



# Ten key benefits of the UK-Australia Free Trade Agreement

The deal will play an important role in levelling up the UK, delivering benefits for towns, cities and rural areas throughout the country. It is expected to increase trade with Australia by 53%, boost the economy by £2.3 billion and add £900 million to household wages in the long-run.

## 1. Unprecedented access for British services and investors

This deal goes further than Australia has ever gone before in giving services companies access to the Australian market. This means that UK services from architecture and law to financial services and shipping will be able to compete in the Australian market on a guaranteed equal footing. This could increase exports of UK services to Australia, worth £5 billion in 2020.

UK investors will also benefit from more access than ever before to opportunities in Australia, with guaranteed rights to invest across the Australian economy. The majority of UK investments will no longer need to be reviewed by the Australian Foreign Investment Review Board – saving time, saving money and cutting red tape for UK investors.

## 2. Better business travel for British professionals

Business travel is one of the biggest contributors to enabling more trade and investment. For the first time UK service suppliers including architects, scientists, researchers, lawyers and accountants will have access to visas to work in Australia without being subject to Australia's changing skilled occupation list. This is more than Australia has ever offered any other country in a free trade agreement, and will improve long-term planning for British businesses.

## 3. Tariff-free trade for all British exports

The deal removes tariffs on all UK exports to Australia, making it cheaper to sell iconic products like cars, Scotch whisky and UK fashion to Australia. This will support industries that employ over 3.4 million people in the UK. Flexible rules of origin mean that UK businesses can use some imported parts and ingredients and still qualify for the new 0% tariffs when exporting to Australia.

## 4. Easier for young Brits to travel and work in Australia

As part of the overall mobility package, Brits aged 18 to 35 will be able to travel and work in Australia with a Working Holiday Maker Visa for up to 3 years, deepening the people-to-people and cultural links between our two countries. Young people will no longer have to work on a farm to use this visa to live and work in Australia.

Australia will also pilot two new visa schemes for UK citizens, allowing early career workplace exchanges of up to one year for graduates between 21 and 45.

## 5. Digital trade opportunities for a global tech superpower

The deal provides more opportunities for UK firms to trade digitally with Australia, including in British tech, creative industries, finance, telecommunications, and many other sectors. It secures the free flow of data necessary for British businesses to provide many products and services to customers, while locking-in a legal requirement for personal data protection in both countries. The deal will save many firms from the cost of setting up servers in Australia, and it makes business easier through the use of electronic contracts and electronic signatures.

Businesses will have confidence that their valuable intellectual property will be protected. The deal guarantees fair access for telecoms companies into Australia and forges greater cooperation on 5G and cybersecurity. The world's first dedicated innovation chapter establishes a Strategic Innovation Dialogue which will drive the commercialisation of new technology and ensure the deal keeps up with technological developments.

## 6. Lower prices for British shoppers and manufacturers

The removal of UK tariffs on Australian favourites like Jacob's Creek and Hardys wines, Tim Tams, swimwear, surfboards, and boots will boost choice for British consumers. UK manufacturers will benefit from cheaper access to important Australian machinery parts like hydraulic power engines and pressure-reducing valves which will allow them to be more competitive and grow their businesses.



**7. Slashing red tape for entrepreneurs and small businesses**

The deal cuts red tape currently faced by more than 13,000 SMEs across the UK who already export goods to Australia. Customs authorities will release all goods within 48 hours, if requirements have been met, with fast-track parcels and perishable goods like food being released within 6 hours. SMEs will benefit from dedicated websites for businesses and information to help them trade with Australia. Businesses from all sectors and regions will benefit from the use of modern digitised trading systems and digital documents, saving time and money.

**8. Access to billions of pounds worth of government contracts**

British companies will now be able to bid for Australian government contracts worth around £10 billion per year on an equal footing with Australian companies. It is the most substantial level of access Australia has ever granted in a free trade agreement. UK businesses will have the legally guaranteed opportunity to bid for contracts in major infrastructure projects like railway constructions and road upgrades, as well as for financial and business services procured by Australian government bodies covered by the deal.

**9. Stronger cooperation on shared challenges**

The UK and Australia are close allies with a shared belief in fairness, free enterprise, and the rule of law. This deal builds on our deep relationship, which has been strengthened by recent partnerships such as AUKUS and the Clean Tech Partnership.

The deal will uphold high standards and foster collaboration on challenges like tackling climate change and unfair trading practices which undercut and harm our domestic industries. The deal creates new opportunities to grow the low-carbon economy, for example by cutting tariffs on UK exports of wind turbine blades and electric vehicles (previously 5%).

**10. A major step for UK trade in the Indo-Pacific**

Australia strongly supports UK membership of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), which would open up 11 markets worth £8.4 trillion GDP for British exporters and investors. Australia itself is projected to be a top 10 global economy by 2050. Early access to trading opportunities in this region will secure superior access for UK exporters to these growing markets, with two thirds of global middle-class consumers expected to be in Asia by 2030.

