

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

Question: TMA01

Division/Agency: Trade and Market Access

Topic: Live export

Hansard Page: 20-21 (26/05/2009)

Senator Colbeck asked:

If you could give me a list of countries that are receiving product, so that I can have a look at it from that context?

Answer:

The list of the major export markets for sheep and cattle is provided below:

By decreasing importance in value terms (2007-08)	
Live Sheep	Live Cattle
Saudi Arabia	Indonesia
Kuwait	Israel
Oman	Mexico
Bahrain	Russia
Jordan	Japan
Qatar	Malaysia
United Arab Emirates	Saudi Arabia
Israel	Philippines
	Libya
	Turkey
	Kuwait
	Jordan
	Brunei

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

Question: TMA02

Division/Agency: Trade and Market Access

Topic: Live export

Hansard Page: 23 (26/05/2009)

Senator Back asked:

Can you give me the figure on the value of the livestock export trade to the Middle East ?

Answer:

The value (\$m) for the financial year 2007–08 for live export by destination market is provided below:

Exports by Financial Year (2007-08)- Middle East Region

Live Sheep	(\$m)	Live Cattle	(\$m)
Bahrain	42.38	Egypt	0
Israel	3.97	Israel	35.87
Jordan	18.65	Jordan	0.49
Kuwait	64.84	Kuwait	5.18
Oman	53.48	Libya	10.58
Qatar	16.94	Oman	0.43
Saudi Arabia	71.07	Qatar	0
United Arab Emirates	12.16	Saudi Arabia	12.39
Grand Total	283.49	United Arab Emirates	0.46
		Grand Total	65.41

Source: ABS – Agricultural exports, 12 May 2009

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

Question: TMA03

Division/Agency: Trade and Market Access

Topic: Overseas agricultural attachés

Hansard Page: 28 (26/05/2009)

Senator Nash asked:

Would you be able to supply for the committee—and I am happy for you to take this on notice—over the last three years the attachés, where they were and the roles that they were performing and changes in those roles?

Answer:

As at 1 January 2009 the department had 16 Overseas Agricultural Officers, as follows (changes over the past three years are noted in *italics*):

Tokyo, Australian Embassy Japan

- Minister Counsellor (Agriculture)
- Counsellor (Agriculture)

Seoul, Australian Embassy Korea (Republic of)

- Counsellor (Agriculture)

Rome, Australian Embassy Italy

- Counsellor (Agriculture)

Paris, Australian Embassy France (delegation to the Organisation for Economic Co-operation and Development)

- Minister-Counsellor (Agriculture)

Brussels, Australian Embassy Belgium

- Minister-Counsellor (Agriculture)
- Counsellor (Agriculture)

Washington, Australian Embassy United States of America

- Minister-Counsellor (Agriculture)
- Counsellor (Agriculture)

Dubai, Australian Consul-General United Arab Emirates (Austrade Managed)

- Consul-Agriculture (Middle East)

Bangkok, Australian Embassy Thailand (*commenced January 2006*)

- Counsellor (Agriculture)

New Delhi, Australian Embassy India (*commenced January 2006*)

- Counsellor (Agriculture)

Beijing, Australian Embassy China (People's Republic)

- Counsellor (Agriculture) (*commenced March 2006*)
- Counsellor (Agriculture)

Jakarta, Australian Embassy Indonesia (*commenced December 2006*)

- Counsellor (Agriculture)

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

Question: TMA03 (continued)

Moscow, Australian Embassy Russian Federation (*short term posting October 2008 – February 2009*)

- Counsellor (Agriculture)

Changes to occur in 2009:

Rome

- Counsellor (Agriculture) position to be upgraded to Minister-Counsellor (Agriculture) position.

Paris, OECD

- Responsibilities of Minister-Counsellor (Agriculture) to be shifted to Rome and Brussels positions.

Brussels

- Counsellor (Agriculture) position to be withdrawn
- Technical market access issues to be managed by Minister-Counsellor position, supported by locally engaged and Canberra-based staff.
- Role of Minister-Counsellor (Agriculture) to include French bilateral issues previously handled by Paris position.

