

Call for evidence

UK-Australia trade negotiations inquiry

The House of Lords EU International Agreements Sub-Committee (IAC), chaired by Lord Goldsmith QC, has launched an inquiry into the ongoing UK-Australia trade negotiations towards a free trade agreement.

This is a public call for written evidence to be submitted to the Committee. The Committee's scrutiny of these negotiations will consider a wide range of issues, and we expect this call for evidence to remain open during the course of the negotiations, but **we would be grateful for submissions on one, some or all of the points set out below by Monday 21 September**, in the first instance.

A revised call for written evidence may be issued in due course, as negotiations progress, and all those who have previously made written submissions will be notified of this and invited to make an additional submission, if they wish.

When preparing your response, please bear in mind that short, concise submissions are preferred, and responses must not be any longer than six sides of A4. Bullet points are acceptable. You do not need to address every question below. Equally, if there are any crucial issues not captured by the questions we pose, please highlight what they are and explain their salience.

The process for making submissions is set out in Annex 1, but if you have any questions or require any adjustments to enable you to respond, please contact the staff of the Committee at HLIntlAgreements@parliament.uk.

Background

The Government has made agreeing a comprehensive free trade agreement ("FTA") with Australia an early priority. Australia was the UK's 11th largest non-EU trading partner and total trade between the two countries was worth £17bn in 2018. The first round of trade negotiations between the UK and Australia commenced on 29 June 2020.

The International Agreements Committee is responsible for scrutinising how the Government conducts international agreements, including trade treaties, and the final content of those agreements. A trade deal with Australia would be one of the first major trade agreements pursued by a post-Brexit UK. This inquiry will focus on the Government's aims and objectives, the progress of negotiations, and the possible impacts of a final deal for people and businesses across the UK. It is not yet known when the talks will conclude, but this inquiry will run for the duration of those talks.

Inquiry focus

The Committee is interested in submissions on any and all aspects of a new UK-Australia trade agreement, but the inquiry will focus at first on some key areas that have been raised as priority areas by the UK and Australia. In the first instance, the Committee is particularly seeking evidence on the impacts of a potential deal on the agriculture and food sectors, and on professional services.

Additionally, evidence is sought on the potential impacts of a trade deal on regions in the UK and how different areas, regions and nations across the country might either benefit from the deal or miss out.

The Sub-Committee seeks evidence on the following areas of interest, which are phrased as questions for the ease of respondents. **Submissions need not address all questions.**

Areas of interest

We welcome broad responses to general questions, as well as specific responses in relation to one or more of the key themes set out below.

1. Does the Department for International Trade (DIT)'s strategic approach, published on 17 June 2020, set out the right objectives for negotiations? How effectively does that strategic approach represent the interests of different groups and regions across the country, including the devolved nations, businesses, civil society, and individuals?
2. How reliable do you find the DIT's assessment of the potential impacts of the proposed agreement with Australia, either as set out in the strategic approach or elsewhere?
3. What are some of the major points of disagreement that have emerged in Australia's recent trade negotiations, for example with the EU, that the Committee should bear in mind when scrutinising UK-Australia negotiations?
4. The UK Government has expressed a strong interest in using a potential FTA with Australia as a key step to joining to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP). How might a trade deal with Australia help the UK to join the CPTPP and what benefits would there be in joining? More broadly, what effect could a UK-Australia trade deal have on the UK's future ability to negotiate deals with other countries?
5. How can the specific interests of the devolved nations of the UK be best protected as part of the negotiation of a UK-wide trade deal with Australia?
6. What are the costs and benefits of a UK-Australia trade deal to the various regions of the UK? We would be especially interested in detailed economic analyses on this point.
7. The Department for International Trade (DIT) has conducted a preliminary impact assessment that outlines the gross value added (GVA) of a UK-Australia trade deal on regions in the UK, as part of its negotiating objectives. How do you evaluate the economic analysis behind the DIT's the impact assessment? The impact assessment suggests that the trade deal could increase GVA in Scotland, the North East and North West of England, the West Midlands, the South East and London, in particular. It also indicates that under a scenario of greater liberalisation of UK tariffs in an FTA with Australia, Northern Ireland might experience a fall in output. How do you evaluate these assertions? We would be especially interested in detailed economic analyses on these points.
8. The new UK Global Tariff would maintain tariffs on agricultural products such as lamb and beef to protect UK industry. What provisions do you think the UK should seek to agree with Australia on tariffs for agricultural goods imports to the UK? What economic consequences might there be for farmers and the agriculture and food industries of a deal with Australia that diverged significantly from the new UK Global Tariff? We would be particularly interested in any detailed economic analyses on these points.

9. How might the UK agriculture and food industries approach any new competition that might arise from a trade deal with Australia? What opportunities are there for UK companies that might wish to export more to the Australia under a new deal? We would again be particularly interested in any economic analyses on these points.

10. What concessions will Australia be seeking regarding indicators of geographical origins on food and drinks, and how do you think the UK Government should respond? What are the likely effects on producers of new arrangements on indicators of geographical origins, in particular small- and medium-sized businesses?

11. How might UK businesses benefit from reductions in Australian tariff and non-tariff barriers for UK machinery and transport equipment exports, including automotive exports? What provisions do you think the UK should seek?

12. The UK Government has expressed interest in increasing opportunities for the UK professional services industry by supporting Mutual Recognition of Professional Qualifications and facilitating the temporary movement of business people between the UK and Australia. What provisions do you think the UK should seek to agree with Australia on the movement of people in professional services and what impacts might there be for UK workers and businesses? What provisions will Australia be seeking?

13. The UK Government stated in its negotiating objectives that it “will seek an ambitious agreement with Australia for financial services and will consider how to promote deeper co-operation on regulatory issues”. What opportunities are there for the UK financial services sector and what provisions do you think the UK should seek on financial services in an FTA with Australia?

14. How might negotiated digital trade provisions serve as enablers for businesses in the UK? What provisions would bring the most benefit and so should be the highest priority in this area?

ANNEX 1: GUIDANCE FOR SUBMISSIONS

We expect this call for evidence to remain open throughout the course of the UK-Australia negotiations, but **we would be grateful for submissions by close of play on 21 September**, in the first instance. A revised call for evidence may be issued as negotiations progress, and those who have already made written submissions will be notified of this and invited to make any additional submission, should they so wish.

For any questions, please contact the Committee staff at HLIntlAgreements@parliament.uk or by telephoning 020 7219 4840.

Short submissions are preferred. A submission longer than six pages should include a one-page summary.

Paragraphs should be numbered. All submissions made through the written submission form will be acknowledged automatically by email.

Evidence that is accepted by the Committee may be published online at any stage; when it is so published it becomes subject to parliamentary copyright and is protected by parliamentary privilege. Submissions that have been previously published will not be accepted as evidence.

Once you have received acknowledgement that the evidence has been accepted you will receive a further email, and at this point you may publicise or publish your evidence yourself.

In doing so you must indicate that it was prepared for the Committee, and you should be aware that your publication or re-publication of your evidence may not be protected by parliamentary privilege.

Personal contact details will be removed from evidence before publication but will be retained by the Committee Office and used for specific purposes relating to the Committee's work, for instance to seek additional information.

Substantive communications to the Committee about the inquiry should be addressed through the clerk of the Committee, whether or not they are intended to constitute formal evidence to the Committee.

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