

22 September 2016



The Hon. Stuart Robert MP
Chair
Joint Standing Committee on Treaties
PO Box 6021
Parliament House
Canberra ACT 2600

Dear Chair

The National Farmers' Federation (NFF) was established in 1979 and is the peak national body representing farmers, and more broadly, agriculture across Australia. The NFF's membership comprises all of Australia's major agricultural commodities. Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council. These organisations form the NFF. The NFF is committed to advancing Australian agriculture by developing and advocating for policies that support the profitability and productivity of Australian farmers.

The NFF welcomes the opportunity to make a submission to the Joint Standing Committee on Treaties relating to the treaty amendment to implement the outcomes of the 10th World Trade Organisation (WTO) Ministerial Conference. Specifically, the NFF strongly supports the implementation of the Ministerial Decision to eliminate export subsidy concessions.

The NFF has long advocated the removal of agricultural export subsidies. Elimination of these market distorting measures has been a key plank of Australia's trade policy since the 1980s. Indeed, it was a key contributing factor to the creation of the Australia-led Cairns Group, a unique collection of 19 developed and developing agricultural exporting countries with a commitment to achieving free trade in agriculture.

Export subsidies, worth more than \$15 billion, are a direct intervention into market operation and have had a strong distortionary impact on world trade. These subsidies artificially increase production and exports from the nations that provide them, displacing exports from those nations that do not. They also artificially lower global commodity prices and ultimately market returns to other export suppliers. Their removal will level the playing field for Australian producers. Australia stands to gain greatly from the implementation of this decision by all WTO members and the Australian Government should do so without delay.

Yours sincerely

TONY MAHAR
Chief Executive Officer