



## Premier of Queensland

For reply please quote: *ECP/LJ – TF/24/2962 – DOC/24/35989*

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The Honourable Dr Craig Emerson  
Independent Reviewer  
Review of the Food and Grocery Code of Conduct  
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Dear Dr Emerson

I am writing to express the Queensland Government's support for the Independent Review of the Food and Grocery Code of Conduct 2023–24 (the Code Review), and advocate for remaking of the Food and Grocery Code of Conduct (the Code) into a mandatory code of conduct.

I welcome the Code Review as well as the Senate Select Committee Inquiry on Supermarket Prices and the Australian Competition and Consumer Commission's Supermarkets inquiry 2024–25. Ensuring the supermarket sector is competitive, transparent, and fair is in the interests of all Australian consumers and producers.

This is why, on 19 January 2024, I announced Queensland will be conducting a Parliamentary Inquiry into supermarket prices (the Queensland Inquiry), which will examine the causes and effects of increased supermarket prices and look at identifying opportunities to increase transparency in the sector for consumers and producers. The Queensland Inquiry will also consider variability in supermarket offerings and pricing across the state, particularly in regional Queensland.

I am hopeful Queensland's Inquiry will complement the Senate Select Committee Inquiry and other federal reviews, as well as assist with fostering collaboration and information sharing between federal and state agencies.

As the Code Review consultation paper notes, the impetus for establishing the voluntary Code in 2015 was an imbalance of market power between supermarkets and their suppliers. This remains a key issue in the sector.

I have directly engaged the major supermarkets, and a number of agricultural producers and peak bodies, about this issue. It was made clear to me there are significant concerns about the ongoing viability of many producers, due to current retailer practices.

Conversations with industry suggest that imbalances in market power are heightened for producers of perishable goods. Perishables are more exposed to imbalances in market power due to limited time windows for sale, fewer alternative buyers, and often long lead times and high sunk costs. Lack of transparency in the supply chain has been cited as a key contributor to this issue.

While I expect the Code Review will make several recommendations to improve the Code, for these reasons outlined, I believe making it mandatory will help reduce the power imbalance that currently persists between producers and retailers.

I look forward to the Code Review's findings and recommendations.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'SM', with a prominent vertical stroke on the right side.

**STEVEN MILES MP  
PREMIER OF QUEENSLAND**