



CANEGROWERS



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Stepping away from EU deal, the right call

CANEGROWERS has congratulated Federal Trade Minister Don Farrell on taking the courageous decision to step away from free trade negotiations with the European Union rather than sign a bad deal for Australia's farmers.

Minister Farrell was in Japan over the weekend for the G7 Trade Ministers Meeting in Osaka, where it was anticipated an Australia-EU free trade deal might be done on the sidelines.

However, with agriculture strongly represented by the National Farmers' Federation, CANEGROWERS and other ag bodies, Minister Farrell agreed that the terms on offer from the EU represented a poor deal for Aussie agriculture.

"Minister Farrell has led a team of officials from the Department of Foreign Affairs and Trade who have been working hard on this deal for the past five years. They have collaborated and consulted closely with industry at every step along the way and have always negotiated in good faith with the EU," CANEGROWERS CEO Dan Galligan said.

"Unfortunately, the EU has consistently failed to offer meaningful access for Australian agricultural produce, including sugar, and as expected, they put nothing new on the table in Japan.

"At the end of the day, this would have been a great opportunity for both Europe and Australia, but we have been telling the Minister for months that no deal would be better than signing a bad deal, and I thank him and his team for listening to farmers and taking their concerns on board."

Mr Galligan, who was in Japan with the NFF and working directly with government trade officials, said it took guts and determination to walk away.

"Mr Farrell and his colleague, Federal Agriculture Minister Senator Murray Watt, have worked together to understand the industry position and they know what a commercially viable deal for Australian producers would look like, but ultimately the EU was unwilling to come to the table with a meaningful offer.

"It's no small decision to walk away from a free trade agreement with one of the world's largest trading blocs. It takes courage and I congratulate Minister Farrell for making the tough decision; I know the nation's farmers will appreciate him taking a stand on their behalf.

"No two trade agreements are ever going to be the same and neither side will ever get everything they want from the negotiations, but there is one core principle to free trade agreements, both sides should benefit. Neither side should be able to dictate the terms to the detriment of the other.

"The bottom line is the EU needs sugar. They regularly import two million tonnes of raw sugar per year to meet their domestic demand. And European sugar refiners are crying out for access to the type of high-quality, sustainably produced sugar we produce here in Australia.

"CANEGROWERS will continue to work with the government on this issue, and if discussions should ever reignite, the industry will put our best efforts into supporting a positive outcome.

"In the meantime, the growing Asian market will continue to be the main export destination for the bulk of our high-quality, sustainably produced raw sugar. While we are constantly seeking to open up trade access to premium markets, Asia will likely remain the key export partner for Australian sugar for many years to come."