



21st July 2015

Committee Secretary
Joint Standing Committee on Treaties
PO Box 6021, Parliament House
Canberra ACT 2600

Via email: jsct@aph.gov.au

Inquiry into the China-Australia Free Trade Agreement

The Australian Lot Feeders' Association (ALFA), the peak representative body for the cattle feedlot sector, writes in regard to the Joint Standing Committee on Treaties inquiry into the China-Australia Free Trade Agreement (ChAFTA).

ALFA strongly supports ChAFTA given the large potential commercial benefits to our sector from tariff elimination. In particular, the agreement is imperative for Australia to minimise our current competitive disadvantage against New Zealand (NZ) beef imports into China as they have already concluded a trade agreement with the country and accordingly experience lower tariffs which are moreover set to be eliminated in 2016.

Under the Agreement, the tariffs currently levied on Australian beef of 12-25% will be eliminated within 9 years of entry into force and the 5-14% tariffs on hides and skins will be eliminated over 4-8 years. Once fully implemented, an FTA with China has the potential to boost the gross value of beef production alone by \$270 million annually by 2024.

Importantly, in order for our current competitive disadvantage against NZ beef imports to be mitigated as soon as possible, the agreement must enter into force in 2015 to enable a tariff cut in the current calendar year followed by another on the 1st January 2016. In order for this to occur, the ratification process must not be unduly delayed in either Australia or China.

ALFA is a co-signatory to the broader Meat & Livestock Australia submission to this review and accordingly we concur with the detail and recommendations within it.

We encourage the Joint Standing Committee on Treaties to endorse the ChAFTA so that binding treaty action be taken without delay.

Yours sincerely,

Dougal Gordon
CEO