

## **Edited transcript of Dick Smith's video:**

**“ALDI stop the secrecy, and stop sacking Australians!”**

**Tuesday 25 September 2018**

Hi, Dick Smith here. I'm really concerned. This is the story of a highly secretive German company that's going to drain enormous wealth out of our country, while at the same time changing the very openness that our forefathers went to war to protect.

Now, the previous video has had over three million hits. Imagine that! Absolutely fantastic. Please send this video to everyone. It is absolutely important that as many people see it as possible, for the very future of our country.

Now we all love low prices, but not so low that more and more of our young people can never have a proper full time career, or our farmers are forced into bankruptcy.

We used to be known as the land of the fair go but that seems to be changing. Our most successful retailer was once Australian owned, but no longer, it's now the German owned Aldi.

Not many people realised with the online booking sites that so much money was being shipped overseas; well it's the same with Aldi.

Aldi are owned by two ultra-secretive Germans – Karl Albrecht Jnr and Beate Heister. They're worth, wait for it...over 40 billion Australian dollars, and they're not even known as philanthropists!

Aldi are not only known as our most successful food retailer at the moment, but they're also known as being the lowest cost food retailer and the most profitable. Now hold on... how can you be the most profitable and have the lowest costs?

Well Aldi are incredibly astute. Basically it's about sharing the wealth less. With our typical Australian owned companies, about eight per cent of the dollar you spend is spent on employing Australians. With Aldi it's less than four per cent.

In effect they've worked out a way of sacking Australians, or not putting them on in the first place, so more money can be made by the owners, and of course they can discount the food a bit.

Of course it's also well-known that they're ruthless when buying food. Aldi started off buying here, but I've noticed more and more that they are abandoning our Australian farmers and producers. They have no loyalty to Australia. For example, their peanut butter comes from South America where farmers are paid subsistence wages, and once again we lose out.

What worries me about Aldi is that they're completely at odds with our Aussie free enterprise system, with our traditional openness.

Key the names of the Aldi owners – Karl Albrecht Jnr and Beate Heister into Google and you'll see they're noted as being obsessively secretive... wow! And they've never ever done an interview with the media about what vision they have for Australia - how many more shops are they going to open - how many people are they going to sack? No, you won't find anything about that at all.

I wrote the owners a letter (it's on the Dick Smith Fair Go website, you can have a look at it), asking, what are their plans for Australia? Of course they didn't answer, no; it appears they don't do that.

Imagine you've got 40 billion dollars, you can have an enormous effect on Australian citizens, mums and dads, people who can't get jobs, young kids who want a job or career to start, and they don't even answer a simple letter from Dick Smith.

Yes, I suppose they say *"ha ha, we're worth 40 billion dollars we don't answer people from Australia!"*

Aldi has an Australian managing director, Tom Daunt. He's a good bloke, but understand that if he said one word that was out of line with the German

billionaire group think he would be sacked instantly, that's how these ruthless companies work.

Aldi sent out press releases explaining how they were employing 12,000 Australians. But if Aldi are employing 12,000 Australians that means another 12,000 have lost their jobs, because it's quite simple - we're not eating more food because Aldi are here - it's the same amount. But for every dollar spent, if Aldi have half as many employees, that means 50 per cent of the people have lost their jobs, or haven't been employed in the first place.

Here's the most amazing thing. Aldi have recently become our most trusted brand. Now imagine that, they're above Qantas! Whoa! And they do this by being secretive. That's a message to every wealthy business person: don't talk to the media – don't use the Australian tradition of openness.

When I was younger all of the wealthy people were open with the media. We had Sir Vincent Fairfax; he came and opened my scout hall! He drove himself - came in his Rolls Royce. Then the Myer family, all of these wonderful Australians.

Well if the message gets out that you can be highly secretive, there's going to be more and more of our wealthy business owners making no public statements at all and showing no leadership as they follow the Aldi formula.

But they're getting away with it, because not only are they the most profitable and lowest cost – they're now the most trusted brand.

Now is that going to affect us? Well of course it is, because it's going to take business off the Australian companies, which means less staff are going to be working there.

More to the point, our Aussie supermarkets are on the stock exchange. First of all, once a year they have to appear and answer questions from shareholders and from the public, that's our Australian system. Also the money stays here in Australia. There are so many super funds which are invested in our supermarkets.

Of course as Aldi take over with their extreme greed – imagine, you're worth 40 billion and you want even more money, and you won't even talk about it.

Remember Aldi hasn't come to Australia as a charity to help us. It's primarily about sucking wealth out of our country. So when you go to Aldi and buy something dirt cheap, it could be at the expense of another Australian losing their job.

There are famous words '*noblesse oblige*' which mean if you're the nobility, if you're the wealthy and powerful you have an obligation to show leadership. Well come on Aldi owners, you're the son and the daughter of the founders,

you didn't even create the business in the first place. Come to Australia - why don't you make a decision to float some of your company here so at least we can share in the wealth?

Now let's put some pressure on Aldi to do the right thing. Of course many Aussie workers are forced to go to Aldi for the low prices - that's because we have five million Australian workers who live pay packet to pay packet with no savings at all. Of course one of the reasons for that is the vast amounts of money which is shipped out of this country instead of being shared here.

But lots of my wealthy friends go to Aldi. The first Chief Executive for Aldi he said to me *"of course the wealthy come to us, they're smarter than the poor."* Well I don't agree.

So what I'm going to ask is - let's have a protest. If you can afford it, never buy from Aldi again until the owners come to Australia and tell us what their plans are. Perhaps they could float on the stock exchange and let us share in some of the wealth. Perhaps they could employ a few more Australians per dollar turnover.

In the meantime I ask you stick with the Aussie owned companies, employing lots of people and where the profits stay here.

Now what would be the use of our protest by not buying from them? Well I have a feeling, just as they haven't answered my letter, my pleading: *"What are you going to do in Australia? How many Australians are you going to sack?"*

I have a feeling that once they see the turnover - even if it drops by 0.1 per cent you're going to find they're going to go berserk back in Germany!

*"What! Why is the turnover going down? It's always gone up everywhere in the world! We're taking over the world, how can the turnover in Australia be going down? How come the profits from Australia are going down? We've only got 40 billion dollars!"*

I think then you'll suddenly find they might look at our letter. Wouldn't it be great! I have a feeling that the Aldi owners are probably really decent people but they've got these Rasputin-like creatures around them advising them...*"ah ha, never answer Dick Smith, never talk to the Australians, never do a press interview..."*

Now that's outrageous, capitalism depends on trust and ethics and you have to be open about it.

So there you have it, the wealth that should be used to pay decent wages and employ lots of Australians is shipped overseas to obsessively secret German

billionaires. It's not as if running a grocers shop is rocket science, surely we can do that?

Thanks for watching and please send this video to everyone. You might not see much about it in the major media because of the huge Aldi advertising dollar, but if we send it around we can have an effect. Good on you.

Thank you.

Text of slide following the video:

Dick says: *"If you can afford it, please stick with the Aussie owned supermarkets and your local friendly grocer."*