



JOINT SELECT COMMITTEE ON TRADE AND INVESTMENT GROWTH

GPO Box 6021, Parliament House, Canberra ACT 2600 | Phone: (02) 6277 2233 | Email: jsctig@aph.gov.au

Inquiry into the Business Experience in Utilising Australia's Free Trade Agreements

Public Hearing Canberra, 21 July 2015

Follow-up questions from the Chair

**Answers to questions on notice should be forwarded to the secretariat by
Thursday, 6 August 2015.**

For the Australian Food and Grocery Council

1. Some recent FTA's allow exporters to 'declare' their product's country of origin without the need for a third party Certificate of Origin. What feedback have you received from your members on their experiences of using this system? What are the cost and time savings of self-declaration?

Answer:

The AFGC supports international trade arrangements that facilitate the movement of goods, allow flexibility and minimise the administrative burden on exporters.

AFGC members have sought the flexibility of self-declaration of origin for exports. The AFGC is not aware of any work quantifying specific time and cost savings. No concerns have been raised by members regarding self-declaration.

2. Free Trade Agreements open new markets for Australian exporters and increase imports. Does increased competition in the domestic market due to FTAs have a significant impact on your industry? If yes, could you provide details?

Answer:

Australia maintains very low levels of tariffs on almost all goods. The agri-food sector currently competes with imported product and new FTA's do not significantly alter the dynamics in the domestic market.

The World Trade Organization highlights in the 2015 review of Australia's trade policy¹ that Australia's tariffs average 3 per cent across all goods. For agriculture (including food) Australia's average tariff is 1.4 per cent.

Quarantine arrangements are not negotiated in free trade agreements so there is no material change to technical market access leading to an increase in imports.

Increases in imported food to Australia in the last 5-7 years were primarily a result of a strong AUD making imports cheaper at the supermarket checkout.

¹ https://www.wto.org/english/tratop_e/tpr_e/s312_sum_e.pdf - WTO Trade Policy Review of Australia 2015:
https://www.wto.org/english/tratop_e/tpr_e/tp412_e.htm