

Australian Food and Grocery Council SUBMISSION

29 APRIL 2011

TO: SENATE ECONOMICS COMMITTEE

**IN RESPONSE TO:
CUSTOMS AMENDMENT (ANTI-DUMPING MEASURES)
BILL 2011**



The Australian Food and Grocery Council (AFGC) is the leading national organisation representing Australia's food, beverage and grocery manufacturing industry.

The membership of AFGC comprises more than 150 companies, subsidiaries and associates which constitutes in the order of 80 per cent of the gross dollar value of the processed food, beverage and grocery products sectors. A list of members is included as [Appendix A](#).

With an annual turnover of \$102 billion, Australia's food and grocery manufacturing industry makes a substantial contribution to the Australian economy and is vital to the nation's future prosperity.

Manufacturing of food, beverages and groceries in the fast moving consumer goods sector¹ is Australia's largest and most important manufacturing industry. Representing 26 per cent of total manufacturing turnover, the sector is comparable in size to the Australian mining sector and is more than four times larger than the automotive parts sector.

The growing and sustainable industry is made up of 31,140 businesses and accounts for \$44.8 billion of the nation's international trade. The industry's total sales and service income in 2008-09 was \$102 billion and value added increased to \$27.3 billion². The industry spends about \$3.5 billion a year on capital investment and around \$370 million a year on research and development. The food and grocery manufacturing sector employs 288,570 people representing about 3 per cent of all employed people in Australia paying around \$13 billion a year in salaries and wages.

Many food manufacturing plants are located outside the metropolitan regions. The industry makes a large contribution to rural and regional Australia economies, with almost half of the total persons employed being in rural and regional Australia³. It is essential for the economic and social development of Australia, and particularly rural and regional Australia, that the magnitude, significance and contribution of this industry is recognised and factored into the Government's economic, industrial and trade policies.

This submission has been prepared by Mr Tony Mahar, Director Sustainable Development. Contact details for further inquiries:

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1 Fast moving consumer goods includes all products bought almost daily by Australians through retail outlets including food, beverages, toiletries, cosmetics, household cleaning items etc..

2 AFGC and KMPG, *State of the Industry 2010 - Essential information: facts and figures*.

3 About Australia: www.dfat.gov.au

Australian Food and Grocery Council

Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600
Via email - economics.sen@aph.gov.au

Dear Sir or Madam,

The Australian Food and Grocery Council welcomes the opportunity to make written comments to the Economic Senate Committee inquiry into the proposed customs amendment bill on anti-dumping measures.

The AFGC agrees with the Senate Committee's recommendations to strengthen the review process for Australia's anti-dumping and countervailing system. We support the recommendations seeking clarification of the revocation test under the current system to ensure Australian industries can take advantage of measures to address what are perceived by many to be unfair trading practices.

The AFGC has a number of guiding principles which are the basis of this submission and our views in general on the issue of anti dumping.

- Australian industry and particularly the manufacturing sector must have **ready and easy access to measures that have the clear objective of preventing products from being dumped in Australia** to the detriment of the domestic sector.
- Australian business should be able to compete equitably on the global market and anti dumping measures should provide for **transparent and equitable remedies but not allow or encourage vexatious or frivolous claims.**
- **The measures should be administered and processed in a timely way** that minimises costs and uncertainty for the business and provides a swift remedy to any activity that is injuring, or will injure, the domestic sector.
- **The anti dumping legislation should provide clear, unambiguous and transparent definitions of what constitutes dumping** and be able to report on the magnitude of imports and the proposed impact of the imported products on the domestic industry including final cost to consumer.
- **The arrangements should provide for a transparent and equitable process for appeal** from parties associated with any action.

The Australian food and grocery manufacturing industry does not seek protection nor unfair advantage, but must be provided with adequate measures that facilitate a competitive and innovative domestic industry which can compete in a global trading environment.

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Australian Food and Grocery Council

