

Submission to Rural and Regional Affairs and Transport References Committee. Impact and Consequences of Government's Decision to Relax Import Restrictions on Beef

Impacts on Public Health:

1. Regardless of whether the imported beef contains prions from bovine spongiform, the placebo effect could occur in people who happen to consume beef products; for example, after the relaxation of restrictions; if someone is at a relatives house obligingly eating a celebratory meal which happens to have beef in it, they may feel a bit queasy or crook, merely due to the psychological possibility that the consumed meal was contaminated.
2. Consumers may avoid beef and therefore become iron deficient.
3. Other consumers could benefit though, if beef prices fall from increased supply, assisting their iron and protein levels

Impacts on Trade

1. Vegetarians and similar groups would have an extra piece of ammo with which to encourage consumers to avoid meat.
2. Extra imports will decrease the value of the \$Aus which will improve other exports, however, the effect of beef imports alone would be negligible
3. Consuming nations would have an extra negotiating tool which was previously not there, with which to bar Aussie beef.
4. Other products which are currently not imported would have extra pressure placed on them to relax any restrictions placed on them.
5. Australia has a comparative advantage to producing clean and green beef, therefore any imports would actually need to have been produced by government subsidies or be sub standard (not clean and green), and therefore dumped on the Australian market.

Impacts on Agriculture

1. Carrying on from point 5 above, the comparative advantage Australian Farmers have on producing clean and green product would be diluted by lower quality (if all product attributes are combined) imports. In other words, if there is more beef in the market, the price decreases, the return does the same, agriculture would be less attractive.

Conclusion

The decision should be revoked.

Sincerely,  
Simon Emmott