



Australian Dairy Industry Council Inc.

Media Release

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Commercially meaningful Japan FTA a must for Australian dairy: ADIC

For immediate release

Negotiations for the Australia - Japan Free Trade Agreement (FTA) must deliver improved market access for Australian dairy products in Japan, according to the Australian Dairy Industry Council (ADIC).

ADIC Chair, Noel Campbell, said a commercially meaningful FTA that reduced tariffs and freed up market access for Australian dairy was absolutely essential if the local industry was to grow in future.

"Japan is too significant and important a market for us not to get the fundamentals right in negotiating an Australia – Japan FTA," Mr Campbell said.

"We already enjoy the benefits of extensive trade links with Japan. It is the single most important market for the Australian dairy industry, with \$511 million in exports in 2012/13¹ 19% of our dairy exports by value.²

"Despite this, we still face a significant range of trade barriers and market distortions, including on products like cheese and butter which face tariffs of up to 35% on some lines.³

"These tariff imposts cost Australian dairy exporters over \$116 million in 2011/12 alone.⁴"

Mr Campbell said a commercially meaningful FTA with Japan would provide a significant boost to Australian dairy, and support the jobs of 43,000 Australians directly employed within the industry.

"In a time of difficulty for Australian manufacturing, it's important that we focus our efforts on supporting jobs in areas such as food processing and manufacturing," he said.

Mr Campbell said the dairy industry looked to the Federal Government to provide the leadership needed to secure a better, fairer and more open deal in negotiations for the Australia – Japan FTA.

"The stakes are too high, for Australian dairy farmers and the many men and women who work in the broader industry, not to grasp this opportunity with both hands."

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¹ Australian Dairy in Focus 2013

² Australian Dairy in Focus 2013

³ Dairy Australia's Dairy Market Regulations 2013

⁴ Trade and the Australian Dairy Industry Report 2012