

SUBMISSION

SUBMISSION TO

Department of Foreign Affairs & Trade

IN RESPONSE TO

Review of Export Policies & Programs

April 2008



PREFACE

The red meat sector is now Australia's No.1 agricultural enterprise. The Australian Meat Industry Council (AMIC) is the only employer association and recognised Peak Council in Australia, representing the commercial export and domestic processing industry.

AMIC is also the Peak Council representing the post-farm gate sector including smallgoods manufacturers, wholesalers, distributors, boning rooms and independent retail butchers – in total, close to 3,000 member companies representing over 55,000 workers directly employed in meat processing, exporting, wholesaling and retailing in Australia.

In addition, there is conservatively at least the same number again of Australian's involved in the road transport, shipping, carton and equipment manufacture, insurance, banking, laboratories and other ancillary industries – all dependent on the red meat processing and export sector for a proportion of their livelihood – an industry worth an estimated A\$17 billion to the Australian economy in total in 2007.

AMIC provides services and support to members that improves their working environment and is focused on achieving the best outcomes for the industry and its members as part of one voice on issues critical to their business.

KEY ISSUES AMIC WOULD LIKE TO SEE ARISING OUT OF THIS REVIEW OF EXPORT POLICIES & PROGRAMS

- ❑ Market access is the red meat sectors No.1 priority. Without market access we cannot compete.
- ❑ A commitment to ensuring that the red meat processing sector will not be sacrificed for other agricultural or manufactured products in any WTO or FTA negotiation. As a major agricultural enterprise, there must be an outcome for the red meat industry.
- ❑ The red meat processing sector should be treated on a level playing field with the live export trade and Government should not accept less liberal access for processed meat than it does for live export – e.g. The Australia/Thailand FTA.
- ❑ Commitment to the principle that market access for red meat is achieved through an Australian processing facility meeting a published standard in any export market. Having met that standard, trade is then based on the commercial criteria of price, specification, quality and supply and demand. This philosophy should underpin market access for the red meat export trade to all markets.
- ❑ Support for a whole of Government partnership with industry on market access through the Red Meat Market Access Committee (RedMMAC). Optimal market access can only be achieved in an increasingly complex global environment with the functional interaction of Government and industry seeking mutual outcomes. Recognition by Government of RedMMAC as the premier market access forum for the red meat industry.
- ❑ Support for AQIS and AMIC in embracing the Joint Strategic Initiatives Evaluation Group (SEG) outcomes and the implications they will have for market access. The quantum change to inspection methodology in Australia that SEG will deliver will include better utilisation of scarce inspection resources and a more appropriate focus on food safety and quality assurance systems that will meet and exceed emerging global consumer expectations for food products.
- ❑ Commitment to maintaining our unique health and hygiene status as a basis for differentiation in an increasingly sophisticated global marketplace. Australia's red meat export industry will not compete at sustainable levels if it is based on price alone.
- ❑ Infrastructure reform is critical to a prosperous export sector and the ability to access foreign markets in a cost-effective manner. Inconsistent State Government policies on road and rail transport will only hinder the industry's ability to maximise export market potential.



REVIEW OF EXPORT POLICIES AND PROGRAMS

1. INTRODUCTION

The Australian Meat Industry Council (AMIC) on behalf of the red meat processing and export sector, welcomes the opportunity to make the following comments on the Review of Export Policies and Programs.

The red meat processing and export sector represents the largest agricultural enterprise in Australia and one that is dependent on export markets for its viability. Close to 70% of our beef production and close to 60% of our sheepmeat production is exported to over 100 countries worldwide, worth close to A\$5.7 billion FOB to the Australian economy in calendar year 2007. Exports of tallow, hides and skins are additional to this. Australia is now one of the largest red meat exporters in the world.

AMIC represents the commercial post- farm-gate red meat sector in Australia. As the country's largest agricultural export enterprise, this submission will focus on those export issues most pertinent to its long term viability and where Government can make a difference.

2. WHY IS AGRICULTURAL TRADE REFORM IS IMPORTANT

The Australian red meat industry relies on exports. There is little we can do about the natural barriers we face, such as distances from abattoir to port and from port to customer. But we try to reduce the regulatory barriers such as tariffs and quotas that block many of our markets in one way or another. 'On-shore' demand for most of our production while important, is not growing at levels that will sustain the current industry structure, so export markets are the key to expanded sales.

The role of trade liberalisation in keeping costs down at home is also important, given the water and environmental land-use constraints and the limited number of Australian consumers relative to the global market. An open market and a competitive economy however are important for a sustainable red meat processing and export sector.

