

Media Release

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HORTICULTURE LAUNCHES CODE OF CONDUCT TEMPLATES

Horticulture Australia Council (HAC), the peak national body representing horticultural industries, today announced the release of templates for both Terms of Trade and Horticulture Produce Agreements under the mandatory Horticulture Code of Conduct.

The Code of Conduct will commence on 14 May, and trading relationships will need to be covered by these agreements from this date. HAC and the NFF have developed these documents to assist growers, so that they can be confident that they are meeting the minimum requirements of the Code; and will shortly release a User's Guide to accompany them.

HAC Chair, Stuart Swaddling, said today: "Growers have clearly told us, during the ACCC 'Roadshow' which aims to explain their compliance requirements under the Code, that they wanted some assistance in meeting these requirements without each grower having to consult separate legal advice.

"The introduction of this Code is one of the most significant advances for growers since trading in the wholesale markets began. For the first time, many growers will now be in a position where they can negotiate critical elements of their relationship with their trader. This is uncharted territory for some, and we believe the templates we have developed (and the planned User's Guide) will be of real value to growers in this regard. We urge growers to use the example contract as the starting point in their negotiations with traders."

Every Horticulture Produce Agreement will stipulate whether the trader will act as an Agent or a Merchant. It also sets out in writing how produce will be traded, payment, product specifications, and reporting timeframes. Traders will also be required to publish their terms of trade - this will give growers the opportunity to 'shop around' to find the trader who offers them the best trading terms.

"Ultimately, traders' businesses depend on the product growers supply.", Mr Swaddling said. "Growers are now in the position to be able to bolster the business of the trader who provides them with best terms. Traders with good business sense will recognise this, and more will begin to promote favourable terms of business to growers.

"Sadly, some traders are continuing to try to spread misinformation and confusion about the Code - for example, that the Code will require onerous paperwork. We believe the example contract will dispel this myth. The templates are freely available to all growers or traders in electronic form at: http://www.hac.org.au/code_of_conduct/.

"Some traders are unfortunately still trying to con growers into signing contracts backdated to December last year, which are not Code-compliant. Growers should report any such illegal conduct to the ACCC."

Contact: **Stuart Swaddling, HAC Chair, ph (02) 9679 4000; or
Kris Newton, CEO, (02) 6273 9600**



ABN 22 093 134 037

Level 2, NFF House
14-16 Brisbane Ave
BARTON ACT 2600

PO BOX 3700
MANUKA ACT 2603

T: (02) 6273 9600
F: (02) 6273 0157

admin@hac.org.au
www.hac.org.au

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