

# Advertiser Business Journal

## Woolworths bag ramp-up boosts Aussie manufacturing

Supermarket giant Woolworths' has returned nearly half the production of its 20c paper carry bags to Australia, boosting jobs and capacity at a South Australian packaging business.

[Valerina Changarathil](#)

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A Detpak employee working on the new Woolworths 20c paper bags manufacturing line.  
Picture: Supplied.

South Australian packaging giant Detpak is doubling local making capacity and creating 25 jobs to supply 20c paper bags to nearly half of Woolworths' national network of supermarkets in five states.

The retail giant said more than 400 stores in Victoria, Tasmania and WA will now offer shoppers the Aussie-made bags.

It follows the [introduction of the Detpak-made bags in 80 stores in SA and NT in December](#) 2020, which came in response to overwhelming consumer demand for support for local jobs and manufacturing across Woolworths' 1060-strong store network.

Locally made bags made up 45 per cent of the supply nationally and a progressive rollout will see the bags available in all states by the end of the year.

Commercial terms with Detpak were not disclosed, but Woolworths said it was a “multimillion-dollar deal”.

Detpak is part of the SA-headquartered Detmold Group, which was established in 1948 and is one of the world's largest manufacturers of paper and board products with seven factories in seven countries.

Detmold Group chief executive Alf Ianniello said the group had commissioned additional machines, doubling its domestic carry bag production capacity.

“This project is significant in its support of employment of Australians, but also in its extension of Australian manufacturing,” Mr Ianniello said.

Woolworths' paper shopping bags, made in China and Vietnam, were first launched in June 2020.

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While the fourth carry bag option was welcomed – in addition to its cloth, reusable plastic and fold-able fabric bags made elsewhere – [customers expressed anger on social media](#) platforms about the business not supporting local manufacturing.

Woolworths began phasing out single-use plastic bags in 2018.

Only 15 per cent of customers now purchase a new bag during a transaction.

Woolworths Supermarkets managing director Natalie Davis said while almost all customers are now bringing their own reusable bags, unplanned shops still presented a challenge.

“As paper bags are now a permanent part of our range, we’re working to support new Australian jobs in partnership with local manufacturer Detpak,” Ms Davis said.

“The launch of the bags in Victoria, Tasmania and Western Australia will provide a welcome boost for local manufacturing, which we’ll continue to build on as we roll them out to all parts of Australia by the end of the year.”

The supermarket has been working with Detpak to plan and grow local capacity since early 2020 to produce the paper bags at scale in Australia.

The bag, made from 70 per cent recycled paper, can carry up to 6kg of groceries.