



12 March 2015

Dr Kathleen Dermody
Committee Secretary
Senate Economics Legislation Committee
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Parliament House
Canberra ACT 2600
AUSTRALIA

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Dear Dr Dermody

The New Zealand Food & Grocery Council thanks you for the invitation to make a submission on the ***Inquiry into the Competition and Consumer (Industry Codes—Food and Grocery) Regulation 2015***.

The NZFGC represents the major manufacturers and suppliers of food, beverage and grocery products in New Zealand. This sector is a major contributor to New Zealand's export revenue particularly from the opportunity to supply into Australia.

Many of our members are either exporting to Australia or are trans-Tasman companies headquartered in either country or in third countries and operating in both countries.

We repeat our view conveyed to the Treasury in 2014 on this matter that NZFGC is strongly supportive of measures that assist suppliers in their negotiations and relationships with the major supermarket chains. The draft Competition and Consumer (Industry Codes – Food and Grocery) Regulation 2015 is a further and important step towards addressing certain aspects of supermarket conduct and the supplier – wholesaler/retailer relationship.

The key area of interest for NZFGC was the extent to which the UK model of an independent adjudicator was reflected in the Code/Regulations. This is not a feature of the Regulations. However, review of the uptake and general application for the Code after three years is a requirement and NZFGC looks forward to the outcome of that review in due course.

Yours sincerely

Katherine Rich
Chief Executive