

25 November 2021

Tēna koe

Please accept this correspondence as a contribution to the Commerce Commission's competition study into factors that may affect competition for the supply or acquisition of groceries by retailers in Aotearoa New Zealand pursuant to section 51(1) in Part 3A of the Commerce Act 1986.

If the Commerce Commission's Market Study Final Report advocates that a forced divestment of existing supermarkets will help competition, then I urge the Commission to consider Māori Investors. Maori are interested in this industry and to making a contribution to its development for all of Aotearoa New Zealand. The provision of affordable, safe, nutritious kai is fundamental to whanau, community and national health and wellbeing.

1. Māori are interested in Supermarket / Grocery industry for the following reasons
 - a. It enables Māori an opportunity to improve the **healthy eating & nutrition outcomes for Māori** and Aotearoa New Zealand as a whole;
 - b. It enables **Māori to make opportunity to help fix the carbon footprint** and the negative environmental packaging of supermarkets, in particular address the ComCom's submission to the Climate Change Commission (Sue Begg Letter 21 March 2021). Our commitment to te taiao, our environmental footprint is well embedded in us as a people;
 - c. Much of the market study has been focused on the negative impact the supermarket duopoly has had on suppliers, many of whom are SME's and or exporters and need local access to test products. We can confirm that Māori participation in supermarkets would drive outcomes **for Māori owned suppliers, consistent with Maori value sets**;
 - d. **Driving innovation** - if Māori were given an opportunity to be a nationwide scalable Supermarket operator, not only would we create benefits in pricing, quality, service, health and environment for all of Aotearoa New Zealand but we could also **deliver innovative services to differentiate ourselves** from the incumbents, in the way of on-line delivery, robotisation, nutrition, data management, health monitoring, store lay out, reusables, all would be central to how we would choose to operate our business.
 - e. Any significant government induced shift in economic assets needs to consider **government responsibilities under Te Tiriti o Waitangi**. Maori, as a Treaty partner should have the opportunity to advance Māori economic participation in this sector;
 - f. Māori SME are only 6-8% of all SME, pointing to significant accumulated inequity over time. **Māori ownership in supermarkets would stimulate Māori SME growth and innovation** in the food supply chain - suppliers to this new entity, will be Māori owned primary producers, processors, and brand owners.

- g. **Māori SME employ 3 times more Māori** than non-Māori SME meaning that this initiative has the potential to lift employment as well.
- h. Any enabled entry needs to be achieved at a minimum **viable scale to ensure the new incumbent can compete from day 1**.
- i. A benevolent supply chain and merchandising environment would provide a **valuable testing ground for Māori food and beverage SME's** to build capability and balance sheet strength to "get export ready".
- j. Māori families, by virtue of their lower incomes, feel the impact of variation /inflation in food prices more intensely. Any redistribution of margins back to communities will have a disproportionate impact on **Māori whānau discretionary income, prosperity and wellbeing**.

We remain committed to lifting the health and wellbeing of our whanau and our communities. This work of the Commerce Commission is a significant step in bringing this to the fore.

Nāku, na



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