Growing and maintaining export demand is the source of higher prices and improved margins for the Australian industry long term. Those agricultural commodities that have seen the greatest real price improvements over the past 40 years have been those where export demand has driven growth. World food stocks are reportedly the lowest in 30 years. Recent food security concerns globally only enhances the opportunity for Australia to secure more long-term access for all agricultural products including red meat in the highest priced global markets.



3. MARKET ACCESS OUR NO.1 PRIORITY

Market access remains our No.1 Priority If you don't have access you cannot compete. While AMIC has embraced the WTO multilateral Doha process, the increasing complexity of the debate now involving over 150 countries has meant that significant liberalisation in agricultural products has proven elusive to this point. Lack of movement in the multilateral process has generated increased support for bilateral free trade agreements. As most of the 11 FTA's Australia has currently on the table (either under negotiation or in the feasibility stage) are in key red meat export markets, AMIC is committed to ensuring we generate the best possible outcome for AMIC members from each FTA.

Market access is often assumed as being only about tariffs and quotas. In fact, market access can take many forms: food safety issues, political, tariff, quota, commercial, technical, cultural, religious, regulatory or a combination of these. Only through a partnership of endeavour between Government and industry in approaching complex market access issues together can Australia's red meat industry be assured of the best possible outcome for all stakeholders.

4. BUT WHAT IS DRIVING/INFLUENCING THE GLOBAL TRADING ENVIRONMENT FOR RED MEAT?

Protecting Australia's health and hygiene status is a key to our prosperity. Whole-of-life animal ID is a must. Investment in quarantine and whole-of-life individual animal identification is part of the insurance policy that will maintain that status. The ability to track forward up the marketing chain and trace back down to the point of production is the world's best practice today but will most likely be the basic market entry requirement by the end of this decade. The processing sector has the most to lose from a loss in our health and hygiene status.

North American re-entry to major beef markets in Asia will occur. US beef exports have largely been excluded from Australia's major beef markets in Japan and Korea since their first case of mad cow disease (BSE) in December 2003. Science will ultimately dictate that the US and Canada will re-emerge from exclusion and re-enter Japan and Korea and other Asian markets, with their promotional guns blazing. BSE however has changed these markets with different consumer perceptions and a significantly different product mix than has been the case in the past. It is evident that current product mix in these markets will change. The US has negotiated an FTA with Korea that will eliminate tariffs on beef over 15 years. We must retain tariff equity with the US in Korea to allow our product to drive market share.

The red meat industry is a quarantinable trade. We need quarantine as a mechanism for protecting our health and hygiene status but importing countries apply it in the same way, sometimes as a non-tariff trade barrier. Market access in the meat industry of today also involves ever increasing scrutiny of standards, procedures and overseas country requirements. Most export abattoirs experience over 200 days a year of inspections,

reviews and foreign country audits. In a rapidly changing global marketplace, science remains the universal language that must guide our trading rules and policy although as we have seen with BSE, consumer sentiment especially in Japan and Korea, have heavily influenced where Government policy has gone on this issue.

Exchange Rates As exporters we are always at the mercy of the international currency markets and the appreciation of the Australian dollar by over 50% over the last 5 years has had an ongoing effect on our international competitiveness.

Climatic Influence The ever present danger of drought has significantly impacted our industry over recent years. Recent widespread rains of the last few months have been a godsend but we all know without follow-up rains the benefits will be short lived. Australia's ability to achieve productivity gains in spite of drought dominated climatic patterns reflects a significant investment in these management skills over the last decade. The growth in feedlot production over the last 15 years, especially in the beef industry, has also eased the pressure from drought in some regions although the price of grain, in particular the price of imported grain and the ability to actually import grain, will have a significant influence on the viability of the industry going forward. The growth of the bio-fuels market and its ultimate impact on the price of feed grains will be a major factor here. Climate change and its implications on production shifts, emission trading schemes and sustainability in general will be costly and significant.

Food Safety as a Market Access Issue With the high percentage of our production going export, the commercial impact of any international food safety scare on the Australian industry could be catastrophic. We must bring our domestic food safety standards in line with current international requirements to avoid self-penalising ourselves in the unlikely case of an FMD or BSE outbreak. Recent record beef recalls in the US for *E. Coli* 0157:H7 and the economic and commercial fall-out as a result has sent a strong message endorsing increased investment in maintaining the highest standards. Food Safety will be an ever present market access criterion. *Food safety is taken as a given. If you don't have it you will be discounted, if not refused entry*

South American Competition South America is becoming an agricultural powerhouse. Uruguay, Brazil and Argentina are making significant efforts to eradicate foot and mouth disease which limits their current access to many global markets. Almost any forum over the last 5 years that has looked to identify key factors for the future have prioritised food safety, BSE and South America as the key challenges for the medium and long term.

