

Supermarket Industry Bill

Exposure Draft

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Victoria

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Part 1—Preliminary

1 Purposes

The main purposes of this Act are—

- (a) to enable the Essential Services Commission to monitor and report on the retail sale prices offered by supermarkets for essential grocery items; and
- (b) to provide that the supermarket industry is a regulated industry for the purposes of the **Essential Services Commission Act 2001**; and

- (c) to make consequential and related amendments to the **Essential Services Commission Act 2001**.

2 Commencement

This Act comes into operation on the day after the day on which it receives the Royal Assent.

3 Definitions

In this Act—

essential grocery item means an item prescribed to be an essential grocery item;

Essential Services Commission means the Essential Services Commission established by section 7 of the **Essential Services Commission Act 2001**;

supermarket industry means retail businesses in Victoria that offer all of the following items for sale to consumers—

- (a) bread;
 - (b) breakfast cereal;
 - (c) butter;
 - (d) eggs;
 - (e) flour;
 - (f) fresh fruit;
 - (g) fresh milk;
 - (h) fresh vegetables;
 - (i) meat;
 - (j) rice;
 - (k) sugar;
 - (l) food (other than any item of food that is referred to in any preceding paragraph in this definition) that is in a package.
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Part 2—Essential Services Commission

4 Application of Essential Services Commission Act 2001

- (1) For the purposes of the **Essential Services Commission Act 2001**—
 - (a) this Act is relevant legislation; and
 - (b) the supermarket industry is a regulated industry in relation to the provision of essential grocery items within Victoria; and
 - (c) essential grocery items are prescribed goods and services.
- (2) For the purposes of Part 3 of the **Essential Services Commission Act 2001**—
 - (a) the retail sale of essential grocery items by supermarkets is a prescribed service; and
 - (b) the maximum charges for the services covered by paragraph (a) are prescribed prices.
- (3) Despite section 5(1) of the **Essential Services Commission Act 2001**, if there is any inconsistency between a provision of this Act and a provision of the **Essential Services Commission Act 2001**, the provision of this Act prevails.

5 Objective of the Essential Services Commission

The objective of the Essential Services Commission in carrying out its functions under this Act in relation to the supermarket industry is to deter excessive price increases for essential grocery items available in supermarkets.

6 Functions of the Essential Services Commission

Without limiting section 5, or section 10 of the **Essential Services Commission Act 2001**, the functions of the Essential Services Commission under this Act in relation to the supermarket industry include the following—

- (a) to monitor and report on prices of essential grocery items in supermarkets, including but not limited to—
 - (i) retail prices; and
 - (ii) supply chain prices, including producer, manufacturer and wholesaler prices;
- (b) to monitor and report on the competitiveness of the supermarket industry;
- (c) to investigate and report on profit margins for supermarkets in relation to essential grocery items.

7 Maximum profit margins for essential grocery items

Without limiting Part 3 of the **Essential Services Commission Act 2001**, the Essential Services Commission may designate a prescribed price within the meaning of that Part for an essential grocery item by reference to one or more of the following—

- (a) any prescribed maximum profit margin for the essential grocery item;
 - (b) the type of supermarket in which the essential grocery item is offered for sale;
 - (c) the area in Victoria in which the essential grocery item is offered for sale;
 - (d) the period during which the essential grocery item is offered for sale;
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- (e) any other matter the Essential Services Commission considers relevant.

8 Regulations

- (1) The Governor in Council may make regulations for or with respect to—
 - (a) prescribing goods as essential grocery items;
 - (b) functions of the Essential Services Commission relating to the regulation of essential grocery items;
 - (c) maximum profit margins for essential grocery items;
 - (d) any matter or thing required or permitted to be prescribed or necessary to be prescribed to give effect to this Act.
 - (2) The regulations may—
 - (a) be of general or of limited application;
 - (b) differ according to differences in time, place or circumstance;
 - (c) confer a discretionary authority or impose a duty on a specified person or a person of a specified class;
 - (d) provide in a specified case or class of case for the exemption of persons or things from any of the provisions of the regulations, whether unconditionally or on specified conditions, and either wholly or to such an extent as is specified;
 - (e) apply, adopt or incorporate any matter contained in any document whether—
 - (i) wholly or partially or as amended by the regulations; or
 - (ii) as in force at a particular time; or
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Part 2—Essential Services Commission

- (iii) as in force from time to time;
- (f) leave any matter or thing to be from time to time determined, applied, dispensed with or regulated by the Essential Services Commission;
- (g) confer powers or impose duties in connection with the regulations on the Essential Services Commission.

Part 3—Amendment of Essential Services Commission Act 2001

9 Definitions

In section 3 of the **Essential Services Commission Act 2001**, after paragraph (fc) of the definition of *essential service* insert—

"(fd) the supermarket industry within the meaning of the **Supermarket Industry Act 2024**";

10 Functions of the Commission

After section 10(l) of the **Essential Services Commission Act 2001** insert—

"(la) to perform the functions conferred on the Commission by the **Supermarket Industry Act 2024**";

11 Repeal of this Part

This Part is **repealed** on the first anniversary of the day on which this Act receives the Royal Assent.

Note

The repeal of this Part does not affect the continuing operation of the amendments made by it (see section 15(1) of the **Interpretation of Legislation Act 1984**).

Endnotes

1 General information

See www.legislation.vic.gov.au for Victorian Bills, Acts and current authorised versions of legislation and up-to-date legislative information.