



PARLIAMENT OF AUSTRALIA

Joint Standing Committee on Foreign Affairs, Defence and Trade
Trade Sub-Committee

Chair: Hon Bruce Baird MP
Deputy: Hon Warren Snowdon MP

MEDIA RELEASE

Issued: 12 September
2007

FTA with Mexico needed

The benefits of a Free Trade Agreement (FTA) with Mexico are outlined in a new report by the Joint Standing Committee on Foreign Affairs, Defence and Trade released today. The report's main focus was on the Australia- Mexico trade relationship.

The report, *'Australia's Trade with Mexico and the Region'*, states that it is an FTA between Mexico and Australia that would have the biggest positive impact on trade and investment between the two countries.

The report recommended that the Australian Government move forward with a high quality, comprehensive FTA with Mexico.

Committee Chair, Hon Bruce Baird MP, stated that:

"Despite the challenges of distance, poor transport links, language and cultural differences and unfamiliar business environments, there is significant and unbridled potential within the Australia-Mexico trade relationship. As such it became clear to the committee that a Free Trade Agreement (FTA) with Mexico is a highly desirable outcome to the Australian and Mexican governments' quest to progress and strengthen this relationship."

"When compared with products from countries such as the United States with low or zero tariffs Australian suffer a competitive disadvantage because tariff rates are commonly at 50 per cent. An FTA would go a long way to addressing this problem." Mr Baird said.

The report also recommended that:

- More resources be provided to Australian Government representatives in Mexico for promotional activities.
- There be a reactivation of scientific and technological cooperation with Mexico

The Committee said that during the course of the inquiry it received 14 submissions and held 4 public hearings. Members of the Committee also travelled to Mexico.

For media comment, please contact the Committee Chair, Hon Bruce Baird (Member for Cook, NSW), on (02) 6277 4814 (Parliament House).

For all other inquiries, please contact the Trade Sub-Committee Secretary by phone on (02) 6277 4628, via email at jscfadt@aph.gov.au or visit the inquiry website at: <http://www.aph.gov.au/house/committee/jfadt/mexico/index.htm>