



# PARLIAMENT of AUSTRALIA

## MEDIA RELEASE

### TRADE SUB-COMMITTEE

#### JOINT STANDING COMMITTEE ON FOREIGN AFFAIRS, DEFENCE AND TRADE

Inquiry into Australia's trade and investment relationship with the United Kingdom

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Issue date: Monday, 12 December 2016

## Future of Australia's trade with the United Kingdom

The Trade Sub-Committee of the Parliament's Joint Standing Committee on Foreign Affairs, Defence and Trade (JSCFADT) has commenced an inquiry into Australia's trade and investment relationship with its largest trading partner in Europe - the United Kingdom.

'Following the United Kingdom's referendum decision to leave the European Union, it is timely to conduct an inquiry into Australia's trade relations with the UK,' the Chair of the Trade Sub-Committee, Senator Bridget McKenzie said.

'With two-way trade in goods and services worth more than \$23 billion, the UK has long been a significant trade and investment partner for Australia. The Sub-Committee will investigate the opportunities to expand these trade and investment links, and the merits of a possible bilateral free trade agreement with the UK, especially as both countries navigate a new trading path with each other.'

'This inquiry will include an examination of the possible implications for Australia's trade and investment relationships with the UK and the EU, depending on how and when the UK negotiates its exit from the EU.'

The inquiry will also look at the significant UK investment in Australia and Australian investment in the UK. According to the Minister for Trade, Tourism and Investment, the Hon Steven Ciobo MP, who referred the inquiry to the JSCFADT, UK businesses have direct investments worth \$76 billion in Australia, rising to nearly \$500 billion when portfolio and other investments are included. Australia had direct investments of \$81 billion in the UK and \$353 billion overall in 2015.

Tourism also remains another important export for Australia with nearly 700,000 British visitors coming to Australia last year, who collectively spent almost \$4 billion in Australia. In 2015-16, the UK Office for National Statistics reported more than 600,000 Australians visited the UK.

The **terms of reference** for the Committee's inquiry are as follows:

*The Committee shall examine Australia's trade and investment relationship with the United Kingdom (UK). The Committee shall have particular regard to:*

- *the nature of Australia's current trade and investment relationship with the UK;*
- *possible implications for Australia's trade and investment relationships with the UK and the European Union consequent to the UK's exit from the European Union;*
- *barriers and impediments to trade and investment with the UK;*
- *opportunities to expand trade and investment links;*

- *the merits and risks of a possible bilateral free trade agreement with the UK, and potential features of such an agreement;*
- *the role of Australian governments (State, Territory and Federal) in identifying trade and investment opportunities in the UK, and assisting Australian exporters to access these opportunities; and*
- *any other related matters.*

The Trade Sub-Committee invites submissions from anyone with an interest in the issues raised by these terms of reference. Submissions addressing the terms of reference should be lodged by **17 February 2017**. Further details about the about the inquiry, including how to contribute, can be obtained from the Committee's web site, [www.aph.gov.au/jfadt](http://www.aph.gov.au/jfadt), or by contacting the Committee Secretariat.

[Track this inquiry](#)

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**For background:**

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