Globalisation The last 12 months has also seen a further globalisation of the meat export trade with Brazilian, Singaporean and Malaysian investment in various aspects of the Australian red meat processing industry on top of existing Japanese, US and British investment. Foreign investment has been an important component of the Australian red meat export sector for over a century and has played a significant role in the development of the industry. At the same time it is important that we all work together in building a common future and one that adds value for all stakeholders in the industry from producer to processor, exporter and retailer.



Environment & Animal Welfare Environment and animal welfare will increasingly influence trade outcomes. Australia as a major exporter is sensitive to these issues and has a need to adopt standards that are commensurate or exceed those of major export markets but always reflecting our unique industry and environment. AMIC has been proactive in developing with Government and animal welfare groups an Australian animal welfare processing standard endorsed by the RSPCA. Ever increasing standards however come at a cost. The recent Hallmark/Westland animal welfare case in the US involving the recall of over 65,000 tonnes of product, demonstrates the potential downside risks involved with failure to maintain acceptable animal welfare standards. It is also an endorsement for any preventative investment in effective and auditable systems in Australia that reduce any downside risks for our industry.

The ability to use recycled water in Australian processing plants without endangering market access to premium markets will contribute significantly to reducing overall costs of meat processing as well as better utilising what is an increasingly valuable resource - water. Government will play an important role in achieving the regulatory and social outcomes required here.

Sea Freight Levels of Service Australia represents about 2.5% to 3% of total global movements of containers. Our influence over global trends in sea and airfreight is therefore minimal. As an industry dependent on our export markets we need to identify and be proactive in adapting to and taking full advantage of the changing global environment in freight and transport. The world's rapidly expanding Liner fleet will reach 12m teu by June this year (double its capacity of just 7 years ago), based on newly released analysis. Container Lines face intensified pressure to fill new ships as they are delivered in the face of an uncertain world economy and 'softening transportation demand'. After a record-breaking new building ordering spree in 2007, container Lines now face a greater battle for customers and increased pressure to reduce emissions and cut expenses. We are already seeing this being reflected in reduced levels of service and ports of call. Russia may be an expanding market but a 6 week transit time remains a limiting factor in the current environment.

Infrastructure Reform in Australia is now critical to a prosperous future. Container movements in Australian ports are estimated to double over the next 15 years. An integrated national approach on road, rail and ports is essential to future transport efficiencies. Maximum road weight limits in NSW that are inconsistent with other States is an unacceptable impediment to NSW industry in 2008. The global trend to 40 ft containers and the ability to utilise them to maximum efficiency remains a critical issue for a heavy mass product like red meat. The shipping industry has seen a number of major consolidations and mergers that has changed the face of Liner shipping in recent years and the level of service they provide to Australian exporters. These remain critical issues in ensuring that an export orientated industry like the red meat industry can get such a time and temperature sensitive product to key export markets in an efficient, cost effective and reliable manner. Transport costs can represent between 15% to 20% of total CIF value and therefore is crucial to ultimate export success.

The Cost of Grain. Feed grain prices have more than doubled over recent years driven by subsidised ethanol production policies, drought and increasing world demand. It has changed the way intensive meat production systems operate globally including the feedlot industry in Australia. US biofuels policy is driving higher prices for US corn and other grains and costing the US poultry and livestock industries billions of dollars per year, according to a new FarmEcon LLC study in the US. The study commissioned by the National Chicken Council in the US, the National Turkey Federation and the American Meat Institute, forecasts that higher feed costs in the 2008/2009 crop year will cost the US poultry industry (including broilers, turkeys and layers) about US\$8 billion in additional feed costs, on top of a nearly US\$6 billion rise in the 2007/2008.

