



CATTLE COUNCIL OF AUSTRALIA

SUBMISSION

1 May 2020

Kai Fu
Director
Adjudication Branch
Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2601

Via email: adjudication@acc.gov.au

Dear Mr Fu

Re: Coles Group on behalf of itself and participating supermarkets application for authorisation - AA1000477 – interested party consultation

The Cattle Council of Australia (CCA) is the peak industry organisation representing and promoting the needs of Australia's grass-fed cattle producers. Established in 1979, CCA brings together all state-based farming organisations representing cattle producers and individual members operating beef cattle enterprises. With most of our membership based in, regional, and remote Australia¹, CCA is well placed to comment on the circumstances and challenges of those living in these communities.

CCA welcomes the opportunity to provide comment on the *Coles Group application for authorisation - AA1000477*. We provide this submission without prejudice to any additional submission from our members or individual producers.

CCA understands the Coles Group on behalf of itself, Woolworths, Aldi and Metcash (the applicants) has applied to the ACCC seeking interim authorisation, as well as final authorisation for a period of six months from the date of the ACCC's final determination, to discuss and coordinate for the purpose of ensuring the continued supply and fair and equitable distribution of Retail Products to consumers during the COVID-19 pandemic. CCA understands the ACCC granted interim authorisation on 23 March 2020 to allow the applicants to immediately engage in the proposed conduct.

While CCA acknowledges that the intention of the interim authorisation was to ensure consumers, including the elderly and disadvantaged, have fair and equitable access to retail products, the unintended consequence is that many people in regional and remote communities are experiencing considerable difficulties in obtaining the variety and quantities of basic essential products they could access prior to these interim arrangements.

This issue is now exacerbated as many cattle stations across the country, particularly northern Australia, gear up for increased activity (and staff numbers) as the mustering season commences. The arbitrary and

¹ The definition of regional and remote Australia used in this submission is based on the Australian Statistical Geography Standard (ASGS) Remoteness Structure developed by the Australian Bureau of Statistics <https://www.abs.gov.au/websitedbs/D3310114.nsf/home/remoteness+structure>

universal application of purchase limits has resulted in the perverse outcome of cattle stations being unable to obtain adequate grocery products to sustain their workforce and families over extended periods. CCA considers there is a clear distinction between 'panic buying' that the applicants have recently experienced and are looking to curb with measures that they have introduced, and the everyday needs of those living or working on cattle stations in regional and remote settings.

The product buying restrictions put in place, in addition to the cancellation of online and bulk ordering, severely impacted not only the operational requirements but also the day to day requirements of the many young families who live and work on these properties including that many parents were unable to get necessities including baby formula, baby wipes, nappies and baby food in sufficient quantities.

CCA notes that 'facilitating access to Retail Products in remote and rural areas' is one of the four purposes highlighted in the application for authorisation, but asserts that should the ACCC authorise the conduct as outlined in the application for an additional six months, more effective provisions must be implemented to enable cattle stations and the regional and remote communities they support access to adequate supplies.

Should this application be granted, CCA also recommends that the country wide limits on purchases be waived for customers that can demonstrate they are buying for a station or belong to a regional or remote community.

If there are any queries about this submission, please do not hesitate to contact our office on 1300 653 038 or email cca@cattlecouncil.com.au.

Yours sincerely

Travis Tobin
Chief Executive Officer