

National Press Club address, Canberra

- **Speech, check against delivery**

01 June 2023

I would like to start by acknowledging the Traditional Owners of the land we're meeting on today, and pay respect to Elders past and present.

There are almost too many people to acknowledge in this room, but I would like to give a special acknowledgement to Liana Myroshnychenko.

Liana and her husband, Ambassador Vasyl Myroshnychenko, have represented the people of Ukraine passionately and strongly here in Australia – and I want them to know that Ukraine's fight, is our fight.

It's been just over a year since the Albanese Labor Government took office, and exactly one year to the day since I had the honour of being sworn in as Special Minister of State, and Minister for Trade and Tourism.

When the Prime Minister Anthony Albanese asked me to take on these roles in his Cabinet, he was clear that his vision was long-term, was one of stability, and common-sense reform – after a decade of inaction and political uncertainty.

My mother always said that self-praise is no recommendation – but – with forty years of negotiating experience under my belt, I confidently committed to the Prime Minister that I would perform my duties as he expected.

Whether it be externally and internationally as Minister for Trade and Tourism, or internally and domestically as the Special Minister of State – it is my fervent belief that my role is to quietly pursue agreement and consensus, remaining solely focused on delivering an outcome, even if it means rejecting the media attention that may be second nature to any elected representative.

As Special Minister of State, a portfolio that may remain a mystery to many of you, I'm proudly working to improve transparency and integrity across our electoral system, delivering long-overdue workplace reform to the parliament, and most importantly for a life-long unionist – advocating for our staff.

As Minister for Trade and Tourism, I'm working to support industries still recovering from the uncertainty of the pandemic, negotiating new agreements for our producers and exporters around the world, and working to resolve outstanding impediments.

And it is this international work that will make up the majority of my comments to you here today.

Twelve months ago, things looked quite different – we inherited a raft of fractured relationships with key trading partners, and a decade of inaction saw us trailing the majority of the world.

Our politics was dominated – and often lead – by egotism, chest-beating, and bluster – not in the national interest, but to pursue short-term domestic attention.

But this government, led by the Prime Minister Anthony Albanese, was straight out of the blocks, getting to work to repair our reputation and move forward.

While we've seen good progress, we continue to operate in a challenging global environment.

Treasury predicts that global growth will slide from 3.4 per cent last year, back to 2.75 per cent this year, and globally inflation is proving more stubborn than previously anticipated, even a few months ago.

And as the war in Ukraine reminds us day by day, there are clear links between the strategic environment and the health of the global economy.

The economic impact of climate change continues to grow, and we cannot forget the industries still recovering from the pandemic.

Of course, none of that is news. We knew that we were facing a difficult operating environment well before we took office a year ago.

But more trade, not less, is a key part of how we build the secure and stable economic future we want.

Which is why we've worked so hard in the last year to advance our trade agenda, and to do everything in our power to bolster and support stable trade and investment flows.

It's why this government has spent the last year working to diversify our trading relationships.

To invest in Australian manufacturing, Australian innovation, and Australian skills.

To defend and reform global trade rules, to make sure the rules of the road can respond to contemporary challenges.

And to ensure that trade delivers for everyday Australians – through cheaper prices, improved competition, and a lower cost of living.

And it's why we're committed to free, fair and open trade, where the rules of the game are known and respected.

That's something that all trade and investment ministers across the nation agree on.

In April, I chaired the first face to face gathering of Commonwealth, State, and Territory Trade and Investment Ministers since 2019.

I convened this group to develop a united, coherent approach to advancing Australia's trade and investment priorities.

We are a Federation, and while international relationships affect us at individual levels, it is my job to ensure we are working in unison.

On balance, trade is a force for good. It is a key lever of the Australian economy.

Its benefits flow to all aspects of everyday life. More trade means more well-paying jobs, more national income, and more opportunities for business and workers

In an evolving and often challenging global environment, trade helps enable the economic strength and resilience that is central to our national power, alongside defence and diplomacy.

Our terms of trade are the best I've seen in my lifetime.

We've just recorded a \$15 billion trade surplus for the month of March.

A strong trade surplus means Australian exporters are doing well.

And when our exporters do well, so does our Budget.

Our decision to return 87 per cent of revenue upgrades, including from strong export earnings back to the Budget, helps us pay back the trillion dollars of debt we inherited from the Coalition.

And a stronger Budget bottom line helps pay for things like Medicare, jobseeker, and rent assistance – to improve the lives of all Australians.

Trade translates into jobs. One in four Australian jobs are connected to trade.

And jobs in exporting sectors like manufacturing, mining, agriculture, and international education boast incomes 43 per cent higher than non-export related jobs.