A new Australian Government report has confirmed concerns that ethanol has debatable fuel security, trade, environmental and regional development benefits. The report states that increased grain-derived ethanol production may actually reduce fuel security and increase our trade deficit because Australia's inevitable periods of dry weather will lead to grain shortages, reduced grain exports and potential imports of grain. This would increase grain prices and hence food and ethanol prices. The report also notes that jobs created by a Government assisted biofuel industry are difficult to justify and would be offset by job losses in other more viable rural industries that compete with the ethanol sector for grain such as dairy, beef, poultry and pork. It estimates that if Australia met its current biofuels target of 350 mega litres, GDP will likely decline by \$90m due to the cost of forgoing employment of resources to more productive activities. The report says that all greenhouse benefits of biofuels are negligible (1%-4%) and that further Government assistance is not warranted, given that the costs outweighed the benefits. The report concludes that there is no prima-facie economic case for mandate of ethanol content in fuel and that it would be more cost-effective to import ethanol than produce it domestically.

With grain prices so high, cattle numbers in Australia as a proportion of feedlot capacity remain at 51%, down from 77% at the same time last year. Higher value grainfed exports to Japan, Korea and the US have continued to decline as a result with 22%, 27% and 52% reductions compared to the same period in 2007, affecting Australia's ability to target the top end export food service and retail sector, especially in North Asia.

Labour Supply – Imported labour has been a controversial and sensitive issue. AMIC has committed substantial resources to negotiating an imported labour agreement with the Federal Government that would be acceptable to all States – an outcome that has proven largely unsuccessful to-date. Lack of skilled labour in abattoirs remains a significant and limiting factor to utilising available processing capacity and to value-adding. Industry is discarding products to rendering that could be processed for much higher value because of lack of labour. It is affecting returns, ongoing viability, and our collective ability as an industry to maximise returns to growers. Producers and Government need to understand this reflects directly upon the prices producers receive for their livestock.



5. REGULATORY ISSUES AFFECTING THE RED MEAT EXPORT TRADE

a) The Philosophy of Trade – Verification Against a Published Standard

It has been a longstanding tenant of the Australian red meat trading/exporting system that market access is achieved by the following principles:

- A published standard of a particular market is identified.
- A processing facility is then verified by the Central Certifying Authority (ie AQIS) as meeting that published standard for that particular market.
- Actual product distribution to this market is then based on commercial criteria of price, quality, availability, distribution linkages and supply and demand factors in the importing country.

In Australia's country to country negotiations this tenant provides the basis and underlying integrity for the market. To accept less than this standard would have the undesirable outcome of market access being based on other than performance criteria. This would place the market at risk from distortion due to non-technical or non-trade tariff barriers and leaves the market open to unscrupulous operators.

Recent market access negotiations in China, Malaysia and Indonesia in particular had reflected a departure from that principle. We understand that from time to time trading nations may seek to "horse around" various aspects of market access in order to achieve outcomes of their own. It is essential therefore that we agree that this market access principle should remain as a starting principle for any negotiation with an importing country.

The current limited access for processed Australian beef to Malaysia and the process undertaken to achieve that has been viewed by the beef processing sector as unacceptable for 2 countries striving to build a transparent and vibrant trading environment as part of a free trade agreement. Similarly the prolonged negotiation period over 2 years in seeking finalisation of our market access requirements in China is similarly affected. We still don't have access for plants that don't meet China's non-integrated criteria and the beef tripe protocol remains unresolved.

In the current free trade negotiations with all of these countries, if the relationship is to be one of mutual respect, we must strive to ensure the trading principle of verification against a published standard with trade then based on commercial criteria is protected if free trade is to truly flourish.

b) Future Market Access – Alternate Inspection Systems

The joint AQIS/AMIC Strategic Initiatives Evaluation Group (SEG) was formed to review current meat inspection systems with a view to better utilization of scarce human and



financial resources, reducing costs, reducing the need for regulatory oversight and to develop a more appropriate focus on food safety and quality systems that meet changing consumer expectations. The intention was to devise a mutually agreeable system design for the processing sector that would incorporate all recent technological, scientific and procedural advances and efficiencies in a restructured Australian meat inspection system.

The maintenance and expansion of market access was an underlying principle behind any proposed changes to inspection and certification procedures in Australia.

Over the last decade the Australian Government and the Australian meat industry have been working in partnership to develop an innovative approach to inspection that moved from a system of command and control imposed by Government regulation, to a system of quality assurance where industry takes full responsibility for its products and processes. Under this new regime, industry can demonstrate compliance on an ongoing, basis with the relevant food safety and market access requirements. The Governments role is to verify compliance at a level that gives export markets total confidence.

The Strategic Initiatives Evaluation Group (SEG) responded to this challenge by commissioning two projects, namely the:-

- Plant Performance Ranking Project
- Alternative Inspection Project

The Plant Performance Ranking Project identified new innovative performance indicators (KPI's) that best reflected food safety and market access outcomes. The system is being trialled in a commercial environment aiming to provide an objective, reliable measure of a plant's performance, providing AQIS with a basis to direct resources to problem areas or plants and to assess the suitability of plants applying to enter an approved alternative inspection program.

