

12 February 2014

Mr Dale Seymour Commissioner Anti-Dumping Commissioner 5th Floor - Customs House 5 Constitution Avenue CANBERRA ACT 2601

Dear Commissioner

Anti-Dumping Notice No. 2014/09 – Prepared or Preserved Tomatoes Exported from Italy

Woolworths supermarkets offer customers a large range of Australian grown and produced products and our commitment to Australian produce is evidenced by the fact that 100 per cent of the fresh meat and 96 per cent of the fresh fruit and vegetables sold in our stores is Australian grown. The four per cent of imported fresh fruit and vegetables are only sourced to cover seasonal shortages.

As well as seeking Australian sourced products, there is an emerging and growing demand from consumers for fresh and processed organic foods. While still a relatively small part of the total food market, organic foods are an important segment and are strongly preferred by some Australian consumers.

Organic foods are produced without the use of artificial fertilisers or synthetic chemicals (including pesticides, herbicides and insecticides) and have not been subject to genetic modification. At Woolworths, foods marketed to consumers as organic must be certified as such by an appropriate certification authority accredited by the Australian Government's Department of Agriculture.

Australians buy organic foods for a range of health and environmental attributes and these attributes can be perceived as highly valuable by some consumers. To meet the needs of these consumers, Woolworths imports canned organic tomatoes from Italy as there is no Australian supplier of these products. Woolworths has previously sought supply from Australian producers of canned tomatoes, but no supply of organic product has been offered.

Woolworths is therefore very concerned by the prospect that a dumping duty may be imposed on prepared or preserved organic tomatoes. Such a duty would not assist Australian producers of prepared or preserved organic tomatoes (as there are none) but would impose a real and direct financial penalty on Australian consumers of these organic products.

Woolworths does not believe that the importation of prepared or preserved organic tomatoes is having an adverse effect on Australian producers of prepared or preserved non-organic tomatoes as these are different products with different characteristics. The two categories of tomatoes are quite distinctly differentiated in the minds of consumers. This is evidenced by the fact that canned organic tomatoes sell at a significant premium to canned non-organic tomatoes and yet they are preferred by certain consumers for their organic characteristics.



Accordingly, Woolworths requests the Anti-Dumping Commission to consider this issue and ensure that no dumping duty is imposed on prepared or preserved organic tomatoes until a healthy, competitive local market is established.

If you require further information to assist in your consideration of this issue, please contact me: <u>msamaras@woolworths.com.au</u> or 02 8885 4900.

Yours sincerely

Michael Samaras Manager Government Relations