Washington

- Counsellor (Agriculture) position to be withdrawn
- Technical market access issues to be managed by Minister-Counsellor position, supported by locally engaged and Canberra-based staff.

Overseas Agricultural Officers are responsible for managing Australia's food, agriculture, fishery and forestry market access and policy relations with respect to the posted countries/regions. Primary activities of the role include making high-level representations to government agencies and agricultural industry groups in the region to build and maintain strong bilateral relations, and to resolve technical market access problems in respect of Australia's exports.

In posts where two officers are placed, the Minister-Counsellor (Agriculture) principally focuses on the broader policy issues while the Counsellor (Agriculture) focuses on technical advice and support. However, in posts where one officer is placed they handle both policy and technical issues.

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

Question: TMA04

Division/Agency: Trade and Market Access

Topic: Free trade agreement negotiations

Hansard Page: 28 (26/05/2009)

Senator Nash asked:

Would you provide for the committee the current free trade agreements that you are working on—just the status of those and where they are all up to for the committee?

Answer:

Australia is negotiating free trade agreements (FTAs) with a number of trading partners. A summary of their status is below.

Negotiating partner	Status
People's Republic of China	Negotiations commenced in May 2005. The thirteenth round was held in Beijing in December 2008. A date for the next round has not been set.
Japan	Negotiations commenced in April 2007. The eighth round was held in Tokyo in March 2009. A date for the next round has not been set.
Malaysia	Negotiations commenced in May 2005. The last full round of negotiations was held in 2006. On 7 October 2008, Australia and Malaysia agreed to reinvigorate FTA negotiations. The next round is expected to be held later this year.
Gulf Cooperation Council	Negotiations commenced in July 2007. The fourth round was held in June 2009. A date for the next round has not been set.
Republic of Korea	Negotiations commenced in May 2009. The second round is expected to be held later this year.
Trans-Pacific Partnership	On 20 November 2008, the Minister for Trade, the Hon. Simon Crean MP, announced that Australia will participate in negotiations for a Trans-Pacific Partnership Agreement with Brunei Darussalam, Chile, New Zealand, Singapore, the United States and Peru. Negotiations are yet to commence.

Australia is also considering whether to pursue FTA negotiations with India and Indonesia and Pacific Island countries under the “Pacific Agreement on Closer Economic Relations Plus” arrangement.

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

Question: TMA05

Division/Agency: Trade and Market Access

Topic: Chile FTA

Hansard Page: 29 (26/05/2009)

Senator Milne asked:

I am asking about Chile. I am particularly interested, because I cannot see it myself and I have looked it at a number of times. Particularly, fruit growers in Tasmania have said to me that it makes no sense at all as far as they are concerned. Is there a statement anywhere that puts on the table now the claims of the government about the benefits to specific sectors of this free trade agreement? I want to come back in five years time and establish whether any of these benefits have actually accrued.

Answer:

On 5 March, 2009, the Minister for Trade, the Hon. Simon Crean MP, announced that the Australia-Chile Free Trade Agreement (FTA) delivered the most comprehensive outcome on tariff reductions in any agreement that Australia had negotiated with another agriculture producing country since the Closer Economic Relations Agreement with New Zealand in 1983. The FTA eliminates immediately Chile's tariffs on almost 92 per cent of tariff lines covering 97 per cent of goods currently traded. This includes Australian exports of coal, meat, wine and key dairy products. Tariffs on all existing merchandise trade will be eliminated by 2015.