The pandemic restrictions have shown us clearly that the movement of people holds the same strategic and economic value as the movement of goods and services.

That's why in tourism – one of our largest services exports pre-COVID – we're supporting major events and visitors to return.

More than 350,000 businesses are directly involved in the tourism sector, with around a third of those in regional Australia.

We're seeing visitor numbers inch up as a whole.

Those visitors – whether they're students, skilled workers, or recreational tourists – are vital, especially in regional areas.

As of May, we've welcomed back almost 500,000 international students – that's an increase of more than 100 per cent since borders re-opened in December 2021.

Our international education sector represents our fourth largest export market, and just as we need to diversify our export markets to grow and protect our economy – so too our international education offering.

The post-COVID recovery of the aviation sector is helping bring new tourists to Australia via brand new routes – from New Delhi to Melbourne, Tokyo to Cairns; and San Francisco to Brisbane.

Over the years ahead, we know international trade, including our visitor economy, must continue to be a driver of Australian prosperity. And we're committed to sharing the benefits of that prosperity as widely through the community as possible.

One of our biggest priorities has been to work to stabilise our relationship with China – by far our largest trading partner.

We've been clear on our position with China from day one. We want a stable and prosperous trading relationship, and the full resumption of trade.

Since the day I took on the job as Australia's Trade and Tourism Minister, it has been the biggest test of our commitment to stability, to pursue discussion over dispute, and dialogue over bluster.

And we're making progress.

We've held a range of ministerial meetings, including the Prime Minister and the Chinese President in Bali last year, followed by the Foreign Minister and I both visiting Beijing in recent months.

During my trip to Beijing last month, I co-chaired the first in-person meeting between Australian and Chinese trade ministers since 2019.

I told my counterpart that we wanted to see all remaining trade impediments removed as soon as possible.

We agreed to step up dialogue under our existing free trade agreement and other platforms to resolve these outstanding issues.

It was welcome news, that shortly after my visit, China announced it would resume imports of Australian timber. That follows positive developments in coal, cotton, copper ores and concentrates.

And in Detroit last week, I had the opportunity to reinforce to my Chinese counterpart that we'd like to see that progress continue.

Our barley producers have done an excellent job finding alternative markets, but we want them to again have the choice of exporting to Chinese industry.

And, as I'm sure you know, we want to see our quality wines back on Chinese tables.

I've seen first-hand, the real human impact of the tariffs on wine – with neighbours leaving grapes to wilt on the vine, rather than suffer the uncertainty of the global market.

These trade impediments are not an academic notion – they affect real people, businesses with overheads, families with bills to pay, and workers reliant on the income.

I'd like to acknowledge the hard work and patience of industry, the Department of Foreign Affairs and Trade, Austrade, the Department of Agriculture, Forestry and Fisheries, and Embassy staff on the ground in China for their efforts to resolve the trade impediments – and maintain our presence on the world stage.

These issues won't be resolved overnight, but as I have been clear, it is my job to persist and persevere until we have a favourable outcome for our producers, exporters, and workers.

At the same time, overreliance on any single trading partner comes with risks.

Across the private sector, any business that relied on a single client, would be destined for failure, so too for global trading economies.

We've learnt valuable lessons over the last few years, and I encourage all Australian businesses to continue with their diversification plans – and take advantage of new and emerging markets.

Smart businesses are those who will continue spread their wings and diversify.

A key component of our trade diversification agenda is entering into new and comprehensive free trade agreements.

Those agreements mean that Australians can choose from more products at better prices.

Just yesterday, the Australia-UK Free Trade Agreement entered into force with 99 per cent of Australian goods now entering the UK, completely tariff free.

That means companies like Australia's iconic Capilano Honey, will now enter the UK market tariff free for the first time.

Founded by two brothers in Brisbane in 1953, Capilano now sources its 100 per cent pure Australian honey from over 800 beekeeping families, supporting local jobs, and ensuring it has the largest ongoing supply in the industry.

It means Australians buying a new Nissan – made in Sunderland in the UK – will save up to \$2,000 in import duties.

The same goes for the initial free trade agreement with India.

Reductions in tariffs mean that companies like Fletchers – Australia's largest exporter of sheep meat – can boost their premium exports to India's fast-growing middle class.

In fact, in the first five months of the free trade agreement with India coming into force, it is estimated Australian businesses have benefitted from lower tariffs on over \$10 billion worth in exports.

Negotiations are moving swiftly to boost our trade agreement with India, the fastest growing large economy in the world, with a market of 1.4 billion people.

We're deepening our engagement with Southeast Asia, including through our Southeast Asia Economic Strategy to 2040 which will be completed this year.