APPENDIX A AFGC MEMBERS LIST AS AT 25 MARCH 2011

Arnott's Biscuits Limited
Asia-Pacific Blending Corporation
P/L
Barilla Australia Pty Ltd
Beak & Johnston Pty Ltd
Beechworth Honey Pty Ltd
Beerenberg Pty Ltd
Bickfords Australia
BOC Gases Australia Limited
Bronte Industries Pty Ltd
Bulla Dairy Foods
Bundaberg Brewed Drinks Pty Ltd
Bundaberg Sugar Limited
Byford Flour Mills T/a Millers Foods
Campbell's Soup Australia
Cantarella Bros Pty Ltd
Cerebos (Australia) Limited
Cheetham Salt Ltd
Christie Tea Pty Ltd
Church & Dwight (Australia) Pty Ltd
Clorox Australia Pty Ltd
Coca-Cola Amatil (Aust) Limited
Coca-Cola South Pacific Pty Ltd
Colgate-Palmolive Pty Ltd
Coopers Brewery Limited
Danisco Australia Pty Ltd
Devro Pty Ltd
DSM Food Specialties Australia Pty
Ltd
Earlee Products
Eagle Boys Pizza
FPM Cereal Milling Systems Pty Ltd
Ferrero Australia
Fibrisol Services Australia Pty Ltd
Fonterra Brands (Australia) Pty Ltd
Food Spectrum Group
Foster's Group Limited
Fruco Beverages (Australia)
General Mills Australia Pty Ltd
George Weston Foods Limited
GlaxoSmithKline Consumer
Healthcare
Go Natural
Goodman Fielder Limited
Gourmet Food Holdings
H J Heinz Company Australia
Limited
Harvest FreshCuts Pty Ltd
Healthy Snacks
Hela Schwarz
Hoyt Food Manufacturing Industries
P/L

Hungry Jack's Australia
Jalna Dairy Foods Pty Ltd
Johnson & Johnson Pacific Pty Ltd
Kellogg (Australia) Pty Ltd
Kerry Ingredients Australia Pty Ltd
Kimberly-Clark Australia Pty Ltd
Kraft Foods Asia Pacific
Laucke Flour Mills
Lion Nathan National Foods Limited
Madura Tea Estates
Manildra Harwood Sugars
Mars Australia
McCain Foods (Aust) Pty Ltd
McCormick Foods Aust. Pty Ltd
McDonald's Australia
Merisant Manufacturing Aust. Pty
Ltd
Nerada Tea Pty Ltd
Nestlé Australia Limited
Nutricia Australia Pty Ltd
Ocean Spray International Inc
Parmalat Australia Limited
Patties Foods Pty Ltd
Procter & Gamble Australia Pty Ltd
Queen Fine Foods Pty Ltd
QSR Holdings
Reckitt Benckiser (Aust) Pty Ltd
Safcol Canning Pty Ltd
Sanitarium Health Food Company
Sara Lee Australia
SCA Hygiene Australasia
Schweppes Australia
Sensient Technologies
Simplot Australia Pty Ltd
Spicemasters of Australia Pty Ltd
Stuart Alexander & Co Pty Ltd
Subway
Sugar Australia Pty Ltd
SunRice
Swift Australia Pty Ltd
Tasmanian Flour Mills Pty Ltd
Tate & Lyle ANZ
The Smith's Snackfood Co.
The Wrigley Company
Tixana Pty Ltd
Unilever Australasia
Vital Health Foods (Australia) Pty
Ltd
Ward McKenzie Pty Ltd
Wyeth Australia Pty Ltd
Yakult Australia Pty Ltd
Yum Restaurants International

Associate & *Affiliate Members

Accenture
Australian Pork Limited
ACI Operations Pty Ltd
Amcor Fibre Packaging

*ASMI
AT Kearney
BRI Australia Pty Ltd
*Baking Association Australia
CAS Systems of Australia
CHEP Asia-Pacific
CSIRO Food and Nutritional
Sciences
CoreProcess (Australia) Pty Ltd
CROSSMARK Asia Pacific
Dairy Australia
Food Liaison Pty Ltd
FoodLegal
*Foodservice Suppliers Ass. Aust.
*Food Industry Association QLD
*Food Industry Association WA
Foodbank Australia Limited
*Go Grains Health & Nutrition Ltd
Grant Thornton
GS1
Harris Smith
IBM Business Cons Svcs
innovations & solutions
KN3W Ideas Pty Ltd
KPMG
Leadership Solutions
Legal Finesse
Linfox Australia Pty Ltd
Logan Office of Economic Dev.
Meat and Livestock Australia Limited
Monsanto Australia Limited
New Zealand Trade and Enterprise
RQA Asia Pacific
StayinFront Group Australia
Strikeforce Alliance
Swire Cold Storage
Swisslog Australia Pty Ltd
The Food Group Australia
The Nielsen Company
Touchstone Cons. Australia Pty Ltd
Valesco Consulting FZE
Visy Pak
Wiley & Co Pty Ltd

PSF Members

Amcor Packaging Australia
Bundaberg Brewed Drinks Pty Ltd
Schweppes Australia Pty Ltd
Coca-Cola Amatil (Aust) Limited
Foster's Group Limited
Golden Circle Limited
Lion Nathan Limited
Owens Illinois
Visy Pak



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