



June 2021

Dear Constituent,

Thank you for contacting me about the proposed free trade agreement with Australia.

Australia is one of the UK's closest allies. We share a head of state, the same language and the same values. Our people also enjoy deep and historic links of kinship and friendship, arguably unlike any other two nations.

A trade deal with Australia is an enormous opportunity for the UK. We are Australia's second largest trading partner outside the Asia-Pacific and trade between our two countries was worth £18.8 billion in 2019.

I appreciate the concerns about the impact of a trade deal with Australia and its effect on food standards in particular. I can assure you that our food standards will never be lowered in pursuit of a trade deal and our farmers will not be undercut by this deal. Our world-leading animal welfare standards will be upheld throughout our trade negotiations and the Trade and Agriculture Commission will provide independent scrutiny of animal welfare in trade deals.

Global demand for meat is increasing rapidly. Meat consumption is projected to rise by nearly 73% by 2050 and free trade agreements create huge new export opportunities for farmers. Demand is growing in the Asia-Pacific. The deal with Australia is also a gateway to joining CPTPP – a group of high-standards Pacific nations.

Any changes for sensitive goods such as beef and lamb can be staged, with a transition of 10 to 15 years the norm for trade deals with Australia. This means 10 to 15 years before we have the same zero tariff and zero quota arrangement with Australia that we currently have with the EU – a market which is only 31 miles from the Great Britain while Australia is nearly 9,500 miles away.

Maintaining high food standards is a red line in the UK's trade negotiations. Australia has one of the highest animal welfare standards in the world, similar to our own, and scoring five out of five by the World Organisation of Animal Health (OIE). The practices of castration of chickens and production of foie gras, for example, are banned in Australia on welfare grounds but continue to be permitted in the EU.

On hormone-fed beef specifically, it is banned in the UK and will not be allowed to enter the UK market – this will not change under any FTA. Compromising on the high food standards we enjoy in the UK is red line in our trade negotiations - the UK will never allow it.

Australian export opportunities to the UK are likely to be limited. We are more likely to see prime steak for restaurants, rather than cheap imports flooding supermarket shelves. Australian imports of beef would likely displace current imports from the EU, not British produce. The EU accounts for the majority of beef imports into the UK with 237,928 tonnes imported in 2020 making up 98% of total beef imports into the UK that year.



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Additionally, Australian beef and lamb is already committed to the rapidly growing Asia-Pacific markets. Around 75% of Australian beef exports, and 70% sheep meat are imported to Asia-Pacific markets, where the costs of beef production can be twice as high than the UK in some markets. The prospect of substantive Australian imports of beef and sheep meat is very low. There are strong 'Buy British' trends in the UK and strong support for British farmers – 81% of beef sold in the UK is under the British logo, with Aldi, Budgens, the Co-op, Lidl, M&S, Morrisons and Waitrose all using 100% British beef.

Analysis suggests that UK exports to Australia could increase by up to £900 million if a trade deal is agreed. A deal would remove tariffs on all UK exports to Australia and create new provisions on digital, mobility, services, investment and procurement, bringing new opportunities for the whole country. I can also assure you that Parliament will scrutinise any deal in the usual way.

Thank you again for taking the time to contact me.

Yours faithfully,

A handwritten signature in blue ink, appearing to read 'Chris'.

**CHRIS HEATON-HARRIS MP
MEMBER OF PARLIAMENT FOR DAVENTRY**