The alternative Inspection Project has redefined two alternative inspection and verification models and critically examined existing post mortem procedures.

The project has also recognised that Australia's enviable animal health status should allow us to modify and modernise existing post mortem inspection procedures using a risk based approach. Those modifications would lead to greater on-plant efficiencies and better utilisation of scarce inspection resources.

The completion of Stage 1 of the project (August 2008) has the potential to move the Australian processing sector into the 21st century with an inspection system and regulatory overview that is commensurate with the changing needs of the industry and changing consumer expectations. Such change may well compromise current market access for red meat products unless as a country we can convince key markets of the benefits of change. The Government's Agricultural Counsellors in major markets around the world will play a key role in this process. The Red Meat Market Access Committee (RedMMAC) partnership between Government and industry is best placed to take responsibility for



developing the international marketing strategy required to sell the program to key export markets.

This system will allow red meat processors with proven, reliable performance against published standards and community expectations to tailor their on-plant systems to capture potential productivity improvements and lock in efficiency gains. Government must provide its full support for the process and the sell in of the market access strategy through RedMMAC to all our major trading partners. The US has just agreed to a trial under the new arrangements but it will need other major markets such as Japan, Korea and the EU to bring quantum change.

c) Red Meat Market Access Committee (RedMMAC) - A Whole of Government Partnership with Industry on Market Access

A key market access initiative in 2006 was the formation of the Red Meat Market Access Committee (RedMMAC). In the increasingly complex global environment of today, market access has changed. Often optimal market access can only be achieved with the functional interaction of a whole of government and industry approach.

AMIC believed there were clear gaps in that functionality and that industry must play a more active role in providing commercial feedback on market access issues of importance to the sector. Because of the sensitive, diplomatic nature of Government to Government negotiations, there is a limit sometimes to what Government can do. Industry can play a key role here. We believe a stronger partnership with Government on market access will significantly improve export market effectiveness. The Red Meat Market Access Committee (RedMMAC) chaired by industry but involving all relevant Government agencies including DFAT, DAFF, AQIS and BioSecurity Australia (BA) has been the outcome of this process.

RedMMAC has the overall responsibility for identifying, prioritising and seeking solutions for market access issues. The primary role of the partnership is to set industry priorities and to progress market access issues in the red meat industry that for various reasons have not progressed through traditional channels either in Government or in industry. Most important of all is the fundamental delivery of agreed resolutions to those problems through the RedMMAC process. It is the industry's premier market access forum and the forum Government should engage the whole industry on market access solutions through.

d) Australia's Overseas Agricultural Counsellor Service

In the increasingly complex world of market access, the Australian Government's (DAFF's) Agricultural Counsellor Service will play an essential role in delivering access outcomes.

As part of DAFF's International Food and Agricultural Service, the 15 agricultural officers in Australian missions:

- play a major part in Australia's efforts to remove or lower market access barriers and facilitate trade.



- monitor emerging international issues.
- help resolve quarantine and other technical access issues.

This role not only facilitates technical market access but where market failure looms due to aberrations in the marketplace, can identify problems and use their unique position and network as a government representative, to table possible solutions that will not interfere with existing trade flows.

Industry is aware of decisions taken in the recent past that effectively revised the “veterinary counsellor” positions to “agricultural counsellor” thereby suggesting a possible reduced focus on meat issues in the positions’ duty statements. Subsequently, the staff chosen to fill these positions may have not always been as qualified in the technical aspects of meat related issues as previous incumbents.

The overall expansion of the Agricultural Counsellor Service in the past few years has focused greater attention on the priorities for the Service and where the meat industry fits into that process. On the ground access to key local officials and identifying issues can be vital in addressing those problems before they emerge as trade limiting. The Agricultural Counsellor Service is an integral part of our market access strategy and market defence mechanism. The meat industry supports an expansion in the service and an increased priority for red meat production in their areas of influence.

e) Market Access Through Health and Hygiene Standards

Australia’s geographic isolation no longer acts as a quarantine barrier. That barrier has largely been removed by the nation’s involvement in global trade and acceptance of thousands of human travellers every week. Despite these risks, Australia has maintained its disease-free status for numerous commodities. Free trade suggests a more liberal approach to the movement of all food products although the health and hygiene risks of many products is significant, as seen by the 2004 foot and mouth disease queries raised over Brazilian beef imports and the 2007 outbreak of Equine Influenza (allegedly from a horse from Japan). These standards applied at import will directly underpin our ability to maintain our market access in export markets. Australia’s “clean and green” image has been very beneficial to the industry in terms of product differentiation and value-adding and we should seek to protect it as a high priority.

