

CCL Consultants Pty Ltd

Competition and Consumer Specialists

26 July 2021

The Hon Nick Minchin AO
Grocery Code Independent Reviewer
C/- Market Conduct Division
The Treasury
Langton Crescent
PARKES ACT 2600

By email: FGC@treasury.gov.au

Honourable Nick Minchin AO,

RE: CODE ARBITER FOR ALDI STORES 2020-21 ANNUAL REPORT

By way of introduction, my name is Bronwyn Gallacher and I am the appointed Code Arbiter for ALDI Stores (A Limited Partnership) ABN 90 196 565 019 (ALDI) in relation to the Food and Grocery Code of Conduct (Code) prescribed under the *Competition and Consumer Act 2010* (Cth).

As you will be aware, I am required under clause 36D of the *Competition and Consumer (Industry Codes – Food and Grocery) Regulation 2015*, as the appointed Code Arbiter for ALDI, to prepare a written report in respect of each financial year within 30 business days after the end of each financial year.

I wish to advise that I have completed my annual report for the 2020-21 financial year within the required time frame and attached a copy for your reference. Please note that I have also provided copies of the report to ALDI and the Australia Competition and Consumer Commission, as required.

If you have any questions or require further information regarding my report, please do not hesitate to contact me.

Yours sincerely



Bronwyn Gallacher
Managing Director
CCL Consultants Pty Ltd

CODE ARBITER FOR ALDI STORES 2020-21 ANNUAL REPORT

Introduction

As a signatory of the Food and Grocery Code of Conduct (**Code**) prescribed under the *Competition and Consumer Act 2010* (Cth), ALDI Stores (A Limited Partnership) ABN 90 196 565 019 (**ALDI**) is required under the *Competition and Consumer (Industry Codes – Food and Grocery) Regulation 2015* (**Regulation**) to appoint a Code Arbiter in relation to the Code.

On 3 October 2020, when the amendments to the Code came into effect, I was appointed by ALDI as its Code Arbiter.

Annual reporting requirements

As the Code Arbiter for ALDI, I am required under the Regulation to prepare a written report in respect of each financial year. Clause 36D of the Regulation outlines the content requirements of the report by the Code Arbiter.

Time frame

The Code Arbiter for ALDI is required to prepare the report and given copies to ALDI, the Australian Competition and Consumer Commission (**ACCC**) and the Independent Reviewer within 30 business days after the end of each financial year.

I confirm that I completed my report for the 2020-21 financial year on 15 July 2021. I also confirm that copies of my report were provided to the ALDI, the ACCC and the Independent Reviewer on 15 July 2021.

2020-21 Report

This report is verified to be accurate for the purposes of annual reporting by the Code Arbiter for ALDI.

Complaints received for investigation in the financial year

Under subclause 36D(2)(a)-(e) of the Regulation, the Code Arbiter for ALDI is required to report on the complaints received for investigation in the financial year.

The table below provides a summary of the numerical data on the complaints received in 2020-21.

Table 1. Complaints received for investigation by the Code Arbiter for ALDI in 2020-21

Nature of complaint	Time taken to investigate	Outcome of investigation	Resolved to satisfaction of complainant	Number of complaints 2020-2021
			Total	0

I confirm that I did not receive any complaints made by suppliers for investigation in the 2020-2021 financial year.

Number of complaints in relation to which a recommendation was made under subclause 36(4) (about paying compensation in excess of \$5 million)

Under subclause 36D(2)(f) of the Regulation, the Code Arbiter for ALDI is required to report on the number of complaints in relation to which a recommendation was made under subclause 36(4) (about paying compensation in excess of \$5 million).

I confirm that there were no complaints in relation to which I made a recommendation under subclause 36(4) (about paying in excess of \$5 million) in 2020-2021.

Information given to the Code Arbiter for ALDI by ALDI under clause 27B (information about price increases)

Under subclause 36D(2)(g) of the Regulation, the Code Arbiter for ALDI is required to report on any information given by ALDI under clause 27B (information about price increases).

I confirm that ALDI has provided me with the following information under clause 27B (information about price increases).

Subclause	Total number
27B(a) – the total number of notifications given under subclause 27A(2) by the retailer or wholesaler to any supplier during the financial year	45
27B(b) – the number of those notifications that were not given within the 30-day period required by that subclause	6
27B(c) – the total number of negotiations entered into during the financial year following requests made under subclause 27A(3)	0
27B(d) – the number of those negotiations in which the retailer or wholesaler did not conclude its position on the negotiations within the period of 30 days starting on the day (the notification day) the retailer or wholesaler was notified of the relevant proposed price increase by the supplier	N/A
27B(e) – for each of the negotiations to which paragraph (d) applies, the number of days the retailer or wholesaler took to conclude its position on the negotiations starting from the notification day for the relevant proposed price increase	N/A

Bronwyn Gallacher

Bronwyn Gallacher
Managing Director
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