Response ID ANON-FTNX-YRCH-P

Submitted to Supermarkets inquiry issues paper Submitted on 2024-04-02 16:41:39

Introduction

What is your name?

Name: Hon. Anthony Fels

What is your email address?

Email:

What is the name of your organisation?

Organisation: Retired Member of Parliament

Are you responding to this survey as:

Consumer or community advocacy group

If other, please specify: : Retired Shadow Minister for Consumer Affairs

What is the size of your organisation?

Small business - less than \$10 million annual turnover

Do you wish to publish your submission anonymously?

No - please publish both my name and organisation name

Guided submission - Tell us about yourself

Your response:

Please provide some background information about yourself:

My name is Anthony Fels and I am a sole trader. I have been a farmer all of my life. I am located in Western Australia Prior to entering Parliament I also operated many small businesses. One of these included wholesaling and retailing of fresh produce since the 1980's from the former West Perth fruit markets and later at the new Canningvale markets in the 1990's up until the time when I was sworn in on 22 May 2005. One of my best customers since 1998 included the Parliament House Dining Room. My interest in this inquiry follows years of study of the dominance of Coles and Woolworths in the supply chain of fresh produce. I would like to refresh the ACCC of my submission made immediately after I was appointed Shadow Minister for Consumer Affairs in the Birney Liberal Shadow Cabinet on 22 May 2005, whereby I urged the ACCC to then block the proposed takeover of 19 Action Supermarkets from FAL (Foodland) at that time. I subsequently flew to Canberra 2 weeks later at my personal expense (I never received any reimbursement from Department of Premier & Cabinet for this, or 24 overseas trips I made whilst in Parliament) seeking to meet Commissioner Graeme Samuel but I was met by ACCC Directors Palsie & Downie on Friday 24 June 2005. I am not sure if my submission and subsequent comments from that meeting ever reached Commissioner Graeme Samuel, however he ultimately agreed to the takeover by Woolworths of these 19 independent Action supermarkets. I believe the matters raised in my discussions with Directors Palsie & Downie on 24/6/2005 and my submission almost 19 years ago are still relevent today, and I would respectfully ask the ACCC to consider again these issues in context of your present inquiry particularly as it relates to consumers, suppliers, and farmers.

Is there any confidential information you would like to provide in support of your response?

Please provide any confidential background information if applicable here:

No

Why is this information confidential?

Please provide reason for background confidential reason:

I like everything to be open and transparent.

Guided submission - Market structure and impact on level of competition

Your response:

Please provide response to question on market structure and impact on level of competition:

Obviously there is a lack of competition.

Is there any confidential information you would like to provide in support of your response?

Please provide confidential response on market structure if applicable:

No, I am happy to attend any public hearings again (at my own expense again) to discuss any of these issues.

Why is this information confidential?

Please provide reason for confidential response to market structure question:

As a long term shareholder of Wesfarmers since is was a farmer co-operative, and FAL as a cooperative member since the 1980's; and subsequently Coles since the Wesfarmers demerger, I'm not afraid of Coles or Woolworths, or any repercussions as a result of this inquiry.

Guided submission - Price and non-price competition

Your response:

Please provide response to price and non-price competition question :

Both of these supermarkets regularly crank up their prices, then advertise a 50% price drop to consumers to make themselves look good.

Is there any confidential information you would like to provide in support of your response?

Please provide confidential response to price and non-price question if applicable:

No

Why is this information confidential?

Please provide reason to confidential response of price and non-price competition question:

See above

Guided submission - Pricing and margins

Your response:

Please provide response to pricing and margin question:

The lack of competition ,and availability of suitable retail sites for competitors is a major factor in the high costs to consumers, and low prices received by farmers and businesses as price - takers for their products.

Is there any confidential information you would like to provide in support of your response?

Please provide confidential response to pricing and margin question if applicable:

No

Why is this information confidential?

Please provide reason for confidential response to pricing and margin question if applicable:

See above

Guided submission - Industry trends

Your response:

Please provide response to Industry trends question:

Loyalty and rewards is just a smokescreen. For many years the practice of 4c/L fuel discount was illegal in WA yet the DMIRS closed their eyes to their own Statutory requirements.

Is there any confidential information you would like to provide in support of your response?

Please provide confidential response to industry trend question if applicable:

No

Why is this information confidential?

