




Speech By
Jessica Pugh

MEMBER FOR MOUNT OMMANEY

Record of Proceedings, 21 August 2024

**QUEENSLAND FOOD FARMERS' COMMISSIONER BILL; CROSS-BORDER
COMMISSIONER BILL; NIGHT-LIFE ECONOMY COMMISSIONER BILL**

 **Ms PUGH** (Mount Ommaney—ALP) (7.17 pm): I am delighted to rise in support of the Queensland Food Farmers' Commissioner Bill in my capacity as a member of the Supermarket Pricing Select Committee when that committee was formed. As a parent of three kids I have definitely seen prices rise in the supermarkets, as has everybody else in Australia, but, as we found out in our supermarket inquiry, farmers were not seeing the benefit of those price rises. Members of our committee heard from growers and growers' advocates about the process of selling to supermarkets. What I found interesting was the more I learned about the process of purchasing food from local suppliers for those major supermarkets, the more confusing it got. Some growers had direct relationships with supermarkets or other minor stockists like our local fruit and vegie shops; some suppliers worked through a third party, a merchant or an agent; and others had a combination of both arrangements. Worryingly, when those growers raised concerns about their treatment—either by the supermarket directly, or indirectly through their merchants or agents—many supermarkets claimed not to have knowledge or oversight of those concerns.

Equally, growers with concerns about their conditions or their farm gate pricing expressed to the committee that they did not know the best way to go about having their concerns addressed. The issue that kept coming up over and over again was a fear of retribution. They were afraid that if they raised their concerns with the big supermarkets there would be some kind of retribution—that they would lose their contract or their order requests would be dropped. They had genuine concerns about raising those issues. You could very clearly see the power imbalance that existed between these Queensland growers and the major supermarkets that they sold to.

We have seen in previous instances in Queensland where having a commissioner for a group with a power imbalance has really helped. It draws to my mind the small business owners who now have their own Small Business Commissioner. I have many examples of when I have referred businesses in my community to the Small Business Commissioner and they have been able to work with them to get a better outcome. Sometimes the benefit of those positions is also being there to provide advice and intervene at a low level before the issue escalates and both parties feel aggrieved.

I think most members of this House would be aware by now that the largest two supermarket chains have roughly 65 per cent of the grocery market in Australia and the largest four have an estimated 82 per cent of the market. The market power inherent in such a concentration, especially with the big two, is really obvious. One of the big issues that market power creates is that price gouging and other predatory practices can be much easier to manifest. The committee, as I said, heard those concerns and they are widespread among fresh produce farmers, some of whom we were lucky enough to hear from when we travelled around the state. Through the creation of a farmers' commissioner we could assist them to overcome such fears because that will assist our farmers to be willing to invest in

and grow fresh produce. The resulting increase in supply of fresh, quality produce will, of course, be of benefit to consumers.

The committee was really lucky to hear from the calibre of growers who appeared. Judy Plath, who appeared before the committee, was incredibly informative in talking about the different kinds of beauty standards and the very tight beauty standards that the products were expected to meet. She brought us in some samples and no, we were not able to eat those delicious looking samples. It was a really good demonstration of just how tightly the big supermarkets hold their suppliers in terms of the volumes they ask them to produce, the physical appearance they ask them to produce and the size—there are so many different characteristics. These are the kinds of things that growers may be able to work with the farmers' commissioner on to get better outcomes to ensure that more of their quality produce is getting on the shelves. It was quite heartbreaking for me on this committee to hear examples of quality produce actually being ploughed back into the ground and it never even made it off the farm. I fully endorse this. I am so excited this recommendation is coming to fruition. I commend the bill to the House.