



CATTLE COUNCIL OF AUSTRALIA

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MEDIA RELEASE

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Australia-Korea FTA great news for beef

Australia's third largest beef export market has opened its doors to negotiate further liberalising trade, marking a significant milestone in the history of Australia's beef industry, said David Inall, Executive Director of the Cattle Council of Australia.

The Australian Government announced yesterday that Australia and Korea had agreed to launch bilateral free trade agreement negotiations.

"This important step towards freeing trade will deliver benefits to both Korea and Australia amidst the global financial crisis," said Mr Inall.

Securing import parity for Australian beef in the Korean market has been a critical focus for the beef cattle industry through its national peak body, Cattle Council of Australia. Mr Inall said that the US represents Australia's biggest competitor in the Korean market and that achieving a comparative market advantage is critical to expanding beef export sales to Korea of around \$750m per year.

"Once ratified, the US-Korea FTA will see the 40% tariff on US beef being reduced to zero over a 15 year implementation period, therefore it is critical that the 40% tariff on Australian beef be negotiated down to zero through an Australia-Korea FTA," said Mr Inall.

The beef industry has invested considerable resources into liberalising the international beef trade, with beef exports alone worth over \$4.2 billion dollars*.

"It is crucial that beef producers, through the Cattle Council of Australia, continue to encourage the Australian Government to pursue those bilateral free trade agreements that are of value to the Australian beef industry and subsequently, Australia's economy.

"Australia has already secured FTAs with 10 member countries of the ASEAN, New Zealand, Singapore, Thailand, the United States of America– the latter two providing immediate reductions in import barriers facing Australian beef.

"Cattle Council will continue to work towards the progressive reduction of existing trade imposts faced by Australian beef producers in key export markets," concluded Mr Inall.

Securing an FTA with Australia's largest export market, Japan, is the next trade policy item on Cattle Council's agenda.

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