



16 December 2011

Committee Secretary
House of Representatives
Standing Committee on Agriculture,
Fisheries, Resources and Forestry
PO Box 6021
Parliament House
Canberra ACT 2600

Dear Sir,

Ref: Submission to Parliamentary Standing Committee Enquiry - Competition and Consumer Amendment (Horticultural Code of Conduct) Bill 2011

Fresh State Ltd (Fresh State) is the representative organisation for the wholesalers located in the Melbourne Wholesale Fruit and Vegetable Market. Fresh State is a proud member of the Australian Chamber of Fruit and Vegetable Industries Ltd. Fresh State members make significant contribution to the Victorian and Australian economies including:

- Through-put value of the Melbourne Wholesale Markets is \$1.8 to 2 billion dollars annually.
- Through-put by volume exceeds 1 million tonnes annually.
- Similar to the national wholesale sector, Melbourne wholesalers own, joint venture or finance a significant % of production in Australia. Many wholesalers also own retail and /or food service businesses as well.
- The Melbourne Market Credit Service is owned by Fresh State on behalf of members to act as a clearing house for purchases of fresh produce.
- Fresh State collects and forwards compulsory R & D and Marketing levies on behalf of producers to the Levy Revenue Service and other bodies and where voluntary levies have been agreed.
- Investment by wholesalers in facilities in the Melbourne Markets exceeds \$300 million dollars with further large investment outside the market boundaries due to a shortage of space on site.
- The Melbourne Markets central market system is the second largest in Australia and is a critical infrastructure component of the Victorian economy and provides access to affordable, healthy and nutritious fresh produce the Victorian community.

Fresh State Ltd
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Fresh State has previously corresponded the many shortcomings of the Horticultural Code of Conduct (HCC) both prior to its inception in 2007 and since its implementation. As well, the Australian Chamber made submissions to the Federal Government's review of the ACCC including the review of the HCC in 2009, and made comment to the Federal Agricultural Minister's Code Committee Recommendations following the initial review.

Fresh State's view is that the HCC is currently unworkable and it requires urgent remedial attention. To this end we have impressed upon the Federal Government to implement the Code Committee's recommendations that were finalised in 2009.

With regarding to the Competition and Consumer Amendment (Horticultural Code of Conduct) Bill 2011 of the Honourable Bob Katter, although well intended, it falls far short of the urgent requirement of 'making the HCC workable'! We support both the Australian Chamber's position and their previously published position with regard to his Bill and attach a copy of our release in October 2011.

Fresh State requests that this Standing Committee makes recommendation to the House that the Minister for Agriculture, Fisheries and Forestry implements the Code Committee's Recommendations from 2009 forthwith.

Yours sincerely,

John Roach
CEO
Fresh State Ltd

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