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MINISTER FOR AGRICULTURE, FISHERIES AND FORESTRY

M E D I A R E L E A S E

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Horticulture Code of Conduct to start

Minister for Agriculture, Fisheries and Forestry, Peter McGauran, has today launched the Horticulture Code of Conduct to provide increased transparency in trade between horticulture growers and wholesalers.

Mr McGauran said the code would come into effect on Monday 14 May 2007 and would give growers transparent terms of trade in their dealings with wholesalers at the fresh fruit and vegetable markets.

"I strongly urge all in the horticulture industry to work cooperatively under the new code, which is designed to strengthen existing trading relationships between growers and wholesalers," Mr McGauran said.

"Under the code, wholesalers will be required to publish their terms of trade. The code will require the terms of trade to be made available to growers, and specifies 10 items of basic information that must be included in them.

"Wholesalers will also need to declare whether they are operating as an agent or a merchant. This will avoid previous situations where growers did not know whether the wholesaler was buying their produce, or acting as a go-between to a third party."

Mr McGauran said that the code had been introduced following significant concerns about the lack of clarity and transparency in many transactions. In some cases growers were advised of a price, which they disputed, after they had lost ownership of the produce.

"There was no clear way to resolve disputes about price and quality. Litigation either for growers or wholesalers was rarely a viable option and business relationships were affected by a history of unresolved disputes," Mr McGauran said.

"The code addresses these issues by improving transparency and clarity in the sector without imposing onerous requirements on growers and traders. It also provides an effective dispute resolution system.

"The Government is making sure dispute resolution is affordable by subsidising the code's mediation costs. Either party to a dispute can refer the matter to the Horticulture Mediation Adviser, and ask that a mediator be appointed to resolve it. While a \$50 fee is to be paid on lodging such a request, the Government will pay the mediator's fees.

"We have also established Horticulture Produce Assessors to provide independent assessments on the quality and value of produce, which will resolve many issues and concerns without the need for mediation or expensive legal action."

Further information about the code is available from the internet at www.daff.gov.au/hortcode, or www.hortcodema.com.au.