



Australian Dairy Industry Council Inc.

21 February 2007

Ms Virginia Greville
Assistant Secretary
Market Development, Business Liaison and Regional Trade Policy
Trade Development Division
Department of Foreign Affairs and Trade
R G Casey Building
John McEwen Crescent
BARTON ACT 0221

Dear Ms Greville,

RE: Dairy Industry Comments on Proposed Australia-Chile Free Trade Agreement

The Australian Dairy Industry is fully supportive of the Federal Government's initiative in undertaking free trade negotiations with Chile.

The prosperity and long term viability of the Australian Dairy Industry relies on exporting a diverse range of high quality dairy products and ingredients globally. In the 2005/06 season, approximately half of national production was exported to over one hundred and thirty nations; to the value of A\$2.75 billion.

Dairy has strong economic linkages throughout the economy; ranging from feed and on-farm service inputs, value added processing in regional areas to generating turnover and employment in the retail, food service and institutional sectors.

The Australian Dairy Industry supports a comprehensive free trade agreement, with agriculture at the heart and offering commercially tangible economic gains for dairy from year one of implementation. For dairy specifically, the Industry seeks a phasing down of tariffs on all dairy products to zero per cent over the shortest agreed implementing period.

The benefits of a comprehensive and truly liberalising agreement across all sectors (agriculture, industrial and services) are not just commercial but strategic; this is the first opportunity for Australia to conclude a comprehensive agreement with a Latin American country.

Please contact Robert Pettit, Manager - Americas and Caribbean, Trade and Strategy Group, Dairy Australia if further advice is sought on the submission. His contact details are 0417 546 942 and rpettit@dairyaustralia.com.au. Alternatively I can be contacted on (03) 9642 8044 or aburgess@australiandairyfarmers.com.au.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Allan Burgess', with a horizontal line underneath it.

Allan Burgess
Chairman

cc: Mr Paul Kerr, President, Australian Dairy Products Federation; ADPF members; ADF Executive; Mr. JML Woods, DFAT and Dairy Australia internal and DAFF.