

**Rural and Regional Affairs and Transport Legislation Committee**

**ANSWERS TO QUESTIONS ON NOTICE**

Additional Estimates February 2017

**Agriculture and Water Resources**

**Question Number:** 124

**Division/Agency:** Trade and Market Access Division

**Topic:** Kangaroo market access to California

**Proof Hansard Page:** 106

**Senator RHIANNON asked:**

Thank you. It is also on the record that the Australian government briefed officials from the United States trade representative during the AUSFTA joint coordination meeting on 4 May 2016. Can you detail all formal and informal representations made by Australian representatives about kangaroo market access to California since the ban was reinstated at the end of 2015?

**Ms van Meurs:** I would have to take that on notice because that would require quite a detailed answer.

**Answer:**

As part of its role in supporting various Australian industries to open and maintain market access and remove unnecessary trade barriers, the Department of Agriculture and Water Resources registered its concern on the ban on kangaroo exports from Australia to California with the United States (US) federal government at the Australia-US Free Trade Agreement Joint Committee Meeting on 4 May 2016.

As follow-up to this meeting, Australia's Minister-Counsellor (Agriculture) at the Embassy of Australia in Washington DC raised this matter directly with an official from the office of the US Trade Representative in December 2016.

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Additional Estimates February 2017

**Agriculture and Water Resources**

**Question Number:** 125

**Division/Agency:** Trade and Market Access Division

**Topic:** Briefing papers

**Proof Hansard Page:** 107

**Senator RHIANNON asked:**

**Senator RHIANNON:** On notice, can you provide the briefing papers for those discussions—prepared either before or afterwards?

**Ms van Meurs:** It is unlikely there were briefing papers, but I can take that on notice.

**Answer:**

As with other portfolio industries, the Department of Agriculture and Water Resources holds teleconferences with the kangaroo industry to discuss global market access issues. The most recent teleconference with the kangaroo industry, which included representatives from the Kangaroo Industries Association of Australia (KIAA), was in November 2016. Below is the extract regarding the Californian market access issue from the briefing document prepared and circulated to industry for the November 2016 teleconference.

**California**

Following re-introduction of the ban on imports and sale of kangaroo products to California on 1 January 2016, it is no longer legal to import and sell kangaroo products, including edible and inedible products (skins and hides) in California. Australia still has market access to the rest of the United States.

Kangaroo industry stakeholders have been working with the California Retailers Association on a strategy to overturn the ban. Increased industry involvement and leadership of this phase of market access work is vital and consistent with feedback received from Californian legislators, who have indicated that they need industry to present a sound and convincing economic argument for removing the ban before they would re-engage on the issue.

We understand that industry stakeholders have decided to defer further legislative activity until early 2017—after the US federal and Californian state elections. Following the elections on 8 November 2016, we are awaiting advice from the Department of Foreign Affairs and Trade officials in Los Angeles on the new composition of the California state legislature. We are interested to hear of the likely forward strategy for industry in 2017.

The department is continuing to work with the Department of Foreign Affairs and Trade and the Department of the Environment and Energy to explore other avenues to address the ban.

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Additional Estimates February 2017

**Agriculture and Water Resources**

**Question Number:** 126

**Division/Agency:** Trade and Market Access Division

**Topic:** Toowoomba and Surat Basin Enterprise

**Proof Hansard Page:** Written

**Senator STERLE asked:**

1. Did departmental representatives participate in the recent trade mission of farmers and agribusinesses to China which was led by the economic development group Toowoomba and Surat Basin Enterprise (TSBE)? If so, who participated? If not why not?
2. Dr Ben Lyons of the TSBE has stated that many of the promised benefits of the free trade deals were yet to materialize? And stressed the importance of engagement with the Chinese government to work through non-tariff barriers. What work is the department doing to work through non-tariff barriers?
3. Is traceability considered to be a non-tariff barrier when trading with China?

**Answer:**

1. The Australian Government was represented by Austrade as part of the Toowoomba and Surat Basin Enterprise (TSBE) AccessChina'16 trade mission to China in October 2016.

The Department of Agriculture and Water Resources provided a face-to-face briefing for the Assistant Minister for Trade, Tourism and Investment, the Hon. Keith Pitt MP in Shanghai during the TSBE trade mission.

2. There are a number of activities across governments and industry aimed at addressing non-tariff measures (NTMs) across many markets, including China, which have the aim of reducing the burden of NTMs acting as a barrier to trade.

Government and industry have a number of options to address agricultural NTMs. These include bilateral technical market access negotiations, discussions within free trade agreement negotiations, engagement with trading partners during bilateral (government-to-government) forums, multilateral forums (e.g. APEC and ASEAN), international standard setting forums (IPPC, Codex Alimentarius and OIE), discussions between commercial parties and formal dispute resolution mechanisms (e.g. WTO, OIE, IPPC).

