

Impact of new 10% tariff on Aussie Beef, Lamb, and Goat

Below are insight into the expected impacts of the new 10% tariff on Aussie Beef, Lamb, and Goat [announced by the Trump Administration yesterday](#).

The tariff will take effect from 12:01am EST on 5 April (US). There is no ban on Australian exports to the US. Prior to this, Australian red meat products entered the US tariff-free under the Australia-United States Free Trade Agreement.

A few key takeaways:

- Australia will remain a trusted and key import partner for beef, lamb and goat meat to the US
- Aussie Beef, Lamb, and Goat meat fills critical gaps in the US red meat supply chain,
- Imports of Aussie Beef, Lamb, and Goat benefit US consumers, retailers, foodservice operators, and US red meat producers

The market forces that drive Aussie beef, lamb, and goat exports to the US and other markets are dynamic, driven by a range of factors including, but not limited to:

- Supply and demand in the global protein market
- US beef and lamb production and export volumes
- Beef and lamb production and export volumes from other countries, including Australia
- Currency fluctuation

The new 10% tariff on Aussie beef, lamb, and goat adds complexity and cost to supply chains, but strong US demand for high-quality Aussie beef, lamb and goat products is expected to continue.

US customers and consumers pay the tariff

The 10% tariff is estimated to add nearly US\$400 million to the cost of Aussie beef, lamb and goat products enjoyed by American families each year. These products play a crucial role in maintaining stable food supplies and prices in the US, and major grocery retailers and foodservice outlets rely on a mix of imported and domestic products to meet consumer demand.

Among the food items hit hardest by this tariff will be an American staple: the hamburger patty, where Australian beef complements and is often blended with US beef. Each year, Aussie beef is used in an estimated 6 billion US hamburgers. Americans spent \$15.3 billion on ground beef in 2024, an increase of 10% from 2023 (Power of Meat, 2024). The new tariffs will increase burger prices further just ahead of Memorial Day on May 26th, the biggest beef consumption day of the year. Economic analysis by Steiner Consulting Group, commissioned by MLA, estimates that the new tariff will add \$180 million to burger prices alone. This comes at a time when food prices have already increased by 23.6% since 2020, with menu prices rising by 27.2%.

Gaps in US supply are filled by Aussie beef, lamb and goat

Imports serve as a shock absorber during cyclical supply fluctuations when US meat production is down. Currently, the US cattle herd is at 70-year lows due to drought which has reduced pasture and fodder crop production and therefore beef production. US beef production is down and forecasted to stay down until 2027 or later. This makes imports critical to meeting demand and supporting food service and retail businesses today and into the future. The US was Australia's largest red meat export market in 2024 and will continue to be a key market despite the 10% tariff.

US ranchers and the US Economy benefit directly from access to Aussie meat

By filling the gap in US supply, imported beef from Australia allows the US beef industry to ship high-value cuts overseas, netting higher returns for US producers while keeping supplies stable and available to US consumers. According to recent economic analysis from Steiner Consulting Group, in 2024, lean Aussie beef imports added \$238 million in value to US cattle producers, or \$9.50 per animal.

Aussie lamb and goat meat imports also help sustain and expand consumer demand, creating opportunities for US production to grow as more consumers become interested in these meats. Per capita lamb consumption in 2024 was estimated at nearly 1.5 pounds, up more than 50% since 2011. Despite the same drought conditions that are impacting the beef industry, US lamb production increased by 3% in 2024, and further growth is expected in 2025 and 2026 due to rising lamb inventory.

Aussie beef, lamb, and goat meat imports are part of an integrated US-Australia trade relationship, which delivered the US an overall advantage of a \$17.9 billion annual trade surplus with Australia in 2024 while providing nutritious, reliable, and high-quality grocery essentials to millions of Americans.

We understand that trade developments like this can create uncertainty. Please know that MLA will continue to invest in growing demand for Aussie beef, lamb and goat meat in the US and around the world. We will work with you to ensure you are informed about what this change means for your business so you can make the best possible business decisions and maintain access to safe, healthy, and high-quality beef, lamb and goat meat. In the meantime, you can access [FAQs on the US tariffs](#) on MLA's website.

Please feel free to reach out if you would like to discuss how we can support your continued success with Aussie beef, lamb, and goat.

Warm Regards,
Doug McNicholl