

Code of Conduct Forum Fact Sheet

Industry Code of Conduct

An industry Code of Conduct is a set of rules or standards of conduct for an industry, including the relationship between industry participants and their customers.

Our Current Code

The Code of Conduct for Australian Winegrape Purchases is an industry voluntary code of conduct. The self-regulated code was developed by industry in 2008. It sets out minimum conditions for grape purchase agreements and offers dispute resolution for signatories and growers. There are currently 76 signatories to the code.

<https://www.agw.org.au/industry-resources/the-code-of-conduct-for-australian-winegrape-purchases>

Our Objective

Our goal with this Forum is to equip grape growers with comprehensive insights regarding the nature and type of codes that could inform the future of our industry. This includes addressing some of the following:

- An overview of voluntary and mandatory codes of conduct
- What issues confronting grapegrowers can be assisted by a code of conduct
- The positive and negative implications of different code options

Background

The ACCC conducted a wine grapes market study with the final report in September 2019 making recommendations on the following issues:

- improving quality assessment processes
- improving price transparency
- shortening payment times
- strengthening and improving the sector's voluntary industry code
- improving winemakers' contracting practices

In its follow up report at the end of 2021, in relation to the code, the ACCC acknowledged progress on a range of issues and opportunities to improve. However, "long payment times in the sector remain a key concern for the ACCC" and "price transparency also remains a key issue". The ACCC has warned unless there is significant progress in these issues, a mandatory code or additional legislation will be considered.

Types of Codes

Codes of conduct can be mandatory or voluntary: Prescribed mandatory codes set minimum industry standards and regulations, defining relationships among participants and customers under the Competition and Consumer Act 2010. Non-prescribed voluntary codes, a type of industry self-regulation, offer flexible standards that can adapt to industry and consumer needs. They outline conduct standards, including member and customer interactions.

| Industry voluntary code of conduct e.g. Winegrape Purchases | Prescribed voluntary code of conduct e.g. Food and Grocery Code | Mandatory code of conduct e.g. Horticulture, Dairy |
|--|--|---|
| Developed by Industry | Developed by Policy Agency (eg Treasury) | Developed by Policy Agency (eg Treasury) |
| Applies to signatories only | Applies to signatories only | Applies to all relevant industry participants |
| Self regulated | Enforced by ACCC | Enforced by ACCC |
| Non monetary sanctions for breaches | Enforced by ACCC in line with Compliance and Enforcement Policy | Pecuniary Penalty and Infringement Notice for breaches |
| Dispute resolution depends on agreement | Prescribed dispute resolution | Prescribed dispute resolution |
| Reviews if provided for. | Prescribed reviews | Prescribed reviews |

Explore voluntary codes further on the ACCC website:

<https://www.accc.gov.au/business/industry-codes>

Participation:

The Forum is free for WGCSA members:

<https://WGCSACODEFORUM.eventbrite.com.au>

Thursday June 6th

9.30am - 3.30pm ACST

National Wine Centre of Australia