

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Australian agriculture industry and the TPP

Report Categories:

Trade Policy Monitoring

Livestock and Products

Dairy and Products

Grain and Feed

Vegetables

Approved By:

Hugh Maginnis, Agricultural Counselor

Prepared By:

Rebecca Gowen, Agricultural Specialist

Report Highlights:

FAS staff met with representatives of the Australian farm lobby group, the National Farmers Federation to discuss developments in the Trans-Pacific Partnerships negotiations.

During a recent visit with one of Australia's major farmer representative organizations, Embassy agricultural officials (including the FAS Counselor and Agricultural Specialist) discussed agriculture as a key component of the ongoing Trans-Pacific Partnership (TPP) negotiations. The peak Australian agricultural lobby group, the National Farmers Federation (NFF) has been an active participant in the TPP negotiations and will continue to urge the Australian government to ensure that the final agreement will result in positive outcomes for Australian agriculture.

NFF General Manager of Policy Tony Mahar outlined his organization's priorities for upcoming negotiations with the Counselor and Ag Specialist, who were accompanied by the Deputy Economic Counselor with the Department of State. The NFF stressed that their key priority is to increase agricultural market access to levels substantially higher than current business as usual levels.

The possible entry of Japan into the TPP presents some additional challenges and opportunities for Australian agriculture. Australia has been in negotiations with Japan over a possible Free Trade Agreement (FTA) for at least seven years. However, these talks have stalled and may now be held over in favor of TPP agreements. The NFF's perception is that agriculture in general and beef in particular will be sensitive issues for negotiations with Japan in the TPP. Other industries which will be impacted by the Japanese negotiations include horticulture, dairy, sugar and grains.

Australia sent a large delegation of agricultural industry representatives to the 17th round of negotiations held in Peru in May 2013. Representatives from the red meat, sugar and dairy industries attended the negotiations with NFF representatives and met with both official government negotiators as well as representatives from the broader industry sector including Walmart and Canadian agricultural lobby groups.

The NFF also indicated that Australia is looking for alliances with other countries to negotiate on particular points. Possible areas of common interest for the U.S and Australia include Canadian supply management. At the same time NFF is looking to form alliances with groups such as the National Confectioners Association to help achieve their goal for increased market access for sugar. The NFF has consistently argued against the use of subsidies for agriculture and is a regular critic of aspects of the Farm Bill that may be trade distorting, as well as other international policies such as the European Union's Common Agricultural Policy.

While the NFF has indicated that they won't be sending a delegation the next round of negotiations in Malaysia in July 2013 (round 18), they have indicated that they intend to have strong presence at either the 19th or 20th rounds, depending on timing and location.

Australia's participation in future trade negotiations will be impacted by changes on the domestic political level. On June 26th, 2013 the Australian Prime Minister Julia Gillard was defeated in a leadership ballot by Kevin Rudd. Rudd had previously been elected Prime Minister in 2007 before being defeated by Gillard in a leadership ballot in June 2010. As a result of the change of Prime

Minister seven other Ministers resigned their portfolios, and some are resigning from politics altogether. Richard Marles has replaced Craig Emerson as Minister for Trade and Joel Fitzgibbon is now the Minister for Agriculture, replacing Senator Joe Ludwig. There is some concern that Marles does not have a strong trade background although he was formerly a Parliamentary Secretary for Foreign Affairs.