The Government has since announced the outcomes for goods as follows:

- Tariffs on all existing merchandise trade to be eliminated by 2015
- Tariffs on approximately 92 per cent of lines covering 97 per cent of trade in each direction will go down to zero upon entry into force
- All goods covered, including sugar

The impacts of the FTA on goods were announced as follows:

- Immediate market access gains for exporters and parity with suppliers from other countries with preferential access
- Australian exports likely to benefit include coal, paints, varnishes, plastics, chemicals, heavy equipment, meat, dairy, wine and other agricultural exports
- Chile's fixed sugar tariff to be eliminated; variable component will remain, subject to continuing reform pressure

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

Question: TMA05 (continued)

The FTA specifies that, on entry into force, Chile will eliminate tariffs on 91.9 per cent of tariff lines covering 96.9 per cent of trade and Australia will eliminate tariffs on 90.8 per cent of lines covering 97.1 per cent of trade. All remaining tariffs on both sides will be eliminated by year six of the agreement (2015) except for one component of Chile's sugar tariff which will remain subject to its current 'price band' system.

The Goods Chapter of the FTA also includes commitments on national treatment (ie to treat goods of the other Party no less favourably than a Party's own like goods), a general prohibition on import and export restrictions, and agreement not to apply export taxes or agricultural export subsidies.

Two-way trade between Australia and Chile is growing fast – up from A\$574 million in 2006 to A\$856 million in 2007. Australia is the fourth-largest foreign investor in Chile, with around US\$3 billion of direct investment. The FTA will offer Australian exporters opportunities across the board which will be particularly valuable in services and investment areas, including energy (coal, LNG, renewable energy), agriculture (dairy, meat, ovine and bovine genetics, production technologies) and food and beverages including wine.

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

Question: TMA06

Division/Agency: Trade and Market Access

Topic: Australia-United States Free Trade Agreement

Hansard Page: 30 (25\05\2009)

Senator Milne asked:

Has there been assessment of the claims that were made about the US trade agreement and primary industry, and an assessment of the results? If not, is there ever an evaluation or do we just go through a process of claims and then no evaluation ever as to what goes on?

Answer:

The department has not undertaken a formal assessment of the claims made about the benefits for agriculture derived from the Australia-US Free Trade Agreement (AUSFTA). The department does monitor the annual level of agriculture exports to the United States (US) and the trends in agricultural trade with the US.

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

Question: TMA07

Division/Agency: Trade and Market Access

Topic: Overseas agricultural attaches

Hansard Page: Written

Senator Nash asked:

Are any of the positions to be scrapped Agricultural Attachés attached to Australian Embassies? In which Embassies are Agricultural Attaches attached? Have any been removed in the past twelve months? If so why where were they located? How will the work previously done by the Agricultural Attaches be undertaken and by whom?

Answer:

The Overseas Agricultural Officer positions to be withdrawn are all attached to Australian Embassies.

Question TMA03 lists the Australian Embassies to which each Overseas Agricultural Officers is attached.

Apart from the conclusion of a short term mission to Moscow, in February 2009, no Overseas Agricultural Officers have been removed in the past twelve months.

There will be some Overseas Agricultural Officer positions removed over the next twelve months, including one position from Brussels, one position from Washington, and one position from Paris, Organisation for Economic Co-operation and Development (OECD).

Technical market access issues in Brussels and Washington requiring action will be assessed case-by-case. They will initially be dealt with by the Minister-Counsellor (Agriculture) in consultation with Canberra-based officers. If an issue progresses to a stage where additional technical resources are required, the department will consider making available staff from Canberra, or from other overseas posts, to provide the necessary back-up. Responsibilities for the Paris OECD position will be shifted to Rome and Brussels positions.

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

Question: TMA08

Division/Agency: Trade and Market Access

Topic: Russian Red Meat Market

Hansard Page: Written

Senator Nash asked:

Does the Government not consider the disruption during the year to the Russian red meat market as a market lost?

Answer:

The Australian Government is continuing efforts to gain re-approval of 19 meat establishments (six wild game and thirteen red meat establishments) following their temporary suspension from exporting to the Russian Federation by Russian veterinary authorities.

In the meantime, the Russian market remains open to other Australian red meat exporters. Shipments of red meat in the current financial year until June 2009 were some 60 000 tonnes, including 5 140 tonnes of kangaroo meat.

