

**From:** HAC CEO [mailto:ceo@hac.org.au]  
**Sent:** Wednesday, 18 June 2008 12:14 PM  
**To:** Grocery Inquiry  
**Subject:** Submission by Horticulture Australia Council

Dear Tom, can you please treat this as a further public submission to the Grocery Inquiry:

Growers frequently complain of tactics where wholesalers claim (either explicitly, or by requesting product to a certain retailers' quality and packaging specifications) to be acting on behalf of a particular retailer (i.e. as a buyers' Agent). In some cases, of course, this is accurate. In many cases (to the detriment of the retailers' reputation), it is not.

This tactic allows the supposed buyers' Agent to reject product, based on the spurious assumption/assertion that it had been rejected by the retailer. This is frequently allied with an offer to "assist" the grower out of a difficult situation by placing/selling the product on their behalf; though ("naturally") this will incur the penalty of a reduced return (that is, a price discount has been extracted from the grower). In some cases, if the market is over-supplied, the produce will simply be returned – at the growers' expense, of course, and in many cases several days after was received (and frequently with the quality impaired).

This is another example of the Trader supposedly trading as an Agent (though acting on whose behalf is very unclear), while in fact operating as a Merchant.

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**Members of HAC include: Agricultural Investment Managers Australia; Apple & Pear Australia Ltd; Avocados Australia Ltd; Australian Banana Growers' Council; Australian Citrus Growers Inc; Australian Custard Apple Growers Association; Australian Dried Fruits Association;**

*Australian Mushroom Growers Association Ltd; Australian Nut Industry Council; Australian Passionfruit Industry Association Inc; AUSVEG; Cherry Growers of Australia Inc; Growcom; NSW Farmers Association; Nursery & Garden Industry Australia Ltd; Persimmon Industry Association Inc.; Strawberries Australia; Turf Producers Australia*