Australia was a major proponent of an international agreement to protect agricultural exporters from trade barriers imposed in the name of unjustified health requirements. The World Trade Organization (WTO) Agreement on the Application of Sanitary and Phytosanitary Measures has been in force since 1995. This Agreement permits countries to restrict imports which threaten food safety, animal or plant health. However, these requirements must be based either on internationally agreed standards, or on a scientific assessment of potential health risks. The Agreement sets out other legal obligations to ensure that measures are taken for health protection, not as unjustified barriers to trade.

Other countries have challenged Australia's quarantine requirements on imported products as unjustified and that Australia's procedures for deciding whether or not imports will be permitted as taking too long. More complaints have been made about Australia's quarantine measures than those of any other of the 150 odd countries and custom territories that are members of the WTO. That suggests the standards set by Australia are protecting our unique health and hygiene status and that they should be maintained and never traded away. To-date, only a Canadian complaint about Australia's restrictions on salmon has gone through the full WTO dispute settlement procedure suggesting Australia's quarantine requirements were not scientifically justified. Loss of our health and hygiene status in the red meat industry would eliminate us from most of our high price export markets. The horse flu epidemic represented a test case for what that might cost and what might happen to export markets if one of the exotic diseases of cattle or sheep were to enter Australia. The economic impact would be catastrophic. Our health and hygiene status must be maintained with whatever science and WTO compliance will allow us to implement.

f) *Commitment to a Level Playing Field* – The red meat processing sector seeks from the Australian Government:

- That the basis for all international trade negotiations and agreements be equal tariff and non-tariff trade barrier treatment for both live and processed red meat products.
- A review of the taxation burden and Government induced charges placed on the Australian domiciled processing sector (especially payroll tax) be undertaken to remove some of the inequality that now exists in competing with the live export industry that is undertaking most of its processing overseas.
- A review into what level of live export is in the best long term interests of the Australian meat and livestock industry. That review to form the basis for a controlled/managed balance between the live and processed meat sectors that will provide a sustainable export future for both industries.
- The industry should develop a co-ordinated "Australia Inc" approach to both markets where live exports directly compete with imports of Australian red meat products. The brand "Australia" should only be used to market overseas red meat processed and exported in accordance with Australia's health and hygiene standards and supported by an Australian Government Health Certificate.
- Indonesia now represents 75% of Australia's live cattle exports. This investment is in direct competition with the red meat processing sector in Australia for the live animal. AMIC accepts the existence of the live export trade as long as they compete on a level playing field. This does not appear to be the case at present in Indonesia.
 - Disparities in tariffs continue to exist between beef (5%) and live cattle imports (zero) tariffs.



- Currently offals banned from import because of Halal or quarantine reasons, walk into Indonesia as live animals and are sold on the domestic market following slaughter. Imported frozen offals such as lungs, tripe and spleens would compete with these fresh offals if they were not banned. Australian export policies must seek to deliver a transparent and open trading environment where all products compete on their ability to meet customer requirements, not their political affiliations. A forum to discuss and resolve trade issues without affecting day-to-day trade should be an integral part of any FTA negotiated by Australia

CONCLUSION

Market access remains our No.1 priority. The ability to engage Government in a partnership with industry on market access remains crucial to our long-term export goals. On any one day AMIC members have a substantial marketing field force in all major export markets as well as many new and emerging markets across the globe, a resource we need to more adequately leverage in better identifying issues, opportunities and challenges as an industry. One reason for our export success to-date is the ability of that field force to identify new opportunities. New markets usually bring with them issues about access and only a cohesive approach with Government in identifying those issues and resolving them together can we continue to be successful.

***Processor Group
Australian Meat Industry Council
April 2008***

AUSTRALIAN MEAT INDUSTRY COUNCIL

ABN 65 990 653 488

Steve Martyn

Processor Group
Level 2, 460 Pacific Highway
St Leonards NSW 2065
Australia

P O Box 1208
Crows Nest NSW 1585

Contact Details:

Stephen J Martyn
National Director - Processing

Telephone: (02) 9086 2242

Facsimile: (02) 9086 2201

Email: smartyn@amic.org.au

www.amicprocessors.org.au