

For Release: 3 April 2025

Beef Tariff Modest, But US Eyes Supermarket Meat Shelf Access

Australia's beef sector is weighing the implications of a newly announced 10 percent US tariff on Australian beef imports, with early signs pointing to modest immediate impacts but longer-term strategic challenges.

Michael Whitehead, Executive Director of Food, Beverage and Agribusiness Insights at ANZ, said the 10 percent tariff – which also applies to other major beef suppliers like Brazil, New Zealand and Argentina – is unlikely to immediately damage Australia's competitive position in the US market.

“Given the tariff applies equally to our main export rivals, Australia retains a strong foothold due to our consistent quality, clean production standards and importer preference,” he said.

“Importantly, the US market remains dependent on high volumes of lean manufacturing beef, and Australia remains the largest premium supplier of that product.”

The exemption of Canadian and Mexican beef under USMCA Trade Agreement rules adds a layer of complexity, Mr Whitehead noted, but may have limited effect where their supply chains struggle to meet origin criteria.

The tariff's financial impact is also expected to be relatively small. “If passed on, the cost increase per consumer item – like a US\$5 hamburger – could be as little as 10 cents,” he said.

However, broader trade dynamics are in play. Major US beef export markets – including China, Japan and South Korea – have been hit with much larger US tariffs, prompting speculation that these countries may shift away from US beef in retaliation.

“If that happens, Australia could benefit through increased demand from those markets – but such windows are often narrow and heavily influenced by politics,” Mr Whitehead said.

Further concern stems from comments by President Trump linking the tariff announcement to Australia's ban on US beef imports, citing biosecurity grounds.

“The US has long sought access for its beef into Australia, and these remarks suggest it remains a live issue,” he said.

“US negotiators have a vision of steaks with little American flags appearing in Australian supermarket meat sections. While Australia's biosecurity protections are essential and widely supported, the risk is that US negotiators use tariff pressure to push this point more aggressively.”

Mr Whitehead said Australian exporters should monitor the situation closely and continue to prioritise market flexibility and diplomatic awareness.

“Even if the short-term impacts are limited, this is a reminder that beef trade sits within a highly politicised global environment – and that strategic engagement will be key to managing this,” he concluded.

For media enquiries contact:

Lachlan McNaughton
Head of Media Relations
Tel: +61 457 494 414

Alexandra Cooper
Media Relations Manager
Tel: +61 481 464 230