Please provide reason for confidential response to industry trend question:

See above

Guided submission - Barriers to entry and expansion

Your response:

Please provide response to barriers to entry and expansion question:

The only way to encourage competition is to force the divesting of Coles & Woolworths dominance.

Is there any confidential information you would like to provide in support of your response?

Please provide confidential response to barriers to entry and expansion question if applicable:

No

Why is this information confidential?

Please provide reason for confidential response to barriers to entry and expansion question:

See above

Guided submission - Consumer experiences

Your response:

Please provide response to consumer experience question:

It is harder and harder to make complaints, or draw attention to Supermarket staff. The industry is rapidly heading towards self-checkout. It is not viable to waste time complaining about any of these issues to anyone on site. All of the decision makers are located off-site, and have to contact via lengthy on-line methods such as ACCC are using now with their own submission process. Furthermore, it takes weeks to get any response other that a computer generated response.

Is there any confidential information you would like to provide in support of your response?

Please provide confidential response to consumer experience question if applicable:

No

Why is this information confidential?

Please provide reason for confidential response to consumer experience question:

See above.

Guided submission - Grocery supply chains

Your response:

Please provide response to grocery supply chain structure question:

I regularly attend Muchea, Katanning, Boyanup & Mt Barker livestock saleyards. The lack of competition is widespread, leading often to pens of livestock remaining unsold, while there is no change toi the ultra high prices charged by the Supermarket chains.

Is there any confidential information you would like to provide in support of your response?

Please provide confidential response to grocery supply chain structure question if applicable:

No

Please provide reason for confidentiality response to grocery supply chain structure question: No Guided submission - Competition in grocery supply chains Your response: Please provide response to competition in grocery supply chain question: Over regulation has made it too difficult for new competitors to enter the market. Is there any confidential information you would like to provide in support of your response? Please provide confidential response to competition in grocery supply chain question if applicable: No Why is this information confidential? Please provide reason for confidential response for competition in grocery supply chain questions: See above Guided submission - Information on contracting practices Your response: Please provide response to information on contracting practices: Suppliers have no capacity to negotiate. Is there any confidential information you would like to provide in support of your response? Please provide confidential response to information on contracting practices question if applicable: No Why is this information confidential? Please provide reason for confidential response to information on contracting practices question: See above Guided submission - Information on other trading arrrangements Your response: Please provide response to question on information on other trading arrangements: Trading relationships progressively move towards the bigger suppliers, major abattoirs, etc. Is there any confidential information you would like to provide in support of your response? Please provide confidential response on other trading arrangements if applicable : No Why is this information confidential? Please provide reason for confidential response on other trading arrangements question: See above Guided submission - Buyer power Your response: Please provide response to buyer power question:

Individual consumers have no power.

Is there any confidential information you would like to provide in support of your response?

Please provide confidential response to buyer power questions if applicable:

No

Why is this information confidential?

Please provide reason for confidential response to buyer power question:

See above

Guided submission - Margins and price transparency in grocery supply chains

Your response:

Please provide response to margins and price transparency in grocery supply chain question:

All costs savings are passed on as profits to the Supermarkets. They are not passed on in the form of savings to customers; or higher prices to suppliers. This is just fantasy stuff.

Is there any confidential information you would like to provide in support of your response?

Please provide confidential response to margins and price transparency in grocery supply chain question if applicable:

No

Why is this information confidential?

Please provide reason for confidential response to margins and price transparency in grocery supply chains question:

See above

Guided submission - Other factors impeding or supporting efficient supply or pricing

Your response:

Please provide response to other factors impeding or supporting efficient supply or pricing question:

Farmers are rapidly exiting industries that supply the local market, and moving to industries that can compete on international markets. This is why so many are exiting beef, sheep, dairy & pork production, and expanding into crops for bulk export.

Is there any confidential information you would like to provide in support of your response?

Please provide confidential response to other factors impeding or supporting efficient supply or pricing question if applicable:

No

Why is this information confidential?

Please provide reason for confidential response to other factors impeding or supporting efficient supply or pricing question:

see above

Written submission - Upload page

Please upload your public written submission in either PDF or Word Doc format.

Upload documents for your public written submission: 050706 Fels Submission to ACCC anti Woolworths Action Supermarket Takeover.pdf was uploaded

Please upload a confidential version of your written submission, should you wish to do so.

Confidential written submission upload: No file uploaded