

AUSTRALIA

Australia removed most forms of commodity-specific agricultural assistance in the mid-1980s, retaining primarily safety net programs to assist producers in times of financial difficulty. Australia does not use longer term income support payments.

Research and development corporations (RDCs) and companies are rural research funding agencies that support innovation to achieve efficiency and productivity, quality products, and resource sustainability of Australia's agricultural, fish, and forestry industries. The government collects industry levies for research and development and matches them for appropriations to industry corporations and companies.

In December 2008, the Australian government invested A\$40 million (\$25 million) to support the growth of innovative food and seafood industries. The three main programs include: (1) the Regional Food Producers Innovation and Productivity Program (a four year, A\$35 million (\$22 million) program to boost the productivity and competitiveness of Australia's regional food and seafood industries through innovation and technology improvements); (2) the Promoting Australian Produce program (a three-year, A\$5 million (\$3.3 million) program to assist Australian food industries develop their capacity to market Australian produce domestically and internationally); and (3) the Promoting Australian Produce (Major Events) program (A\$3 million (\$1.9 million) to improve collaboration and cooperation in food and fiber industries by supporting events that facilitate information exchange across the production, manufacturing, marketing and distribution chain).

CORN AND SORGHUM

- The Australian corn and sorghum industries have historically played a minor role in the overall grain market. However, demand from intensive livestock industries has prompted growth in these sectors.
- WTO bound import tariff levels: sorghum–1%, corn–1%.

COTTON

- The Australian cotton industry relies heavily on exports, with over 90% of production sold on the world market.
- WTO bound import tariff level: cotton, carded–1.5%.
- The Western Australia State Government has lifted the moratorium on the commercial production of GM cotton at the Ord River Irrigation Area in the North. More than 90% of Australia's cotton production is already GM.
- Cotton has benefited from the recent sharp devaluation of the Australian dollar.

RICE

- Through an agency agreement with the Rice Marketing Board, Rice Growers' Co-operative Limited (RCL) receives, stores, processes, and markets 99% of Australian rice production. RCL exports about 85% of rice to over 70 destinations, while the domestic market receives the remaining 15%.
- WTO bound import tariff level: unmilled—1%, milled—1%.

SOYBEANS

- Soybeans are produced in small quantities in Australia. Approximately 70 to 75 kilotonnes (2.6 to 2.8 million bu) are produced annually.
- WTO bound tariff level for soybeans is 1%.

SUGAR

- Raw sugar is consistently one of Australia's leading farm export commodities, exporting around 80% of total production.
- In 2006, the Queensland state government ended statutory single desk selling of sugar by Queensland Sugar Ltd (QSL) to allow contractually-based selling. The majority of mills have negotiated contracts with QSL, but at least one has opted out and is now exporting its own sugar.
- In 2002, the Government of Australia provided A\$444 million (about \$241 million) of assistance over a multi-year period.
- WTO bound import tariff level: raw sugar—13.9%, refined sugar—10.0%.

WHEAT

- Wheat is the major crop in Australia, with production of about 10.8 million metric tons.
- The Australian Wheat Board (AWB) has the power to acquire all wheat produced in Australia for marketing within Australia and overseas. However, trading improprieties by the AWB are resulting in changes being made to the single desk authority. The veto power AWB holds over Australian wheat exports has been transferred to the Minister of Agriculture.
- Under the Wheat Export Technical Market Support Grants Program, A\$600,000 (\$400,000) would be allocated over three years to assist Australian companies that are new to marketing and exporting wheat. Funding of up to A\$200,000 (\$130,000) per year would be available for 2008-09. The program is funded as part of the Government's A\$9.7 million (\$6.5 million) transitional assistance package following the introduction of a new bulk wheat export marketing system in 2008.