



HOUSE OF COMMONS

LONDON SW1A 0AA

24th January 2021

New Content,

RE: CANZUK

Thank you for your recent correspondence in respect of the CANZUK movement; your comments about which I have read with interest.

Leaving the European Union has provided us with the opportunity to develop an independent trade policy for the first time in over forty years. This involves strengthening our already considerable trade and investment ties with like-minded countries such as Australia, New Zealand and Canada.

I am very pleased that the Government intends to negotiate ambitious new free trade agreements with both Australia and New Zealand. The UK shares a Head of State, a language, a common law system and a common set of values with Australia and New Zealand, as well as strong people-to-people links. Like the UK, Australia and New Zealand are members of the 'Five Eyes' intelligence alliance and the Five Power Defence Arrangement. Department for International Trade (DIT) research also indicates strong public support for free trade agreements with Australia and New Zealand.

The UK, Australia and New Zealand are important economic partners too. UK businesses traded £21 billion worth of goods and services in total with both countries in 2019 and analysis by the DIT shows that the value of UK exports to Australia and New Zealand could rise by approximately £1 billion through new trade deals. Among others, drinks companies, the automotive industry and professional services firms are expected to benefit from the removal of barriers to trade with Australia and New Zealand.

I further welcome that the Government has confirmed its intention to pursue accession to the Comprehensive & Progressive Agreement for Trans-Pacific Partnership (CPTPP). Canada, New Zealand and Australia are CPTPP signatories. It is encouraging that all CPTPP members have welcomed the UK's interest in accession.

I am pleased the Government has said that through new free trade agreements with Australia and New Zealand it will aim to increase opportunities for service suppliers and investors to operate in both these countries and also the UK, by enhancing opportunities for businesspeople and supporting further Mutual Recognition of Professional Qualifications (MRPQ), whilst maintaining the UK's high professional standards. Indeed, the Government's outline approach to negotiations with both Australia and New Zealand notes that facilitating temporary movement of businesspeople is important for promoting cross-border trade in professional services between the UK and Australia and New Zealand.



Finally, I understand your concern about Chinese tariffs on Australian goods. WTO rules unfortunately mean that the UK can't offer preferential treatment to one country without a trade deal. However, the UK is committed to strengthening ties with Australia and other Pacific nations. That is why the Government is currently negotiating an FTA with Australia. This will bolster trade between our two countries and is an important stepping stone for us in joining CPTPP.

Once again, thank you for having taken the time to contact me and if I can ever be of any further assistance to you then please do not hesitate to contact me again.

*With best wishes,
Tom*

**TOM PURSGLOVE MP
MEMBER OF PARLIAMENT
CORBY & EAST NORTHAMPTONSHIRE**