

Import of Processed Tomato Products

APTRC and its Members

Supplementary Submission to the Productivity Commission's

"Safeguards Inquiry"

We refer to the submission provided to the Commission, dated 18th July 2013.

In accordance with the invitation extended by the Commission for further comment on the public hearing discussions and submissions received to date, the APTRC requests that you accept this further submission in support of the APTRC and its members.

Since the submission dated 18th July 2013, the Anti-Dumping Commission has provided its Preliminary Affirmative Determination Report No 217 ("the Report").

The Report relates to prepared or preserved tomatoes exported from Italy. The report is dated 1 November 2013 and is attached to this Submission.

The APTRC is the peak body representing members that have an interest in the Australian processing tomato industry which includes tomato processors and tomato growers.

The APTRC wishes to draw the Commissions attention to the Report generally and to specific paragraphs.

We wish to draw the Commissions attention specifically to page 5, paragraph 2, which sets out the Applicant's, SPC Ardmona Operations Limited (SPCA) claims that the industry has been injured through:

- (a) Loss of sales volume;
- (b) Reduced market share;
- (c) Reduced revenues;
- (d) Price depression;
- (e) Reduced profits
- (f) Reduced profitable
- (g) Reduced cash flow
- (h) Reduced attractiveness for reinvestment in the tomato processing business.

It is the APTRC's view that the injuries that have been identified by SPCA are identical to injuries experienced by members of the APTRC.

We refer to paragraph 9.2 on page 20 of the Report in which the Commission states that it is satisfied that retail shelf prices for Italian imports continue to reflect dumped export prices and as a result continue to place pressure on SPCA to promote and discount its prices below cost in order to remain competitive.

We wish to make the point in this submission that, in the APTRC's view, the Report identifies what has been perceived or has been believed to be the case for many years in affecting APTRC's members competitiveness, having regard to the pressures on prices received by

both the processors, the growers and other stake holders involved in the tomato processing industry.

Despite members of the APTRC having significantly increased their productivity, as has been outlined in the 18 July 2013 Submission, members of the APTRC have been under extreme financial pressure as a consequence of declining retail prices forced upon the Australian processors and growers as a result of factors, amongst others, indentified in the Report.

The APTRC wishes to make the point that the dumping of products, which compete directly with products produced by members of the APTRC affect the viability of the processors and the growers involved in the industry. The direct consequence of the reduced financial viability of the various stakeholders is a reduction in the productivity of the industry. Stakeholders are not financially capable of investing in the industry to increase productivity.

We request that the productivity commission have regard to the anti competitive activity indentified in the Report, which has a significant affect on the productivity of members of the APRC.

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Australian Processing Tomato Growers