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

Question: TMA09

Division/Agency: Trade and Market Access Division

Topic: Status of Kangaroo exports to Russia

Hansard Page: Written

Senator Nash asked:

Have all companies, including kangaroo exporters who lost markets in Russia again exporting to Russia?

Answer:

None of the temporarily suspended establishments have recommenced exports to the Russian Federation.

The Australian Government continues to seek responses from the Russian Federation on the outcomes of the Russian veterinary authority's audit of Australian red meat and game meat establishments in February 2009 and to investigation reports Australia has submitted on suspended meat establishments.

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

Question: TMA10

Division/Agency: Trade and Market Access

Topic: Reason for suspension of access for red meat exports to Russia

Hansard Page: Written

Senator Nash asked:

What was the reason for the suspension of access for red meat exporting companies to Russia?

Answer:

Russian authorities have temporarily suspended imports of meat from nineteen Australian meat establishments. Fifteen establishments are suspended due to detections of microbial contamination, two due to heavy metal contamination and two due to organochlorine residues.

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

Question: TMA11

Division/Agency: Trade and Market Access

Topic: Impact of lost market access in Russia for kangaroo industry

Hansard Page: Written

Senator Nash asked:

What impact has the lost market access in Russia had on the Kangaroo industry?

Answer:

The Russian market is particularly important for Australian kangaroo meat exports. In 2007-08 the Russian Federation accounted for 64 per cent by value of Australia's total kangaroo meat exports. The temporary suspensions have impacted heavily on the Australian kangaroo industry and, as a result, a number of establishments have temporarily ceased operations.

The Australian Government continues efforts to re-gain approval of the temporarily suspended establishments for export to the Russian Federation. Access is also being sought for kangaroo meat to other markets, including China, Ukraine and the Philippines.

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

Question: TMA12

Division/Agency: Trade and Market Access

Topic: Animal activist claims against the kangaroo industry

Hansard Page: Written

Senator Nash asked:

What work is the Government undertaking to combat the spurious claims of animal activists, such as the NSW executive director of Animal Liberation, Mark Pearson who are using data collected illegally and under highly dubious circumstances to disrupt and discredit the kangaroo industry in Europe and China?

Answer:

The Australian Government has undertaken an analysis of the recent report 'A Shot in the Dark' released by Animal Liberation New South Wales. Analysis indicates that the report fails to present an objective view of the kangaroo harvesting and (kangaroo) meat export industry. Relevant Australian overseas posts, including in Brussels, Moscow and Beijing, have been provided with detailed and balanced information on the hygiene, sustainability and animal welfare practices of the kangaroo industry to respond to any approaches by host governments, industry or the public.

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

Question: TMA13

Division/Agency: Trade and Market Access

Topic: Import permits for the export of Chinese products to Australia

Hansard Page: Written

Senator Nash asked:

What Australian agricultural/fisheries/forestry products are currently seeking permission from the Chinese Government to import permits into China?

Answer:

The department is pursuing the following Australian agricultural industry priorities for new market access to China:

- table grapes
- summer fruit (apricots, peaches, nectarines, plums)
- cherries
- apples (mainland)
- kangaroo meat.

The department is pursuing the restoration of market access for the following products to China:

- meat from non-integrated establishments
- tripe
- pork
- possum meat
- poultry meat.

In addition, on 12 June 2009 the department negotiated improved market access arrangements for Australian citrus and mango exports to China.

Senate Rural and Regional Affairs and Transport Legislation Committee

ANSWERS TO QUESTIONS ON NOTICE

Budget Estimates May 2009

Agriculture, Fisheries and Forestry

Question: TMA14

Division/Agency: Trade and Market Access Division

Topic: Industry funding to access the Chinese market

Hansard Page: Written

Senator Nash asked:

How much funding is being made available to industry to help undertake all aspects of accessing the Chinese markets? Please provide a breakdown of which industries/commodities are receiving funding and how much funding they are receiving?

Answer:

Please refer to response TMA08 from the Additional Budget Estimates February 2009.