**Question Number: 126 (continued)**

At a bilateral level the department is working with trading partners, including China, to address NTMs. Under the Agricultural Competitiveness White Paper, the department has also expanded in-market efforts, including on NTMs, through five additional overseas agriculture counsellors, including an additional position in China.

In the past 12 months, the department has agreed access to China for bovine blood and blood products and nectarines and also continues to pursue a range of issues identified as industry priorities.

3. Non-tariff measures (NTMs) are defined by the United Nations Conference on Trade and Development (UNCTAD) as ‘...policy measures other than ordinary customs tariffs that can potentially have an economic effect on the international trade in goods, including the quantities of goods traded, price or both...’—this definition could include traceability.

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**ANSWERS TO QUESTIONS ON NOTICE**

Additional Estimates February 2017

**Agriculture and Water Resources**

**Question Number:** 127

**Division/Agency:** Trade and Market Access Division

**Topic:** - Keith Pitt

**Proof Hansard Page:** Written

**Senator STERLE asked:**

1. Is Keith Pitt working directly with the department with regards to cross-border regulation and quarantine obstacles?
2. Mr Pitt has stated that “we will be working through a priority list” Is the department working with Mr Pitt to develop the priority list?
3. Provide detail about what is on the priority list and how the Government is developing the priority list.

**Answer:**

1. The department works with the Department of Foreign Affairs and Trade (DFAT) on agriculture-related cross-border regulation and quarantine impediments. The department has also directly briefed Assistant Minister Pitt on these issues.
2. The department is actively working on a wide range of market access interests for commodities in the agriculture portfolio, with priorities developed primarily in consultation with Australian agricultural industries. The priorities are regularly reviewed. The department is working with the DFAT on these priorities. Assistant Minister Pitt shares his views on industry market access issues with the department through DFAT.
3. Market access priorities are developed in consultation with Australian agricultural industries and also take into account formal negotiating arrangements that exist for some commodities with some countries. The department remains flexible in its approach to determining and reviewing market access priorities.

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Additional Estimates February 2017

**Agriculture and Water Resources**

**Question Number:** 128

**Division/Agency:** Trade and Market Access Division

**Topic:** Strategic advice

**Proof Hansard Page:** Written

**Senator STERLE asked:**

Has the Minister for Agriculture provided strategic advice as to what he would like to see on the priority list?

**Answer:**

The department works on a wide range of market access interests for commodities across the agriculture portfolio. Market access priorities are developed in consultation with Australian agriculture industries and where applicable takes into account advice and information from trading partners and other stakeholders. While the Minister has shared industry views regarding market access issues with the department, he recognises that the department takes into account the full range of stakeholder views in determining market access priorities.

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Additional Estimates February 2017

**Agriculture and Water Resources**

**Question Number:** 129

**Division/Agency:** Trade and Market Access Division

**Topic:** KPMG modelling

**Proof Hansard Page:** written

**Senator STERLE asked:**

KPMG modelling suggest that the value of Agricultural exports to china has grown to \$12 billion but suggest this could be higher, does the department agree with this statement?

**Answer:**

Australian Bureau of Statistics statistics indicate that Australia's agricultural exports to China in CY2016 was A\$9.9 billion—however there is a six month statistical lag on some commodities (barley for example) so the figure will increase.

Australia's agricultural exports to China in CY2015 was A\$11.1 billion.

Two-way agricultural trade between Australia and China in CY2016 was A\$12.6 billion.

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**ANSWERS TO QUESTIONS ON NOTICE**

Additional Estimates February 2017

**Agriculture and Water Resources**

**Question Number:** 130

**Division/Agency:** Trade and Market Access Division

**Topic:** Agriculture councilors

**Proof Hansard Page:** Written

**Senator STERLE asked:**

Provide a list of Agriculture councilors based overseas

**Answer:**

Minister-Counsellor (Agriculture)	Beijing Regional North Asia Manager
Counsellor (Agriculture Technical)	Beijing
Counsellor (Agriculture-Policy)	Beijing
Minister-Counsellor (Agriculture)	Bangkok regional South East Asia Manager
Counsellor (Agriculture)	Hanoi
Minister-Counsellor (Agriculture)	Jakarta
Counsellor (Agriculture)	Jakarta
Counsellor (Agriculture)	Kuala Lumpur
Counsellor (Agriculture)	Seoul
Counsellor (Agriculture)	Tokyo
Consul (Agriculture)	New Delhi
Minister-Counsellor (Agriculture)	Rome & Paris
Minister-Counsellor (Agriculture)	Brussels
Counsellor (Agriculture)	Riyadh
Counsellor (Agriculture)	Dubai
Minister-Counsellor (Agriculture)	Washington