



Australian Government  
Department of Agriculture,  
Fisheries and Forestry

## Horticulture Code of Conduct

### HORTICULTURE PRODUCE AGREEMENTS – WHAT NEEDS TO BE INCLUDED?

Horticulture Produce Agreements (HPAs) are written agreements between growers and wholesalers setting out how produce will be traded.

Wholesalers can be either an agent or a merchant, but not both under the one agreement.

The HPA **must contain** the following information:

1. Whether the wholesaler is trading as an agent or as a merchant.
2. Any requirements a wholesaler has regarding the delivery of produce.
3. Any quality and quantity requirements for produce.
4. How produce that does not meet the specified quality or quantity requirements will be dealt with by a wholesaler.
5. The reasons why a wholesaler may choose to reject a grower's produce.
6. The period in which the wholesaler will pay the grower.
7. Details of any insurance the wholesaler may have in respect of goods under his or her control.
8. The period in which a wholesaler will provide written notification to a grower that produce has been rejected and the consequences of the rejection.
9. The term of the agreement (if the agreement is for a limited time).
10. The process for varying or terminating the agreement.
11. The contact details of the person the grower should contact in the event of a dispute.
12. The contact details of the person the trader should contact in the event of a dispute.

For **grower-merchant agreements**, the HPA must also include the following information:

1. When price will be agreed between a grower and merchant (the price can either be set before delivery or immediately upon delivery to the merchant).
2. The reporting period for which a merchant will provide a written report to a grower (the report should include dates and times of purchase, quality and quantity of produce and prices paid).
3. The time after the end of the reporting period in which the merchant will provide a report to the grower.

For **grower-agent agreements**, the HPA must also include the following information:

1. The reporting period for which an agent will provide a written report to a grower. The report should include time and date of delivery of produce, the dates of sale, type and quantity, prices received for produce, details of amounts deducted by the trader and details of produce not sold.
2. The time after the end of the reporting period in which the agent will provide a report to the grower.
3. The basis on which commissions, fees or extra costs are charged by the agent, and the rates applying to those charges (for example, dollar or percentage amounts).
4. Whether any commissions, fees or extra costs are payable by the grower if the produce has not been sold.
5. How bad debts will be pursued, including what the responsibility of a grower and agent will be.

Growers and wholesalers may agree to include any additional details in the Horticulture Produce Agreement, so long as the details are consistent with the code's requirements.