

# Metcash Food and Grocery Pty Ltd (MF&G)

## Code Arbiter Report

### Background

This report has been prepared pursuant to the obligations of the MF&G Code Arbiter (**Metcash Food Code Arbiter**) under clause 36D of the Competition and Consumer (Industry Codes – Food and Grocery) Regulations 2015 (Cth) (the **Code**).

### General Information

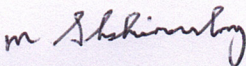
In the 2022-2023 financial year the Metcash Food Code Arbiter received 0 complaints for investigation.

In light of this fact, other than including MF&G's report under clause 27B of the Code (see below), there is no further information to be provided in this report under clause 36D of the Code.

### Information about price increases

Attached as Annexure A to this report is a letter from MF&G dated 24 July 2023 which sets out information required to be given by MF&G to the Metcash Food Code Arbiter under clause 27B of the Code.

Dated: 1 August 2023



Martin Shakinovsky

Metcash Food Code Arbiter

# Annexure A



**Confidential**

24 July 2023

Martin Shakinovsky  
MF&G Code Arbiter

cc: Deborah Ziegler  
Code Arbiter Delegate

By email: [complaints@metcashcodearbiter.com.au](mailto:complaints@metcashcodearbiter.com.au)

Dear Martin

## Information about price increases under clause 27B of the Code

We refer to clause 27B of the *Competition and Consumer (Industry Codes – Food and Grocery) Regulations 2015 (the Code)*, which requires Metcash Food & Grocery Pty Ltd (**MF&G**) to give the Code Arbiter the following information in relation to a financial year:

- (a) the total number of notifications given under clause 27A(2) of the Code by MF&G to any supplier during the financial year;
- (b) the number of those notifications that were not given within the 30 day period required by that clause;
- (c) the total number of negotiations entered into during the financial year following requests made under subclause 27A(3) of the Code;
- (d) the number of those negotiations in which MF&G did not conclude its position on the negotiations within the period of 30 days starting on the day (the *notification day*) MF&G was notified of the relevant proposed price increase by the supplier; and
- (e) for each of the negotiations to which paragraph (d) applies, the number of days MF&G took to conclude its position on the negotiations starting from the notification day for the relevant proposed price increase.

We set out in the Appendix to this letter the information required to be produced under clause 27B of the Code for the reporting period 1 July 2022 to 30 June 2023.

Kind regards

A handwritten signature in blue ink, appearing to read 'Grant Ramage', written over a white background.

**Grant Ramage** | Merchandise Director

**Metcash Food**

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**Phone:** +61 2 9741 3512 | **Mob:** +61 409 025026 | **Web:** [www.metcash.com](http://www.metcash.com)

## Appendix

### Clause 27B – Information about Price Increases

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MF&G's reports in relation to the supplier price increase information required to be produced pursuant to subclauses 27B(a) to (e) of the Code are below.

**(a) the total number of notifications given under subclause 27A(2) by the retailer or wholesaler to any supplier during the financial year**

MF&G gave 1062 notifications (**Wholesaler Notifications**) in response to being informed of a price increase by its suppliers (**Price Increase Proposal**).

**(b) the number of those notifications that were not given within the 30-day period required by that subclause**

Of the 1062 Wholesaler Notifications given by MF&G during the financial year, 4 Wholesaler Notifications were not given within the 30-day period required by subclause 27A(2) of the Code, representing less than 0.4% of the Wholesaler Notifications given in the period.

**(c) the total number of negotiations entered into during the financial year following requests made under subclause 27A(3)**

Of the 1062 Wholesaler Notifications given by MF&G during the financial year, MF&G has entered into negotiations with suppliers following requests under subclause 27A(3) (**Negotiations**) in respect of 23 of the Wholesaler Notifications.

**(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**

Of the 23 Negotiations, 21 did not conclude within 30 days of the Price Increase Proposal.

**(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**

Below is a breakdown of the negotiation lengths for the Negotiations that did not conclude within 30 days of the Price Increase Proposal.

- 1 negotiation took 32 days
- 2 negotiations took 37 days
- 1 negotiation took 39 days
- 1 negotiation took 40 days
- 1 negotiation took 45 days
- 1 negotiation took 48 days
- 1 negotiation took 51 days
- 1 negotiation took 54 days
- 1 negotiation took 56 days
- 2 negotiations took 57 days
- 1 negotiation took 59 days
- 1 negotiation took 61 days

- 1 negotiation took 62 days
- 2 negotiations took 66 days
- 1 negotiation took 72 days
- 1 negotiation took 75 days
- 1 negotiation took 78 days
- 1 negotiation took 98 days.