And, we're looking forward to signing the upgrade of the ASEAN-Australia-New Zealand FTA in August, to make sure it keeps delivering for Australian businesses, workers, and consumers.

But trade agreements aren't the only way to diversify trade and boost our trade.

The Government's export credit agency, Export Finance Australia, has helped business export to 72 countries in the past 12 months, supporting more than 9 billion dollars in contracts and projects.

And in 2024, we'll participate in the next World Expo in Osaka, Japan.

Japan is our second largest trading partner, and our exporters have built strong, trusted relationships in the country over many decades.

Our participation in Osaka will provide a platform for Australian businesses to deepen their existing business relationships and build new ones across sectors like clean energy and tourism.

All of the work with our trade partners in the last year, and what we've achieved in a challenging global economy, highlight what Australia brings to the international economy.

We are a trusted partner.

We are safe and reliable.

We keep our promises, and play by the rules.

And we'll keep working with our trade partners to keep our international system fair and open.

Days after I was sworn in as the Minister for Trade, I was joined by Assistant Minister Tim Ayres to represent Australia at the Twelfth World Trade Organization Ministerial Conference.

This was a conference that many thought would not yield outcomes, but we participated fully, and agreed to end harmful fisheries subsidies by working closely with our Pacific Island partners, and a path forward on WTO reform, including addressing the dispute settlement system, which is currently not working as it should.

We're an island nation. We need organisations like the WTO to be functional.

WTO rules underpin the global trading system, a system that is absolutely fundamental to Australia's prosperity and security. A system vital to our region's economic progress and stability.

One major challenge, as we all know, is the global issue of climate change – and how we move towards net zero.

The Albanese Government's strong action on climate change has finally put us back in step with the rest of the world.

In almost every meeting I have had with international colleagues, there has been an audible sigh of relief that there has been a change in direction when it comes to action on climate change.

We've legislated our net zero targets.

And we're considering the economic impacts of climate change in all our trade agreement negotiations.

As we look to the future, Australia has opportunities to seize.

And this government is making sure we're in the best position to take advantage of these opportunities.

We want to be a renewable energy superpower, and we will.

We're already working with key partners to support the trade and investment required to realise our ambition.

Last year I signed the world first Green Economy Agreement with Singapore a key bilateral and regional partner to ensure we work together to transition our economies to net zero.

Australia is the world's number one producer of lithium and titanium, and a top 5 producer of cobalt and rare earths.

These critical minerals are needed to power the batteries, electric vehicles, solar panels, and wind turbines the world needs to transition to net zero.

An example is Neoen, a leading French independent producer of renewable energy and major player on the world stage.

Neoen has invested \$3 billion in Australian renewables, including large scale wind farms, solar farms and battery storage facilities like Jamestown in South Australia and the Victorian Big Battery.

Australia needs investment not only for extraction, but also to boost processing and production.

For Australians, that means more jobs in a rapidly growing renewable energy industry, and cheaper energy prices.

For the world, it means clean energy from a trusted, reliable source.

Australia is a safe and stable investment destination, we are committed to remaining a reliable and trusted supplier of energy to our trading partners, and to supporting them through the energy transition.

Last week I was in Detroit for the Indo-Pacific Economic Framework negotiations, where the 14 participating member countries announced a significant new trade agreement on supply chains.

This will enable us to work with partners from across the Indo-Pacific – who represent more than 40 per cent of global GDP – and make us more resilient against the kind of disruptions and shortages we've seen as a result of COVID and other global developments.

We're still in negotiations with the European Union for a comprehensive free trade agreement.

It's a huge market: 450 million people and a GDP of around 24 trillion dollars.

That's why a trade deal with the EU is such a top priority for this government.

Put simply, it means growth, investment, jobs, and higher wages.

It's a complex negotiation, and I can tell you today, that I'm travelling to Brussels next week to again sit down face-to-face with the EU Trade Commissioner, and find a way through.

I've made it clear, that Australia will not sign a deal for the sake of it.

We will not sign a deal unless it is in our national interest, and includes new, substantial market access for our quality products.

Again, this will require calm persistence, continued dialogue, and a willingness to compromise and find common ground.

Our producers, exporters, and workers, deserve the best deal that we can negotiate – and we will persist, even if it means the negotiations extend beyond mid-year, the timeframe we set ourselves.

Negotiations will continue to be tough, but an outcome must be fair.

That concept – fairness – is a key thread that runs through our approach to trade. We believe that the benefits of increased trade must be shared across the Australian community.

Ultimately, we believe that trade is a force for good – for every Australian.

And so, we will continue to be the government of free, fair and open trade.

And I, not one to break with tradition, will continue to quietly persist and persevere for the best outcomes for Australia across the world.

Thank you.

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