

HOUSE OF REPRESENTATIVES STANDING COMMITTEE ON ECONOMICS - INQUIRY INTO PROMOTING ECONOMIC DYNAMISM, COMPETITION AND BUSINESS FORMATION

ALDI Stores Australia response to questions on notice

20 October 2023

Question: Again, this is probably a question on notice, but it's something that I've asked all of the other witnesses in the supermarket sector but also in other sectors. It would be great to get EBIT and return on equity data—going back 20 years, in your case, would be very interesting—as a point of comparison with other firms in your sector but also more widely.

Answer: ALDI is not able to provide EBIT information as we are a private company, and that information is commercial-in-confidence.

Question: Your firm operates in many countries. I imagine there are varying degrees of market concentration in different markets in which your firm operates. Is it possible to give us a sense of the range of market shares which your company enjoys in different markets around the world? Is this at the lower end because you're relatively new, or is it middle of the pack?

Answer: ALDI's market share around the world varies from approximately three per cent to almost 20 per cent depending on the country. ALDI Australia's market share is currently 10.1 per cent (Quarter to 10.09.2023, Circana Shopper Panel).

Question: Based on your experience, what are retail margins like here compared to, say, the UK, Germany and the US?

Answer: Retail margins are highly confidential and not often publicly reported. It is therefore difficult for us to provide an answer.

Question: Are there exclusivity arrangements in centres which could prevent multiple supermarket entrants coming into a centre? Are there any of those sorts of arrangements in place that you're aware of at the moment?

Answer: ALDI does not have any exclusivity arrangements in place with shopping centres that could prevent other supermarket entrants.

Question: It was mentioned at the hearing that Aldi may need to expand into the online delivery market. How do you intend to ensure delivery drivers are paid fairly and can work safely, considering your refusal to sign a charter with the TWU to ensure truck drivers in your supply chain have fair, safe and sustainable conditions?

Answer: At this stage, ALDI has no plans to expand into the online delivery market.