individual business operations and systems have already occurred due to the current Code regulations. Some have been with minimal disruption to businesses while for others there are still significant problems.
- Grower owned Cooperatives have been wrongly included in the first point of sale transactions and have been incorrectly bound by pooling and price averaging rules.
- For some the Code has not improved transparency, clarity or consistency. This is something growers are seeking out of the Code.
- With replicated template contracts and lack of Agent / Merchant choices there is minimal chance for growers to 'shop around'. How can grower's in-affect negotiate better outcomes when there is limited variety / choice or opportunity to change terms of trade or standard horticulture produce agreements?
- Minimal enforcement has occurred which has meant limited incentive to act within regulations. Growers have expressed concerns that they are unwilling to progress complaints with the ACCC for fear of reprisal. What effort can be made to ensure random audits are applied to reduce the need for a specific complaint to be made?
- As a whole the Code does not appear to be delivering its intended outcomes and there is some disillusionment with it covering the wholesaler sector and not retail.

Opportunity submit

BFVG thanks the ACCC for the opportunity for our industries concerns to be taken into consideration during the submission process. We would welcome the opportunity for the ACCC to meet and discuss the Code with the BFVG directors. Should further information or clarification be required please contact the Executive Officer of BFVG on (07) 4153 3007.