



MEDIA RELEASE

DR CRAIG EMERSON

Minister for Trade

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Australia welcomes Indian decision on a Free Trade Agreement

Craig Emerson, the Minister for Trade, has welcomed a decision by the Indian Government to launch negotiations for a Free Trade Agreement (FTA) with Australia.

“India is an enormous, rapidly expanding market for Australian businesses and negotiations for a high-quality trade deal are central to the Gillard Government’s wider plans for greater economic integration between our two countries,” Dr Emerson said.

“That India has now formally agreed to begin the negotiation process is a milestone in the Australia-India relationship.”

Dr Emerson highlighted the growth in recent years of Australian commodity exports to India, as well as the importance of education exports, recent increases in investment flows in both directions and the decision to convene a Chief Executive Officer (CEO) Forum.

These moves towards greater economic integration are part of the wider economic objectives set by the countries’ Prime Ministers in the Australia-India Strategic Partnership of November 2009.

Dr Emerson underlined the importance of achieving a high-quality, truly-liberalising trade deal with India that supports the multilateral trading system.

“Such a deal would broaden the base of merchandise trade, remove barriers to services trade, facilitate and encourage investment and address behind-the-border obstacles to trade,” Dr Emerson said.

India, with a population of 1.2 billion and an average economic growth rate during the 2000s of 7 per cent per annum, is already Australia’s third-largest export market.

In 2009-10, Australia exported \$19.8 billion worth of goods and services to India. Merchandise exports were valued at \$16.2 billion; those exports have grown by an average of 22 per cent a year during the past four years. Education exports to India in 2009-10 were \$3.1 billion.

Dr Emerson is due to meet Dr Anand Sharma, his Indian counterpart, at the Joint Ministerial Commission scheduled for 12 May in Canberra. He will use the occasion to discuss the launch of FTA negotiations, as well as other bilateral trade and economic matters.

Dr Emerson noted that, as is standard practice, the Australian government would move to determine negotiating objectives and a negotiating mandate for the FTA.

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