

# **UK-Australia trade agreement 'fantastic success story' say Welsh Tories but concerns over impact on producers**

A free trade deal with Australia has been welcomed as a "fantastic success story" by Welsh Tories but concerns have been raised over the impact on farmers and other food producers.

UK Government estimates the deal would unlock £10.4bn of additional trade while ending tariffs on all UK exports.

However, farming groups have expressed concern that they could be undercut by cheap imports.

Welsh Government Economy Minister Vaughan Gething said the deal could bring potential benefits to Wales.

But he added: "Whilst there may be benefits in the deal for Wales, particularly in the area of services and mobility, I was clear during the negotiations that any trade deal must not disadvantage Welsh producers or compromise the high quality standards that are so important to us in Wales."



Vaughan Gething

“This is particularly important for our agriculture sector who adhere to high environmental and animal welfare regulations and we continue to have significant concerns around the increased market access included in this agreement, the impact this may have on our producers and the precedent it may set for future deals.

“I am disappointed that my views on this element of the deal appear to have not been taken on board. My officials and I made this point very clear to UK Government during negotiations.”

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The value of goods trade between Australia and Wales in the year ending June 2021 amounted to £186.6m, with Australia being Wales' 20<sup>th</sup> largest goods export market and 42<sup>nd</sup> largest goods import market.

Latest services trade data for 2019 estimate services exports to Australia were valued at around £181m, whilst imports of services from Australia were valued at around £53m.

Welsh Conservative Shadow Minister for the Economy, Paul Davies MS, said: "This deal between the UK and Australia is a fantastic success story and will help our economy as we bounce back from the challenges of the pandemic."



Paul Davies

(Image: Welsh Conservatives)

“This historic agreement will bring a boost to our economy and increase wages for workers across the country, helping us to level up every corner of our nation. Important sectors in Wales, such as manufacturing and communications, are expected to grow considerably as a result.

“Not only will the deal boost our economy, but it will also remove visa conditions for Australia, giving young people across Wales the opportunity to work and travel in the country for up to three years at a time.

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“This new deal just goes to show what Britain can achieve as an independent trading nation treading our own path and forging new relationships.”

But Welsh Liberal Democrat Leader Jane Dodds said: “This trade deal fails to protect our farmers in the long-term.



Welsh Liberal Democrat leader Jane Dodds  
(Image: Getty Images)

“The Conservatives make promises of transitions, but all that means is delaying the inevitable – our farming communities being undermined by imported food that is produced to lower standards of animal welfare and environmental protection.

“The Welsh Liberal Democrats back Welsh farmers, we’re calling on the government to back Tim Farron’s [bill](#) in the UK Parliament that would force the Government to publish the impact assessments of this deal on Wales and to give Parliament the final say.”

NFU Cymru President John Davies said: “NFU Cymru expressed its concerns about the free trade agreement in principle between the UK and Australia back in the summer and it now appears that those fears have been realised.

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“We will, of course, analyse the detail in full but on the face of it, there do not seem to be any tangible benefits that will deliver for Wales’ family farms

“In particular, it is disappointing that the UK Government has succumbed to Australian demands to time-limit any safeguards for sensitive sectors. Despite assurances that these sectors would be afforded some level of protection, the final agreement confirms full liberalisation of dairy after just six years, while protection for beef and lamb will cease after 15 years.

“Welsh farmers will be just as concerned that the UK

Government has agreed to beef and lamb quotas which will favour imports of high-value cuts, despite this being the end of the market where our farmers tend to derive any value from their hard work. This particular detail is likely to be of significance in Wales where we have such a high proportion of family beef and/or sheep enterprises.”

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CBI President Lord Karan Bilimoria, said: “The signing of the UK-Australia trade deal has opened up new frontiers for British businesses. This agreement sets the bar high, with a complete elimination of tariffs that will boost UK exports, improving the ability for those in business and our young talent to move across borders and the first ever innovation chapter that will give the UK a leading role in shaping future digital standards.

“This is a future proofed, truly comprehensive and modern agreement, that plays to Britain’s economic strengths and competitiveness.

“The CBI and its members have been spearheading the business voice in these negotiations. Now is the time for British businesses to realise these new opportunities.”

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