

Campaigners lobby Mandelson

Consumer support for a supermarket watchdog culminates today as campaigners gather outside the Department for Business, Innovation and Skills in London.

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Over 60,000 people have taken action to support better supermarket regulation and campaigners will today hand in the latest 4,000 action cards calling on Lord Mandelson to establish a watchdog to stop supermarkets bullying their suppliers.

Time is running out for Lord Mandelson to take a public stance on the watchdog, with less than 30 days remaining before the deadline for Government to respond passes.

The action takes place on the day that Tesco releases its latest quarterly sales figures. Last year the retail giant made record profits of more than £3 billion, yet continues to squeeze its suppliers with devastating impacts on farmers and workers both in the UK and overseas.

In April 2008, following a major two-year inquiry, the Competition Commission recommended an enhanced Code of Practice for supermarkets policed by an Ombudsman to prevent the 'transfer of excessive risk and unexpected costs' on to suppliers which, the Commission found, would reduce quality and choice for the nation's shoppers if left unchecked^[1].

Major supermarkets including Tesco, Asda, Sainsbury's, and Morrisons rejected the opportunity to voluntarily sign up to an Ombudsman. Now the decision is in the hands of the Government.

A recent YouGov poll^[2] shows that 8 out of 10 shoppers support a supermarket watchdog, while over 180 MPs have signed an Early Day Motion backing the measure. The Liberal Democrats endorsed the creation of an Ombudsman at their party conference. Opposition leader David Cameron has also signalled his support for a watchdog, as has the Minister of State for Food, Farming and Environment, Jim Fitzpatrick.

Simon McRae, Senior Campaigns Officer at War on Want said: "Supermarkets in the UK are shamelessly opposing an independent watchdog that would prevent them bullying suppliers and investigate claims of abuse. The ball is now firmly in the Secretary of State's court to take on the supermarkets and back a watchdog."

Camilla Porter, Campaigns Manager at Traidcraft said: "This is the third inquiry into the groceries market in eight years which has found that supermarkets abuse their market position and suppliers and workers suffer as a result. The government should now follow the Competition Commission's recommendation and establish an Ombudsman."

Helen Rimmer, Campaigner at Friends of the Earth said: "UK farmers are being gagged and bound by the supermarkets who bully them into submission and blacklist those that speak out. With more than 4,000 British farming jobs lost in each year, we urgently need a watchdog to protect farmers, the environment and rural communities."

Dominic Eagleton, Policy Officer at ActionAid said: "Supermarket practices result in a perverse transfer of wealth from farmers and workers in poor countries to retailers in the UK. The ombudsman is a sensible response to this problem, but the question still remains – will Lord Mandelson side with poor producers and British shoppers, or cave in to the supermarket giants?"