

## **TRADE**

### **Policy statement**

#### **The issues**

Around 6% or \$120 million of Queensland's fresh produce is exported per annum. Australia is very fortunate to have the largest market in the world in our backyard – Asia, the destination for the majority of Queensland's exports. Our main export markets are Hong Kong, New Zealand, Indonesia, Singapore, Japan, Malaysia, Papua New Guinea and the Middle East. Exports are also increasing in emerging markets such as China.

As is the case with many other Australian industries, for the industry to grow, our export markets need to significantly expand, as growth in domestic consumption is not sufficient to support continued industry development.

Efficient and effective markets are in the best interests of growers, consumers and Australia as a whole. This provides greater opportunities to identify and grow profitable export markets, clear market signals for producers, and choice for consumers.

Export subsidies, tariffs and other barriers to exports distort agricultural markets and encourage over-production and 'dumping' of produce on the world market. Export subsidies and import barriers continue to deny unsubsidised agricultural producers trading opportunities, even in third world countries (which may import produce grown by subsidised farmers in other countries). Eliminating agricultural export subsidies and other trade barriers would raise world incomes and significantly improve growth and opportunities, with both rich and poor countries benefiting from an increase in trade opportunities.

### **Our position**

Growcom seeks improved access to export markets and free and fair world trade. The organisation strongly supports the work of the Cairns Group in their push for wide-ranging multilateral trade liberalisation. The Cairns Group is a coalition of 18 agricultural exporting countries, including Australia, who account for over 25 per cent of the world's agricultural exports.

The Group pushes for fair trade in agricultural exports, a cause that unites the Group across language, cultural and geographic boundaries.

Growcom supports the development of fair and market-oriented agricultural trading systems as sought by Sanitary and Phytosanitary (SPS) agreements and the WTO Agreement on Agriculture. Trade in agricultural goods should be on the same basis as trade in other commercial goods. All trade distorting subsidies and barriers should be eliminated and market access must be substantially improved so that agricultural trade can proceed on the basis of market forces.

Growcom also holds the view that it is against the national interest for fruit and vegetable commodities to be used as a bargaining chip in seeking market access for other Australian products. Trading one commodity off for another only serves to threaten the affected industry's future, undermining the prosperity of Australians who depend on that industry.

## **Our commitment**

Growcom supports vigorous government approaches with industry support for opening new markets and further developing existing ones. Growcom is seeking progress in the area of world trade reform, contingent upon maintaining a stringent level of quarantine protection. Australia's quarantine protocols are designed to defend the integrity of our environment and production areas rather than as a barrier to fair trade.

In order to ensure high levels of sanitary and phytosanitary control, a transparent risk assessment process based upon sound science and vigilant quarantine systems is essential.

## **Our expectations**

Growcom seeks for its members:

- Improved access for Australia's horticultural produce to markets worldwide, through the elimination of border measures such as tariffs and quotas, and availability of key market intelligence
- Elimination of trade-distorting export subsidies and domestic farm income and credit support programs.
- Strong WTO rules, founded on credible science, that prevents sanitary and phytosanitary standards being used as trade barriers in overseas markets.
- Effective domestic adjustment measures for those industries that must adapt to import competition.

## **Our agenda items**

Issues to be considered within the broader trade policy heading include:

- Development of multilateral and bilateral trade agreements.
- Regional agreements e.g. APEC, Closer Economic Relations (NZ).
- Developing export strategies and markets.
- Control of subsidised imports and elimination of dumping activities.
- Domestic and international market access.
- Biosecurity and quarantine control measures.
- Equivalence agreements and Australian produce standards.
- Safeguards against high risk imports.
- Interstate certification assurance (ICAs).
- Encourage producers to be innovative and value add.
- Efficient and effective international supply chains.
- Government and industry support for international market development.