

The Advertiser

SE News
HD WHAT IT MEANS FOR OUR STATE
WC 609 words
PD 17 November 2014
SN The Advertiser
SC ADVTSR
ED Advertiser
PG 5
LA English
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WINE SA annual alcohol exports: \$1.2 **billion** Winemakers are playing catch-up with producers from Chile and New Zealand, whose governments have secured tariff reductions in **China**. That means Aussie **wine** must overcome a 14 per cent price premium to make a **sale** in **China**.

Wine Australia chief executive Paul Evans said if the tariff disadvantage eased under an FTA, growing demand in **China** would be a boon for both the top-end and bulk **wine** exports.

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"It's a consensus view in the industry that we are in oversupply and our export industry has declined," he said. "If we can grow demand in an emerging, massive market, that will do our wines a world of good."

MINERALS SA annual exports: \$2.1 **billion** South Australia's key **copper** and **iron ore** commodities are already very important to **China**, according to SA Chamber of Mines and **Energy** CEO Jason Kuchel.

But a beneficial trade agreement would also help the local resources industry by dropping transport and **business** costs.

"I'm keen to see what positives there might be in there and I imagine there will be some," he said. "It might be in terms of investment or it might be in terms of the cost of procuring goods from **China** that might be used in the **mining** sector." **MANUFACTURING** SA annual exports: \$2.9 **billion** Stephen Myatt, Director of Australian Industry **Group**, South Australian Branch, said that some of his organisation's members were nervous about the anticipated agreement.

"On the one hand, members are hopeful that it will open up export and investment opportunities.

"However, there is a concern that it could create a sudden loss of competitiveness and exposure to unfair competition in our domestic market." Anthony Kittel, the chief executive of manufacturer REDARC Electronics, has mixed feelings.

"We could get flooded with cheaper **Chinese** product, which would further put pressure on our manufacturing sector, particularly electronics."

EDUCATION SA annual exports: \$879 **million** Education is the state's biggest export service and executive director of the Institute for International Trade at the University of Adelaide, David Morfesi, believes that institutions like his stand to benefit under a free-trade agreement.

"The University of Adelaide is the second-largest employer in South Australia," he said.

"Liberalising education services between the two countries would be a positive thing."

WHEAT SA annual exports \$1.3 **billion** Even before an FTA is agreed, low tariffs already apply to wheat exports to **China**.

However, the wheat industry would enjoy extra demand from the local livestock industry generated by an anticipated boost to livestock export trade under an FTA, according to Grain Producers SA Chief Executive Darren Arney. "There's a flow-on effect," he said.

"If you've got more cows eating grain, that will support a price increase."

MEAT SA annual exports \$478m Livestock SA President Richard Halliday believes access to the **Chinese** market would be a boon, given its scale.

"They're one of the world's largest consumers of raw product," he said. "As far as agriculture is concerned, it's an enormous opportunity."

CONSUMERS SA population: 1.7 **million** Under an FTA, South Australians could expect cheaper cars, computers and whatever **Chinese** megafactories pump out next, Institute for International Trade executive director David Morfesi says.

"If you take away a percentage of the tax on a good, that can easily translate to the savings to the consumer, so the price of goods goes down," he said. Under an FTA, not only would **Chinese** goods be cheaper, locally made goods that have **Chinese** components or ingredients would also drop in price.

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