

MEDIA RELEASE

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ChAFTA signing to make Australian business more competitive in China

After more than a decade of negotiations, the China Australia Free Trade Agreement (FTA) will be signed today in Canberra by Australian Trade and Investment Minister Andrew Robb and Chinese Minister of Commerce, GAO Hucheng, signalling an exciting new era in the Australia China relationship.

The agreement comes at an opportune time as China's economy shifts to consumption driven growth, driving demand for Australian premium products and services.

ACBC President John Brumby warmly welcomed the signing of the FTA which will help bolster Australian agribusiness, manufacturing, tourism, education, finance and professional services, with the potential to transform the Australia China economic relationship.

"This is a great development for Australia and can help take the Australia China relationship to the next level," Mr Brumby said.

"China's economic rebalancing is generating greater demand for consumer goods, premium products and professional services. Australian goods and services are recognised as being of a high quality, and ChAFTA will help reduce the barriers for Australian companies as they seek to enter an increasingly competitive market."

"Currently Australian companies face tariffs of up to 40% on exported goods to China. ChAFTA will ensure that Australian companies can compete on a level playing field with those countries holding existing FTAs and will give us a significant advantage over some of our largest competitors including the US, EU and Canada."

"Importantly the awarding of the "most favoured nation" status will ensure that Australia automatically receives the same treatment provided to any other country in the future."

As the premier business organisation in Australia promoting trade and investment between Australia and China, the ACBC has documented since 2009 the rising contribution to the average Australian household of trade and investment with China.

The ACBC's [2014 Australia-China Trade Report](#) highlighted that business eagerly anticipated the signing of ChAFTA, with more than two thirds of survey respondents expecting a direct benefit to their business. The report also showed that the benefit to Australian households of trade with China had increased five-fold from A\$3,400 in 2009 to A\$16,985 in 2013.

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