



24 February 2017

Inquiry Secretary
Joint Standing Committee on Foreign Affairs, Defence and Trade
PO Box 6021
Parliament House
ACT 2600

Dear Mr

Thank you for the invitation to provide a submission to the Inquiry into Australia's Trade and Investment Relationship with the United Kingdom. Bunnings is very appreciative of the opportunity to contribute to this inquiry.

Bunnings is Australia's leading retailer of home improvement and outdoor living products and a major supplier to project builders, commercial tradespeople and the housing industry. Over the last dozen years we have also built a significant presence in New Zealand, with an annual turnover of NZ\$1 billion.

In February 2016 we expanded our operations further with the acquisition of Homebase, the second largest home improvement and garden business in the United Kingdom and Ireland. I would like to take this opportunity to personally express my gratitude to the Department of Foreign Affairs and Trade for their ongoing assistance during the acquisition period.

Investment

- As at 31 December 2016, Bunnings had 354 trading locations across Australia and New Zealand (BANZ), and 255 trading locations in the United Kingdom and Ireland (BUKI). The first Bunnings Warehouse in the United Kingdom and Ireland commenced trading in St Albans, Hertfordshire, in February 2016.
- Over the next three financial years, Bunnings is committed to a significant investment program into multiple trading locations across Australia and New Zealand.
- Bunnings currently has plans to invest a further £500 million in the United Kingdom (subject to the successful rollout of the pilot programme).

Employment

- Bunnings currently employs more than 50,000 team members across Australia, New Zealand, the United Kingdom and Ireland, including over 41,000 across our BANZ operations and more than 11,000 within BUKI.
- Bunnings current investment plans in Australia and New Zealand will result in the creation of thousands of new permanent positions over the next three financial years.
- We are committed to growing our business operations and continuing to create more permanent positions and career development opportunities in all regions, which in turn provides flow on benefits for the communities where we operate.
- It is especially important that skills and knowledge can be shared across all markets to create international best practice in every facet of our business operations.
- Bunnings would like to submit that these opportunities and benefits would be significantly enhanced if Australian citizens were able to have the same right to work in Britain as European Union nationals, and if Australian professionals were more readily able to secure visas to work in Britain.

Supplier Opportunities

- Bunnings has a history of building long term relationships with suppliers and working closely with them to bring leading brands to market at everyday lowest prices for consumers.
- The provision of increased market access for current suppliers through free trade arrangements has the potential to bring multiple flow on benefits and opportunities for growth.

With respect to Australia's trade relationship with the UK, Bunnings is deeply supportive of a free trade agreement between Britain and Australia as we believe this would further grow business opportunities and create significant advantages for consumers.

We would welcome the opportunity to host members of the Committee at a Bunnings trading location in Australia or the United Kingdom. If that would be of interest or if you would like to discuss any of the above in more detail, please do not hesitate to contact me

Thank you again for the opportunity to contribute to this submission.

Yours sincerely

Michael Schneider
Managing Director