

Australian Seafood Industry Benefits from the China FTA Background Brief

Current Tariffs

Lobsters 15% Tariff / 13% VAT Abalone 14% Tariff / 13% VAT

Key Points

1. The Seafood Trade Advisory Group (STAG) welcomes the signing of the FTA with China. The Government has delivered a great outcome for our industry that will support new economic growth for Australia's regional and coastal communities.
2. The STAG represents Australia's largest seafood exporters and has been working very closely with the Government to ensure that we got the best possible outcome from the China FTA.
3. At zero % tariff Australian seafood industries will be able to better compete with countries such as NZ and Chile who already enjoy full access to the lucrative China seafood market.
4. Rocklobster and abalone are Australia's highest value seafood exports and it is these products that are highly sought after by Chinese consumers.
5. In 2012 -13 Rocklobster and Abalone exports in all forms were valued at approximately \$632 million (FOB). The majority of which was consumed in the greater China region. This is more than the value of other major agriculture sector exports such as wine and dairy.
6. Combined, both industries contribute \$1.25 billion in GDP and employ over 8500 jobs nationally
7. The benefits of this FTA will flow right through to Australia's regional and coastal communities where the Abalone and Rock Lobster industries are located. That means more jobs, security and economic benefits.
8. Australia's Abalone and Rocklobster industries are export geared and have invested heavily in China market development activities, including market and consumer research as well as supply chain education programs. These aim to differentiate Australia's seafood products from competing products and showcase our premium product sourced from our clean and green environment.
9. Whilst the Australian seafood industry wanted to achieve zero tariff effective immediately, a phased reduction and a commitment to zero % in 4 steps will provide a boost in confidence for the industry including Abalone, Rocklobster, Tuna, Prawns, Oysters and finfish.
10. We expect the tariff reduction to translate to increased investment in the industry, this investment will occur in Australia but also in China where exporters can look for new opportunities to drive the value of the product by engaging with the consumer.
11. Full access will allow new markets within China to be developed. Our industries operate under strict quotas which mean we can't produce more. Unlocking potential demand will greatly benefit all sectors of the industry.

Key Contacts

Nathan Maxwell McGinn	Chair Seafood Trade Advisory Group	0409 680 731
Wayne Haggard	Deputy Chair Seafood Trade Advisory Group	03 5786 1413
Dean Lisson	Chair Abalone Council Australia	0419 599 954
Ross Hodge	Executive Officer Southern Rock Lobster Pty Ltd	0423 533 133
Jayne Gallagher	General Manager Trade and Market Development Australian Seafood CRC	0438 336 712