



Australian Government

The Treasury

The Treasury  
Treasury Building  
Langton Crescent  
PARKES ACT 2600  
[Treasury Website](#)

Mr Jason McNamara  
Executive Director  
Office of Best Practice Regulation  
Department of the Prime Minister and Cabinet

Dear Mr McNamara

**CERTIFICATION OF THE REGULATION IMPACT STATEMENT FOR THE  
PROPOSED FOOD AND GROCERY PRESCRIBED INDUSTRY CODE OF CONDUCT**

I am writing in relation to the attached Early Assessment Regulation Impact Statement (RIS) prepared by the Treasury on the proposed *Food and Grocery Prescribed Industry Code of Conduct* (the Grocery Code).

I certify that, in my view, it adequately addresses all necessary elements in accordance with the RIS and meets the *Australian Government Guide to Regulation*, in particular identifying:

- the policy problem to be solved;
- government action required;
- policy options under consideration;
- likely costs and benefits of each option; and
- who will be consulted and how will they be consulted.

The preferred option set out in the RIS is for the Grocery Code to become a voluntary code of conduct prescribed under regulations under the *Competition and Consumer Act 2010* (CCA). Under this option, if a party agrees to be bound by the Grocery Code and is later found to have breached it, enforcement action can be taken under the CCA by the Australian Competition and Consumer Commission (ACCC) or by private action. Prescribed industry codes offer a range of remedies for breaches, including injunctions and compensation for damages.

The enclosed RIS will provide the basis for the Government to undertake extensive public consultation and rigorous analysis to ensure the Code would be effective in establishing a minimum standard of conduct in the industry and that its benefits would outweigh the regulatory costs.

The regulatory burden to business has been quantified and offsets have been identified and quantified using the Business Cost Calculator.

I note that the RIS may be subject to textual changes if requested by the Minister for Small Business. We anticipate that any such changes would not affect the quantification of regulatory

burden. If any alterations are made we will provide those changes to you for your consideration prior to commencing consultation.

We have been working with officers from the Office of Best Practice Regulation in the development of this RIS and comments provided on earlier informal versions of the RIS up to this point have been addressed.

I submit the RIS to the Office of Best Practice Regulation for Early Assessment.

I look forward to receiving comments from your office on the enclosed Early Assessment RIS. If you have any questions, please contact me on 02 6263 2336 or Tina Smith on 02 6263 2807.

Yours sincerely

A handwritten signature in black ink, appearing to read "J. Wilkinson". The signature is written in a cursive, flowing style.

Jenny Wilkinson  
Acting Executive Director

30 June 2014