From: Pene Snashall

To: <u>Perishable Agricultural Products Inquiry</u>

Subject: ACCC Public Enquiry

Date: Thursday, 17 September 2020 3:48:38 PM

Copy provided directly to the ACCC

Pene



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From: Peter Bender

Sent: Thursday, 17 September 2020 3:46 PM

To: senator.duniam@aph.gov.au

Cc: Pene Snashall <psnashall@huonaqua.com.au>; Peter Bender <pbedder@huonaqua.com.au>

Subject: ACCC Public Enquiry

Dear Senator Duniam.

Thank you for the invitation to make a submission to the ACCC Public Enquiry into Perishable Agricultural Food Sectors that was recently announced by the Hon. David Littleproud, Minister for Agriculture, Drought and Emergency Services.

Huon Aquaculture has been farming salmon and ocean trout in Tasmania for 35 years and over that time has had varying levels of supply and engagement with the major supermarkets. We now proudly supply all major retailers in Australia (Coles, Woolworths, Aldi and Costco) with a mix of private label and branded products for consumers to enjoy.

We wish to note the importance of new retail entrants in the Australian market as a good driver for competition and diversification for supply chains to the end consumer. To this end, the arrival of Aldi and Costco in the Australian market over the last 15 years has been a positive for our business as it has driven competition for our fresh and value added salmon products and given Australian consumers more choice when it comes to where they shop. We would encourage the Federal and State Governments to continue to support and encourage new entrants to the retail market to continue to drive competition and choice both for suppliers and consumers.

There is no doubt that the major retailers are a critical component of the supply chain for perishable products, particularly short shelf life products like fish (maximum life 14 days), and given their market share they hold significant bargaining power. We have been pleased with the impact that the Food and Grocery Code of Conduct has had on retailer/supplier negotiations and relationships and would advocate for this to be mandatory rather than a voluntary code.

We note that all the major supermarkets that we currently deal with are signatories to the Code and that their dealings with us in recent times have been, whilst fiercely competitive and commercially challenging, fair and reasonable, particularly throughout the COVID-19 impacted market we have dealt with throughout 2020.

Kind regards,

Peter Bender